

CHAPTER X

Under John's careful administration and because of his ability to make friends and keep them, Butler Brothers reputation as stripping contractors became well established across the Mesabi range as the years passed by. Butler Brothers efforts to secure new contracts in the building construction field slackened following the completion of the Minnesota Capitol in 1904 and three years later I was permanently assigned to the Iron Range. My wife and family joined me in May 1908 and I remember one of my first purchases was a horse and a Concord buggy, a single seater unit manufactured by Studebaker. We also acquired a cow and a flock of chickens. The following September my wife assumed the responsibility of getting our four children Mary Ellen then thirteen; Hazen eleven, Patrick eight, and Larry five, to the public school at Virginia about three miles away. Remember the Mesabi Range was still wilderness country in those days and getting four children to school over the nearly impassable roads was an almost Herculean task.

Telephone service was poor and the mail delivery was worse. It was the rainiest spring in Minnesota history. A record my wife kept showed that it rained twenty six days in May and every day in June 1908. John and I worked day and night in all kinds of weather keeping our stripping operations going.

(Emmett please note: It was at this point that we developed the material concerning your hired girl, a Swedish lass named Oklahoma and I have considerable material in the notes concerning her difficulties with your mother-in-law, your own difficulties with Mrs. Butler's mother and how you were finally able to peck her off to San Francisco, where she witnessed the Tom Mooney dynamiting of the newspaper plant and how she married a couple of times thereafter and lived to be about eighty seven years old. I am not so sure that you want this in the story but if you do, we can agree on that later and I will include.)

Neighbor trouble was just as apt to happen forty years ago as it is today; at least it happened to me. It was in 1912 that we moved to Virginia that the house we were renting was sold to a Captain William Terazonia. That same year I bought my first automobile and inadvertently built a garage on the Captain's property. After I began using the garage, the captain warned me several times, verbally and by letter, to keep my automobile off of his property.

I remember making diligent efforts to avoid the Captain. When I could see him coming I used to drive like hell to pass him, but one day he drove his team across the road and stopped me. As politely as I could I said:

"What can I do for you Captain?"

"I want you to take your car out of my garage and keep it out of there", the Captain replied.

"Get it out of there or I'll make trouble," he warned.

The Captain and I wrangled some more about the automobile and his garage and settled nothing. That night I discussed the matter with brother John. John advised me to keep putting the car in the garage as tho nothing happened. The next morning when I went out to get into my car, I found the doors padlocked with my car inside. I went back into the house, got some tools, jimmied the padlock, and drove away. The following week the Captain filed suit against me for malicious destruction and trespassing. After the case had dragged for several weeks I began to comprehend what an indefensible position I had placed myself in. I finally wrote to Terrazonia an apologetic letter advising him I would pay whatever damages there were. I followed up the letter with a personal call at the Captain's office in Eveleth, reached into my pocket and pulled out a fistful of money with which to pay him.

He looked up at me, smiled and said:

"I don't want your money. I only wanted to show you who was boss."

The period 1890-1910 is likely to be referred to by future historians as the start of the steel age in modern history. By the dubious machinations and financial wizardry of John D. Rockefeller Sr., J. Pierpont Morgan, and Judge Elbert Gary, following the discovery of the Mesabi Range by the Merritts; the great United States Steel Corporation had come into being. No one even suspected it then, but the availability of high grade low cost iron from the sprawling pits of the Mesabi, Cayuna and Vermillion Iron Ranges in northern Minnesota was to become the most important single factor in making the United States a first rate world power. The advent of steel also produced a violent impact on the building construction industry in America. The opening of the Mesabi Range also produced a situation on the Mesabi Range which was to have some far reaching sociological consequences in the years ahead.

The markets of the nation and the world were crying for steel during the early nineteen hundreds. In order to keep pace with the demand and to meet a shortage for labor for that type of work the then infant U. S. Steel Corporation imported in excess of thirty five thousand men, largely from the Balkan States directly to the Mesabi Range between 1905-07.

Butler Brothers made a check one time and discovered that we had the nationals of thirty two foreign countries on our payroll. Most of these immigrants were adventuresome in spirit, the finest in physical specimens and with a few exceptions, of the highest mental calibre. Unshackled from the political, religious, economic and military oppressions they and their forebears had known for generations, these men and their progeny formed the core of a population segment which has made by far the greatest of all industrial contributions to the development of the state of Minnesota. Illiterate and ignorant in the ways of the new world, in most instances upon their arrival here, many of these men rose to positions of preeminence in the mining field, and today direct important operations for the major mining companies.

Butler Brothers was just beginning to get a toe-hold on the Mesabi Range when the financial panic of 1907-08 shook the financial structure of American business and industry to its foundations. Jobless immigrants by the thousands roamed the streets and tramped the mines in vain search for work and there was no unemployment insurance in those days. Officials of the United States Corporation evicted workmen by the hundreds from company owned tarpaper shacks when it became impossible for the unemployed men to pay a dollar a month rent.

These shacks, sixteen by forty four feet in dimensions, were equipped with bunks to sleep forty men. The best that can be said for the panic is that it was short lived. By late summer in 1908 money in quantity began to trickle back thru the channels of trade and by the following spring employment again was at full tilt.

An innovation in labor-management relations became operative with the advent of the thousands of foreign workers on the Mesabi range. It assumed the crude form of labor prostitution, but from such humble and confused beginnings organized labor has grown great.

The system was built around called pedrones who were skilled in the practice of making a living without working. They were usually men of foreign birth who had acquired a broader knowledge of the ways and language of Americans but they were without conscience in the practice of duplicity upon their fellow nationals. Because most of the immigrants were unwise in matters pertaining to jobs, wages, working conditions, and living in a new country, they fell easy dupes to the conspiratorial tactics arranged between some employers and the pedrones. It is possible that many of the employers could be excused of blame for some of the unfairness which resulted.

It was difficult for a superintendent either to train or direct men responsible to him who couldn't understand English. It made it not only possible but desirable for the padrones to become intermediaries between the employers and the workers. For at least a couple of years the padrones maintained a stranglehold on a good proportion of the labor market on the Mesqui Range. In some cases they exacted tribute from both ends, a percentage of the workers wages for getting him a job and a shake-down from the employer for furnishing the crew.

Many of them operated saloons and dives on the side.

The financial panic, brief as it was, was costly to the future manpower in the mining industry. Thousands of men who had been brought hereby the United States Steel Corporation abandoned the range and moved elsewhere. Most of them never returned. Some went back to their homelands.

National characteristics were interesting to observe during my early years on the range. The immigrant labor that had come here from Italy almost without exception had plans to make their financial stake in this country, return to Italy, buy a small plot of land, raise fruit and live happily everafter.

The majority had set a goal of two thousand dollars and by skimping and saving this could be accomplished in less than five years. The Italians lived in boarding houses and divided expenses. They ate spaghetti three times a day, seven days a week, and managed to sustain themselves on about eight dollars a month. And when they made their stakes they did go back to Italy. Of all the nationalities with which I came in contact it seemed to me that the Italians transplanted from their native land to America the hardest. We had Germans, Austrians, Irish, English, Scotch, Greeks, Lithuanians, Poles, Montenegrans, a few French, and a few Russians. When World War One broke out most of the Germans left the Mesabi Range to go back and help the Kaiser. Then the Austrians left this country to help the Germans. The Russians were the poorest workmen of all the nationalities represented on Butler Brothers payroll and as I remember it they made the worst citizens. Nearly every other nationality as I remember it were easily amalgamated into the great melting pot that boiled with furty on the Mesabi Range during the early decades of the twentieth century.

I remember that I had been warned in advance that the Finnish immigrants were likely to be trouble makers. Whether because the warning provided a challenge to me as an employer I don't know, but the immigrants from Finland and the Scandinavian countries became my favorite workmen.

I think the young men I knew that came from Finland were the finest looking group of men I have ever seen. I discovered early that a Finlander is not a man that you can order around. They work better, faster and more effeciently when you gave your orders in the form of suggestions.

During the panic hundreds of Finlanders, Norwegians, Swedes, and Danes either took to woods or timber jobs at which they were most adept or settled along the shore of Lake Superior and got into the fishing trade. Most of our then immigrant population from souther Europe inept at either woods or water suffered most while the panic lasted.

Marxism which was probably a form of anarchism rather than the communism we know today had already won a few converts among the new immigrants on the Mesabi range. We called them discontents. They were in constant agitation against real or imagined grievances and God knows some of the grievances were real, but it was their method of handling them that stamped them for what they were. Working in close cooperation with the padrones one group of agitators headed by an Italian immigrant was able to draw the workers into a union and its first strike was staged in 1907. Nearly every stripping and mining company on the Mesabi range with the exception of Butler Brothers was struck.

By working closely with his men and by meeting their wage demands brother John was successful in averting what would have been Butler Brothers first and only labor dispute. The strike was shortlived as I remember and ended in a stalemate.

By 1912 we had nine stripping contracts at separate and complete operations across forty miles of the Mesabi Range from Virginia to Nashwauk. Brother John's health was beginning to fail and somehow or other I managed to inspect each of those operations every day. Later on brother Cooley came to help me. The stripping contract at the Grant Mine at Buhl alone, called for the removal of four million five hundred thousand yards of overburden. We took the contract in 1907 and started the job a year later. By 1909 we were loading ore for the Interstate Iron Company and during the next six years under Interstate's direction we loaded and shipped three million five hundred thousand tons of ore at loading prices of fifteen cents per ton. Provisions of the Ford-McCumber Act had forbidden the railroads from owning or operating iron ore properties and in 1912 Butler Brothers secured two contracts involving the former Great Northern Railroad properties.

The United States Steel Corporation took other leases on Great Northern's former properties. Before the Ford-McCumber Act became effective Jim Hill had set up the Great Northern Railroad to handle almost every phase of mining operations. The railroad even owned a string of ore boats and steamships some of which were subsequently sold to the M. A. Hanna Company and to Futler Brothers. Other units in the Great Northern Lake Superior Fleet were sold to steamship lines and converted into passenger boats. The act restricted to Great Northern to freight hauling only.

The circumstances by which the old empire builder was able to choke one of the most self serving ore hauling contracts ever heard of down the throats of the United States Steel Corporation officials and make them like it was a choice morsel of conversation at that time. It was about the time the Ford-McCumber Act went into effect. Having lost this choice business Hill was prepared to make the most of it and he did. Hill had the transportation and the United States Steel Company had the ore. The contract under which Hill proposed that the Great Northern would haul ore for the United States Steel Corporation from the Mesabi Range to the Lake Superior docks provided for payment of fifty five cents a ton the first year and an increase of ten cents a ton each year until the price went to a dollar ten cents per ton.

Hill took his secretary Martin Brown to Wall Street to complete the business. J. P. Morgan had agreed in advance with Hill to sign under those terms. When Hill and Brown arrived at the Morgan offices J. Pierpont himself greeted them effusively. Judge Gary was still a power in United States Steel Corporation affairs.

"Jim," Morgan suggested, "have your secretary take this contract over to Judge Gary and tell him I said to sign it."

A few hours later Brown brought back the report that Judge Gary wouldn't sign the contract.

"Oh, yes he will." Morgan said.

J. P. Morgan picked up the telephone, got Judge Gary on the line and said:

"Elbert, Mr. Hill is in my office. He wants to get a train home tonight and he wants that contract signed and I want you to sign it.

The power of the financial barons over good practice in business and industry was evident.

One afternoon in the summer of 1913 Brother Pierce was having lunch with Mr. Hill at the Minnesota Club. Hill suggested:

"Why don't your brothers take over some of our mining properties?"

Pierce told Mr. Hill that he would talk to Walter about it. Earlier Mr. Hill had financed R. M. Bennett, a mining operator, for a half interest in a considerable number of the Great Northern's properties.

Bennetts representatives O. B. Warren who was a good friend of brother John also was friendly to us in working out some negotiations with Mr. Hill. The result was that Butler Brothers took out our first leases: the Quinn, the Harrison, and the North Harrison Mines, in the Nashwauk area. The footings for the Harrison concentrator were poured in 1914 and in the fall of that year Butler Brothers made their first shipment of Iron Ore. Our contract permitted us to mine those three reserves to exhaustion but that first year we shipped two hundred and six thousand tons. The steel companies at that time were paying a dollar seventy five per ton for Bessemer grade and fifteen cents less per ton for the non Bessemer grades. And Butler Brothers were on the Mesabi Range and in the iron mining business for keeps.

End Chapter.