

A CENTURY OF CHANGE

A GRAIN INDUSTRY REGULATOR'S VIEWPOINT

by
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North Dakota grain elevators, like the immigrants, followed the railroads across the broad prairies of these Northern Plains.

Man, railroads and grain have always been synonymous with the settlement of the West. That partnership has at times been tumultuous.

Early grain elevators were built from twelve to sixteen miles apart along the railroad. A pioneer farmer was usually no more than ten miles from the nearest elevator and would haul one load of grain a day by ox or horse team and wagon.

Even before we became a state, the large Minneapolis grain companies were building small elevators of 15,000 to 25,000 bushel capacity. Competition was of not much consequence. Prices were rigged in favor of the grain companies, as were the scales and dockage practices. Managers were trained in the fine art of scalping the immigrant farmer.

Congress had not yet passed the laws that allowed farmers to create their own cooperatives.

A lot of immigrant farmers' sons got themselves elected to the first North Dakota Legislature of 1889.

They stood in the legislative chambers, many of them poorly educated and speaking in the broken dialect of Scandinavia, the Balkans and Ukraine, or German from Russia, argued for grain laws that would prevent the grain companies from doing to them what they had already done to their European fathers.

Amazingly, they wrote probably the finest grain laws in the United States of America.

At that time they delegated the Board of Railroad Commissioners to regulate these laws.

In 1940 the Railroad Commission became the North Dakota Public Service Commission.

A lot of college trained politicians have come into town since that first session, leaving the better part of our model 1889 grain laws alone, simply because they have stood time's test, are effective, easy to understand and allow the Public Service Commission to regulate grain elevators in a much less complicated manner than other agricultural states.

In 1910 the Minneapolis, St. Paul & Saulte Ste. Marie crossed into North Dakota at Portal, angling its line southeast toward the Wahpeton area. This started the famous railroad fight of 1910 and the Great Northern began building branch lines intersecting this new line, opening new grain markets north from the Great Northern main line between Williston and Grand Forks. The Minneapolis, St. Paul and Saulte Ste. Marie also built branch lines. The Minneapolis, St. Paul and Saulte Ste. Marie was re-named the Soo in the early 60's.

More grain elevators were built to serve this new farming area and by 1920 North Dakota had 2,000 grain elevators compared to 575 licensed elevators today.

Eventually Congress legalized the cooperative system. The farmers built many of their own elevators and hired their own honest managers. I have read ancient minutes in which a manager was hired for \$45 to \$60 a month.

The North Dakota grain trade has experienced a tremendous evolution in its first 100 years or so.

Our fine highway system has played an important part. Local farmers today may drive fifty miles or more to a better paying market or to deliver a specialty crop to a specialty warehouse. Competition is keen and fair.

Branch lines are being abandoned but trucks can reach the Gulf or Pacific Northwest markets in less than twenty-four hours. Today's markets are no longer domestic but global as well.

Elevators have merged and ship entire trains from a central terminal.

The elevators of the 21st century are here, huge shipping terminals with an office a block away from the ever present dust and smart bright wives of local farmers and businessmen operating computer terminals.

Times change and in my travels to North Dakota grain elevators I can honestly say I've never met a manager I didn't like and I admire them for their basic honesty and integrity.

I'm glad I've been a part of the North Dakota grain industry these past six years. I still don't like the grain dust but the dust is compensated for by experiences, friendships and what I've learned about this ever changing industry.

I look back at times, thinking about what that first legislative session might have been like. Perhaps we all missed something precious by being born too late to be there. Those old legislators may not have used perfect English, but they wrote some eloquent grain laws that a lot of other states wish they had today. North Dakota farmers still benefit from those laws and those laws make my job easier.

I salute the memory of those men of the First Session -- the freedoms they desired and argued for in the dialects their fathers brought with them from far places like Warsaw or Stockholm, Oslo or Odessa.

We were well served.