North American Land and Timber Company Limited - Some Notes on its Beginnings

Wayne Delavan
Arkansas Tech University

Follow this and additional works at: http://scholarworks.uark.edu/jaas
Part of the Agronomy and Crop Sciences Commons, Horticulture Commons, and the United States History Commons

Recommended Citation
Available at: http://scholarworks.uark.edu/jaas/vol17/iss1/14

This article is available for use under the Creative Commons license: Attribution-NoDerivatives 4.0 International (CC BY-ND 4.0). Users are able to read, download, copy, print, distribute, search, link to the full texts of these articles, or use them for any other lawful purpose, without asking prior permission from the publisher or the author.
This Article is brought to you for free and open access by ScholarWorks@UARK. It has been accepted for inclusion in Journal of the Arkansas Academy of Science by an authorized editor of ScholarWorks@UARK. For more information, please contact scholar@uark.edu, ccmiddle@uark.edu.
Both C. Van Woodward and Samuel P. Hays consider the North American Land and Timber Company, Limited, as the major southern colonizer of its time and as being responsible for the rise of Louisiana as the major rice producing state within a few years. Rice production on upland prairies allowed the use of machinery adapted from wheat growing thereby increasing ten to twenty times the yield per man.1

The man responsible for the North American Land and Timber Co. was Jabez Bunting Watkins of Lawrence, Kansas, a farm mortgage broker. Watkins started in the farm mortgage business soon after receiving a law degree from the University of Michigan in 1869. By 1873 he shifted his business to Lawrence, Kansas. By 1876 he opened a branch office in New York. The New York manager, Henry Dickinson, who had contacts for many years with British business interests, pushed for investment funds in Great Britain. Watkins visited England in 1878 for several months and established a branch office in London with H. G. Chalkley as his agent. Watkins had been forced, largely because of drought and the sharp competition of too many mortgage brokers, to restrict his lending for the most part to eastern Kansas and western Missouri, withdrawing from Minnesota, the Dakotas, Iowa, Nebraska, and western Kansas.2 Because of this competition, Watkins wanted newer territory and sent Miles Dart, an employee of long standing, to investigate Texas in the fall of 1881. Watkins used the utmost secrecy in this move to enable him "to take up the cream of the business" which resulted in his branch office being opened in Dallas, Texas, a comparatively new field for the loaning business, had a reputation for being a Wild West, and reconstruction disorders had frighten eastern people with

---

1C. Van Woodward, Origins of the New South, 1877-1913 (Baton Rouge, 1951), pp. 119-120.

2For a fuller report on the mortgage brokerage business, see Allan G. Bogue, Money at Interest, the Farm Mortgage on the Middle Border (Ithaca, 1955), pp. 79-204.
money to lend. J. B. Watkins was prepared to build confidence in Texas, its soil, crops, business, resources, and people as he did earlier in Kansas and later in Louisiana in order to encourage loans for development.

Watkins, who grew up in Pennsylvania and went to law school in Michigan, knew the timber in those two states. The census of 1880 convinced him that a large block of virgin timber needed to be developed to meet demands. With this in mind, he visited Texas in March, 1882, looking at timber and saw mills, and gathering information.

This and other visits by Watkins, Miles J. Dart, his Dallas manager, and other employees continued to gather information on timber lands of Arkansas, Louisiana, Mississippi, Georgia, Alabama, Virginia, Florida, South Carolina, and North Carolina. Reports were sent to the London office for Watkins concerning laws about alien land ownership, taxes, and transportation facilities. Chalkley, the London manager, had sent out a circular on the pine land scheme in April, 1882. Watkins left for England in late May and returned to the United States in late September, 1882. British investors were putting money into the new scheme that summer. Three members of the House of Commons were in the organization of the new project. Watkins left Lawrence in early October for an extended trip to Dallas and the South in relation to the new project. Evidently Southwest Louisiana had been selected but references to the locality were to be avoided.

---

a J. B. Watkins to Henry Dickinson, N. Y., Dec. 5, 1881 (J. B. Watkins Collection, Library of University of Kansas.) Manuscript references will be in this collection for the entire paper.
T. H. Rudiger to M. J. Dart, Dallas, March 24, 1882.
b J. B. Watkins to Lawrence office, March 27, and May 10, 1882.
Miles Dart to J. B. Watkins, June 28, 30, July 17, 31, and August 10, 1882.
Miles Dart to H. J. Putnam, May 15, May 20 (2 letters of same date)
July 7, 1882.
Miles Dart to Registrar, State Land Office, Baton Rouge, La., Dec. 22, 1882.
Miles Dart to Secretary of State, New Orleans, Louisiana, June 23, 1882.
c J. B. Watkins to Lawrence office, June 14, 1882.
Henry Dickinson to M. J. Dart, Dallas, June 17, 1882.
e H. G. Chalkley to Lawrence office, July 7, August 21, Sept. 29, 1882.
f J. B. Watkins to Lawrence office, July 14, 1882.
g Lawrence office to New York office, Oct. 11, 1882.
A John Hayes, an engineer with much experience in Latin America, came from London to New York to visit Watkins and Dart in New Orleans on a trip west, but business in Mexico City took him there first and then back to New Orleans. He left New York on December 7, 1882, but delays and Watkins’ sickness while in Cincinnati in November and December kept them from Lake Charles, Louisiana, and Beaumont, Texas, until January. Hayes was to inspect for the new North American Land and Timber Co., Ltd. New circulars on the company were sent out and funds received. In October the registration fee for the company which had been chartered in September had been paid Chalkley in London. Watkins wrote that “It is the vast amount of land that is striking to Englishmen more than money.” H. R. Brand, M. P., was chairman of the new company which used the Watkins London office as its address. Watkins was buying shares in the North American Land and Timber Company at 10 pounds each.

Many patrons in England apparently were transferring funds from the J. B. Watkins Land Mortgage Company to the North American Land and Timber Company. Watkins opened the Watkins Banking Company, a private bank, in Lake Charles, Louisiana, in order to handle more conveniently his financial matters there.

Some of the investors had relatives for whom they wanted positions with the company in Louisiana. Watkins wrote to his London manager and secretary of the Company, “You people on that side may think it somewhat strange that very few, if any, of the persons who have come over here and gone into the employ of the Company have given satisfaction. I have sometimes thought that some of you may conclude that we are prejudiced against Englishmen; but it is a fact that those who have come over so far are almost absolutely worthless, and, as a general thing, are drunken, unreliable charac-
North American Land and Timber Company

Watkins wrote that anti-alien land laws such as those passed by Illinois, Minnesota, and Wisconsin were "the natural result of the misuse of our land and our poor settlers by foreign ranch owners. No such sentiment will grow up in Louisiana so long as we act towards the people there as we have." He pointed out that the action of Congress in 1887 prohibiting foreign corporations from acquiring and holding land was not to apply to land purchased prior to the act and did not apply, therefore, to the North American Land and Timber Company.\(^\text{18}\)

Watkins had found it good business as well as good advertising for prospective investors to visit Kansas at Watkins' expense.\(^\text{19}\) He tried successfully to get editors as well as prospective settlers to come to Southwest Louisiana.\(^\text{20}\) Watkins planned to sell some lands in a checkerboard pattern (a quarter section out of each section), give land for roads, etc., in order to improve value of lands remaining in the hands of the Company and to give return on its investment. The demonstration work at Lake Charles was in the hands of his brother-in-law, Professor Alexander Thomson, of Iowa State Agricultural College and of Seaman Knapp, president of that college, who were lured by salary and the imagination of Watkins' enterprise. These men built barges and plow boats for a demonstration of a system of gridiron canals dug by steam dredge to allow plowing, sowing, and harvesting of rice by plowboats and cables. Knapp was in charge of prairie land development where the Arcadian method of rice growing was expanded by use of wheat machinery to large scale production. Land was sold unimproved to settlers; buildings as well as other improvements were to be demonstrations. It was found that home-seekers became discouraged if they talked to natives first instead of seeing actual demonstration farming in action. Seaman Knapp was later to use his experience here and in Iowa to carry on demonstration farming in Mississippi and Texas and for the United States Department of Agriculture that blossomed into the county farm agent of the extension service. He was to found the Rice Association of America and the Rice

\(^{18}\)J. B. Watkins to H. G. Chalkley, Dec. 6, 1887.
\(^{19}\)J. B. Watkins to M. B. Lowrie, Lake City, Mich., Dec. 16, 1887.
Henry Dickinson to Charles Thompson, Manchester, Eng., Nov. 28, 1877.
Henry Dickinson to J. B. Watkins, January 22, Feb. 14, April 11, 1885.
Journal and Gulf Coast Farmer. Too, he and his family kept substantial business interests in southwest Louisiana. One can get some idea of the impression on the Arcadian natives by a quotation from a letter of Watkins in December, 1883: "I now have my machinery nearly through the Custom House * * * for Lake Charles. The machinery from England is over 75 tons. From Chicago about 30 tons. All 105 tons will go west about the same time, ten car loads. We are going to surprise the natives. 16 plows. We have gang [that] will turn 50 acres per day." 

The New York American was purchased in 1887 to promote the Louisiana project. Both New York and Lake Charles editions were published. Later because of mismanagement, the paper was moved to Lake Charles in 1888 to become the Lake Charles American, an advertising organ of the Watkins enterprises and a family periodical. It had proved too difficult to operate and to manage in New York, a true case of the tail wagging the dog.

---

For further information on Seaman A. Knapp see Joseph Cannon Baily, Seaman A. Knapp, Schoolmaster of American Agriculture (N. Y., 1945.)
J. B. Watkins to Watkins Banking Co., Lake Charles, June 29, July 6, 1891.
J. B. Watkins to The American, Lake Charles, June 20, 1891.
J. B. Watkins to Bruce Robinson, Columbus, Kans., Jan. 14, 1887.
Much promotion work was in rice, oranges, figs, sugar cane, sheep, and cattle. A railroad exhibition car of Louisiana products was sent on tour in the North Central states. The Calcasieu Sugar Company, another English company, was organized in 1891 and operated at a plant costing $150,000 two miles out of Lake Charles on a thirty-acre site to encourage sugar cane growing. Watkins had planned this as far back as 1883, as a possible addition to his Lawrence Canning Company in Kansas.\(^24\) Yellow fever and malaria tended to delay settlement. One project of Watkins was the Telegraph Medicine Company with offices at Lake Charles to manufacture an anti-malaria medicine. This was manufactured and sold at least during 1887 and 1888 and was advertised in every southern state. Nearly every paper in Texas, for example, carried its advertisement.\(^25\)

Much pressure over the years was exerted in Washington, in the North and in the West to bring about dredging and other improvements by the Army Engineers at the Calcasieu Pass, the Calcasieu River, and Lake Calcasieu for a deep water
outlet for Lake Charles. A harbor was planned on the Gulf to be named Watkins. Watkins thought that the outlet for Mid-America was to be on the Gulf—at New Orleans, or at Calcasieu Pass, or at the Sabine River or at Galveston in Louisiana and Texas. The Sabine route would be of great benefit but the Calcasieu outlet would be a much greater benefit as a deep water port. As early as 1889, Watkins was thinking of a railroad that would connect southwest Louisiana to Kansas City.26

Watkins was made unhappy by water rates to Lake Charles from New Orleans and by the monopoly of the Southern Pacific Railroad. The market for cattle from this region particularly was harmed by the expensive freight rates.27 The contract for grading on the Kansas City, Watkins, and Gulf, which was practically owned by Watkins, was let April 20, 1889. The Railroad, it was hoped, would increase the value of lands in this area and would attract new settlers. Plans were to build up to forty miles the first summer and later connect with new lines to the north, or to build to Kansas City if necessary. A town site company was incorporated for each station location on the Railroad. The Kansas City, Watkins, and Gulf owned and operated 98 miles of line in 1892 going to Alexander, Louisiana. This was merged into the St. Louis, Iron Mountain and Southern Railway Company on September 1, 1909. This is now a part of the Missouri Pacific lines. It did break up the monopoly of the Southern Pacific which had opposed a north-south line eliminating a much longer haul on its lines. Watkins hoped that as a result Minneapolis, for example, would gain economic ties with southwest Louisiana instead of Florida or California! One benefit

J. B. Watkins to W. B. Morris, Bryan, La., April 19, 1889.
J. B. Watkins to Editor, Daily Record, Lawrence, Kans., Jan. 14, 1890.
J. B. Watkins, Memo, Feb. 27, 1884.
might be the development of a market for oranges from this area in Louisiana.28

The North American Land and Timber Company's original purchase in 1883 was popularly referred to as the "Watkins Syndicate" since Watkins was the resident American manager for the company. Land was bought from time to time until the railroad bought right-of-way land from the state. The final total for all the associated groups approached the size of the state of Delaware. This was purchased from the federal government and from the state government for twelve and a half cents to a dollar and a quarter per acre. Two-thirds was marsh land. The land survey here was quite irregular. Also some of the lands sold by the state had been granted to it by the national government which had not gotten around to actually convey formally the lands to the state. This created a hardship when a deed was to be made to buyers from the Company. It was estimated in 1892 that the North American Land and Timber Company still owned 900,000 acres in Louisiana. Watkins held a fourth of the stock of that com-


J. B. Watkins to James Ellis, Welch, La., April 19, 1889.
J. B. Watkins to C. P. Huntington, N. Y., Feb. 21, 1888.
J. B. Watkins to C. C. Jones, Minneapolis, Sept. 10, 1892.
J. B. Watkins to E. E. Walker, Mt. Vernon, Ohio, April 22, 1889.
J. B. Watkins to W. J. Patterson, Lawyer, April 9, 1889.
J. B. Watkins to Prof. P. H. Philbrick, Lake Charles, June 19, 1891.
J. B. Watkins to The American, Lake Charles, June 22, 1891.
J. B. Watkins to S. J. Fenton, Welch, La., June 30, 1891.
J. B. Watkins to J. F. McCoy, Traffic Manager, Lake Charles, July 26, 1892.
Henry Dickinson to J. B. Watkins, Lawrence, June 15, 1887.

http://scholarworks.uark.edu/jaas/vol17/iss1/14
pany. It was not until a visit of H. G. Chalkley to New York in 1885 that he learned by chance that Watkins held over 400,000 acres of land in Louisiana. (This was fact he did not like.) The combine sold no land to the public until 1887. The dividend, its first, paid in 1889 was financed by selling to Watkins, a purchase from the Company of 10,000 acres for $100,000. Also 30,000 acres at $5 an acre were sold to the public.

The influx of settlers, many from the North, plus the dislike of a British company brought another type of difficulty. Politicians did not like the change. Watkins was charged with such things as buying some logs from a native that had been cut on government land; a sheriff refused to prosecute a person for stealing from the Company when stolen goods were found on the person; fence disputes arose; taxes were raised; reports were written to England accusing Watkins of many things; and Watkins was charged with operating a bank without a charter.

One result of these troubles was the creation of the Orange Land Company of Orange, Texas, to hold Watkins' holdings in Louisiana of about 600,000 acres. Louisiana law required

29Dallas office to J. B. Watkins, May 7, 1883.
   Dallas office to E. G. Richardson, Baton Rouge, La., May 7, 1883.
   M. J. Dart to J. B. Watkins, April 2, 1883, May 24, 1884.
   J. B. Watkins to M. B. Lowrie, Lake City, Minn., Dec. 16, 1887.
   J. B. Watkins to Emil Linburg, N. Y., March 15, 1884.
   J. B. Watkins to A. Thomson, July 11, 1889.
   J. B. Watkins to John S. Lanier, Registrar, State Land Office, Baton Rouge, La., May 18, June 4, 1889.
   J. B. Watkins to H. A. Hoyt, Perry, Iowa, July 5, 1892.
   J. B. Watkins to C. P. Huntington, N. Y., March 15, 1884.
   J. B. Watkins to James Ellis, Welch, La., Feb. 25, 1889, May 14, 1889.
   J. B. Watkins to William Laurents, Cameron, La., April 25, 1889.
   J. B. Watkins to Prof. A. Thomson, Lake Charles, June 28, 1888, March 26, 1889.
a man's estate be put to auction on his death. Watkins' enemies tried to have him declared insane at one time. There were also about eight town site companies as well as the Gulf Land Company.\textsuperscript{32} The Louisiana ventures took much of the liquid assets of the Land Mortgage Company in Kansas and did develop southwest Louisiana.

\textsuperscript{32}J. B. Watkins to A. N. Wichan, Carthage, Mo., May 17, 1892.
J. B. Watkins to H. A. Hoyt, Perry, Iowa, July 3, 13, 1892.
J. B. Watkins to George W. Mitchell, South Britain, Conn., Aug. 8, 1891.

http://scholarworks.uark.edu/jaas/vol17/iss1/14