

VOLUME 1  
NUMBER 1

The  
**GREEN DIAMOND**



# The GREEN DIAMOND

We hope that you enjoy this premier issue of The Green Diamond. As you know, it has taken some time to get under way with the Illinois Central Historical Society. Our progress in the last few months has been substantial and we are now confident that the foundation is sound and that the Society can expect a long and vigorous future.

While there has been little contact with ICHS members, much has been accomplished. The credit for overcoming inertia and gathering the names of all those interested in the railroad belongs to Bob O'Brien. By his arrangement an ad-hoc organizational meeting was held in the Illinois Central Gulf Chicago offices and he has continued to provide his enthusiastic support. There have now been three organizational meetings despite the distances between board members, and the worst winter in memory.

The obstacles to be overcome have been apparent from the first meeting: There must be enough members to sustain continued operations. The amount of membership fees translates directly into the quality of publications and of services which the organization can render. We presently have 160 members and new inquiries arriving daily. The second problem is the legal framework of the Society. A well prepared charter was submitted to the State of Illinois after approval by the board at the second meeting. Unfortunately, the State has changed its legal requirements and the Charter was rejected for non-profit status. It is currently being prepared for resubmission. Finally, the Society must offer a service to its members of the highest caliber. The Green Diamond is presently the only benefit which is offered to members although we trust that open meetings, a society archives, and other benefits will be added as membership grows.

The Green Diamond and the ICHS are much in need of your assistance. Mention the organization to your friends: your endorsement is the best advertising we can have. We are also in great need of material for publication. While well-researched historical articles are naturally welcome, a personal experience, an old photo or map; even statistics can be used as the basis for interesting stories.

Kevin Kurt  
John D. Mitchell  
Joe Zydlo  
Joe McNeely  
Robert Perrin  
Fred Ash  
Norm Seely  
Dave Fraser  
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Board Member  
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Cover: Swinging out of the Des Moine River Valley required all the muscle the shopmen at far away Paducah could pack in a 4-8-2 Basil Koob photo.



Illinois Central Historical Society  
Box 157 Des Plaines, Illinois 60016

# What Ever Happened to the IC's BL-2s?

By Fred Ash



BL-2

The history of dieselization on the Illinois Central is paradoxical. The Railroad made several early and unique locomotive experiments, yet remained among the last of the major carriers to switch completely away from steam. The complete absence of the car-body style of freight locomotive, such as the F-unit, FA, or the more exotic first generation power commonly associated with dieselization on other railroads, leaves the impression that a whole chapter is missing from the annals of IC motive power history.

By 1948 the internal combustion engine had a firm foothold in the Railroad's switching and transfer services and was steadily pumping steam from the showpiece passenger runs, but King Coal still ruled on road freights. It would not be fair to say that IC management was oblivious to the changing currents in locomotive operations and economies. Nor were the salesmen from LaGrange unaware of a potentially major customer at their door step. In September of 1948 EMD prepared a dieselization study from which we may piece together parts of the missing chapter in IC history.

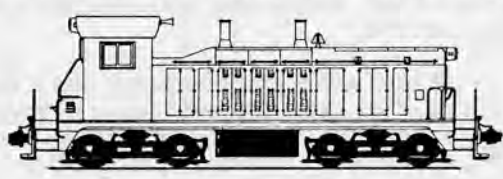
The obvious choice for the initial dieselization was the Iowa Division, a 688 mile stretch of main and branch lines which reached like an extended left arm from the rest of the Illinois Central System. Both the initial study of 1948 and the eventual inauguration of diesel freight service on the railroad picked the Iowa Division for its unique position. Longest of the IC's operating divisions, it has long been noted for its independence of operations resulting from its east-west orientation. This geographic situation meant considerable differences in traffic flows and competitive pressures from the north-south axis of the company's main line. Moreover, the Iowa line was out of sight, and hopefully

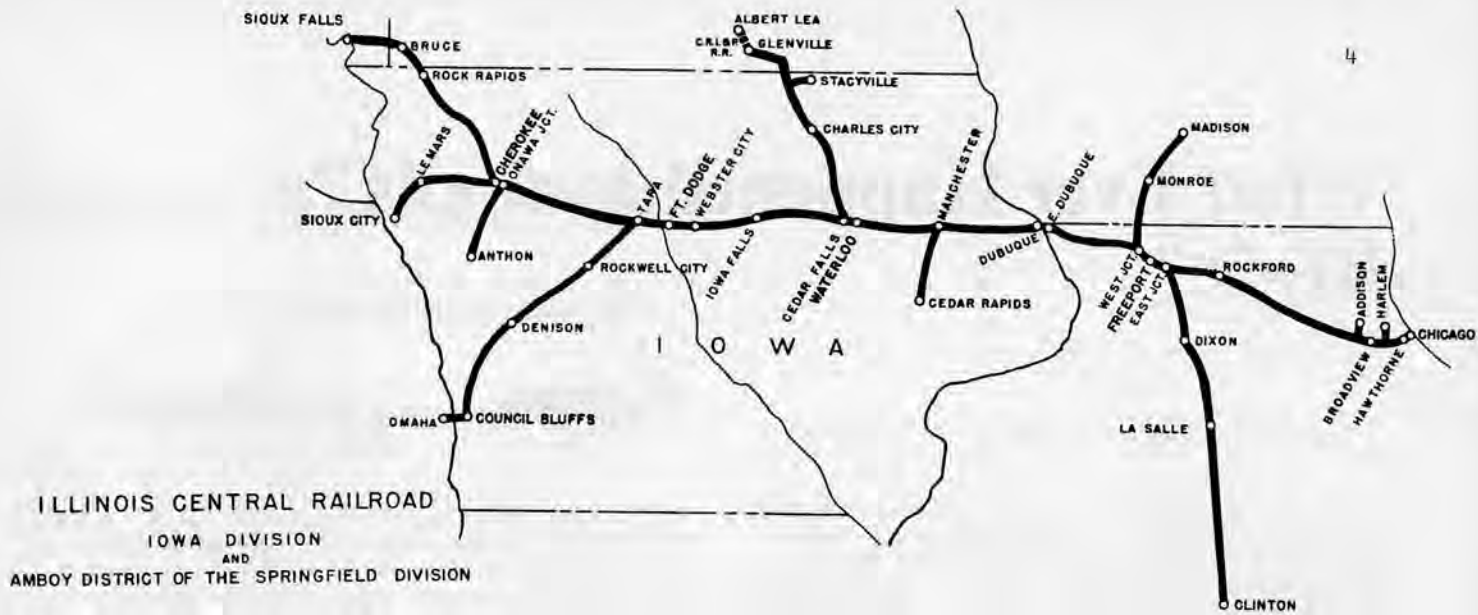
out of the minds, of the influential coal shippers who resented the new machines. This location also meant that the expense of hauling company coal was the greatest of any of the operation divisions.

The study of 1948 also included the Amboy District of the Springfield Division. This line, part of the original Illinois Central route from Galena to Cairo, had become vestigial with the passage of almost a century since its completion. By the time of the EMD study this line was used primarily for hauling company coal to the Iowa Division.

Both of these lines had operating characteristics which favored the diesel over the steam locomotive. In 1948 a solitary E-7 assigned to the Chicago-Waterloo Land O'Corn, trains 13 and 14, was the only hint of things to come among the 173 steam locomotives of the Iowa line. The Amboy District had 24 steam locomotives assigned.

The Iowa Division ran through relatively flat countryside with moderate grades where it crossed major north-south rivers. East of Galena a sustained grade of .93 percent lifted the rails out of the Mississippi River Valley. Two hundred twenty miles to the west, between Fort Dodge and Tara, a 1.39 percent slope leaving the Des Moines River Valley was the ruling westbound grade. Tonnage ratings were determined by these grades which were definitely the exception in the terrain. The tonnage assigned to a train was also affected by siding capacities of 90 cars and by the fact that westbound trains carried 60 percent empty cars. Eastbound freight was predominately stock and meat products shipped in privately owned cars, thus, westbound trains were generally overpowered. The highly competitive nature of this business dictated schedules and cut-off times. All of these factors limited the full utilization of any locomotive fleet and certainly prevented the diesel from showing any great advantages over the existing locomotive fleet.





ILLINOIS CENTRAL RAILROAD  
IOWA DIVISION  
AND  
AMBOY DISTRICT OF THE SPRINGFIELD DIVISION

Amboy District trains generally hauled northbound coal and cement on slow schedules-- the speed limit being thirty-five miles per hour. The elimination of company coal for the Iowa Division would reduce tonnage by thirty-five carloads daily. The main advantage of the diesel here was the elimination of helper service on the .94 percent grade between LaSalle and Midway, Illinois.

The application of diesel locomotives, EMD stated, could better the running times of steam powered trains for three reasons. They could handle slightly more tonnage over the ruling grades, they could take curves faster, and they eliminated time consuming coal and water stops. It was estimated that two and a half hours could be pared from train CG-4 and one and one and a half hours from CG-6, the highly competitive meat trains of the Iowa Division. An additional bonus would result from the direct operation of trains from Chicago's Congress Street Yard. The city's restrictions on the operation of steam locomotives along the lakefront dictated diesel transfer runs to Hawthorne Yard where road power was applied to each train.

The slower speeds of the Amboy District offered another advantage to the EMD products. Crews on this line frequently ran afoul of the hours of service laws necessitating costly crew changes. By reducing two hours from each run due to the elimination of coaling and watering enroute, this expense would be greatly reduced.

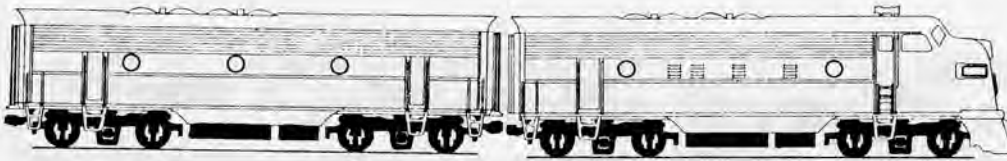
One of the retrospective criticisms of the dieselization of American railroads was the retirement of productive assets, the steam locomotives, before their useful lives were exhausted. This argument clearly did not apply to the 197 engines which were slated for retirement in the 1948 study. The overall average age of 29.6 years for the Iowa engines and 36.5 years for the Amboy engines belies the railroad's policy of placing newer engines on the north-south mainline, as well as depression and war-time austerity. In the cost study it was assumed that all of the steam locomotives

would be scrapped, although the railroad would obviously have shifted its better engines, such as the 2500's to other divisions and cannabalized others for their valuable parts. With a third of all the engines built before 1915, however, many were ready for the rip track.

Armed with these facts the battle was engaged by the forces of EMD. Using dispatcher's train sheets for a test period to determine necessary tonnage ratings, turn-around times, and switching requirements, a proposal outlining the necessary diesel fleet was prepared. Schedules of shop tools, fuel consumption, and facilities retirements were detailed down to the listing of a single Allen wrench. Needless to say, Electro-Motive would not have submitted their study had not the comparison shown the superiority of their product.

The locomotives EMD pitted against the coal burners in this study were not the GP-7s which are associated with the dieselization of the Illinois Central freight service. The plan envisioned eleven A-B-B-A sets of F-7s for Chicago to Waterloo service, nine A-B-A units of F-7s for Waterloo to Omaha and Souix City, and twenty-nine A-A sets for the Amboy District and local freights. This arrangement considered each set as a single locomotive, as was then the practice. This provided road power ranging from 3000 to 6000 horsepower. The provisions for branchlines were even more interesting. Five 1500 horsepower BL-2s were to be assigned to the Cherokee-Souix Falls, Cherokee-Anthon, and Freeport-Madison lines. Since trains 741-742 from Cherokee to Souix Falls and 841-842 from Cherokee to Anthon were mixed, it could be speculated that these engines would sport steam generators.

Passenger power would continue the use of the E-7 then in service on the Land O' Corn, however, the longer runs and heavier trains of the Chicago-Souix City trains required more motive power. The Chicago-Waterloo trains, 13-14, could make a complete turn daily. The Hawkeye, trains



11-12, and The Iowan, trains 15-16, each required two train sets since they covered twice the Land O'Corn's mileage. Both of these runs carried sleepers and required an A-A set to maintain schedules, thus, eight more E-7s would be purchased.

The greatest savings in the number of locomotives came in yard operations. Only twenty-one NW-2 switchers would be required to replace forty-five of their steam counterparts. Typical of the savings was the Waterloo yard where four 1000 horsepower diesels could replace ten steam switchers.

The cost of 163 new locomotives represented a \$20,486,000 investment for the Iowa Division and \$4,533,000 for the Amboy District. EMD must have been eagerly awaiting the check since this investment yielded a \$4,083,517 annual savings. This 16.6 percent return on investment was a considerable savings in the days of three and four percent interest rates. The total investment could be recovered in only six and one half years.

The decision to retain steam-powered freight on the IC was heavily influenced by the desire to please on-line coal shippers who represented the largest commodity group sending their traffic over the system's rails. This group was well organized in an industrial trade association and the influence of these mine operators can be seen in the boycott of the Louisville and Nashville after that railroad's diesel purchases. The response of the mine operators to losing a major customer was the rerouting of their shipments over the L & N's steam-powered competitors.

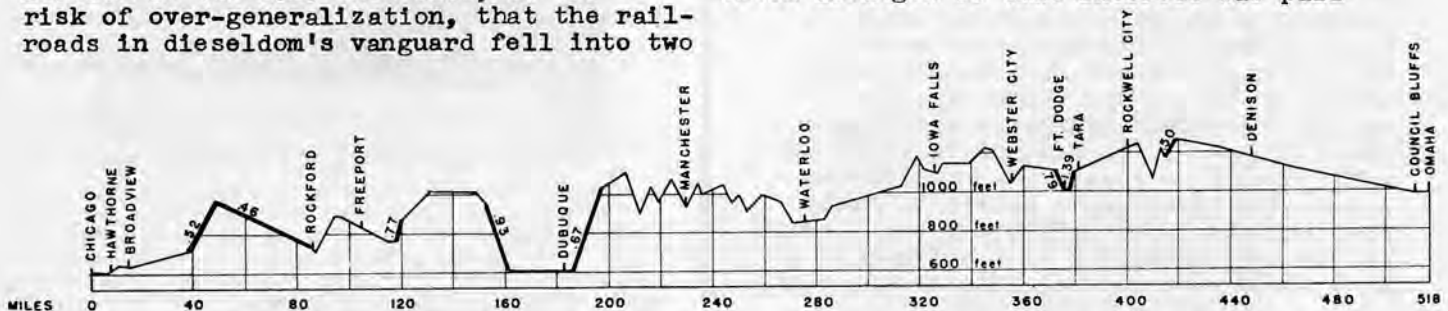
IC management also had sound financial reasons for not making a large equipment investment in 1948. The primary reason was the staggering debt load which had been acquired during the depression. Many of the Railroad's bonds issued in the prosperous 20's were rapidly reaching maturity. A close look at the pattern of dieselization in the U.S. will show, at the risk of over-generalization, that the railroads in dieseldom's vanguard fell into two

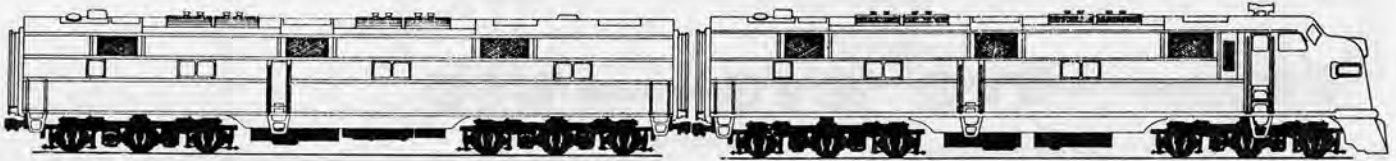
categories. The prosperous Western roads had been able to retire much of their depression era debt during World War II and thus were able to finance new equipment soon after the war. While the EMD salesmen could probably quote additional operating savings for their product in the mountainous and arid West, the financial condition of roads such as the Sante Fe and the Burlington allowed for the purchase of new equipment.

The second class of railroads which undertook early dieselization were the exact opposite of their prosperous brothers. These were the lines which had collapsed under a financial overload during the 30's and had had their debt structure lightened through reorganization. While the claims of original stockholders were wiped out by the bankruptcy court, the surviving companies continued to function with greatly reduced debt structures. To its credit, the IC withstood the pressures which had bankrupt companies operating over thirty-one percent of all United States rail mileage. The price of solvency was a weight of outstanding debt which effected the company for decades.

New locomotives did not materialize on the Iowa Division in 1949, but it was a crucial year for the IC financially. The railroad had made great progress since the dark days in 1932 when it was forced to borrow from the Reconstruction Finance Corporation. Over \$383 million in debt, the company had admitted that it could not raise additional funds to cover its ever increasing losses. The \$35 million in government loans carried the stipulation that a certain portion of the principle be retired each year in addition to the payment of interest and that no dividends be paid to stockholders for the duration of the loan.

The indebtedness held by private bondholders was of even greater amount and much of it was coming due in the post war years. Unlike home mortgages which have constant payments, railroad mortgage bonds were often arranged so that interest was paid





annually but the principle was not paid until the maturity of the bond. To complicate matters, mortgage bonds had been issued in the names of twenty-two predecessors or subsidiary companies, each with their own provisos and with varying maturities. On the eve of the depression there were thirty separate mortgages totaling \$192 million, but by July of 1949 this amount was reduced to only \$81 million. Money which could have purchased diesels was being used for the purchase and retirement of the Company's own debt.

In April of 1949 the Reconstruction Finance loan was repaid in full and the company announced the resumption of stock dividends. Almost immediately preferred stockholders sued the company for the then cumulative payment of 6% dividends which had been eliminated for seventeen years. While this suit was in court the threat of this \$12.3 million liability hung over the railroad. It was not until 1951 that the company won this suit and firmly established its financial position.

In November of 1949 a new consolidated first mortgage was arranged which greatly simplified and reduced the IC's financial load. The new bond issue was made possible by the massive repurchase of older debt issues and short term financing of some smaller issues to provide continuity of maturities. Holders of older securities were urged to exchange their holdings for the new issue. The repurchase of securities resulted in \$20 million in savings over what would have been paid at maturity of the bonds. It also improved the company's credit rating. By all measures, it was a better investment of company funds than locomotive purchases.

Whatever happened to the IC's BL-2s? They may have been little more than a salesman's pitch, although the impressive performance of EMD motive power suggests that top management was interested in the proposal. The notions that railroad management was afraid of innovation or that a group of shippers could effectively block modernization have some merit. But the major reason for steam's Indian summer on the IC was financial. Bleed during the depression years and over exerted by the war years, the railroad was still trying to regain its equilibrium and needed a few years before it could flex its muscles. Still, a green diamond on the nose of an F-7 or the flank of a BL-2 would have been an interesting sight.

IOWA DIVISION AND AMBOY DISTRICT  
STEAM MOTIVE POWER AS OF APRIL 1948

Number	Whyte Symbol	Number Owned	Average Age (Years)	Weight on Drivers (Pounds)
Iowa Division Freight Locomotives				
710	2-8-0	1	46	178,500
719	2-8-0	1	45	178,500
749-769	2-8-0	5	44	173,500
793	2-8-0	1	45	161,000
902-903	2-8-0	2	37	221,000
1000-1001	4-6-2	2	29	141,000
1002	4-6-2	1	26	141,000
1204-1246	2-8-2	9	33	235,500
1251-1283	2-8-2	9	32	235,500
1286-1317	2-8-2	10	30	235,500
1324-1369	2-8-2	6	29	235,500
1376-1499	2-8-2	13	25	235,500
1550	2-8-2	1	30	235,000
1553	2-8-2	1	33	235,000
1554-1556	2-8-2	2	25	235,000
1555	2-8-2	1	29	235,000
1557-1582	2-8-2	9	25	235,500
1559-1563	2-8-2	3	30	235,500
1565-1583	2-8-2	2	32	235,500
1572-1581	2-8-2	2	29	235,500
1615	2-8-2	1	37	218,500
1626-1628	2-8-2	2	36	218,500
1741	2-8-2	1	36	218,500
2503-2510	4-8-2	5	11	280,500
2800-2813	2-10-2	6	27	332,500
2802-2819	2-10-2	12	28	332,500
2807-2816	2-10-2	2	25	332,500
3962	2-8-2	1	32	168,500
3969	2-8-2	1	28	168,500
<b>Total and Average</b>		<b>112</b>	<b>29.3</b>	



## IN SENATE OF THE UNITED STATES,

JANUARY 24, 1848.

Submitted, and ordered to be printed.

Mr. BREESE made the following

## REPORT.

[To accompany bill S. No. 95.]

*The Committee on Public Lands, to whom was referred the bill granting to the State of Illinois the right of way, and a donation of public lands for making a railroad connecting the upper and lower Mississippi with the chain of northern lakes, at Chicago, have given it the most careful examination, and respectfully ask leave to report:*

That the bill proposes to grant to the State of Illinois, for the purpose of aiding that State in completing the railroad from Chicago, on Lake Michigan, to the upper Mississippi, on the most eligible route, a quantity of land equal to one-half of six sections in width, on each side of the road, to be selected in alternate sections or parts of sections, by an agent to be appointed by the governor of the State, but subject to the approval of the Secretary of the Treasury; but, if any of the sections or parts of sections within those limits, have been heretofore sold, or otherwise disposed of by the United States so that they cannot be applied, then power is given to the State to locate the like quantity elsewhere within twenty miles on each side of the road.

The bill further proposes to grant to the State an equal quantity of the public land, to be selected in the same manner, to aid in completing the Central Railroad therein, extending from Cairo to Chicago, on the most eligible route, with the privilege, if the quantity cannot be had within six miles on each side of this road, that the deficiency shall be supplied by selections within twenty miles on each side of it, all subject to the approval of the Secretary of the Treasury; and, as all alternate sections only are proposed to be granted, the bill provides that those sections and parts of sections, which remain to the United States, shall not be sold for less than double the minimum price of the lands when sold.

The bill further provides, that these lands shall be applied to those uses by the State, and none other; and that the railroad shall be a public highway for the use of the government of the United States, free from toll or other charge upon any cars or carriages the government may place upon them, and upon the transportation of any property or troops of the United States.

If the road shall not be completed within fifteen years, it is provided that the State of Illinois shall be bound to pay to the United States the amount which may be received upon the sale of any part of the lands by the State, the title of the purchasers under the State remaining valid; and, that before it shall be competent for the State to dispose of any of the lands to be selected, a plat or plats of the courses, distances, and points of termination of the roads, shall be furnished by the State to the Commissioner of the General Land Office.

The bill further proposes to authorize the State to survey and mark through the public lands the routes of these roads, and to vest in the State, forever, one hundred feet for a road-way for each road, and twenty-five feet, in addition, on both sides of each road respectively; and the last section provides that no lands reserved for schools, or for military or other purposes, or mineral lands, or lands to which the right of pre-emption has attached, shall be selected.

This is a full synopsis of the bill; and it will be perceived, that although two roads are mentioned, they, in fact, constitute but one great chain of connexion of the upper Mississippi with the northern lakes and lower Mississippi, leaving the point of termination on the upper river undefined.

The committee would state that, before the reference of this bill to their consideration, another bill, having the same objects in view, had been referred, proposing to grant only the right of way through the public lands from Cairo, by points named in the bill, following as near as may be the line of the fourth principal meridian, to the termination of the Illinois and Michigan canal, and thence to Galena, on the upper Mississippi, a connexion being formed at the canal with the northern lakes; and that Congress should grant to the State, for a term not to exceed ten years, the right of pre-emption only to each alternate section of land for six miles on each side of the route of the road. This road, the committee are informed, occupied the most prominent place in the system of internal improvements which that State commenced on her own resources in 1837, and on which she has expended in clearing out the track, in grading, and embankments, more than one million of dollars, and has looked forward to its completion, should Congress bestow the aid sought, with confidence.

Another phase is presented to the measure by several memorials also referred to the committee, one of them, signed by the governor and all the public functionaries of the State of Illinois, and by persons representing themselves as members of a convention assembled to amend the constitution of that State, and the others numerous signed by citizens in different parts of the State, all praying that the right of pre-emption to these lands may be granted to the "Great Central Railway Company," a body corporate created by the Legislature of that State, in the year 1843, by an act of that date, now before the committee. This act provides for an estimate of the value of all the work done on the road by the State; also, of all lands, materials, and rights of way owned by her, to be paid for by the company in the bonds or other indebtedness of the State; and after the company shall have refunded all moneys borrowed to construct the road, and extinguished all their indebtedness, then they are required to pay into the State treasury one-fourth part of the whole net income annually received from the road.

The memorialists present a most flattering view of the importance of this road to the individual citizen, to the State of Illinois, and to the United States, and speak with great confidence that, if the grant is made, the work will be speedily undertaken and completed.

The present bill, as is seen, proposes to form a more direct connexion with the northern lakes at the great mart of the commerce of Illinois, the city of Chicago, now containing a population of 17,000, and rapidly increasing, and thence, "on the most eligible route," to a point not designated, on the upper Mississippi; leaving it to the Legislature of the State to determine what that point shall be, should a more proper one than Galena be hereafter indicated.

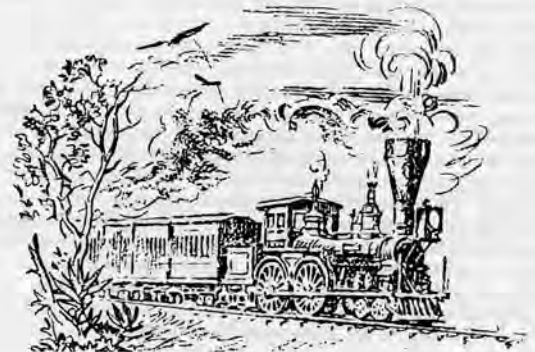
This road, proceeding north from Cairo, will probably occupy the present line of the Central Railroad, on which so much money has been expended by the State, as already stated, and deflecting at a proper point, instead of touching the termination of the canal, will proceed to Chicago, thence, as before stated, on the most eligible route to a point on the upper Mississippi river.

The entire length of these roads, thus united, will not exceed five hundred miles; and for six miles on each side of them, it is proposed to grant to the State of Illinois, to aid in their construction, each alternate section of land, amounting in the whole distance to 1,320,000 acres; and if that quantity cannot be found vacant in that extent, then to supply the deficiency by taking the quantity from vacant lands by alternate sections within a scope of twenty miles on each side of the roads.

The committee have considered these several propositions together, and will give briefly their views of each, and the results to which they have arrived.

By the bill first referred to, it is proposed to grant to the State the right of pre-emption to the lands, the right to purchase them of the United States in preference to all others, and to pay for them at intervals during the progress and completion of the work, and the whole to be paid for in ten years.

As between the two propositions, a grant to the State of this right, or to a company, the committee are decidedly in favor of the former, for the reason, among others which might be stated, that it is more in accordance with the previous action of Congress in such cases. The committee have examined that action, and can find no instance wherein such a grant has been made to a company, and none, save this, where such an application has been made. There is in the United States a jealousy of corporations—of bodies of men for the most part wholly irresponsible, possessed of exclusive privileges, and clothed with power and influence in proportion to the magnitude of the objects contemplated by such associations; and in view of this, and out of a proper regard for it, the committee are unwilling however highly they may approve the objects sought to be attained, to bestow upon a chartered company a privilege denied to individuals—one which, if granted, may be greatly abused, and which might give just cause for great public dissatisfaction and wide-spread complaint.



A few years since, what is now the most populous and most productive part of the State of Illinois, and through which this road is projected, was reposing in the silence of nature, unbroken by the sounds of industry, and unvisited but by its savage owner. Now it teems with life and activity, and its products are sent forth to supply the exhausted granaries of Europe and of Asia. From authentic statistics before your committee, it will be seen that the northern tier of counties, most directly interested in the construction of the road, has increased in population in the last twelve years on a basis of fifteen thousand to one hundred and fifty thousand, or one thousand per cent., and is progressing in the same astonishing ratio. In them, the production of wheat had increased in the last seven years from 500,000 to near 3,000,000 of bushels, of which, near 2,000,000 were exported at a cost averaging twenty-five cents a bushel—the transportation to the point of export being in wagons, and distant one hundred and more miles. For several years past, an amount equal to fifty-five millions of pounds of lead has been annually shipped from Galena, a city of six thousand inhabitants, and the great lead depot of the west, by the Mississippi, for the eastern markets, a channel of trade obstructed in the summer by low water, and in winter occluded by ice. The most of this indispensable material, in peace and in war, it is believed, should the road be made, would find a cheaper and more expeditious channel by it and the lakes to the great markets of the Atlantic sea-boards; for whilst, by New Orleans to New York, the freight per 100 pounds is seventy-one cents, by the roads and lakes it would be but fifty-six cents, and, as the dangers of lake navigation and of railroads are less than by the rivers, the insurance would be less.

The point on the lake, at which the desired connexion is to be effected—the city of Chicago—has grown to its present size since 1830. Then it was an advanced military position with a stockade, now containing seventeen thousand inhabitants, and commanding by its enviable position at the head of lake Michigan a vast extent of territory. The time cannot be distant when the extent and high improvement of the country southwest, west, and north of it, with this proposed connexion with the lower Mississippi, never to be interrupted, and with the east by the railroads now in progress, will place it first of the great cities growing and to grow up in the lake region. Its imports are of the value of \$2,641,852 annually; and its exports to the value of \$2,296,299, and greatly increasing, whilst the steamboats and other vessels employed in the trade of that port show a tonnage of 44,745 tons; still further to be increased to a degree, not to be limited, when this communication with the lower Mississippi shall be opened. The whole route of the road from its commencement at Cairo, to its termination on the upper Mississippi, your committee are informed passes through a region which for salubrity of climate, beauty of landscape, mineral wealth, extent of coal-fields, and agricultural resources, may challenge the world.

The committee have thought it necessary to glance only at these topics, as furnishing some evidence of the importance of the work to accommodate a trade now so great, and giving every promise of a most rapid increase.

The next proposition is, will the construction of the road benefit the State and the United States?

The committee are of opinion that, in addition to the benefits above alluded to as likely to result from this work, another very important one cannot but flow from it, growing out of the sale and settlement of the land through which it will pass, and in this the interests of the United States and of the State are in perfect harmony.

By a statement from the General Land Office, hereto appended, (A,) and furnished the committee a few days since, it appears there are, within six miles of the route of the road from Cairo to Chicago, of vacant lands, nearly one half of which is destitute of timber, 1,746,415 acres, more than half of which has been in market subject to private entry thirty years, and the whole an average of twenty-two years. On the line from Chicago to Galena, there are 367,580 acres of vacant land, more than one half of which is alike destitute of timber, and has been in market seven years, showing in all, on the whole route, 2,113,995 acres, more than half prairie, and in market eighteen years on an average.

Thus, it will be seen that quite one-half of the whole has been subject to entry more than a quarter of a century; and, being destitute of timber, and remote from cheap and ready means of conveyance to market, are unsaleable, and, in all probability, unless some stimulus is given to their sale by some such means as the bill proposes they will remain so for many years to come; and such, too, will be the condition of the additional millions of acres twenty and thirty miles from the road. The routes are through, for the most part, vast prairies—one of them more than two hundred miles in length, with a breadth varying from five to thirty miles, and of the most fertile soil. In this wide waste the United States have an interest amounting to millions, but which can never be realized until some artificial means shall be employed to supply the deficiencies of nature, by which they can be made saleable and become fit for settlement. Such a thoroughfare through it as the bill proposes, will be the means to accomplish an end so desirable; for, by it, it is very certain a powerful inducement will be presented to the purchase of those reserved by the bill to the United States, the benefits of which, in a money view, will wholly accrue to the United States; and, as their price is raised by the bill to double the present minimum, the United States, will in the end receive the same amount of money for the reserved half that they would for the whole, if the sale of the whole could be effected at the minimum price.

The committee do not remark upon the advantages which would be derived to the United States at all times, by the safe and speedy transportation of the mail; and, in time of war, in the rapid movement of troops and munitions of war; they being so obvious as to arrest the attention of every one, by the construction of the road proposed. The navigation from the mouth of the Ohio to the southwest being uninterrupted at all times, there will be regular lines of steamboats from it to New Orleans, and connecting there with regular trains of cars upon the road, the government may obtain a most rapid, cheap, and certain conveyance of the mails from that great emporium to the towns and cities growing up, as if by magic, in the intermediate country and on the lakes.

In relation to military movements, its use can be well appreciated now. How much more vigorously could the present war be prosecuted, if such rapid means of travelling as railroads afford were now available? By the road proposed, a large military force could be sent down promptly from Illinois and the adjacent States, whose gallant sons are ever ready to support their country's eagles on the battle field, when the descent of levies from the States on the Ohio and upper Mississippi may be delayed by low water or by ice. The benefit, then, to the United States to flow from this grant, assuming that the road is made, is to the committee quite apparent and substantial—to the State itself, besides those already glanced at, essential benefit would be derived; for, as the lands now are not susceptible of settlement and cultivation, they yield nothing in the way of taxes to support the State government, or to pay its debts. This is a loss to the State which could be avoided by the measure proposed, and should, in the opinion of the committee, have its influence in the adoption of it or any other like measure, which, without being injurious to the United States, will benefit the State.

The next question considered by the committee is—has Congress the constitutional power to make the grant of the lands for the purposes embraced by the bill?

In the decision of this, the committee have no difficulty.

Repudiating the idea that Congress can, with or without the consent of the States, appropriate the ordinary revenues of the country to the construction of roads or canals within them, the committee at the same time believe they can appropriate the public lands for such purposes to the States in which they are situated, and that this power results from the power to own them, which latter has never been authoritatively questioned, however doubtful it may be found on examination. They are "territory," and admitting the power to own them, Congress has express power delegated to it by the States "to dispose of" them. What shall be a proper disposal of them under this power, is a question solely in the discretion of Congress, in subjection only to the declaration of the trust with which their cession to the United States was accompanied. What was that declaration?

That the lands so ceded "shall be formed into distinct republican States," and "shall be considered as a common fund for the use and benefit of all the States, and shall be faithfully and bona fide disposed of for that purpose, and no other."

The very first act of any importance performed by the United States, under this trust, so called, was to pledge these lands for the payment of the revolutionary debt, and that was considered a proper disposal of them for the common benefit of all the States. What is the disposal of them for the common benefit of all the States, is a question for Congress, in which all the States are represented, to decide. The receipt of money for them, is not necessarily a common benefit to all the States, for there are other varied and multiplied considerations which may, consistently with a proper appreciation of, and a sacred regard to, the common benefit, control the action of Congress in their disposal, in which money need not be an element. Congress may convey the title to all of them to the States in which they are situated, if in its judgment the common interest would be promoted thereby. It is a proper question for Congress to determine, in the honest execution of the trust, if the common benefit, under a certain state of circumstances, would not be best promoted by an unconditional cession of all the lands to the States in which they lie. A direct pecuniary gain is not a necessary element. Whilst they were pledged for the payment of the debts of the revolution, the Congress of the confederation gave frequent evidence of their views of their power under the trust, the correctness of which has never been questioned, by granting for religious purposes one section of land in each township within the boundaries of the several tracts of land sold to the Ohio Company and to





Disposing of this point, the committee have authentic information in their possession, derived from official documents of that State, that she has already raised upon her own credit more than five millions of dollars, which she has expended upon the projected railroads, and for which she is now a debtor; on which she has been for years, as is well known — and to her high praise it is said—exerting all her energies to meet the yearly accruing interest.

Under these circumstances, the committee, without however pretending to a knowledge of the present and future capabilities of the State, with great deference express the opinion that she may not be enabled to avail herself of the privilege proposed by the bill, and thereby a great work, one of the highest importance to her and to her citizens, and to the country at large, may not be accomplished; and, in the meantime, a large body of the public lands will be withheld for many years from sale and settlement, and at a time, too, when money is most needed for the now vast and expanded operations of the government, and when the State itself has a direct interest in their speedy sale and settlement.

The bill last referred to, and which is the immediate subject of this report, contemplates, as has been stated, an absolute grant of land to the State, from the proceeds of which the roads in question may be made. This is a very important proposition, inasmuch as it embraces a donation of 1,320,000 acres of land; and it is necessary, before it can receive the assent of Congress, that it should be shown the works are important; that the interests of the United States will be advanced by their construction, as well as those of the State; and that no provision of the Constitution will be violated by making the grants. The importance of the works, the probable benefits to be derived to the United States and the State from the grant, and the power to make the grant, should be satisfactorily established.

The committee believe that these several propositions can be successfully maintained.

And, first, as to the importance of the roads.

It will be seen, by an inspection of the map of Illinois, that the Central Railroad, so called, commences at one of the most remarkable points on the globe—the confluence of the Ohio with the mighty Mississippi—a spot to which all the great rivers of the west converge as to a centre, and where most of the commerce borne on their bosoms must pass on its way to the ocean, or from State to State—whether from the Missouri or upper Mississippi, the Wabash or the Ohio, the Cumberland or the Tennessee. It is far enough north to avoid the fevers and discomforts of a southern climate, and far enough south to avoid the frost, which, during a portion of each winter, binds and fetters their giant streams. Nature has marked it as the centre of commerce for a vast country, if not a seat of empire.

There terminate the valleys of the Tennessee and the Cumberland, which come down from the south as if to meet their kindred streams from the north; of the Ohio, from the East, which throws its branches to the Alleghany mountains on the one side, and almost to the borders of the lakes on the other; of the upper Mississippi, which descends almost from the Frozen sea of the north; of the Missouri, with numerous branches stretching to the Rocky mountains in the west—and where the waters of their thousand streams uniting, form a canal to the ocean on which navies may ride. To this point, a boat ascending from New Orleans may take freight, whether destined for St. Louis, or Pittsburg; a boat descending from Pittsburg, may, in like manner, take freight to it, whether destined for New Orleans or St. Louis; as, also, may a boat from St. Louis, whether destined for New Orleans or Pittsburg; thus introducing a competition which would reduce freights to the lowest point—a result equally beneficial to the government and to the consumer, and the farmer especially.

There is another consideration which gives importance to this spot. During a considerable portion of the year, in consequence of low water, the trade on the rivers above, especially the Ohio, the Cumberland, and the Tennessee, is carried on in small boats not well adapted to the navigation of the lower Mississippi. These would keep up the trade between this point and the States above on all the rivers, comprising three-fourths of Tennessee and a portion of north Alabama, of all Kentucky, of a part of Virginia, Pennsylvania, and New York, of most of Ohio, Indiana, Illinois, Missouri, Iowa, the northwest Territory, and part of Wisconsin, and bringing down from them small freights for the New Orleans Market, which, accumulating there, would be taken down the Mississippi in larger boats engaged in that trade. Indeed, while the rivers above are low or obstructed with ice, the mouth of the Ohio has many of the advantages of a seaport; for there, as the committee are informed, the great rivers never freeze over; and if ever obstructed by running ice, it is but for a few days. This, too, seems to be the point at which the flat-boats and small craft—vast in number, and conveying an immense amount of the most valuable productions of the soil—descending the Tennessee, the Cumberland, the Wabash, the Ohio, and the upper Mississippi, will find it most convenient and profitable to discharge their cargoes and break up and return.

The committee on internal improvements, of the senate of Illinois, submitted a report on the Central Railroad on the 11th of January, 1841, from which your committee make this extract, relating to this site:

“Located at the point where the vast waters of the Ohio and Mississippi mingle in their onward course to the ocean, the city of Cairo possesses the advantages of commercial position which few cities of its earth can rival.”

It is said however, that this spot, so favorably placed by nature in many respects, cannot be made habitable because of its inundation by the overflow of the adjacent rivers, and the want of solidity of its banks.

The committee have examined documents submitted to them on this point—the report of Mr. Strickland, a celebrated architect of Philadelphia, and of Mr. R. C. Taylor, a geologist of reputation, who examined it, with express reference to it. They concur in saying that the texture and solidity of its banks is such as to sustain any weight of buildings that may be placed upon them, and from the letter of one of your committee, addressed to the Committee on Naval Affairs, in February, 1844, and printed by order of the Senate, it would appear that the usual inundations had been sufficiently guarded against by a levee rising four feet above the highest floods, constructed on the Ohio river front, by hauling the earth back, thus graduating the bank from low water to the top of the levee, and forming a good landing or harbor. This, being on the Ohio, is represented as very capacious, with a current in the river of only one mile an hour, and safe for vessels and craft of every description.

In this combination of favorable circumstances, the committee cannot doubt that, should the proposed road, starting at this point, penetrating the interior of the most fertile State in the Union, and linking it with the northern lakes, whose commerce, derived from agricultural products, is now so vast as to be told in millions, and with the upper Mississippi, at the centre of a most inexhaustible lead region, be completed, that those productions, in the winter season certainly, would here seek an outlet, and force up a city not to be surpassed by any other upon the majestic rivers which flow by it. It will give the producers and exporters a choice of markets in the summer season, and the only one that is accessible to them in winter—at a season when, in the southern market, they will have less competition from the States bordering on frozen rivers—thus enabling them to sell their products at a higher price; and from the want of purchasers of the necessary articles of consumption, arising from the same want of competition, they will be enabled to buy them at the cheapest price. Making this road will be like opening a new river from the north to the south, on which, without the danger of snags and sand-bars, and with no obstruction from ice, the farmers of the north, at the season of highest prices, can take their products to one of the best markets of the world in the shortest time, and receive for their labor the most speedy return.

From the greater certainty, speed and comfort of railroad conveyance, over that by steamboats on the western rivers in low water, the committee believe it cannot fail to become, in the warm months, an important part of the great highway between the south-west and the lakes or by the railroads across the peninsula of Michigan, and through those of Canada now in progress, to the towns and cities on the St. Lawrence, and to the Atlantic cities. Already, as the committee are informed, a large portion of this travel to the cities and watering places of the north go by way of the lakes; by the completion of this road, increasing as it will its comfort and lessening the time occupied, the proportion of those who, for comfort, health or pleasure, prefer a northern route, will greatly increase.

The effect of all this, the committee believe, will be, not to break up the trade and travel upon the rivers at the proper seasons, but to increase it—for it is a fact often demonstrated, that the more you increase the facilities for trade and travel, the more trade and travel is increased.—It is estimated by those who have given the subject attention, that such is the extraordinary and rapid growth of the country in all its varied interests, business and pursuits, and such the stirring enterprise of our citizens, that, upon the large thoroughfares of transit and commerce, the number of passengers doubles in every period of eight years, thus in that time requiring an equal increase of its facilities. In view, also, of its connexion with the city of Charleston by their railroad, soon to reach Nashville—distant from Cairo not more than one hundred and ten miles—the sphere of its usefulness will be greatly enlarged, as another desirable market will be opened thereby. This, your committee believe, is a most important connexion, as the most profitable trade between these regions, consisting in the exchange of the productions of the north with the great staples of the south, would at once spring up, and increase to an enormous extent.

The western extension of the road from Chicago, on the most eligible route to the upper Mississippi, is also important, in the judgment of your committee, even should it not terminate at Galena, but at any other favorable point on that river. The argument in favor of Galena is, that the route of the road, through its whole extent, is for the most part over gently undulating prairie, requiring no expensive grading, or other works which tend so greatly to increase the cost, and with a soil fertile in the highest degree still vacant, and represented to be, in addition to its mineral wealth, one of the best wheat growing countries in the world.

John Cleves Symmes. In 1788, a grant was made of ten thousand acres to the society of the "United Brethren" for the same purpose; in the same year, Congress ceded to Pennsylvania the tract on Lake Erie, known as the "Triangle," which the United States owned by cession from Massachusetts and New-York, and made donations to the heads of families of four hundred acres each, distributed by lot to the early settlers of Illinois and Indiana.

After the adoption of the Constitution, in 1796, Congress granted to the French settlers at Gallipolis, 24,000 acres on condition of actual settlement in five years; and to Ebenezer Zane a tract of three miles square for opening a road and constructing bridges and ferries upon it, from Wheeling to Limestone, passing in its entire length through the public lands of the United States. By accepting this trust and pledging the lands for the payment of the revolutionary debt, an obligation of the most imperative nature rested upon Congress to adopt such measures as should tend to make the lands valuable and productive; for, as waste and unappropriated lands, they could contribute but in a very limited degree, in proportion to their extent, to pay the public debt, or promote the common benefit of all the States. These grants tended to open to the view of the enterprising the richness and capabilities of the lands the United States had acquired, and prepared them for sale, settlement, and cultivation by purchasers, who, from various motives, might be attracted to them. No one, it is believed, has ever questioned the power of Congress thus to dispose of the lands.

In more recent times, Congress has granted to the new States formed out of ceded territory a section in each township of six miles square to the inhabitants thereof, for the use of schools. But pecuniary gain to the United States was the ruling motive, for, before the granted section could be useful or available, it became indispensable that the remaining thirty-five sections should be purchased.

Trace the action of Congress still further. In 1802, Congress, in admitting Ohio into the Union as a State, the first formed out of ceded territory, gave the most unequivocal indications of their idea of their powers under the trust, by granting to her one twentieth part of the net proceeds of the sales of all such lands as should be sold within her limits, after a certain period, to be applied to the laying out and making public roads leading from the navigable waters of the Atlantic to the Ohio river, and to the State of Ohio and through the same. It is true this grant was for certain exemptions from the exercise of State power, supposed to be beneficial to the United States; yet who can doubt but that the most powerful motive operating with Congress was to sell the lands. The approach to Ohio, at that day, was difficult and dangerous, not inviting any but the most hardy, bold, and enterprising men. They only would risk the dangers attendant upon an advance to the fertile grounds beyond the mountains. Their numbers were few, and the quantity of land sold by the government, out of the twenty-five millions of acres it owned in that State, had not exceeded, at that time, 800,000 acres, exclusive of the sale to the Ohio company and to John Cleves Symmes.

Mr. Jefferson, in March, 1806, approved the "act to regulate the laying out and making a road from Cumberland, in the State of Maryland, to the State of Ohio," under this grant.

In 1816, during the administration of Mr. Madison, Congress appropriated \$8,000 to open a common road through the public lands in the territory of Illinois, from the Ohio river to Kaskaskia, near the Mississippi.

On the 15th of May, 1820, Congress passed an act to continue the Cumberland road through the States of Ohio, Indiana, and Illinois, having, on their admission into the Union, previously made the same grants of five per cent. of the net proceeds of the public lands to them for the construction of roads. The title of the act is "An act to authorize the appointment of commissioners to lay out the road therein mentioned;" and the preamble to it is as follows: "Whereas, by the completion of the Cumberland road from Wheeling, in the State of Virginia, through the States of Ohio, Indiana, and Illinois, the lands of the United States may become more valuable." Ten thousand dollars out of any unappropriated money in the treasury was appropriated for the purpose, and the bill passed the Senate, where it originated, without a division, and the House, by a vote of seventy-four yeas to thirty-five noes. Enhancing the value of the public lands was the object—the means to be used the ordinary revenues of the nation; thus establishing the principle, that being the great land owner, though in trust for the States, the money or the *cestui que trust* could be lawfully used to make the lands valuable by making roads through them. Congress considered if the United States could rightfully own all the lands in those States, they had the same right an individual owner would have, to make them saleable for the common benefit by such improvements upon them. A denial of this right would seem to involve a denial of the right to own them.

The grants to the States of lands for seminaries of learning, for seats of government, for canals and turnpike roads, which have been so often made and under different administrations, are to be referred to the same motive—pecuniary gain—giving away a portion to make the residuum more saleable; and the desired result has been produced, as may be seen in the rapid sales of the public lands since the grants were made, stimulated unquestionably by them. The official reports of the General Land Office show, that up to the close of the past year, there has been received for sales of public lands in Ohio, \$23,608,405; in Indiana, \$20,197,147; and in Illinois, \$18,557,515—making a total of \$62,463,067. That the com-

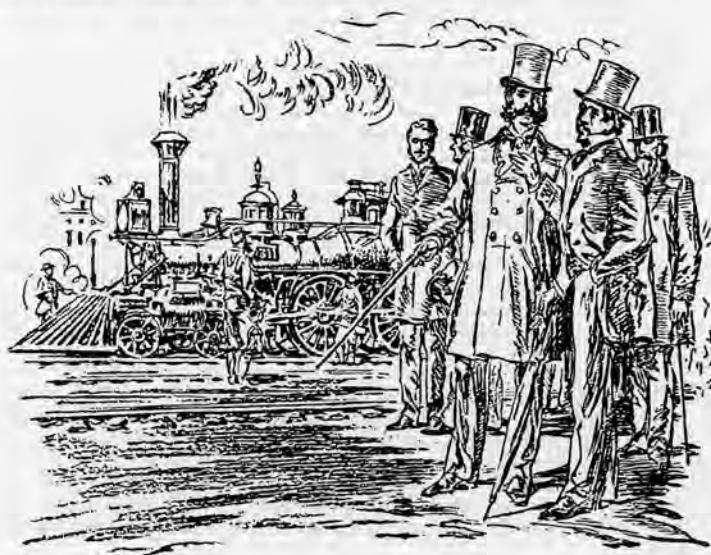
mon benefit of all the States has been promoted by appropriating from this trust fund to improve it, not only in regard to these moneys paid into the treasury, excluding the direct taxes and duties they who work the lands have also paid, but in respect to the increased strength afforded to the confederacy by the development of the "great west," outstripping, as it has, the brightest visions of our most sanguine and sagacious statesmen, none will deny.

The committee believe that the policy pursued by Congress, to which they have adverted, has been eminently beneficial to the States of the Union, and has been unaccompanied by the violation of any constitutional provision, but in strict accordance with all of them, and in perfect compliance with its obligations under the trust; and, when it is considered that of the 367,000,000 of acres of land to which the Indian title has been extinguished, 226,000,000 yet remain the property of the United States (much of it remote from timber and from navigable streams), a very large portion of which has been in market twenty years, they are convinced that the interests of all the States will be best promoted by persevering in this policy. They do not hesitate to recommend liberal grants out of this great residuum to the States in which they are situated, to aid them in constructing great thoroughfares through them, by which they will be made accessible and saleable. They believe it is not a mistaken policy, and if not the best, is far preferable to that other which permits them to remain a mere waste possession, contributing no revenue to the nation nor to the States in which they are. The committee do not believe it is just that these States should construct with their own means such works, when the United States are to be greatly benefited by them, but that they should contribute aid in proportion to the extent of their interests involved.

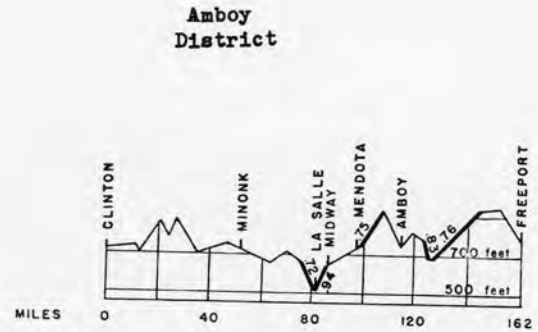
On the ground of impartiality too—on the principle of treating the new States alike—the committee think the State of Illinois may fairly claim of Congress the grants proposed in the bill. The dimensions of any one of these States, manifest, in one particular, the extent of the interests of the United States to be benefited by such grants, and afford some basis for the extent of the grants which they may severally claim. To Ohio, with an area of 39,627 square miles, or 25,361,593 acres, Congress has granted for internal improvements alone, 1,180,192 acres; to Indiana, with 23,411,431 acres, there has been granted for the same purpose 1,608,404 acres, whilst to Illinois, with 35,235,209 acres, there has been granted for such purposes but 500,000 acres, and the like quantity to all the other new States. Compared with Indiana, Illinois would be entitled to 2,420,740 acres. The bill proposes to grant to her 1,320,000, which, with the 500,000 acres already received, will make a total of 1,820,000 acres. The annexed table (B) will show the quantity of land granted to the new States for all purposes.

The committee, with these views and opinions, report the bill without amendment, and recommend its passage.

This document, dating from 1848, was presented to the U.S. House of Representatives. A companion bill introduced in the Senate by Steven Douglas was passed on May 4, 1848, but it was defeated in the House. Abraham Lincoln, Steven Douglas, Daniel Webster, Henry Clay, and John C. Calhoun personally participated in the debate, however, it was not until May 3, 1850 that a re-worked bill passed Congress. The Illinois Central Railroad was formally organized under a new state charter the following year. The document is presented in its original hand set type.



Number	Whyte Symbol	Number Owned	Average Age (Years)	Weight on Drivers (Pounds)
<b>Passenger Locomotives</b>				
1139-1150	4-6-2	3	32	189,500
1172-1178	4-6-2	4	30	189,500
1179-1192	4-6-2	8	28	189,500
240-2402	4-8-2	2	25	243,500
2429-2436	4-8-2	3	23	255,000
<b>Total and Average</b>		20	27.9	
<b>Switching Locomotives</b>				
213	0-6-0	1	36	166,000
222-248	0-6-0	5	35	166,000
257-259	0-6-0	3	34	169,000
272-282	0-6-0	6	33	169,000
313-315	0-6-0	2	31	169,000
319-329	0-6-0	5	30	169,000
980-988	2-8-0	2	37	214,000
3330	0-8-0	1	44	201,500
<b>Switching Locomotives (continued)</b>				
3411	0-8-0	1	39	225,500
3412	0-8-0	1	37	225,500
3500-3518	0-8-0	7	27	221,500
3526-3529	0-8-0	3	25	221,500
3554	0-8-0	1	21	221,500
3768-3791	2-8-2	2	25	220,500
3770	2-8-2	1	27	212,500
<b>Total and Average</b>		41	31.2	
<b>GRAND TOTAL AND AVERAGE</b>			173	29.6



Number	Whyte Symbol	Number Owned	Average Age (Years)	Weight on Drivers (Pounds)
<b>Freight Locomotives</b>				
2104	2-8-2	1	30	259,500
2108-2132	2-8-2	7	34	259,500
2112-2133	2-8-2	7	36	259,500
2126-2139	2-8-2	4	37	259,500
<b>Total and Average</b>		19	35.1	
<b>Switching Locomotives</b>				
305	0-6-0	1	31	169,000
3300-3328	0-8-0	3	44	201,500
3313	0-8-0	1	45	201,500
<b>Total and Average</b>		5	41.6	
<b>GRAND TOTAL &amp; AVERAGE</b>			24	36.5
<b>GRAND TOTAL AND AVERAGE Iowa Division and Amboy District</b>				
		197	30.5	



John Szwaykart

Livestock and refrigerated meat required fast running on the Iowa Division.



Basil Koob (Fred Ash Collection)



## ILLINOIS CENTRAL HISTORICAL SOCIETY

Box 157 Des Plaines, Illinois 60016



John Sz wajkart

Top: The Iowan near Ft. Dodge  
Center: Empty westbound reefers are  
switched at Broodview  
Bottom: Switching in Ft. Dodge



Basil Koob (Fred Ash Collection)