The First Land Sales

Paradoxical as it may seem, the first so-called land sales in Iowa were, indeed, not land sales at all. "Squatters" came into the Iowa country before land titles were available. They occupied the land by virtue of "squatter sovereignty", improved their claims, and transferred their interests in them to others. Thus the negotiations were, in fact, sales of improvements and acquired rights. The title to the land remained in the national government.

Prior to the fall of 1838 town lots in Burlington, Dubuque, and other places were claimed, and the land for several miles around was occupied by settlers, most of whom had fields under cultivation. Houses were built and commercial interests were developed, and yet not an acre of farming land or a single town lot was owned in fee simple by any individual. One of the squatters, in characteristic frontier fashion, said, "We 'poor devils' did not own a foot of land."

Notwithstanding this fact, a provisional system of real estate transfer had been established. Conveyances were made by a form of quit-claim deed — sometimes called "squatters' title" — and rec-

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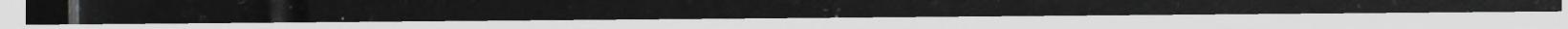
ords were kept of the transfer made. The holder of the provisional title, it was understood, would eventually be allowed to purchase the legal title from the government and thereby acquire full and complete ownership.

Squatters, pioneers, and old settlers are words that have a similar connotation, yet there was a difference in their meaning. Squatters came before land titles were available. They occupied the land and later acquired title. The term pioneer is broader and more comprehensive in meaning. The pioneer might have been an original claimant or he might have acquired title through another person. He might have possessed the land and later obtained the title, or he might have had at least a color of title before taking possession. Old settlers include not only squatters and pioneers, but any citizen who remained in a community for a long period of years. Squatters clubs and claim associations enforced the provisional land titles before the government sales. Membership in these organizations was not limited to squatters alone, but was open to all settlers in possession of land to which they claimed title. All were pledged to protect the claims of others, and they did it effectively through a coöperative plan that made "claim jumping" a serious offense.

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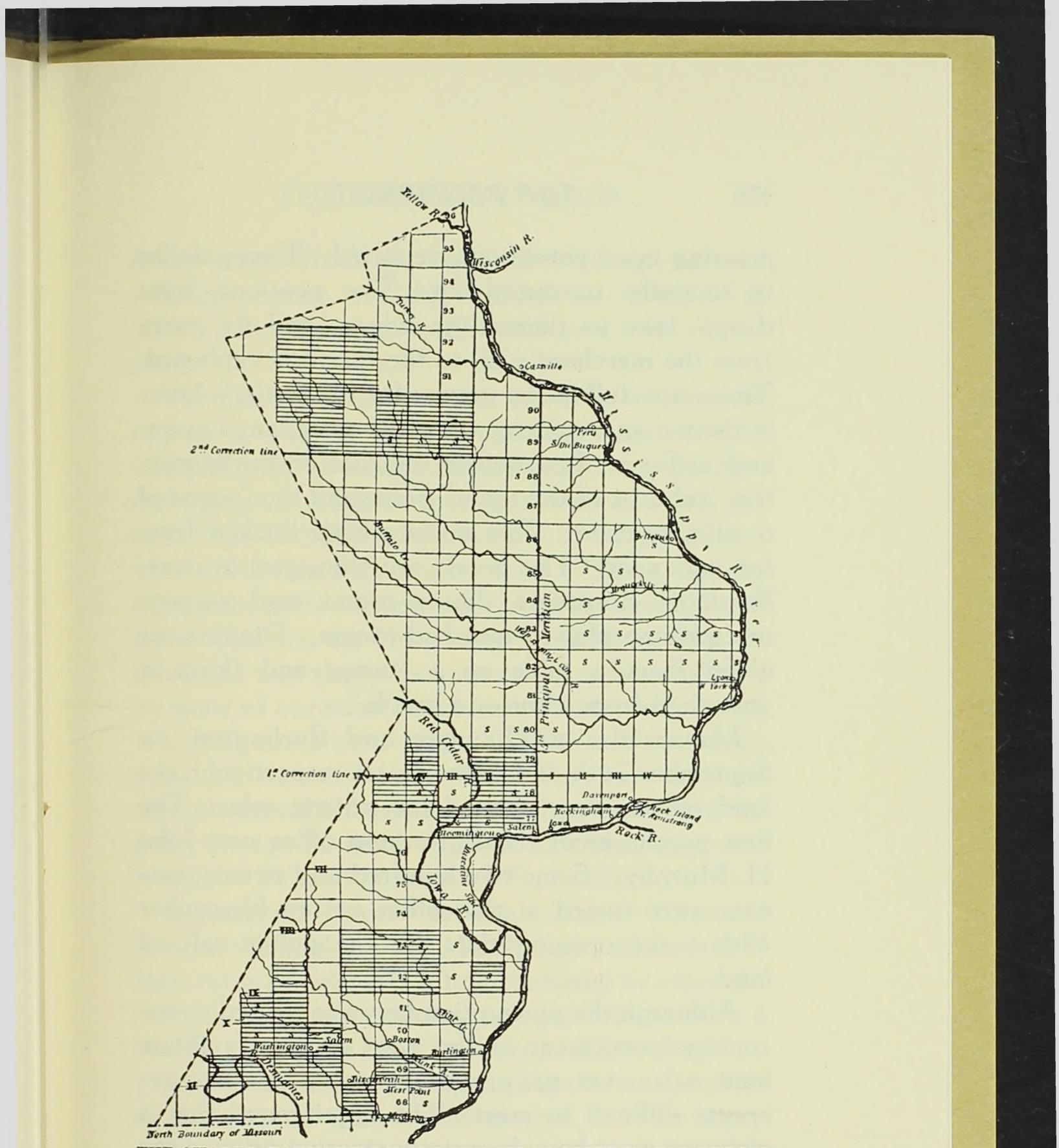
To facilitate land sales, Congress, on June 12, 1838 — the same day on which Iowa was made a separate Territory — established two land offices in the Iowa country. One of these was at Burlington, the other at Dubuque. President Martin Van Buren appointed Joseph H. Worthington, Register and Thomas McKnight, Receiver for the Dubuque office; and Augustus C. Dodge, Register and Ver Planck Van Antwerp, Receiver for the Burlington office. Worthington resigned before the first sales and was succeeded by B. Rush Petrikin. McKnight and Petrikin were both prominent attorneys in Dubuque. Van Antwerp, who came to Burlington from Terre Haute, Indiana, was also an attorney, "but deserted that field for that of politics". Augustus C. Dodge, the son of Governor Henry Dodge, was later Delegate to Congress and United States Senator. For more than a year before the establishment of the land offices, there had been agitation for a preëmption law by which land titles in the Iowa country might be legally acquired by the settlers. In response to this demand, Congress, on June 22, 1838, passed a measure providing that any "actual settler" on public lands, who was the head of a family or was twenty-one years of age, and who was in possession of the land at the time of the passage of the law and had been "a personal resi-



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dent thereon" for a period of four months prior to that date, might privately purchase from the government not to exceed 160 acres at the minimum price. After 1840 the maximum acreage was increased to a half section.

President Van Buren proclaimed, on July 10, 1838, that public land sales would be held at the land office in Dubuque, beginning on November 5, 1838, and at the office in Burlington, beginning on November 19th. In this proclamation he designated, by number, twenty-five townships or fractional townships which would be sold at the office in Burlington, and twenty-three townships which would be sold at the Dubuque office. A glance at the map of this area reveals the fact that the townships designated for public sale were in the newer, sparcely populated, and less improved areas. Land in the more densely populated sections, around Burlington and Dubuque, were not subject to public sale, but might be bought privately by the settlers in possession, through the land office in their respective district. The order of the President was not popular with the settlers. They wanted more time. Throughout the summer and early autumn claimants adjusted boundary lines and prepared to prove their claims and pay for their land patents at the designated dates. John B. Newhall, com-



THE SHADED TOWNSHIPS WERE THE FIRST OFFERED FOR PUBLIC SALE IN IOWA. THOSE NORTH OF THE BROKEN LINE RUNNING WEST FROM ROCK ISLAND WERE SOLD AT DUBUQUE, THOSE SOUTH OF THE LINE AT BURLINGTON.



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menting upon conditions, reported, "Every dollar is sacredly treasured up. The precious 'mint drops' take to themselves wings, and fly away from the merchant's till to the farmer's cupboard. Times are dull in the towns; for the settler's home is dearer and *sweeter* than the merchant's sugar and coffee". Just before the sale at Burlington, the "suburbs of the town" presented the "scene of a military camp. The settlers have flocked from far and near. The hotels are thronged to overflowing. Barrooms, dining rooms, and wagons are metamorphosed into bed rooms. Dinners are eaten from a table or a stump; and thirst is quenched from a bar or a brook."

Meanwhile, at Dubuque and Burlington, on September 24th and October 1st respectively, the land offices were opened for private sales. The first purchaser at the Burlington office was John H. Murphy. Some two hundred and twenty patents were issued at that office before November 19th — the opening date for the public sale of land.

Although the preëmption law was passed to encourage settlement in the west and to facilitate land sales, yet its provisions were in some respects difficult to meet. The requirement that a claimant must have been in possession prior to the passage of the law disqualified newcomers. In

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other cases buildings had been erected on one quarter section and land tilled on another, in which case adjustments of boundaries were necessary.

The most difficult situation arose, however, with regard to obtaining the proper kind and a sufficient amount of money to pay cash for a government patent. Interest rates in excess of seven per cent were forbidden by law, but in reality money was worth much more than that. "The great cry at present is for money", declared the Iowa Territorial Gazette, on November 3, 1838. "We are informed that thirty-five per cent has been offered by some of our substantial farmers for money with which to enter their lands. What a commentary upon our usury laws!" The effect was to make capital unavailable because lenders could not legally charge as much interest as the money was worth. "What injustice! What folly!" Speculators from eastern States clustered around the land offices to lend money to settlers at high rates of interest. They promised to enter the lands in their own names and give the settlers a bond to deed the land to them at the end of two years — the settler paying perhaps twice the price of the original entry. This seemed to be an imposition upon the settlers but in some instances it was the only alternative to losing a claim that was



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worth the additional cost. It also circumvented the usury law. One such speculator — Richard F. Barrett of Springfield, Illinois — loaned \$100,000, which he had borrowed from the State Bank of Illinois. The bank later failed and Barrett lost a fortune when his debtors paid with paper issued by the bank, which cost them only fifty cents on the dollar.

Difficulties sometimes arose from the requirement of the land office that money received for land be deposited in the Bank of Missouri at Saint Louis. This bank would accept only gold, silver, United States treasury notes, bank notes of its own issue or those issued by the Bank of Illinois or the Bank of Mineral Point, Wisconsin. Difficult as it was to obtain money, it was even more difficult to get issues from the banks designated. After going all the way to New York and paying a high premium to be certain that he would have enough "land office money", one settler found that his New York bank notes were not acceptable and he had to pay another premium of twelve and a half per cent to get the right kind of currency.

Notwithstanding the difficulties accompanying the land sales, many purchases were made. The *Iowa News* reported that during the first four days of the public land sales the Dubuque office received \$30,000 in payment for lands. At Burl-

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ington there had been no bidding against settlers, and it was believed that this would be "the best sale in the United States". More than \$300,000 were received there within three months.

Before the public sale, the settlers in the townships concerned planned to protect themselves against speculators. They usually selected one of their number as the official bidder who was responsible for buying each piece of claimed land as it was offered for sale. According to a contemporary description, "The sale being announced from the land office, the township bidder stands nearby with the registry book in hand, and each settler's name attached to his respective quarter or halfsection, and thus he bids off in the name of the whole township for each respective claimant. A thousand settlers are standing by, eagerly listening when their quarter shall be called off. The crier has passed the well known numbers. His home is secure. He feels relieved. The litigation of 'claim-jumping' is over forever. He is lord of the soil. With an independent step he walks into the land-office, opens the timeworn saddle-bags, and counts out the 200 or 400 dollars, silver and gold, takes his certificate from the general government, and goes his way rejoicing."

J. A. Swisher

