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Simeon Gannett Reed, a preliminary biographical study.

1948.

SIMEON GANNETT REED, A
PRELIMINARY BIOGRAPHICAL STUDY

A Thesis Presented to The
Interdivisional Committee Reed
College

In Partial Fulfillment of the
Requirements for the Degree Bachelor of
Arts

by
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January 1948

Approved for the Committee

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ABSTRACT

This paper is an attempt to select and analyze the factors of a man's life which would be essential for the composition of his biography. Since it is meant to conduct this investigation with as much objectivity as possible, any interpretation of the subject's behavior will be governed by this intention.

Simeon Gannett Reed has been chosen as the subject of this discussion. This selection is felt to be particularly appropriate, not only in view of his relationship to Reed College, but also because he is representative of the successful pioneer capitalists who exerted such a profound influence upon the America of their own day and upon the generations which have succeeded them.

The preliminary nature of this study has demanded that only a minimum of effort be made to integrate the various activities of Reed's life into a completed pattern. Therefore, where a definite correlation between two fields of interest is found to exist, its occurrence is noted simultaneously. Otherwise each aspect of his career is discussed in separate chapters.

CHAPTER I ORIGINS AND

BACKGROUND

During the latter half of the nineteenth century it was the upper middle class, composed chiefly of investors and entrepreneurs, who held the dominant economic, social and political position in the United States. And it is with a member of that class which these pages will be primarily concerned. However, the significance of an individual in society cannot be truly apprehended without some knowledge of that society wherein he exists. Because then, of this relationship and because every generation's history is largely determined by antecedent conditions, it is necessary to make some brief investigation of the era immediately preceding 1850 to determine just what direction subsequent events would take. For the present needs **it** is sufficient to limit this preliminary survey to that time during which the majority of the population active after 1850 was maturing.

The twenty years between 1830 and 1850 were ones of prodigious activity for the people of the United States. It was a period of national adolescence, when a crude and sprawling colossus first became aware of its powers. The center of population had gradually moved across the Appalachians into the Ohio valley. There, Americans were busy consolidating that area which had been claimed from the red man's wilderness. West of the Mississippi they were engaged in tentative movements toward further conquest. Texas and Oregon had come within

their grasp. A successful war wrested California and the Great Southwest from the faltering hands of Mexico. The country had discovered its "manifest destiny," and ambitious visionaries dreamed of an empire that would embrace the entire North American continent. Along with the tide of raucous patriotism that swept the nation there also arose a sullen wave of sectional animosity. Free soil, abolition, and nullification were smoldering issues kept hot by personal ambition, fanaticism and economic advantage. But in this era of adolescence, when Andrew Jackson's "common man" was cock of the walk, the ultimate consequences of the day's issues were confused and unclear.

The giants of the next half century had not yet assumed their places. Lincoln was splitting rails in southern Illinois. Grant, Lee, and Jeff Davis were cadets in the nation's newly established military academy on the Hudson River, from whence they hastened off to the war in Mexico and practiced for the bloody years ahead. Vanderbilt, Gould, S. F. B. Morse, and Colt were boys or half grown men not yet aware of the mighty forces they were destined to unleash or to direct. It was a time when the ugly implications of cataclysmic changes and the impending national cleavage were ignored or lost sight of in the excitement of living. In this era between compromises men applauded Webster or cursed the duplicity of Clay as their political sympathies dictated. And by torch light they paraded for the "Little Dandy" or old "Tippecanoe."

There were some discordant rumblings however, which could not be ignored. The shock of the panic of 1837 sent tremblors across the nation which toppled wildcat banks and threw state governments into bankruptcy. There were also attempted strikes in the cotton mills of

Massachusetts. But it was still the age of China Clippers, the Erie Canal and the first railroads; a time of exuberant growth, when the buoyant optimism of Emerson's transcendentalism shared the interests of the intelligentsia with the Utopian schemes of Fruitlands and Brook Farm. Theological highbrows were deserting the austere faith of Calvinism in favor of the gentler creeds of Unitarianism or Perfectionism. And theological lowbrows flocked to the evangelistic meetings of Methodists and Campbellites. It was also the golden era for mesmerists, phrenologists and patent medicine men.

One of the strongest and most energetic regions in the United States of this period was the Northeast. Here the sturdy New England yeomanry had been scraping an existence from their rocky fields for more than two centuries. Schooled by the barren harshness of the section's topography, and strengthened in their purpose by the grim heritage of their Calvinistic theology, these people developed habits of versatility and thrift, which became peculiarly associated with the name "Yankee." Although narrowly provincial in their attitudes they were extremely active in the world about them. As economic activity became more diversified, many deserted their farms and moved to the local urban centers; others, more restless, migrated westward, leaving the imprint of their culture from Ohio to Oregon.

One New Englander destined to feel the impact of this movement, and to follow this generation's lead toward the cities and the West, was Simeon Gannett Reed. He was born in East Abington, Massachusetts

on the twenty-third of April, 1830.¹ Reed's own father had died when he was still an infant, and his mother soon after married her deceased husband's brother.² It was in this household, with his cousin Newton and half brother Edward, that Simeon grew up. His stepfather was a typical small landholder who supplemented their meager agricultural existence with ventures in lumbering and flour milling. With the increase in commercial and industrial activity that occurred during Simeon's childhood, farming the family lands for the primary means of support was gradually abandoned in favor of the more lucrative pursuits of a village economy.

This trend toward increasing commercial interest was reflected in the curriculum of the formal education of these times. As was common with many other New England boys his age, Reed attended a local academy until he was fifteen years old. Few details concerning the instruction offered by the Mr. Fiske, who conducted this institution, are known; but there has survived a copy book in which young Simeon, during the year 1842, practiced double entry bookkeeping methods and, composed sale or invoice entries.³ In the light of the ultimate direction of his career, and as a prophetic suggestion of his future, it is also interesting to note that Reed was cast in the role of a

¹ Simeon G. Reed, Autobiographical Sketch, in Reed Letters, XXIII, pt. 2, 214, July 24, 1888. (Hereafter referred to as R.L.)

² Ibid.

³ Copy book, dated 1842, in Reed Private Papers. (Hereafter referred to as Reed Papers)

merchant in a skit presented at the academy during the year 1844.⁴ Certainly his education was narrowly conceived; penmanship, grammar, arithmetic, and spelling were directed entirely toward equipping him with a background sufficient for his acceptance with the business world. Nor did home influences make up for what his schooling failed to provide.

No inhabitant of New England in that period escaped the solemn observation of the Sabbath, and judging from the tone of his mother's letters in later years Simeon received his catechism under her strict guidance. His stepfather was probably close to illiteracy. So that except for literature in the form of sermons and religious tracts, the household was undoubtedly barren of any intellectual stimulus. Yet within fifty miles of his home lived Emerson, Thoreau, and Melville. These men, however, represented individuals too deep to be moved by the popular currents of the time. They were the poets, metaphysicians, and crackpots. The practical man, tougher of fibre, if more shallow of insight, busied himself with the immediate exigencies of competition for material benefits.

The termination of formal education, in those days as well as now, was taken as an indication of maturity. Therefore, when he finished at the academy in 1845, Simeon left his native town of East Abington to seek employment in Boston. Here he found a position as clerk in a dry goods store at a salary of seventy-five dollars a year with promise of a twenty-five dollar increase in pay at the end of one

⁴ Reed Papers, Performance Program of the school for October 11, 1844.

year's service. This move to Boston is significant for several reasons: it is a definite indication of the prevailing tendency for the young people to drift away from the semi-agricultural life of the villages and to seek a commercial position in larger population centers, and it illustrates the restlessness that was stirring in the land. This first adventure of Simeon's into the outside world was less than ten miles from his parental hearth. But it is none the less symptomatic of a state of mind that was to motivate many of Reed's contemporaries. It also gives emphasis to the fact that comparative striplings could find a place and assume at an early age responsibilities likely to overwhelm a similar youth today. It was the time for youth. Conditions everywhere, but particularly in the North and West were in a state of constantly accelerating change. Opportunities beckoned in all directions. No risk seemed too great nor any return too small for someone not to want it. For the ambitious the future seemed to offer no limits to their success.

Despite the excitement of the times and the call of distant opportunities, the attractions which first lured Reed away from home were for some reason dissipated. After one year he deserted the city and returned to East Abington, where he found employment with a local manufacturer then rising to prominence.⁵ Jenkins Lane was one of the first men in Massachusetts to see the possibilities of producing shoes by mass production methods. From the role of village cobbler he had

⁵ Reed, Autobiographical Sketch, R.L., XXIII, pt. 2, 215, July 24, 1888.

gradually expanded his field of business until he was furnishing shoes in wholesale lots to such distant points as New Orleans and St. Louis. It was in this man's shop that Simeon learned the craft of shoe cutting. But the results from this kind of labor were little more satisfactory than those of clerking. Even though he was paid on a piecework basis and was the master of his own time, Reed was not content. He realized that only by owning a business himself could he hope for any satisfaction. In 1848 he found an opportunity to accomplish this. Sometime in that year he moved to Quincy, Massachusetts, and established himself in the grain and flour milling business. Whether he was able to commence trading as the result of his own saving, or whether his stepfather assisted him financially is not known. There is some possibility that his family did give him some help, however, since they had previous experience in this line of business.

Part of Reed's wandering during the previous three years had been due to his restless search for the means whereby he might best achieve financial success. The first step toward the realization of this desire occurred when he became a grain merchant. After that it remained only for him to find an area where he might best employ his talents.

Thus, the removal to Quincy in his eighteenth year represents

⁶ Years later, in reference to this period in his life, he wrote: "... I felt like getting into business for myself." Ibid.

⁷Ibid.

a moment of extreme significance in Reed's life. It can best be considered as part of that rather complex development that occurs with the first achievement of maturity. The minute steps by which he advanced to this position have been obscured by an intervening century. Yet even from such a distance he can be seen emerging as a man, galvanized with a sureness of purpose, and casting aside his youthful freedoms for a man's responsibilities. His assumption of these responsibilities was manifested by his entry into the grain and flour business as an entrepreneur, and also by his successful courtship of Amanda Wood.

His courtship and marriage to Miss Wood followed closely upon his settlement in Quincy. It is not known when the couple first became acquainted, or how they met. But it is certain that the slender, nearsighted, eighteen year old girl was considered quite a catch. Through her mother, Amanda was related to the first family of Massachusetts— the Adamses of Quincy; her father was owner of the local quarry. Young Reed was apparently acceptable both to the community of Quincy and the Woods family. In the fall of 1850, six months before his twenty-first

birthday, Simeon and Amanda were married.⁸

Although Reed's marriage and his entry into his own business present definite evidence that the youth had become a man, it cannot be asserted that either action was derived from the other; such a matter must be left to speculation. Far more pertinent to the present discussion and to Reed himself at the time, was the
turn which national

Ibid.

affairs had taken at the close of the 'forties. The discovery of gold in the Sacramento River had given the general movement westward a definite goal. Already the first great wagon trains had rolled into California. But the dreams of infinite expansion that had possessed men's minds a decade before had become limited within the boundaries of Canada, Mexico, and the Pacific Ocean. The necessity for immediate conquest of western empires became more urgent.

With this gradual realization of national territorial limitations also came the increased awareness of the differences between the North and South. Both sides guarded their advantages jealously. And as the need for the creation of new states became more apparent, the smoldering antagonisms between free soiler and secessionist were fanned by the breath of hot debate and threatened violence. The "common man" of the North, South, and West was soon forced to choose sides along a redrawn line of battle. Another compromise was drafted in a vain attempt to settle differences. But Webster, Clay, and Calhoun, the old gods of compromise, were tottering. In their places were rising Stephens, Davis, and Sumner, the furious apostles of self-righteous intolerance.

From the West which forced the issues in national politics were emerging the challenging demands for expanded trade and industry. To men like Reed, who were to spend their lives exploiting these demands, the sinister imminence of a national disaster was obscured by the brilliance of new commercial opportunities.

CHAPTER II A CAREER OF BUSINESS

When the first news of California gold burst upon the world, Reed was scarcely established in his grain business and much preoccupied with his courtship of Amanda Wood. Three years later, however, he, along with thousands of other hopeful young men, sailed westward toward the Golden Gate.

Yet his response to this opportunity for riches was made with caution. He yielded to no reckless impulse to seek his fortune as a prospector; his Yankee background and native shrewdness made him more prudent. In every instinct Reed was a trader. Quite naturally he saw that during the first excitement, when the cost of bread or pleasure would be reckoned without thought of the future, the canny merchant with his flour barrels and whiskey kegs, was likely to receive more for his efforts than his less astute customers. This or similar reasoning was undoubtedly what prompted him to take a supply of lumber and flour to Sacramento and establish his business in a tent.

But Simeon learned that even cautious men can fail in such a hazardous environment. Soon after he arrived, part of his goods was destroyed in one of the fires that periodically swept through tent cities.¹ This reversal placed him in a position similar to any number of his contemporary fortune hunters who, disgusted with their luck,

¹This was the great Sacramento fire of November, 1862.

were turning elsewhere in their search for Eldorado. Unwilling to return home, yet anxious to leave the gold fields, some men collected their belongings and headed for the wilderness that lay to the north— the Oregon country. As a merchant, seeking supplies, this area probably seemed a likely source for Reed too. There he might procure the cereals and lumber so much in demand at San Francisco.² Late in 1852 he sailed northward.

The territory of Oregon had grown into a substantial farming settlement that was concentrated along the banks of the lower Willamette and Columbia rivers. In clearings close to the river, hedged about by magnificent stands of timber, the backwoods population had emerged from frontier existence and was rapidly acquiring the characteristics of a more mature civilization. By the time of Reed's first visit, both agricultural and lumbering operations had been extended to accommodate the demands of an increasing local and San Francisco market. Steamships and sailing vessels shuttled in increasing numbers between the Golden Gate and the Columbia Basin. This growing activity on the high seas also encouraged the development of river traffic on the Columbia and

² The disastrous fires which occurred in the mining camps during the winter of 1852 sent many California merchants hurrying to the Willamette and Columbia river valleys on errands similar to Reed's. A detailed analysis of this movement has been made by Miss Elaine Tanner in an Armitage Essay entitled, "A Study of the Underlying Causes of the Depression of 1854," in the Reed College Bulletin (January, 1947), and also in the same author's unpublished Bachelor's thesis, "A Study of the Commercial Factors in the Depression of 1854 in Oregon," (1947).

and its tributaries. The first locally built river steamer, named for its owner, "the Lot Whiteomb," had been built in 1850 and was operating between the mouth of the Columbia River and the hamlet of Milwaukie on the banks of the Willamette. Everything that moved any distance was dependent upon the rivers. An early local historian has remarked that:

For the first years of Portland; [sic] the people were dependent upon water transportation. To get to town, or to get away from it the only chance was by canoe, sail boats, batteaux or steam boats. There was not a single wagon road....⁴

Anyone possessed of sufficient skill and knowledge to build or operate a river boat could establish a carrying trade.

For an ambitious newcomer, disinclined to hazard the rigors of agriculture, lumbering, or river navigation, there were opportunities for entry into the general merchandising business. A small community named Portland had been established at the junction of the Willamette and Columbia rivers, where it served two functions which soon gave it an advantage over other communities in the vicinity. For the townspeople it became the most convenient point of access to the rich farmlands in the Tualatin Valley. For incoming settlers it was a haven where they might purchase fresh supplies and pause a moment after their long journey west.

As the frontier was gradually pushed back, the growing population demanded a greater variety of goods and services. Farm implements,

Joseph Gaston, Portland, Oregon, Its History and Its Builders, (S. J. Clarke Publishing Co., 1911) I, 259.

⁴Ibid., I, 220.

clothing, livestock, and building tools were eagerly sought. With scarcely one thousand inhabitants the town supported nine general stores and two hardware stores. For the more adventurous individuals who possessed some capital to back their judgment, the tantalizing possibilities of real estate speculation were omnipresent. There were even limited opportunities for journalists. A small newspaper The Oregonian had begun publication in 1850, and despite its Whiggish sympathies in a predominantly Democratic populace, it was thriving.

As the town's name suggests, a large portion of the early settlers in and around Portland were New Englanders. Just previous to Reed's arrival, numerous others from "Down East had ventured into Oregon

seeking their fortunes.⁶ This quiet community with its strong New England flavor, though remote from the rush and excitement of San Francisco,

appealed to Reed. He found the association with people of similar background congenial. The press of competition was less keen than farther south. And undoubtedly he was quick to respond to the attraction of doing business and mingling with a society that would be more agreeable

⁵ Ibid., I, 216.

⁶This movement of New Englanders into communities along the West coast was prevalent throughout the early 'fifties. Dorothy O. Johansen in "The Oregon Steam Navigation Company; An Example of Capitalism on the Far Western Frontier," 60, (unpublished doctoral dissertation, University of Washington, 1941) notes that: "Between 1850 and 1855 a surprising number of young easterners and middle-westerners came to California, not to mine, nor to settle farms, but to start businesses and make the history of that state. Others went on to Oregon and completely changed the tenor of its ways." A few outstanding men from New England among this group were William S. Ladd and Henry W. Corbett in Oregon, and Collis P. Huntington in California. See also, Marie Lazenby, "Down-Easters out West," in the Reed College Bulletin, (Armitage Essays) January, 1947.

to his young wife than the reckless life of cosmopolitan San Francisco. The Northwest looked "like a good country to grow up with."⁷ So after one more buying trip to Oregon he returned to stay in 1853.

He began his business career in this area as a commission merchant and dealer in general supplies at the village of Rainier, a struggling rival to Portland. But after a year and a half he wisely moved to Portland where Amanda joined him.

In November, 1855, Reed began an association that influenced the future direction of his entire life. In his notebook under that date he scribbled the following laconic remark: "Commenced work at Ladds."⁸ This insignificant beginning as a clerk in William S. Ladd's general store was Reed's first step towards fortune and success.

Ladd was not taking a pauper into his business. That Reed had been reasonably successful in his previous ventures is indicated by the fact that in December of the same year he accepted a note from a fellow townsman for \$1,329.34.⁹ His trading in California and Rainier had left him with a small amount of capital, and true to his Yankee heritage, he kept his excess money at work. Results from such careful practice were not long in being realized. When William Ladd joined C. E. Tilton in opening a bank in 1859, he offered his general store for sale. Reed and William's brother, John Wesley Ladd, formed a partnership and bought

⁷Reed, Autobiographical Sketch, R.L. XXIII, pt. 2, 215, July 24, 1888.

⁸Reed, Notebook, 1855, in Reed Papers.

⁹ Ibid.

him out. Simeon was keeping pace with the growing activity of his adopted home.

During the first six years of Reed's Oregon residence the growth in population and commercial activity gradually accelerated. Indian disturbances beyond the Cascades in 1854 and 1855 stimulated the inland trade and tended to counterbalance the recently depressed conditions of the California market.¹⁰ Portland became the base from whence all military supplies moved eastward up the Columbia.

The settlement of these difficulties provided more opportunities for the establishment of farms east of the Cascades. More immigrants swarmed into the rich land of central Washington and northeastern Oregon. Miners had also begun drifting in from the California goldfields. In the late 'fifties rumor of rich discoveries in the Fraser River country in British Columbia brought a rush to the Northwest. Idaho, then a part of Washington territory, was mentioned with increasing frequency as a potential gold country. This growing number of miners, immigrants, and adventurers that moved up and down the river proved the importance of the Columbia River as a transportation link with the interior. The competitive scramble for military contracts and civilian goods and passenger service seemed to indicate that steamboat owners had a fortune within their grasp. As an ambitious young merchant in a now rapidly expanding community, Reed sensed the significance of this movement on the Columbia. He did not become so pre-occupied with the price of onions or the scarcity of nails that he permitted the chance

¹⁰Elaine Tanner, "A Study of the Underlying Causes of the Depression of 1854," Reed College Bulletin, January, 1947, 54-55.

for profits in river transportation to escape him. In 1858 he purchased a quarter interest in the steamer Eliza Anderson for \$1,500.¹¹ Two years later he became a stockholder in one of the most lucrative business ventures that has ever been conducted in the Northwest.

For some time various transportation interests on the Columbia River had been aware that enormous profits could be made by any group skillful enough to monopolize the river traffic. But because of numerous difficulties and lack of sufficient capital, no one had managed to effect such a combination. The chief obstacles to amalgamation had been the land owners who controlled the portages around the Cascades, the Dalles, and Celilo Falls, 160 miles east of Portland, and the independent steam boat operators on the upper river. Both these groups had everything to lose and very little to gain by combining their holdings with the lower river shipowners. Regardless of the number of steamers operating on the river, everyone had to portage cargo around the Cascade rapids, the Dalles rapids, and Celilo Falls, since most of the merchandise in transit up river was destined for Idaho or eastern Washington, the cargoes were ultimately transferred to a steamer operating on the upper river. The upper Columbia and the Dalles-Celilo portage were controlled by Robert R. Thompson. Ownership of the two Cascade portages was divided. A company headed by Harrison Olmsted and Joseph S. Ruckel owned the Oregon shore; the land on the Washington side was in the hands of Daniel Bradford and his associates. Both of these companies also owned cargo vessels. Bradford operated steamboats

¹¹Dorothy O. Johansen, "The Oregon Steam Navigation Company...."

on the middle river between the Cascades rapids and the Celilo-Dalles portage, while Olmsted and Ruckle had boats on the river below the Cascades.

Despite these conflicting groups of interest, a way was found in 1860 to bring them together into one organization. Chiefly responsible for this incorporation of interests was Captain John C. Ainsworth, a self-made man, who as a pilot and part owner of several steamboats, had been closely associated with Columbia River transportation for the previous decade. Ainsworth found it necessary to offer tempting concessions before these men could be persuaded to join his combination. Thompson, Bradford, and Ruckle retained the right to control their portage properties as independent holdings outside the jurisdiction of the proposed company. Only their steamboat interests were incorporated. This left them in the very favorable position of being able to realize a double profit on every ton of cargo shipped between the Dalles and Portland. Stock in the new company, The Oregon Steam Navigation Company, was issued on the basis of each member's contribution to the pooling of vessels. Such a division made Thompson, Bradford, Ruckle, and Olmsted extremely large holders of company stock, and made them eligible for the biggest proportion of any profits that might be realized.¹² As independent portage owners they also received payment

¹² Originally there were fourteen stockholders and 345 shares of stock. Of this stock Bradford held 73 3/4 shares, Thompson held 60 shares, and Ruckle and Olmsted held 52 shares, giving the portage owners a total of 185 3/4 shares, or 53.8% of the total stock issued. *Ibid.*, 79.

for the use of their facilities at the Cascades and the Dalles.¹³

From the beginning it was apparent that Thompson who owned shares and Ainsworth, the promoter, would work in harmony. Their alliance seemed based upon a spontaneous friendship that was cemented by mutual trust and similar interests. Equally apparent were the evidences of friction that soon developed between these two men and the Cascade portage owners. In light of the ultimate results of this struggle it is of considerable importance to note that where Ainsworth and Thompson were united by solid ties of personal friendship, Bradford and Ruckle were scarcely able to subordinate their personal antagonisms enough to insure a harmonious prosecution of their opposition to Ainsworth and Thompson.

As leader of one faction Ainsworth had ample reason to distrust the motives of his opponent Bradford. In 1859 when Ainsworth had first attempted to combine transportation interests on the river, Bradford, a member of the organization, had forced Ainsworth to pay him \$600.00 a month to keep the steamer Julia from operating below the Cascades as a competitor to the company.¹⁴ This incident had been a major factor in the failure of Ainsworth's first attempt at combination. Now in the Oregon Steam Navigation Company they found themselves at odds once more. This time the argument revolved around company policy. Bradford and

¹³Thompson also received an \$18,000 bonus for entering the combination. The Company also accepted his person evaluation of the property which he exchanged for stock. Ibid., 80.

¹⁴Ibid., 77.

his sympathizers felt that since the primary object of a business was to make money, it was the director's duty to manipulate the stock and net income in a manner that would produce the greatest immediate return for the investor. The Ainsworth faction opposed any stock manipulation, and preferred to turn large portions of the company's earnings back into improvements, in hope of realizing long term profits on their investments rather than large immediate results.

With the controlling interests of the company split between two rival factions, the opportunity for successful intervention by a minority stockholder was obvious. Fate had reserved that position for Simeon Reed. When the company was formally incorporated under Washington territorial laws in December, 1860 as the Oregon Steam Navigation Company with a capitalization of \$172,500, Reed owned nine and one-third of the 346 shares issued. Compared to Bradford's \$36,875 and Thompson's \$30,000, his \$4,666 did not amount to very much. Yet his relative insignificance was his biggest asset. With judicious maneuvering, untold benefits might be derived from such a position. Both Ainsworth and Bradford would be anxious to gain the sympathy of reliable small-holders to assure a majority over their rivals.¹⁶

During the first four years of the company's life Simeon took no active part in the direction of its affairs other than to attend

¹⁵ At the first election of Company officials held in Vancouver, Washington Territory, it is significant that Reed, by far the smallest stockholder to be elected to the board of directors, received the largest number of votes. With less at stake than the other four board members, he might possibly be more easily influenced in his voting. Minutes of the Board of Directors of the ~~Oregon Steam Navigation Company, December 29, 1860.~~

meetings of the board and collect dividends. Undoubtedly interest in his store and the social events of the community occupied much of his time. As a young man not yet thirty-five, he could not have been anxious to devote every moment to business. It was enough that he had achieved a limited amount of success as a merchant and had been accepted into Portland's social life. But the culmination of the Ainsworth - Bradford struggle forced him into active participation in the company.

The years between 1860 and 1864 had seen its size and value increase rapidly. The rush of prospectors into the mining regions of Idaho during these years had stimulated business. Under the shrewd direction of President Ainsworth the capitalization had been increased from \$172,500 to \$2,000,000 to cover up the tremendous profits which the company was realizing. Instead of issuing big dividends, the corporation was recapitalized for an ever larger amount, with each shareholder receiving a proportionately larger amount of stock certificates. Thus, although the dividend on each individual share of stock remained small, the constantly growing number of shares which each stockholder owned gave him enormous profits on his original investment.

As the profits rose Bradford's opposition to Ainsworth became more determined. In 1864 he managed to persuade the Ladd brothers and other stockholders that for their own benefit as well as the company's it would be best to remove Ainsworth from his post. J. S. Ruckel was elected president and Simeon Reed vice-president. It is interesting to speculate on what must have been running through the minds of Bradford and Ainsworth at the time of Reed's election to this position. Were they both considering the possibilities of using this rather personable

young fellow to their best advantage? Whatever they intended for Reed, the situation at the moment favored Bradford. Another of his followers was installed as secretary and Ainsworth relinquished active direction of company affairs.

Fortunately for Thompson and Ainsworth their opponents were not able to maintain themselves in their newly-gained position. Ruckel was incompetent and to cover his shortcomings Reed was called upon to take over the general managership. Lacking experience in the actual administration of company affairs, he was forced to look to someone for advice. Ainsworth was his obvious choice. Under such expert guidance Reed successfully discharged his duties as the company's vice-president.

By the time for the election for officers in 1865, Ladd and other stockholders recognized their error in putting Ruckel in Ainsworth's place, and Ainsworth was reinstated. To the company's vice-presidency they returned the young man who had so capably directed the previous year's affairs. Thus began the Ainsworth-Reed-Thompson combination which, with occasional aid from W. S. Ladd, was destined to control the Oregon Steam Navigation Company for the next fourteen years.

Shortly after Ainsworth's re-election, the "triumvirate" of Reed, Thompson, and Ainsworth, supported by Ladd, set out to buy up all the company's stock. Ladd's participation in this scheme was desirable since his banking connections gave the others access to ready cash. The way for such a maneuver had been cleared by the clever diplomacy that had forced both the Cascade portage owners to sell their property

to the Oregon Steam Navigation Company.¹⁶ To gain possession of all the company's stock required more strategy.

Bradford and his supporters were most anxious to throw the company's stock on the market for speculation manipulation. In a letter to Thompson in May, 1866, Bradford wrote:

...my ideas of the formation of Companies or Corporations are that by the concentration of Capital drawn from numerous parties business of magnitude may be transacted and enterprises engaged in that one would not if he could undertake alone— For the repayment of the Capital invested, dividends from monies earned or the advanced Sale of Stock are the only Sources— Enterprises involving large sums of money are originated, and brought into Shape by men who are supposed to have a large amount of brains and some money they supplying the former in unlimited quantities and look to the mass for the latter— Now my notion is brains Should be paid for as well as the use of money and whilst in the management of other parties money we should in all respects be strictly just but it Should not debar the brains from taking advantage of Knowledge gained in the management of the business and making money as the opportunity offers. The managers of Stock Companies in the main make as much or more in the Manipulation of Stock than from the dividends—¹⁷

To the Ainsworth faction such practices as Bradford advocated were extremely distasteful. Yet it is revealing that in their struggle to gain control of the company from Bradford and his like minded associates, the "triumvirate" resorted to methods Bradford himself had most strongly proposed.

This sudden change in tactics apparently involved no ethical contradictions for the Ainsworth faction. Reed in particular, during

¹⁶ By playing on the rivalry that existed between Bradford and Ruckel, Ainsworth had managed to persuade them both that it was to their best advantage to sell out to the Oregon Steam Navigation Company. Johansen, *op. cit.*, 106-111.

¹⁷ D. F. Bradford to R. R. Thompson, ~~May 9, 1866, R.L., I, 90.~~

a stay in the East in the late winter and spring of 1866, had become quite enthusiastic about the employment of methods similar to those which Bradford had recommended. This was the result of his having seen at first hand the operation of Wall Street techniques as practiced by such men as Jim Gould and Cornelius Vanderbilt. His communications to Ainsworth were full of schemes to increase the value of Oregon Steam Navigation stock.¹⁸ Although no one of his proposals was adopted, his observations must have been useful when he and his coterie decided to get control of all the stock. The methods which were used in this operation fully demonstrated their ability as adroit and unscrupulous stock manipulators.

For the greater part of 1867, when Ainsworth, Thompson, and Reed controlled the board of directors, no dividends were voted. Stories were circulated that implied an uncertain future for the company. Such stories were easily supported by reference to the well known fact that the company had recently invested nearly half a million dollars in a new steamship which it was apparently unable to dispose of. The strategy was successful; small holders sold out first. A friendly California capitalist was employed to purchase the stock and hold it for the pool. Despite the fact that both Bradford and the remaining large stockholder, Olmsted, had access to the company books, and were in a position to recognize the tactics employed by the "triumvirate", they too sold out. By 1867, control of the company was in the hands of the four conspirators. A dividend of 36.8% was the Christmas present

¹⁸ Johansen, *op. cit.*, 175.

which they voted themselves on December twenty-fourth of that year.¹⁹

Reed was now primarily occupied with affairs of the Oregon Steam Navigation Company. He served as Ainsworth's alter ego in the execution of company policy and was directly responsible for the efficient operation of every branch of the business. His correspondence of this time is filled with inquiries concerning freight rates, schedules, agent's reports, pass requests, and related subjects. He also served as the public relations officer for the company. His was the thankless task of maintaining cordial relations with an increasingly critical public.²⁰

Closely linked with the history of the Oregon Steam Navigation Company is the story of the first Oregon railroads. As vice-president of the Navigation company, Reed was vitally interested in every proposed railway building scheme. No one recognized more clearly than those controlling the Oregon Steam Navigation Company the threat which the railroads held for their transportation monopoly on the Columbia. They were also shrewd enough to see that without their active assistance any local railroad builder's progress would be drastically impeded. Therefore, they adopted the wise policy of encouraging railroad interests to invest in areas most advantageous to themselves.

In 1867, Reed addressed a long letter to Oregon's senators in which he thoroughly discussed the relative advantages of the proposed lines in Oregon. He claimed preference for a line up the Columbia

¹⁹Ibid., 186.

²⁰ Reed to George Williams and Henry Corbett, December 9, 1867 R. L. I, 106.

River valley that would connect with the Northern Pacific. This route, according to Reed, not only would benefit the Oregon Steam Navigating Company but also would best serve the bulk of Oregon's population. He reasoned that since the largest percentage of people in Oregon lived around Portland, it would be more satisfactory if a railroad connection were made from there directly with the East rather than by way of the Central Pacific through San Francisco where the "California Railroad capitalists" would be given further opportunity to prey upon the Northwest.²¹

Such partisanship favoring a railway down the Columbia and terminating in Portland is understandable in view of the large holdings that the Oregon Steam Navigation Company had along this route.

But Reed and his friends were to suffer numerous rebuffs before their dreams of a Columbia Valley railway were to be realized. Plans for an Oregon-California rail connection were begun by a group of Californians in 1863. They proposed to build their line up the east side of the Willamette River to East Portland. Joseph Gaston of Eugene, backed by the "triumvirate" immediately countered with a proposal to build an identical line up the west side of the Willamette. A federal bill was secured authorizing the state legislature to grant twenty sections of land per mile along the right of way to any company designated by that body. It was further stipulated that twenty miles of track should be laid before any grant of land was made. Since no bonds could be issued until a company had built its twenty miles and was sure of its title to the federal grant, both sides sought capital with which

²¹ Ibid., 108.

to start immediate construction.

The contest became more complicated when both companies claimed the same name and insisted that the charter rights had been granted exclusively to them. Before the courts could decide to whom the name "Oregon Central Railway" belonged, each began clearing a right of way. In 1868 Reed began looking for rails and applying pressure to Oregon senators for national legislation that would be favorable to the west side group. But the contest was cut short when Ben Holladay, a California stagecoach and steamship operator entered the lists against Reed's company in 1869. Forced to admit defeat, the west side backers sold out to their rivals.

Aside from the small financial gain that Reed and his friends made, the only advantage derived from their first railroad venture had been to secure a change in the route of the Northern Pacific's main line to follow the Columbia River valley and terminate in Portland instead of at Puget Sound. This was done in the Railroad Omnibus Bill of 1869. But the passage of this bill, like the Holladay's control of the Oregon Central Railroad to the southward also gave the owners of the Oregon Steam Navigation Company a clear indication of the limited future for steamboat profits. It was to their advantage to make some immediate arrangement with the officials of the railroad which they expected to soon be pushing down the Columbia valley.

They began negotiations with Jay Cooke for the sale of their property. As financier of the Northern Pacific Railroad Company, he purchased the Oregon Steam Navigation Company for two million dollars. Half of the payment was in Northern Pacific bonds, and the other half

was covered by Cooke's note. In the sale agreement the "triumvirate" retained operating control of the steamboat business. To facilitate construction of the branch line from Portland to Tacoma, Ainsworth took over its actual direction, while Reed continued to manage the affairs of the Oregon Steam Navigation Company.

In 1873 the news of Cooke's failure swept the country into a financial panic. By heroic efforts, Ainsworth, with the able assistance of Reed, finished his section of the railroad and saved Northern Pacific's charter. But further railroad building was halted.

When Cooke went into bankruptcy his Oregon Steam Navigation Company stock was sold to creditors in partial payment of his debts. This stock was scattered throughout the nation. Realizing that most of those who received this stock would be unaware of its value, the "triumvirate" and Ladd began silently and patiently to recover control of their meal ticket. By 1878 they were again the majority stockholders of the company.

In the interim between Cooke's failure in 1873 and 1878, control of the lower Willamette had also been acquired by Reed, Ladd, Thompson, and Ainsworth. After a disastrous rate war that cost their opponents as much as \$100,000 in three months, the Oregon Steam Navigation Company emerged victorious and Ainsworth became president of the Willamette

Transportation and Locks Company with Reed as Vice-president.²² The successful culmination of this episode had made the Oregon Steam Navigation Company's monopoly of the Columbia River transportation system

²² Johansen, *op. cit.*, 250-251.

complete. The "triumvirate's" next move was another attempt to sell their holdings.

The anticipated reopening of construction along the Northern Pacific right of way was foreshadowed by the rapid rise of Henry Villard. In 1879 he commenced negotiations for the purchase of the Oregon Steam Navigation Company as a step in acquiring control of the Northern Pacific Railroad. After some prolonged bargaining he purchased the steamboat company property for five million dollars. Fifty percent of his purchase was in cash. Thirty percent was made with stock in the Villard-controlled Oregon Railroad and Navigation Company. The remaining twenty percent was in bonds of the same company. It was also agreed that Reed and Ainsworth were to remain as executors of the new company, the Oregon Railway and Navigation Company. But unable to agree with Villard's business methods, they soon resigned. By 1880, all four of the old partners had disposed of their holdings in Villard's company.

From their original investment in the Oregon Steam Navigation Company, its owners in 1880 had realized the incredible profit of 2,378 percent.²³ Reed's venture in steamboat transportation had made him a millionaire. He had come a long way since the day in 1855 when he first accepted employment in William S. Ladd's general store. From relative obscurity he had risen to a position of affluence and respect. As an official of Oregon's largest corporate business he was considered a financial leader in the community. Besides his Oregon Steam Navigation

²³ Ibid., 108.

Company holdings, he had acquired secondary interests so extensive that they must be treated by themselves later in this chapter.

For nearly twenty years river transportation had been Reed's predominant interest. After 1880 his attention was attracted elsewhere. For quite some time he had been considering the possibilities of developing an iron and steel industry in Oregon. From his own experience with the Oregon Central and Northern Pacific railways he knew the disadvantages of seeking rails and rolling stock in California and the East, although at that time he was concerned primarily with the navigation company, he was not uninterested in the idea of an iron and steel mill on the West coast. The panic of 1873 ended any immediate incentive for such a project. But by 1880, the picture had altered. Business was picking up everywhere. Railroads were again expanding, and the demand for rails was particularly strong in the Northwest where Villard had resumed building the Northern Pacific.

Just south of Portland along the western bank of the Willamette River were abundant ore deposits. It was to this area that Reed directed his attention and laid plans for the development of a future "Pittsburg of the West." Several previous attempts had been made, but limited capital, limited demand, and limited experience had restricted any large scale exploitation.

Shrewdly choosing the man likely to be most interested in such a scheme, Reed first corresponded with Henry Villard proposing the purchase and development of this property. In March, 1880, he wrote several long letters to the railway financier in which he described the conditions of the company then operating at the small community of

Oswego. He suggested that to develop the region a \$400,000 corporation be formed by himself, Villard, and Donald O. Mills.²⁴ Mills and Villard, both very busy with their numerous other investments, nevertheless showed considerable interest in the plan, but seemed reluctant to give Reed much direct assistance. Villard, in particular, was unwilling to risk public reaction to his increased activity outside of railroad interests; and Mills wanted no part in the actual administration of the company. They also felt that a \$400,000 investment would not be sufficient to establish a plant large enough to guarantee a successful operation.

Villard made a counterproposal that if Reed would accept the responsibilities as company president, he, Villard, would be willing to invest in the enterprise as a silent partner. He also insisted on a much greater outlay of capital. After the owners of the Oswego Iron Company should be bought out he agreed to subscribe to \$300,000 worth of bonds through his Oregon Improvement Company if Reed would raise \$300,000 to increase the new organization's capitalization. This would mean that with the \$300,000 raised by Reed, plus the \$600,000 evaluation put on the Oswego Iron Company property, they would have assets valued at \$900,000 against which stock could be issued. Company bonds purchased by the Oregon Improvement Company also provided more ready cash. Shares in the new company were to be issued on the basis of two for the price of one; and the total capitalization of the new corporation

²⁴ Reed to Henry Villard, March 8, 1880 and March 13, 1880, in R. L. XIII, 20-23, 26-28.

was to be \$3,000,000. Thus, \$1,800,000 worth of shares would be in the hands of stockholders while the remaining shares with a book value of \$1,200,000 were to be held in reserve and sold only when the need arose to enlarge the projected plant. Three-fourths of the original property (whose value during the negotiation had risen from \$400,000 to \$600,000) was to be purchased equally by Reed, Mills, and Villard, with Reed holding Villard's share in trust. The other quarter was to remain in the hands of the stockholders of the old company. The real estate secured by the purchase of the Oswego Iron Company amounted to 24,000 acres of land and included the greater part of the town of Oswego.²⁵

Of such stuff are dreams made. At the present time any plan to convert the region around Oswego into an iron and steel producing center would seem imprudent. Even when examined from the perspective of its own time, with proper consideration given to the project in relation to similar contemporary undertakings, it seems overly ambitious. More than two-thirds of the company's total capitalization existed only on paper. As president of the company, Reed admitted to only a superficial knowledge of iron and steel production. Neither Villard as a silent partner, nor Mills as an otherwise pre-occupied investor could be expected to give much direct assistance to the enterprise. For operational management the company was completely dependent upon outsiders. This was the unstable foundation upon which Villard proposed to erect a structure that must withstand the competition of such eastern titans as Carnegie and Frick. And Reed, blinded by the optimism of

²⁵Reed to G. B. Clapp, August 31, 1882, R. L, XIII, 260-263.

his own ambition, or the rising tide of prosperity, hastened to comply with Villard's terms. Perhaps he was even a bit flattered to find himself rubbing shoulders with investors of the stature of Mills and Villard. The native caution which had kept him from gambling as a prospector thirty years before was not proof against an over confidence which the intervening years of continuous success had brought.

To raise the \$300,000 demanded by Villard, Reed first approached his old friends Ainsworth and Thompson. Both declined to invest. Old age and illness had forced Ainsworth to become a passive spectator of the commercial world. Thompson had shrewdly decided that his fortune was large enough. Big business propositions no longer interested him.²⁶ W. S. Ladd showed some interest in the scheme and bought a small share of stock. However, as a banker he saw more profitable possibilities in lending money to the owners of the new firm than in investing directly. Reed was forced to look elsewhere for support. It was essential that the \$300,000 be raised as soon as possible since both Villard and the owners of the Oswego Iron Company were anxious for definite action. Rather than waste further time soliciting capital on the West coast, Reed negotiated with Fills for assistance. It was finally agreed that they should attempt to raise the amount jointly.

Through his brothers Simeon had connections with many New England investors. On the strength of virtually his personal guarantee of the enterprise's success he persuaded them and several of their business associates to invest \$150,000. In the spring of 1882, he went

²⁶J. C. Ainsworth to Reed, April 30, 1882 and September 12, 1882, R. L. XII. 110, 160.

East to make the final negotiations with Villard and the owners of the Oswego Iron Company.²⁷ In October of that same year the Oregon Iron and Steel Company was formally incorporated with a capitalization of \$3,000,000.²⁸

Reed assumed his position as president of the new organization in a flurry of activity. After extensive inquiries had been made, a general superintendent was hired for \$12,000 a year.²⁹ Plans for a new plant were immediately drawn up. Expensive fire brick for a new furnace was ordered from England. To assure power for the plant, water rights in the Tualatin Valley were procured and at great expense a canal was dug between the Tualatin River and Lake Oswego. Scores of inquiries were made about the most efficient methods of iron production. By the end of 1883, an impressive amount of money had been spent, great promises had been made, but very few results had been produced.³⁰

This failure to achieve more gratifying results after such

²⁷ Reed to J. C. Ainsworth, February 14, 1882, R. L. XIII, 257.

²⁸ D. O. Mills to Reed, October 16, 1882, R. L. XII, 180.

²⁹ H. Hackney to Reed, December 13, 1882, R. L. XIV, 50-51.

³⁰ "During the early part of 1883 Reed ordered the materials necessary for the construction of a new blast furnace as originally planned. Fire brick and fire clay sufficient for the entire plant and two thousand barrels of Portland cement was ordered from England. The entire shipment aggregated four thousand and five hundred tons, being carried on three ships, the first of which sailed on May 18, 1883, the second in June, and the last in July. Two million red bricks to be manufactured locally were contracted for. Machinery, including valves for the furnace and tank iron, was also purchased. In spite of the capital obtained from stock subscriptions the material purchased left a debt of close to \$125,000 to be paid." Herbert L. Hergert, "Early Iron Industry in Oregon," in Reed College Bulletin (Armitage Essays) January, 1948.

extensive expenditures of cash and effort roust have jarred Reed's optimism to some degree. Perhaps the magnitude of the project which he had undertaken began to worry him. The unaccustomed role as leader in an industry about which he knew very little gave him reasons for uneasiness. In June 1883 he tried to persuade Villard to assume the burden

of control and direction of the company.³¹ Villard, however, refused to be tempted.³² Too late to be of use, Reed's cautious nature had reasserted itself. For Villard had good reasons for refusing to take charge of the Oregon Iron and Steel Company; he was in financial difficulties. The cycle of boom and bust had been completed once again and hard times threatened. The unstable foundation upon which the Oregon Iron and Steel Company had been erected were beginning to crumble.

Fast on the heels of Villard's collapse in 1883 came more disturbing news. L. B. Seeley, one of the minority stockholders who formerly operated the Oswego Iron Company, filed suit against Reed for mismanagement of company funds. Although Seeley's charges could have been relatively easy to disprove in court, litigation would take time. Reed's object was to get his furnaces producing iron as soon as possible. No hope could be had for the company's success until there was some production. Any lawsuit over the organization's funds automatically prevented the realization of this end. Until the dispute was settled, no money could be spent.

Seelev realized to what disadvantage his move put Reed. As

³¹ Reed to Henry Villard, June 22, 1883, R. L. XIII, 290-293. ³² Henry

Villard to Reed, July 9, 1883, R. L. XV. 96-97.

nominal head and organizer of the corporation it was Reed's responsibility to see that dividends were paid to the investors. Therefore, in what appeared to be a compromise move, an attempt was made to settle the case out of court. This negotiation was not successful. From the beginning Seeley's suit had only been part of a plan to obtain control of the Oregon Iron and Steel Company. According to Reed the offer to compromise was nothing more than thinly veiled blackmail. If Reed would place control of the company in Seeley's hands Seeley would drop his plans to appeal to the courts. Reed indignantly refused such a proposition and a legal battle followed. For three years operations were suspended at Oswego while Reed's lawyers resisted half a dozen attempts by Seeley to gain control of the company.

Before the quarrel was settled, Reed had been forced to buy D. O. Mills' share in the company and Ladd had given his support to the malcontents. This alliance between Ladd and Seeley was quite reasonable. Ladd had lent the Oregon Iron and Steel Company over \$100,000. As the struggle between Reed and Seeley developed it seemed to Ladd that he could derive more financial benefit by backing the Seeley faction. Never one to let an old friendship stand between himself and a financial advantage, he had therefore moved to make best use of his opportunity.

Reed's purchase of Mills' stock was the result of a similar circumstance. From the outset Mills had been interested in the Oregon Iron and Steel Company only as a profitable investment. When profits failed to materialize, and the company's internal difficulties seemed to indicate that it would be some time before there would be any, he

began to look for someone to whom he could sell his stock. Seeley showed an interest in it, but he was unable to raise enough money to make the purchase. When Mills informed Reed of Seeley's attempted purchase, Reed saw that he must buy the stock before someone sympathetic to Seeley got hold of it. Although short of ready cash Reed had some investments in Canadian Railway contracts that were expected to yield rich profits. In exchange for Mills' shares in the Oregon Iron and Steel Company Reed offered his profits from his investments in the Canadian Pacific Railway. Mills agreed to this proposition and Reed's control of the iron and steel company was assured.

Another interesting aspect of the struggle was the strain which it placed upon the relations between Simeon and his brothers. Only with the greatest difficulty was he able to keep them from losing faith in the venture. In fact it would seem that he lost his own belief in the enterprise while defending it against the doubts of others.

When a settlement between the two factions was finally reached in 1887, the majority of the stock and a large share of the company's indebtedness was in Reed's hands. The plan for an iron and steel industry was as far from realization as ever. But with nearly \$400,000 invested in the business Reed found himself in a position from which he could not withdraw. Besides his own money he was morally obligated to protect the interests of his brothers and their associates who had stood by him during the three years of court battles. He had no choice. The company had to be made to pay. Doggedly he resumed plans to begin operation. A contract was made in September, 1887 to manufacture 1,997 tons of water pipe for the city of Portland. A new manager was brought

west to finish the plant. In 1888 it was finally opened. From then until 1892 iron was produced without interruption. A slight profit was even realized. But it was obvious that Reed's company would never be the success he had anticipated.

Aside from the increasing pressure of competition it was Reed's ignorance of production techniques which was the greatest hindrance to the company's success. Lack of firsthand knowledge had forced him to depend upon the advice of his managers. The results from such advice had all been to the company's disadvantage. In a letter to Martin Winch several years later he admitted this fact.³³ When it was too late for anything but regrets he saw clearly that his difficulties with Seeley had destroyed any chance for realizing a profit. Of all the stockholders, Seeley and several of his supporters were the only ones with practical experience producing iron. A more astute or less ambitious man than Reed could possibly have recognized their value and attempted some sort of reconciliation.

When his health broke in 1891, he withdrew from active management of the company's affairs. During the remaining four years of his life he became increasingly skeptical of its chances for success. In 1893 he wrote to his business agent:

I am not going to obligate myself to pay out \$16,000 or dump any more money into that concern [Oregon Iron and Steel Co.] for it has been a source of failure, and disappointment from the first and the more money we put in the less we take out.³⁴

It had taken Reed an untold amount of worry, and had cost him almost

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Reed to M. Winch, November 28, 1893, R. L. XXXVI, 171-172. ³⁴Reed to

M. Winch, October 14, 1893, R. L. XXXVI, 134.

half a million dollars to reach this conclusion. When died two years later, hopes for an iron and steel works at Oswego were buried with him.



If Reed's business career had conformed to an ideal chronological pattern it would be easy to back track at this point and summarize the secondary interests with which he occupied himself between 1860 and 1890. However, the normal interplay of human behavior and circumstance precludes the operation of such a neat plan. In the events of Reed's life that overlap and continually supercede one another in importance, his major interests lie like the strands of a twisted string, definite in outline, yet snarled at every turn in a tangle of his own uncertainty, or the distractions of new opportunities. This is particularly evident from 1880 until his death. The first seven years after the sale of the Oregon Steam Navigation Company was a period in which his energies were focused upon the ironworks at Oswego. But with his failure to realize anticipated profits, and under the strain of the wearing fight with Seeley, his interest waned. Disappointed but not discouraged, he cast about for a new field of enterprise. The Bunker Hill and Sullivan Mines provided him with the chance he was seeking.

In 1885, Noah Kellogg, an itinerant prospector had discovered a rich vein of lead and silver ore in the Coeur d'Alene country of Idaho. But his prospecting abilities were not sufficient to exploit his rich find successfully. Within two years after he had made his

discovery he was so involved in litigation with his many "friends" and "partners" that he was unable to derive the least benefit from the property. In 1887, an unscrupulous and clever speculator named James Gardner undertook the job of finding a buyer for Kellogg's mines. Very little salesmanship was necessary to convince Reed of their value.³⁵ In April of the same year he purchased all rights to the property for something more than \$700,000.

Although no documented evidence exists to support such a thesis, it does not seem unreasonable to assume that Reed's settlement with Seeley over the Oregon Iron and Steel Company's affairs in 1887 was the direct result of the purchase of the Idaho mining property. It is probable that, in the initial flush of excitement over his recent acquisition, Reed saw here an opportunity to recoup his iron and steel losses. To accomplish this it was necessary for him to devote the greater part of his attention to the development of the mines. The threat of further litigation with Seeley had to be eliminated as soon as possible. So in June, 1887, he proposed the settlement which Seeley accepted; the next month the Bunker Hill and Sullivan Mining and Concentration Company was formally incorporated. Reed was president and majority stockholder of the company with Kellogg and his partners, Sullivan and O'Rourke, holding minority shares of its \$3,000,000 capitalization.

Between April, when the mines were purchased, and the time of

³⁵ Reed Notebook, Bunker Hill and Sullivan [Mines], Reed Papers. See also Alan Hodgson, "The Economic Development of the Bunker Hill and Sullivan Mining Company," unpublished paper, 1936, 14-15.

³⁶ Reed to J. W. Wardner, August 3, 1887, R.L. XXIII, pt. 1, 102.

incorporation in July, Reed had obtained a superintendent to direct mining operations. He had hoped to secure the services of John Hays Hammond or James Hague. However, when both of them declined the position he hired Victor M. Clement on the strength of their recommendation. The choice of an able superintendent was extremely important. For upon his shoulders rested the responsibility of making the venture successful. Although familiar enough with mining operations, in this instance, unlike the Oregon Iron and Steel episode, Reed was primarily an investor dependent upon the services of a skilled technician for the exploitation of his property.

The new company began with the same bustle and activity so characteristic of the early years of the Oregon Iron and Steel Company. New equipment and new personnel were installed to meet the demands of Clement. Miners went to work and the company's books began to show a modest profit.

After an outlay of almost three-quarters of a million dollars it would be reasonable to expect that Reed planned for a long term development of this property. But this was not the case. He possessed neither the technical ability nor the inclination to participate actively in the long-run development of such an enterprise. As a dealer or a trader occupying the middle position, he was capable of holding his own with anyone. From his bitter experience with the Oregon Iron and Steel Company he had learned his limitations as a producer. Consequently he wisely planned to improve the property to the point where it would show to the best possible advantage, then sell to the highest bidder. A profit on the exchange was all he asked.

Gambling on the long risk had never been Reed's preference. His greatest success had been obtained by cautious progress, whereas his biggest failure had been the result of injudicious chance-taking. Holding the Bunker Hill and Sullivan in hopes of a possible bonanza was an alternative line of action that had small appeal for him.

The first prospective buyer was found through a connection of Clement's. In March, 1889 Reed offered to sell his property to the English firms of Richardson and Chadbourne for two million dollars. But his price was too high. He began looking elsewhere.³⁷ Unable to locate a suitable prospect himself, Reed asked John Hays Hammond to secure a purchaser in either the United States or abroad.³⁸ Favorable prospects were suddenly clouded by an unexpected turn of events at the mine which in September 1889 put a complete stop to further negotiations. Another lawsuit had risen to plague Reed!

The owners of a mine adjoining Reed's property became involved in a boundary dispute with one of their neighbors.³⁹ Although Reed had no direct interest in the original quarrel, the decision of a fixed jury ultimately forced him into a fight involving his right to a portion

³⁷ As the result of the difficulties he experienced with several of the local concentrating and smelting companies, Reed also conceived of the idea of purchasing his own refinery plant. Rather than go to the added expense of constructing a mill close to the mines, he "negotiated for one already in operation near San Francisco. From the evidence which remains, the sole purpose of this scheme was to enhance the value of his mining property. Control of a smelting plant would eliminate the necessity of future owners having to pay royalties to an outsider for the refining of their ore. Reed to A. J. Ralston, April 20, 1889, R. L. XXIII, pt. 2, 332.

³⁸ Reed to J. H. Hammond, July 4, 1889, R. L. XXIII, pt. 2, 375. ³⁹ V. M.

Clement to Reed. August 27, 1889, R. L. XXIV, 42.

of the Sullivan mine.⁴⁰ The details of the struggle which followed, although fascinating in themselves, have a bearing on the present discussion only in terms of their effect upon Reed's efforts to dispose of his property. Besides disrupting any immediate plans for the mines' sale, all operations were suspended at the diggings. Gradually the company's working capital was eaten up by maintenance costs and lawyer's fees.

Reed's attorney was W. H. Claggett, an able man with wide experience in litigation of this sort.⁴¹ Clement remained at the mine to keep an eye on the property and to assist Claggett in whatever way he could. Reed himself made frequent trips to Idaho and maintained a voluminous correspondence with Clement, Claggett, and various other residents of the area. But as the case dragged on through several courts with the advantage first with one side and then with the other, Reed realized that he would need more capital. In September, 1890 he made an arrangement with Hammond whereby the latter agreed to raise

⁴⁰ One side of Reed's property was bordered by the Lackawana mine. The owners of this mine became involved in a boundary dispute with the owners of the Mammoth mine which bordered their land at another point. In the litigation which followed, the Mammoth owners were victorious. Since the proprietors of the Lackawana claim had a title similar to the one by which Reed held his property, there was nothing to prevent the Mammoth owners from claiming Reed's property upon the same grounds which they had claimed the Lackawana. For this reason Reed joined in the dispute by supporting the Lackawana owners and appealing their case to a higher court.

⁴¹ William H. Claggett had led a singularly interesting life. In his younger days he had been a prospecting partner of Mark Twain's, and had also been a member of the Montana legislature.

\$300,000 for a consideration of 2,500 shares of the company's stock.⁴²

Why it was that Reed did not attempt to raise the money himself is not known. Perhaps his experiences in soliciting investments for the Oregon Iron and Steel Company made him wary of such projects. Perhaps his failing health prevented him. Most probably he saw that Hammond as an internationally known mining expert would be able to raise such an amount much easier than he could.

Hammond persuaded Reed's former associate D. O. Mills to invest \$150,000 in the company. In return Mills received 50,000 shares of Reed's stock. A short time later Hammond sold another block of 50,000 shares to a Chicago syndicate for \$150,000.⁴³ These sales enabled Reed to recover a portion of his original investment. But it did not provide capital to meet the costs of maintenance, litigation, and further property purchases that were necessary until the mines resumed operation.⁴⁴

In 1891, Hammond, who was taking an increasingly active part in the company's affairs, procured a \$110,000 loan from W. H. Crocker of San Francisco. This man was a shrewd, hard-driving investor who had first become acquainted with the Bunker Hill and Sullivan mines in 1890 when he had lent Clement \$25,000 which was used to buy out Kellogg's share of stock. Crocker's terms for the \$110,000 loan were interest at

⁴² Hodgson, *op. cit.*, 27.

⁴³ *Ibid.*, 27-28.

⁴⁴ The property purchases were of mining claims in the territory surrounding the Bunker Hill and Sullivan mines, and were made to facilitate the moving of ore from the mines. Reed was also attempting to buy out the controlling share of his rival's mine, the Mammoth.

the rate of one percent per month, and an option to buy 20,000 shares of Reed's stock at four dollars per share.⁴⁵ He soon took advantage of his option and became a director of the company.⁴⁶

The loan was made in February, 1891. In March of the same year he agreed to purchase the remaining 88,000 shares of Reed's stock.⁴⁷ Reed was ill at the time of this agreement. In his anxiety to be free of financial worries he allowed Crocker very liberal terms of payment. However, it was not until 1893 that the transaction was completed. Hard times struck the country in the intervening years and Crocker took advantage of Reed's failing health to delay payments for the stock in favor of his more pressing debts. Before the last payment had been made, Reed was physically a broken man. In spite of his efforts, the returns on his original investment would have been considerably more had he put a similar amount out on loans.⁴⁸

Of the forty years between 1853 and 1893 that mark the limits of Reed's activity in the northwestern business world only a meager outline has been given. Only the greatest moments in his career have been examined. Yet as aids in understanding a

⁴⁵J. H. Hammond to Heed. February (?), 1891, R. L. XXXIII, 26.

⁴⁶Hodgson, *op. cit.*, 28.

⁴⁷Reed to J. H. Hammond, March 9, 1891, R. L. XXX, 192.

⁴⁸One hundred thousand shares of Reed's stock was sold for three dollars per share. Seventy-eight thousand shares were sold for four dollars per share. Twenty-five thousand shares were disposed of for five dollars per share. The total sale price was therefore, \$737,000. Donald M. Sutherland, "The Business Activities of Simeon G. Reed from 1880 Through 1895," (Reed College, unpublished thesis, 1937) states that the purchase price of the mines was \$731,819.64. p. 68.

a perspective, and give a more comprehensive meaning to the incidents that fill the intervening years of his life. Reed's "big deals" represent the ends for which he struggled. Financial achievement was the factor which most decisively determined his status in the community. All his other activities were adjusted to conform with the demands of this standard. It is with this fact in mind that an evaluation of Reed's business efforts has been attempted.

In strict terms of failure and success the year 1879 was important. The sale of the Oregon Steam Navigation Company climaxed twenty-six years of Reed's financial career. After 1879 the tide of fortune swept failure, not success, across his path. It is significant that his success in the Oregon Steam Navigation Company was achieved under circumstances which Reed was unable to duplicate in his later experiences. During nineteen years of association with Ainsworth and Thompson a great amount of personal interest was developed and shared by the three men. All of them were Portland residents. Their wives moved in the same society. Such an atmosphere of congenial familiarity and close affiliation of private interests gave them a powerful feeling of unity that made cooperation in business activities simple and effective. Each man was compensated for his weakness by the strength of his partners. In questions of policy or administration, the burden of responsibility was shared.

Yet even among three men so closely bound by common interest there was a recognized leader. That man was Ainsworth. It was his driving force and imagination that had established the company. It was he as president who dominated its policy. Until 1880, Reed had

always occupied a position of secondary importance in company affairs. And it can be shown that one of his cardinal errors in handling the direction of the Oregon Iron and Steel Company was his failure to recognize the implications of this fact.

Every organization must have a dynamic personality capable of leading and inspiring others with confidence in his leadership. As originator and promoter of the scheme to produce iron and steel at Oswego, Reed was the logical candidate for such a position. Yet from the outset he committed errors that undermined his position. His initial mistake was in appealing to Villard and Mills for assistance. As bigger operators in the grand scheme of national finance they took the initiative of policy-making and administration away from Reed before he was fairly started. It was their plan for incorporation that Reed was forced to adopt. From a relatively small venture which he himself would have been capable of controlling and financing, it developed into a Frankenstein monster that crushed its builder.

It seems obvious that Reed was unaware of his limitations at this time. Accustomed to doing business under ideal conditions with the closest of personal friends, he attempted to use similar tactics with less scrupulous strangers and found himself beaten.

Reed's lack of technical knowledge in the production of iron was another serious handicap that contributed greatly to the ultimate failure of the scheme. Unaware of what it actually took to make an iron and steel plant successful, he was forced to defer to the judgment of managers whose interest in an immediate profit, in terms of a fat salary, often outweighed their interest in the ultimate success

of the business. By any evaluation it must be admitted that as president of the Oregon Iron and Steel Company Reed was a failure. His demonstrated lack of appreciation for the need of strong, well-informed leadership far outweighed the energy and honest effort which he exerted on the company's behalf. His initial error in judgment delivered the whole scheme stillborn.

That Reed benefitted from his experience with the Oregon Iron and Steel Company is shown by the way in which he handled the Bunker Hill and Sullivan mines. As long as he maintained his health he managed the affairs of this company with an aggressive firmness. Even though the actual mine operation was delegated to Clement, Reed maintained a constant and vigilant watch over his activities. And although not completely familiar with the smaller details of mining technique, he knew enough about the general requirements for a mining operation to exercise an intelligent supervision. The confidence that he placed in Clement as manager of the Bunker Hill and Sullivan mines was not the blind reliance he had put in the managers of the Oregon Iron and Steel Company. It is true that in both cases he occupied the role of an investor ultimately dependent upon advice from technical experts. However, in the case of his Idaho property, that dependency was not based on ignorance, but rather upon the faith any leader has in his trusted lieutenants.

Reed's plan for disposal of the mines, which was discussed earlier at some length, is another indication that his unhappy experience with the Oregon Iron and Steel Company had taught him a lesson. Sometime during the last six years of his life he must have

realized his limitations as a producer. Consciously or otherwise, in his last big business scheme Reed followed a plan of action which was best suited to his abilities. At his best he was a good salesman. It was unfortunate that failing health, an unexpected lawsuit, and the advent of bad times should combine to limit the possibilities of his success. Yet even under the strain of such adverse conditions he was able to extricate his original investment.



By turning from the most outstanding events of Reed's business career to those of less importance, the close relationship that existed between his activities and the era of expansion in which he operated becomes more evident. During the entire second half of the last century the economic pattern of America had become increasingly intricate and diverse. Under these conditions of constant flux and yet of steady growth, business enterprises multiplied with bewildering rapidity. Inventions and technological improvements made possible the development of investments heretofore undreamed of. The railroads, the telegraph, the telephone, the hermetically sealed can, the electric railway, and the incandescent light were only a few of the better known inventions that gave business such stimulus.

Closely integrated with the technological advances were the openings for exploitation of immense expanses of land with their mineral deposits and heavy forests. The traditions of real estate

speculation had been strong in the United States since the first days of Jamestown. But never before had people been in such a position to take advantage of their natural resources.

As a result of this combination of circumstances, there developed an attitude which has been personified in fiction by such characters as Beriah Sellers. To a greater or less degree everyone was attacked by this virulent form of optimism that found its strongest expression during times of hysterical speculation. As a successful representative of his time, Reed was under the influence of this general state of mind. During the course of his business career he managed to become involved in nearly every kind of business proposition.

The most important of his secondary ventures was, in terms of the capital and time involved, a rather impressive operation. The Conner Creek Mining and Milling Company which Reed incorporated in 1885 was a venture that produced excellent returns for more than a decade.⁴⁹ Capitalized for \$1,000,000 and owned by Reed, Josiah Myrick, and John and James Faull, the property had originally been acquired in 1876.⁵⁰ From that time until 1893, a twenty stamp mill was kept busy extracting profits from the rich quartz ore. It was from his experiences with this property that he derived a great deal of his knowledge of mines.

Mining had held a great deal of fascination for Reed from the time when he had first come to the West coast. Although he seldom gambled large sums of money on unproved claims, he often, during his

⁴⁹ Reed to John Faull, May 10, 1885, R. L. XVI, 216, ⁵⁰ Reed to I. D. _____

Haines, November 11, 1876, R. L. VII, 242.

earlier years, risked small amounts on prospecting ventures. Scattered throughout his correspondence are references to long forgotten claims and prospector's requests for grub stakes. John Faull, who was a miner of some ability, made numerous investigations into mining properties that were brought to Reed's attention. Reed also speculated with stock of the fabulous Comstock Lode. During the late sixties, he maintained a brisk trade on the San Francisco market in these securities. Some of the stock which figured in his transaction was from the rich Crown Point mine which returned millions of dollars to its owners during this period.

Railways also played an important part in the field of Reed's secondary activities. Besides his early interests in the Northern Pacific and the Oregon Central railways, which have been discussed, he was associated with construction projects on the Canadian Pacific. In 1880 at the same time that he was engaged in organizing the Oregon Iron and Steel Company, Reed entered an agreement with Andrew Onderdonk, H. B. Laidlaw, and D. O. Mills to build several sections of the Canadian Pacific Railway.⁵¹ Although the investment was apparently very successful, Reed never received the benefits of the undertaking. Just as the contracts were about to be complete he was forced to exchange his anticipated profits for Kills' share of Oregon Iron and Steel stock.⁵² His experiences with an electric railway were no more satisfying. For a short time in 1883 he was president of a company which included Thomas Edison and Cyrus Field. In this enterprise he invested

⁵¹ H. B. Laidlaw to Reed, July 27, 1880, R. L. XI, 247-248. ⁵² See above, p. 37.

\$16,500 in an effort to promote the construction of a successful electric engine.⁵³ However, the management of the Oregon Iron and Steel Company occupied such a great deal of his time that he was unable to devote a proper amount of attention to the electric railroad company. Later when his interests were diverted to the Bunker Hill and Sullivan mines he sold his stock to Henry Villard for \$21,050.⁵⁴ It was an ironic turn of fate that caused him to sacrifice both these railway ventures for his grand plan of an iron and steel works.

As was common with every large investor of the period, Reed was also involved in any number of real estate deals. Besides extensive holdings in the city of Portland which included the Abington building and a share in the Portland Hotel, he was engaged in various land development projects in other parts of the country. In 1880 he purchased fifty shares of stock in the Pullman Land Association of Pullman, Illinois.⁵⁵ With Thompson and Ainsworth he owned 345 acres of what became the Northern Pacific's Washington terminal in downtown Tacoma.⁵⁶ He was also a stockholder in that city's Pacific National Bank.⁵⁷

One of Reed's earliest minor ventures was in connection with the Oregon Steam, Navigation Company. In 1868, a telegraph line was constructed from Portland up the Columbia and Snake River valleys to

⁵³ Reed to C. H. Dimon, August 11, 1883, R. L. XVI, 15-16.

⁵⁴ Reed to M. Winch, January 17, 1889, R. L. XXVIII, 25.

⁵⁵ Reed to G. H. Pullman, August 25, 1880, R. L. XIII, 152.

⁵⁶ Reed to J. C. Ainsworth, August 9, 1883, R. L. XVI, 9,

⁵⁷ Reed to T. B. Wallace, November 13, 1885, R. L. XVI, 270.

Idaho City.⁵⁸ The line was principally used for the Oregon Steam Navigation Company's business. Later it was sold to the Western Union system.

Although the days of American supremacy on the high seas was rapidly passing, Reed also had modest investments in that field. In **1875** he purchased an eighth interest in two **165** foot barks that were built and sailed out of New Bedford, Massachusetts.⁵⁹ These vessels were finally sold as coal barges after having been profitably operated for more than fifteen years.⁶⁰

How many other investments Reed made is difficult to determine.⁶¹ His career covers a period of incredible economic activity. So many opportunities were presented to anyone with capital that it was difficult to discriminate between a good and a bad proposition. As Reed's experiences proved, anyone with a reasonable amount of luck and perseverance might expect to become rich. The fact that such a wide variety of opportunities existed has not been emphasized with the intention of deprecating Reed's abilities or belittling his achievements. The size of his fortune was sufficient evidence of his more than

⁵⁸ Reed to J. S. Schenck, May 16, 1868, R. L. III, 3.

⁵⁹ W. H. Besse to Reed, December 6, 1875, R.L. VIII, pt. 1, 32-34.

⁶⁰ W. H. Besse to Reed, January 18, 1895, R. L. XXXVIII, 150-151.

⁶¹ Sutherland lists forty-six other investments Reed made in stocks and bonds between 1880 and 1895. Many of these were bonds of the cities of Portland, Oregon and Pasadena, California. Others were numerous small blocks of railroad stock. See D. M. Sutherland, "The Business Activities of Simeon G. Reed From 1880 Through 1895."

average aptitude for business. It is more for the purpose of demonstrating the profound influence that these increasing opportunities had upon the development of American thought that it has been reiterated. Because of them, a great number of people were suddenly catapulted from relative obscurity into the prominence of responsible positions. The demands of these responsibilities often pushed successful financiers into fields of social and political activity for which they had neither sympathy nor understanding. But the pressure of circumstances demanded some kind of action. The only guides for behavior with which most of them were familiar were the "sound business principles" that had implemented their rise to a place of eminence. Thus it was that through no conscious desire of their own these demigods of big business found themselves established in the position of grand arbiters with the power to dictate the artistic, political, social, and economic laws of the nation.

A business code became the dogma upon which a national philosophy was based. And for one to achieve any sort of success in the accepted sense of the word it was necessary to observe the tenets of this strongly materialistic code. Simeon Reed, the successful pioneer capitalist who rose to his position solely on the merits of his own industry and a fortunate coincidence of circumstance, serves as a prime example of one who found himself in complete harmony with the environment of his times. His methods of business and code of behavior were typically representative of the accepted contemporary beliefs. And as such they merit closer examination.

These expressions of Reed's fundamental harmony with the

dominant attitudes of his time were seldom conscious. Part of his being such a typical representative was that he was essentially a doer rather than a thinker. Consequently it is necessary for anyone seeking an insight into his beliefs to look to his deeds for an adequate explanation.

From his correspondence one derives a variety of impressions about his business standards. One of the foremost characteristics of the man was the industry and thoroughness with which he attacked every problem. Another factor governing his behavior was his strong sense of responsibility which he had toward those dependent upon his advice. An excellent example of this conscientiousness was demonstrated by his behavior towards his brothers in their dealings with the Oregon Iron and Steel Company. He also possessed a great deal of pride in his property. Everything which he owned was of the best quality that could be purchased. In this matter he deviated slightly from the behavior of other members of his class who were often willing to sacrifice quality for a greater profit. However, this desire for good merchandise did not blunt his competitiveness. On the contrary, it increased it. To find the best article for the lowest possible price was for Reed a practice that was nearly an obsession.

In his behavior towards his business associates Reed was inclined to be a bit over cordial toward those whom he deemed to be his equals or superiors. Toward his employees he maintained a scrupulous fairness. As with most employers of that period he refused to assume responsibility for his employees' well-being. But he was not aloof in his relations with them. Many men who felt they were not receiving

the proper compensation for their work appealed directly to Reed for a raise, oftentimes successfully. In his dealings with customers he was alert and attentive. Ever alive to the value of a satisfied public he quickly adopted many suggestions which they made.

That Reed had a horror of debts is indicated by his treatment of both creditors and debtors. Almost all of his purchases were made in cash. If for some reason any debts which he owed were not paid when due, he accompanied his tardy remittances with the most abject apologies. Toward people who owed him money he was reluctant to resort to legal methods for collection. Punctual in the discharge of his own obligations, he expected everyone else to behave in a like manner. When he sold his holdings in the Bunker Hill and Sullivan mines, this sort of liberality nearly led to serious difficulties.

A fair judgment of Reed's integrity as a business man is very difficult. By the standards of our own day he engaged in numerous practices which would be considered dishonest. His acquisition of the water rights in the Tualatin valley for the Oregon Iron and Steel Company was made by high pressure methods that would have been difficult to justify under any circumstances. In the litigation which involved the Bunker Hill and Sullivan mines, he employed methods that would be roundly denounced today. Perjured witnesses, Pinkerton agents, and strong-arm tactics were used with his approval. However, it must be realized that such methods were also being employed by his opponents, although they could not be justified in ultimate terms of right and wrong, these acts might be excused on grounds of self-defense. Reed was the product of his age. That which was most expedient was often

deemed to be most right. At times, more by necessity than preference, he stooped to practices which would be condemned by us who live more restricted lives.

Like all "big business men" Reed kept himself surrounded by a number of trusted satellites. John Faull, Martin Winch, and Victor Clement were the most outstanding of these. To them Reed gave his implicit trust. In return he demanded an obedience and devotion to his interests. It must be given to his credit, as a judge of men as well as to himself as a personality, that none of those whom he chose failed the obligation of his trust.

In attempting to evaluate Reed's career as a business man, it must always kept in mind that he took his position as a financial leader very seriously. By his own efforts he had gained entry into what was considered to be the elite society of his day. That he was conscious of this dignity may be seen from an examination of any of his letters written during the later years of his life. Whether seeking a government appropriation or rendering a favor, he approached the matter with a supreme confidence in his own conviction and an air of certainty that his voice was synonymous with the voice of prevailing opinion.

It would seem that whatever Reed had of a business philosophy was based wholly upon the circumstances in control at the moment. Within the bounds of what his society accepted, Reed acted as the occasion demanded. As an individual who found himself so admirably adjusted to that society, it is doubtful if he would have considered behaving otherwise.

A summary of Reed's business code should also include a final

evaluation of his position in the commercial world. It has been pointed out before that Reed was essentially nothing more than a good salesman. His easy compatibility with his environment made him extremely well-suited for such a role. Thorough, diligent, and by nature rather careful, Reed was quick to win men's confidence. Coupled with these assets was a stubborn competitive spirit that drove him to hold on after others had given up. As a promoter he lacked the necessary quality of ruthlessness which gave success to so many of his contemporaries. As a builder and producer he lacked sufficient background and knowledge. Creations of lasting value for which he was responsible were the result of coincidence rather than direct interest. Almost exclusively he represented the hard bargaining, hard working middle man. It was his fortune to live during the era of golden opportunity for individuals with such talents. As a result he enjoyed all the success which his abilities were capable of producing.

CHAPTER III PUBLIC LIFE
AND POLITICS

Just as an expanding pattern of concentric rings marks a raindrop's absorption into the greater mass of a pool's surface, so do the separate expressions of an individual's behavior give evidence of his merger with his milieu. To carry the analogy a bit farther, it is the initial wave, deriving its impulse at the precise instant when the amalgamation process occurs, that circumscribes within its expanding arc the magnitude and direction of each succeeding ripple, so that the interior circles, though nearer the original force and of a more recent origin, are yet dependent upon, and contained within the first's circumference. In this discussion thus far, only the center and the most outward ring of such a pattern have been investigated. Between the fact of Reed's emergence into the society of his time and the various details of his business career lie numerous subsidiary expressions of conduct with which he filled out his life. The next step, therefore, shall be to examine and evaluate these intervening ripples.

Most of Reed's interests were so closely integrated with his commercial pursuits that it is difficult to find an activity of his that was not partly dominated by them. Evidence substantiating this can be found in a two column summary of his career that was published in The Oregonian in 1895.¹ The entire article contains only one reference

¹ The Oregonian, November 9, 1895.

to any interest outside his immediate business life: that was to his wife. It would seem that his contemporaries were unaware that he had any other public or political significance. Judged by all outward appearances, perhaps such lack of appreciation for Reed's behavior in other than financial spheres should be considered as no more than he deserved. However, in view of the important position which he occupied in the Northwest during the last twenty-five years of his life, it would be a bit naive to assume that he exerted no influence in the direction of public and political affairs. If there is an apparent lack of participation in these particular fields, then for this reason alone, some explanation must be found for such an absence. But before attempting this it would be wise first to examine his public life in greater detail.

Reed's affiliation with the Unitarian church offers the clearest evidence of an association that was at least partially removed from his business interests. He became an active member of this congregation soon after his arrival in Portland. Because he was not a profoundly religious man Reed was probably governed in his choice of theology principally by his wife and the New England background which they both shared. That he chose the Unitarian faith rather than the Presbyterian or Congregational branches of Calvinism is very possibly the result of Thomas Lamb Eliot's influence. This gifted Unitarian pastor became a great friend of both Simeon and Amanda. The other force which must not be overlooked in giving some explanation of Reed's church affiliation was the important part which the church played in the social affairs of the time. A large portion of the community's activities were carried

on there. Box socials, recitals, masquerades, and various other entertainments were all conducted under the auspices of the church. Such functions were where he and his wife mingled socially with the families of Ladd, Thompson, and Ainsworth.

To one interested in these things as Reed, active membership in such an organization was mandatory. Both Mr. and Mrs. Reed sang in the choir. They also made liberal contributions toward the church's support; his annual donation amounted to \$200, and he frequently supplemented this with smaller sums.² In 1878, Reed, Ainsworth, and Thompson were responsible for the construction of a new church building. Reed personally pledged \$1,000 with the understanding that he would give \$1,000 more if it were needed to make the institution debt free.³ Evidently he was anxious to keep his house of worship as solvent as his business.

Closely associated with his religious activities were his philanthropies. Here again the influence of his wife and of his minister is clear. And for this reason it is difficult to determine how interested Reed actually was in his church.

Evidence of his generosity can be most easily grouped into three general classifications. Under the first classification might be entered the innumerable small amounts of money which were given at various times to Dr. Eliot for charitable purposes in Portland. Both his personal accounts and his correspondence have many references to checks ranging from fifty to one hundred dollars payable to Dr. Eliot

² M. Winch to T. L. Eliot, December 26, 1891, R. L. XXXI, 94. ³ Reed to T.

L. Eliot, May 23, 1878, R. L. X, 195.

for charity work. Sometimes given in his wife's name, sometimes given in his own name, the amounts were seldom large. But they were frequent, and it is doubtful if his generosity was known to many of his contemporaries since the money was always dispersed by Dr. Eliot.

The second classification would include those donations that he made in answer to solicitations from his acquaintances in Massachusetts.

In 1881 he gave \$1,200 for the maintenance of a cemetery in Rockland, Massachusetts.⁴ Another time he gave fifty dollars for the bell of a rebuilt church. He also provided \$100 toward the purchase of an organ for the church in his home town.

The third classification is concerned with Reed's life-long interest in the need for more educational facilities. This interest was to find culmination in the establishment of Reed College. But the actual organization of this institution was an event which may not properly be included in this discussion since it occurred more than fifteen years after his own death and as the direct result of his wife's will, rather than his own. But it can be pointed out here that the eventual assignment of the Reed fortune for such a purpose certainly can be traced to his interest in the education of young people. During his own lifetime he donated several lots to a boy's school in Tacoma, Washington.⁶ He also contributed to the support of Throop Polytechnic Institute in Pasadena, California.⁷ Yet neither of these rather

⁴J. Shaw to Reed, July 17, 1882, R. L. XII, 116-117.

⁵M. L. Estes to Reed, March 29, 1894, R. L. XXXVIII, 39-40. ⁶T. B. Wallace to Reed, October 27, 1885, R. L. XVIII, 166-167. ⁷F. J. Polley to Reed, June 28, 1893, R. L. XXXV, 202.

impersonal grants of cash or land demonstrate quite so clearly his sympathetic interest in the struggles of young people for learning as does an incident involving his nephew, Arthur Reed.

Through his uncle's generosity Arthur was enrolled in a New England academy. While there he became friends with a youth who was in danger of being denied further education because he lacked the fifty dollar tuition fee. Arthur appealed to his rich uncle for aid. Reed's immediate answer was a check for fifty dollars. The letter which Simeon enclosed with his check has been lost long ago, but among his correspondence Reed kept the awkward note of gratitude with which a nineteen-year old lad replied to his benefactor's kindness.⁸

Not all Reed's philanthropies were motivated by purely altruistic reasons. By every test he was essentially a man of business. A hard bargainer and scrupulously faithful to his obligations, he was still as able as the next capitalist to turn an honest dollar by judicious grants of land to schools and churches when he was promoting some undeveloped real estate. In 1883 he was approached by a Tacoma minister seeking the donation of a church lot. Reed referred him to his Tacoma land agent. Sometime later the agent wrote that he "had come to no agreement with Mr. DeVore, as he is not yet prepared to bind himself to erect a church within a given time." He then went on to add that "there seems to be no necessity for donating lots for a school, as they are selling rapidly enough without."⁹ A cynic might conclude that sales had fallen

⁸ F. W. Morton to Reed, November 18, 1883, R. L. XV, 197-199. ⁹ T. B.

Wallace to Reed, October 12, 1883, R. XV, 162.

off two years later when he gave the two lots to the boy's school.

Aside from the church, Reed had only a small part in public life not directly related to his business. For the most part he left the direction of civic affairs to someone else. Though asked at various times to meet and entertain such visiting notables as Schyler Colfax and Phil Sheridan it would seem that he was called in more as a local transportation magnate than as a civic leader. Except for his membership on the water commission there is no record of his holding any public office. Neither was Reed much of a "joiner." He was a Mason and a member of the Arlington Club in Portland, and of the Union Club in San Francisco. Although apparently a very sociable person, he never mentioned these affiliations himself. It is only through the correspondence of his friends that evidence of his membership remains.

As a patron of the arts, he showed some enthusiasm but very little discrimination. A list of twenty-four canvasses, valued at \$11,000, which he lent to the Portland Mechanic's Fair in 1883 is an index of his taste in painting.¹⁰ The most remarkable thing about the collection was the record of the prices paid for these mediocre works.

In connection with his business Reed did exert considerable force in procuring improvements for the community in which he lived. Because of his interest in the Oregon Iron and Steel Company he strongly urged the clearing and deepening of the Willamette River channel.¹¹ Because of his large property holdings in Washington

¹⁰ List, R. L. XVI, 1883, 65-66.

¹¹ Reed to B. Herman, February 21, 1890, R. L. XXX, 61-62.

County, Oregon, he sought improvement of the county road system. His efforts on behalf of the railroad interests have already been discussed.

All of the improvements which he favored were admittedly advantageous to himself. Yet at the same time it must not be forgotten that he sincerely felt that by benefitting himself he was also adding to the welfare and prosperity of the community. He strongly believed in the future of the Northwest. Sprinkled through his correspondence are inquiries from all over the United States and abroad concerning the advisability of settling in Oregon. In answering these letters Reed showed himself an astute promoter of what he considered to be the best interests of his adopted state. To men of means, whether in business or farming, he recited the advantages of the West and extended a cordial invitation to come and see for themselves. With those whom he thought to be less capable he was more cautious, warning them of the difficulties of a new country, rather than encouraging them. To a large extent his behavior seems justifiable. The Northwest could not be fully developed without capital and men of strong determination. It was Reed's object to encourage immigration to those with a maximum of each.

By turning from the details of his somewhat meager public life to his participation in politics, Reed's behavior is seen in an entirely different perspective. As has been previously maintained, his philanthropic gestures and church activity were probably motivated by the desire for social participation, and were influenced by the claims of relatives, friends, and traditions. Even his interest in the Northwest seemed to be largely controlled by a personal devotion to his

home territory. These were internal pressures that had for him an intrinsic value. And although ultimately subject to external, materialistic pressures of business expediency which governed Reed's life, they were nonetheless definite factors in formulating whatever intensity this particular expression of his life developed. In his political experiences on the other hand, these internal pressures were almost entirely disregarded. So closely were his politics encircled by the demands of his business ends that he could not afford the luxury of a political philosophy that was remote from business practice.

Reed certainly understood that any extensive political activity naturally develops a strongly partisan opinion. The growth of such a bias leads to the establishment of certain prejudices which are liable to demand time and attention that should properly be directed toward the management of business. As a member of that social group which held the lion's share of power in late nineteenth century America, Reed was committed to those interests which maintained him in his position. These were basically financial. It was raw wealth in fabulous quantities that was the dominant factor in every walk of life. Art, government, religion, politics, and social life were all subordinate to this vast plutocratic force. Those men most capable of reconciling themselves to this condition were rewarded in proportion to their ability.

Possibly Reed did not consciously recognize this fact. It is more likely that as part of this particular era, he merely accepted what he found and made the best of it. However, by accepting this state of affairs, and by using it to his best advantage, he did successfully differentiate between those forces of primary and secondary

importance. This was particularly true in his evaluation of the importance of politics.

At no place was this understanding more explicitly revealed than in a brief letter which he penned to a correspondent at The Dalles, Oregon in the summer of 1880. "Dear Sir," the note reads,

Mr. J. N. Dolph called on me this morning regarding the political situation in Wasco County, but as I am in no ways connected with politics, of course I could give him no information. Like yourself, my preferences are with the Republican party and so are Mr. Vs [Henry Villard] but I know his views co-incide with mine in not mixing politics with business. I see no harm in giving all the employes of the Company Oregon Steam Navigation Co. facilities for voting.¹²

In these three sentences are contained all the elements of Reed's attitude concerning business and political relationships. His refusal to participate in factional disputes and his complacently liberal attitude toward the political tenets of other people, which he expressed in this letter, were founded upon the recognition of the fact that all political activity was of secondary importance when compared with the demands of business. Further verification of his understanding this point is demonstrated by the extremely cordial relationship that existed between Reed and his two closest business associates, Ainsworth and Thompson, both of whom were staunch Democrats; Reed a Republican. The political tolerance which Reed professed, however, was only possible because he was aware that those individuals in positions of real power, whether Republicans or Democrats, were governed by forces similar to those motivating himself. In particular it is necessary to elaborate a

¹² Reed to J. S. Schenck, June 2, 1880, R. L. XIII, 82.

bit upon the remark wherein he disapproved of mixing politics with business. Reed firmly believed that politics had no place in business; but he was just as firm in demanding that business have a position of preference in politics. It was in the exercise of this prerogative that he entered the political arena.

Reed had his closest relations with politics during the earlier years of his life when he was vice-president of the Oregon Steam Navigation Company. During the winter of 1865, certain people interested in breaking the monopoly of the Columbia River transportation system had prevailed upon the Washington Territorial legislature to pass several statutes which threatened the company's existence. All Reed's and his associate's efforts to repeal these measures at Olympia failed. Therefore, in the spring of 1866, Reed went east to Washington, D. C. to get the territorial legislation disapproved by the national congress. In this attempt he was successful.¹³

At the same time that he was lobbying in behalf of his transportation interests, he also tried to interest such railroad promoters as Oaks Ames and the Northern Pacific directors in a Columbia River route to Portland. Although in this instance he did not succeed, the experience which he received was extremely valuable. While still a young man he had become initiated into the subtle mysteries of lobby techniques and pressure politics by having contact with such men as Thaddeus Stevens and James V. Ashley, chairman of the House committee on territories.

¹³ Johansen, "The Oregon Steam Navigation Company" 43.

With Ainsworth he was also engaged in a scheme to build the Oregon Central Railroad. When this complicated struggle, involving most of the West coast financiers, the Union Pacific and Central Pacific railroads, reached its climax in 1866 and 1867, Reed's part in the drama was primarily that of a lobbyist representing the interests of the Oregon Steam Navigation Company "triumvirate." Unfortunately for him and his friends, the forces with which he had to contend were of far greater magnitude than he was capable of handling. As has been pointed out, the Oregon Steam Navigation Company was thoroughly beaten and outmaneuvered by Ben Holladay.¹⁴

Reed was never again so personally active in political circles as he was during the years 1865-1870. Possibly this was because most of his ensuing activities were local, and locally he was too well known to risk direct interference with law-making. It was much wiser to act through an agent.

During the height of the Granger movement in 1874 there was agitation among the farmers up and down the Columbia and Willamette valleys to institute legislation that would control the freight rates of the Oregon Steam Navigation Company. The center of this agitation was located around the Dalles area. There, the newspaper and local capitalists backed Granger resolutions proposing the boycott of the Oregon Steam Navigation Company. They also attempted to gain control of county and city politics to regulate the yearly tax assessments on Oregon Steam Navigation Company property. However, the company was

¹⁴ See above, p. 27.

equal to the situation, and under Reed's able direction, his personal representative in that locality was able to split the opposition so well that nothing came of their plans.

More than ten years elapsed before Reed again sought political assistance. In 1885 when he was president of the Oregon Iron and Steel Company, he sponsored a bill that would have facilitated the construction of a dam in the Tualatin valley. Several landowners along the river were preventing the dam's construction by demanding exorbitant prices for their water rights. Reed's bill was an attempt to nullify these claims by statute.

It is interesting to note the righteous indignation which Reed's agents in this scheme apparently felt against the politicians and opposing lobbyists at Salem for interfering with their plans. The lawyer who was at the state capitol lobby for the bill wrote Reed that "There is so much demagoguery and log-rolling here that an honest measure [Reed's] is at a disadvantage." Previously the same man reported that "it is necessary to suspend rules to advance any measure a point," and had urged Reed to write to a member of the legislature who might possibly get the objectionable rules suspended.¹⁵ But unfortunately, like so many of his other experiences connected with the Oregon Iron and Steel Company, the legislative plan was a failure and he was forced to come to terms with the tight-fisted landowners.

The most bizarre experience of Reed's life and surely the most exciting, occurred in connection with his lawsuits involving the ownership

¹⁵ E. L. Eastham to Reed, February 11, 1885, R. L. XVIII, 29-30.

of part of the Bunker Hill and Sullivan mining property. Reed was actively involved in this litigation between 1889 and 1893. It was also during this time that Idaho achieved statehood. In an effort to win their case in court and also to establish legislators who might be friendly to their particular interests both Reed and his opponents backed candidates for the senate. The opposition won out in this contest by rather dubious means. Matters became further complicated when Reed's candidate contested the election. At the same time another struggle began for the appointment to the federal district judgeship. This time Reed's man was the victor. The original argument over a disputed boundary between mines became so involved with perjured witnesses, bought votes, and fixed judges that a decision was still pending at the time Reed sold out his share in the property to Crocker.

If the whole sordid business gave Reed an uneasy conscience, his letters certainly did not show it. Through the entire procedure he seemed to hold closely to the same righteous attitude which was exhibited by the lawyer who represented him in the Tualatin valley episode. In March, 1891, he remarked in a letter to the manager of the Bunker Hill and Sullivan mines that he feared one of the Idaho state judges was "honest but weak." And he blandly suggested that the manager find someone "to lie up" with him until he finds out what kind of a duck he is."¹⁶ The protection of his business demanded such procedure; the moral code of the day permitted its operation. As far as he was concerned, no further reason seemed necessary.

¹⁶ Reed to V. L. Clement, March 24, 1891, R. L. XXX, 205.

From 1887 to 1893, Reed, like so many other western mine owners, forsook the Republican party gold standard and joined in the advocacy of free silver. In 1889 he was an Oregon delegate to the National Silver Convention.¹⁷ His pro-silver stand had a peculiar twist to it in that he was also an active supporter of the American Tariff League.¹⁸ Such an apparently divided attitude can be explained when it is understood that the importation of Mexican silver was driving many American mine operators into bankruptcy. Reed as a mine owner supported legislation which would effectively exclude any further imports by a high tariff against foreign silver ores. This example of Reed's standing in both political camps serves to reinforce the contention that as a business man he could afford to have no firm political convictions.

In this examination of his public and political life it has been seen that the former was negligible except when it was closely related to his personal and social interests; and that the latter was almost completely dominated by demands of business. Yet both these expressions of Reed's personality are of importance, for they demonstrate how fully he was committed to the ends of the class to which he belonged. In pursuit of these ends he was forced to draw his secondary interests close into his private life or sacrifice them to the claims of his vocation.

¹⁷ G. W. McBride to Reed, November 12, 1889, R. L. XXIX, 90.

¹⁸ Reed to W. F. Wakeman, October 24, 1893, R. L. XXXVII, 20.

CHAPTER IV FARM REAL ESTATE AND RACING STABLES

So far in this discussion any reference to Reed's agricultural and livestock breeding interests have been omitted. From a financial standpoint these investments in farm real estate, horses, and cattle should have been included among his major business enterprises. But for the sake of emphasizing his interests in commercial activities, and because of the particular position which the farming ventures occupied in his life, it has been thought best to treat them separately.

This attachment to agriculture, and his active participation in farm management, was the consequence of Reed's quasi-agrarian background, and of the pretensions to which his social class held. Neither of these influences alone would have been sufficient to induce him to invest the time, energy, or capital in such an extensive undertaking. But the combination of both forces produced a result which gives further emphasis to any claim that might be made for Reed having been a typical example of his society and time.

Like so many of his contemporaries who grew up in rural communities, he had renounced his agrarian heritage in favor of commerce. But the claims of the soil remained strong. To both the middle class merchant, and the middle class farmer, land ownership represented success and financial independence. It is of extreme importance to note that as soon as Reed became established in a secure financial position he began buying farm lands. His increased prosperity might

alter the circumstances under which his activities functioned, but the fundamental relationship between the land and a New England farm boy remained unchanged.

Closely associated with these rural traditions was the social influence which had been imposed upon Reed by his emergence into the top stratum of American society. Like the nouveaux riches of all times he was scarcely accustomed to the affluence which he had created. The problem of adjustment to these new conditions introduced him to various aspects of living with which he was unfamiliar. Yet because of his inbred habits of Yankee thrift and common sense, Reed did not commit himself to lavish expenditures upon extravagant entertainment, travel, or exotic collections of foreign art. Apparently he had neither the desire nor the imagination necessary to do more than sample these luxuries. Acquisition of a country estate, however, was a category of display which appealed to him. As owner of a farm or ranch he might satisfy his strong desire for property after a fashion that was acceptable to gentlemen. There was also the possibility that such an investment might return a handsome profit if properly managed.

This profit-making motive was as integral a part of Reed's interest in farming as the social pressures or the influence of his background. Though of secondary importance in this particular instance, the pressure of definite business principles was always present. The procedure which he adopted to obtain his property is evidence of this fact.

Not long after he and the rest of the "triumvirate" had gained control of the Oregon Steam Navigation Company, Reed, in partnership

with William S. Ladd, began purchasing farms. The original intent of this association seems to have been scarcely more than a venture in real estate speculation.

Certainly it is hard to believe that the tight-fisted Mr. Ladd had much more in mind. That their holdings eventually became showplaces of the Willamette valley must be almost entirely credited to Reed. Yet at the same time it must be remembered that despite what they became, the country estates of these two financiers were built behind the facade of a farm realty company.

This rather prosaic and careful manner of doing things was in keeping with Reed's character. Accustomed to thinking in terms of business method, he procured his farms by accepted commercial techniques. From previous experience he recognized that property could be most successfully bought and administered by a business organization. The obvious move, therefore, was to form an organization for that purpose. He also accomplished this in a manner peculiarly characteristic of himself.

In none of the enterprises with which he was associated did Reed operate alone. He was habitually dependent upon some sort of partner. William Ladd had proved himself an extremely able man. As a banker with access to large amounts of cash and a first-hand knowledge of choice mortgages, he would be a valuable associate in a real estate company. The past relationships between Reed and Ladd had been profitable for both of them. And at that time there was no reason for doubting that they would not continue to be so.

Their original purchases were made in the summer of 1871. For \$122,270 they secured 6,674 acres of land that were scattered over the

several counties to the south and west of Portland.¹ A large portion of this land was promptly offered for resale, or rented to tenants.² But the choicest acreages were kept under the direct supervision of hired farm managers. The most important of these farms were Broadmeads, Reedville, and Bachelor's Island. Broadmeads was a 3,054 acre estate located in Yamhill and Polk counties. In 1892, this property was valued at more than \$175,000.³ The land there was used principally for growing grain and fodder. The farm at Reedville was located in Washington county between Portland and Hillsboro, and was the center of Reed's livestock breeding activities. The facilities for the breeding and care of animals which were maintained there must have been rather extensive, because in 1893 Reed estimated that the property was worth "at least one hundred thousand dollars."⁴ Bachelor's Island was at the junction of the Columbia and Lewis rivers, about twenty-five miles below Portland.

Reed and Ladd did not buy this property until 1876.⁵ There, more than one thousand acres were devoted chiefly to grain raising and pasture lands.

Management of the farms which they kept permanently in their possession, and the continuous negotiations for the purchase and disposal

¹ Reed, notebook, 1873, in Reed Papers.

² In 1875, Reed listed five farms totaling 2,165 acres that were for sale in Yamhill county. Reed to H. C. Dale, May 17, 1875, R. L. VII. 158-159.

³ Evaluation of Farm properties. 1893. R. L. XXXI. 193-194.

⁴ This was exclusive of the livestock. Reed to M. Winch, February 15, 1892, R. L. XXXIV, 56-57.

⁵ (J. E. Tyszkiewicz to Reed, March 31, 1876, R. L. VI, pt. 2, 510-512.

of other farm lands demanded a great deal of attention. Reed and Ladd divided the responsibilities between themselves by taking turns at directing all the affairs for periods of five years.

Before investigating this in more detail it might be well to point out that the three main farms were maintained for the primary purpose of livestock breeding. More through Reed's interest than through Ladd's, these two partners were responsible for the introduction of large numbers of pure bred livestock into the Northwest. Besides Clydesdale draft horses, the Reedville farm was stocked with pure bred Ayrshire and Shorthorn cattle, Cotswold and Leicester sheep, and Berkshire swine. The care of such valuable animals demanded an extensive knowledge of animal husbandry and every effort was made to obtain the best available men for the job.

Reed was apparently the active manager of the farm properties for the first five years after 1871. From the correspondence between 1871 and 1875 it is possible to obtain a great deal of information concerning the manner in which his stewardship was conducted. Under him the farms were administered in as businesslike a manner as possible. Through his managers he received almost daily reports upon the condition of the crops and livestock at Broadmeads and Reedville. Even from the tenants of his smaller farms he received frequent notices of the latest developments. Although the needs of the home farms were left to the discretion of the resident managers, every purchase or improvement was approved by Reed before any action was taken. A strict

account of every detail was regularly submitted.⁶

From the demands which Reed made of his managers, it is easy to see that it was necessary for them to be several cuts above the average farmer. Besides having expert knowledge of animals, it was necessary for them to be good administrators, bookkeepers, shrewd bargainers, and able employers. Such men were not easy to find. The first manager of Reedville, Mr. Wm. Watson, came from Scotland with some of the cattle which Reed imported. He remained in Reed's employ for four years and was responsible for setting up most of the barns and other stock raising facilities of that establishment. He was replaced in 1875 by an Englishman named Thomas Witheycomb.⁷ The Broadmeads farm was managed by an American, A. M. Waddel. Because this property was used primarily as a place to grow grain and fodder with which to supply the livestock at Reedville, it was not necessary for its manager to have such an extensive knowledge of animals. Instead it required a high degree of perseverance and a willingness to endure hard work. For this job Waddel seemed eminently suited. Of all the farm managers he was the best. He remained at Broadmeads through fourteen seasons.⁸ At the end of this time he gave up his position to establish a farm of his own.

⁶The managers at Reedville, Broadmeads, and Bachelor's Island all kept sets of books in which every expenditure was carefully recorded. Reed was evidently in the habit of frequently checking these accounts during his visits to the country. Notes on interview of Dorothy O. Johansen with Wm. McEldowny and George Gammie, 1936.

⁷ W. Watson to Reed, May 18, 1875, R.L. VI, pt. 2, 327-328.

⁸ A. M. Waddel to Reed, February 4, 1885, R. L. XVIII, 24.

One of Waddel's characteristics which he shared with Reed's other managers was his capacity for hard work and his ability to get the most out of his hired help. All of Reed's managers were drivers. Whether they were overseeing a gang of coolie brush cutters or supervising the spring plowing, the work was accomplished with great dispatch. This was possibly the result of the close check which Reed maintained upon them. Because of the frequency with which the written reports were demanded, it was necessary to drive the hired hands so that each communicate might contain some mention of progress.

The use of such techniques undoubtedly improved the efficiency of the management. But it also severely limited the initiative of the overseers. By the imposition of such rigid demands the possibility of discovering an individual both willing and capable of working within such narrow limits was greatly restricted. Aside from Waddel, no one remained for sustained periods of time as manager of either Reedville or Bachelor's Island. Farming does not lend itself to the administrative techniques of business. The best farmers were too independent to submit to the restricted life of an overseer. They were neither interested in, nor sympathetic to the formal employee-employer relationship that existed between Reed and his subordinates.

Another aspect of the relationship between the farm managers and their employers was the gradual divergence of interests which developed between Reed and his partner. Although he seemed to have some interest in the prize cattle with which Reedville was stocked, Ladd considered the establishment as essentially a business proposition. Reed, on the other hand, became more and more interested in converting

their property into an elaborate showplace. He constructed a covered half mile track at Reedville which was used to exercise horses in any weather. Around Broadmeads he planted an Osage Orange hedge, and at both places he installed and experimented with the latest kinds of farm machinery.⁹ During the years which he directed the farm's operation, improvements were continuously added. During Ladd's administration, however, worn out equipment was replaced with haywire substitutes and the strictest economics were instituted.¹⁰ The knowledge that five years of improvements would be followed by a similar length of time of severe retrenchment could not be expected to encourage managers looking for long-time employment.

Despite the strict accounting which was demanded from the managers of the Reed and Ladd farms, they were not discouraged from offering advice. Reed, in particular, was constantly receiving suggestions for the best method of judging animals, ways of improving his property, and similar information from his employees.¹¹

Reed's experience as a gentleman farmer passed through three distinct phases which were determined by his increasing pre-occupation with pure bred race horses. The initial phase began in 1871 and extended through 1873. During this period he divided his time between organizing and administering his property, and learning about farm

⁹ He seemed particularly interested in various types of plows. At Broadmeads, Waddel was kept busy experimenting with all varieties of steam plows, sulky plows and gang plows.

¹⁰ Interview with K.B. Eldowny, 1936, as cited above. ¹¹ G. Gammie to Reed, February 3, 1887, R. L. XX, 16-19.

animals. In both these occupations his Scotch overseer, William Watson gave him much valuable advice. He taught Reed much about judging livestock, and for a short time his particular interests seemed to have a great deal of influence with his employer. But unfortunately for Watson, he was chiefly a sheep and cattle man, while Reed soon found himself becoming more and more concerned with horses.¹² In 1872, he bought a Clydesdale stallion named "Brutus." For some reason, (at least partly because of Watson's unfamiliarity with horses), the animal could not be made to serve properly. Watson's failure to handle successfully this valuable animal lost him some of his prestige. From this time forward his influence waned, and Reed turned elsewhere for advice about horses.

These first three years might be considered a period of apprenticeship for Reed. From both Watson and the other overseers he learned a great deal about farm management. He also had an opportunity to decide what livestock interested him the most. But by 1874, he had finished his sampling and prepared to move in a more definite direction.

Although the Reed and Ladd farms continued to raise pure bred sheep, pigs, and draft horses, Reed himself had decided to focus his attention upon the development of short horn cattle and trotting horses. His purchase of the trotting stallion "Autocrat" was made as a result of this newly crystallized decision.¹³ This action marked the beginning

¹² This interest in horses was nothing new. In his notebook for 1854 and 1855 are several entries concerning horse trading.

¹³ C. S. Dole to Reed, November 7, 1874, R. L. VI, pt. 1, 131-135.

of the second phase of his experience.

The addition of a racing stable to his possessions made it necessary for Reed to find a satisfactory trainer and driver for his horses. Lute B. Lindsey was chosen for this job, and remained associated with Reed in one capacity or another for more than ten years. It was he who furnished Reed with the plans for constructing the race track at Reedville.¹⁴ Lindsey also developed the prize mare "Jane L" which was the talk of the Pacific coast during the trotting season of 1887.¹⁵

Reed's other chief interest was in short horn cattle breeding, an enthusiasm shared by Ladd. As members of the American Short-Horn Breeder's Association they kept in touch with the latest information concerning the profession.¹⁶ As members of the Oregon Agricultural Society they frequently exhibited their livestock at the state fairs. Nor was expense or effort spared to improve the quality of their herd.¹⁷ Reed himself was extremely proud of his livestock. To one prospective buyer he wrote that he owned "as fine a herd of Registered Short-Horn Cattle as there is in America."¹⁸

It was in connection with this interest in cattle that the Bachelor's Island farm was purchased in 1876. The additional grazing land provided by this island relieved some of the pressure upon the

¹⁴ L. B. Lindsey to Wales, May 5, 1889, R. L. XXVIII, 147-148.

¹⁵ L. B. Lindsey to Reed, August 14, 1887, R. L. XXI, 156.

¹⁶ L. P. Muir to Reed, May 17, 1883, R. L. XVII, 29.

¹⁷ Reed to R. Gibson, March 10, 1885, R. L. XVI, 183-184. ¹⁸ Reed to

facilities at Reedville and Broadmeads.

As long as Reed was able to remain active in the financial world he maintained his estates on the basis of a commercial partnership. But when his illness forced him to relinquish the active administration of his fortune, Reed found himself in a new situation. By his removal to Pasadena in 1892 he was separated from his acreages at Broadmeads and Reedville.¹⁹ From the distance of a thousand miles they became merely one of his business interests to be handled for him by his nephew, Martin Winch. To transfer his livestock would have required more energy and attention than he was capable of giving. Besides, half of everything there belonged to Ladd. He finally decided that the best thing to do was to get rid of it all. In February, 1892 he wrote to Winch:

We must dispose of a lot of our Horses and Cattle at Broadmeads and the Island as they are eating their heads off, and running us into debt every year, and the market is better for them in Oregon and Wash. than in California, and I can see no object in Keeping them on year after year. I think too it will be a good time this spring to try and sell some of our farms. We ought to get \$100,000 at least for Reedville, and if Ladd is not inclined to sell try and feel around and see what he will give for my half either in that or in Broadmeads either with or without the stock, as I would like to close out our partnership business.²⁰

This plan apparently did not work out, however. Shortly after Reed had written this, he received a suggestion from Winch that his partnership with Ladd be incorporated.²¹ In May, 1892 this was done and Reed's

¹⁹ M. Winch to Reed, December 2, 1892, R. L. XXXI, 137-139.

²⁰ Reed to M. Winch, February 15, 1892, R. L. XXXIV, 56-57.

²¹ Reed to M. Winch, February 29, 1892, R. L. XXXIV, 70.

country estate became part of a corporation to be administered by a business agent.²²

But Reed was not to be denied some outlet for his failing energies. He still retained possession of his string of trotting horses. The care and training of these horses had passed from Lindsey's hands into those of I. C. Mosher. During the trotting season of 1892, Reed followed his activities with great interest. The pride of his stable at this time was a stallion which he had named "Couer d'Alene." In April of that year he remarked in a letter to Winch that "Yesterday went out to Pleasonton. A track outside San Francisco. Hickok drove Couer d'Alene a mile in 2-28 the first half in 1-20 and the last half, in 1-08. He is a great Horse and everybody admires him and his gait."²³

Because of this interest in horse racing Reed decided to develop a stud farm. Sometime after his removal to Pasadena he began plans for the development of the Oneonta Stud Farm. It was his hope that he would be successful in establishing a name for himself, not only as a breeder of trotters but also of runners. He purchased some land outside of Pasadena and constructed there, "a stud barn, two large barns with 20 Box stalls each - Mens quarters, Feed Room - Foaling stalls -Open sheds - large enclosure with tight board fence 7 ft high and 50'x 140' for Stallions to exercise in and an enclosure for breeding Mares."²⁴

²² List of Equipment, May 1, 1892, R. L. XXXV, 1. ²⁵ Reed to M. Winch, April 18, 1892, R. L. XXXIV, 121. ²⁴ Reed to J. Osborne, April 30, 1894, R. L. XXXVII, 88-89.

To secure the necessary livestock for this establishment he imported horses from England. During the summer and early fall of 1892 he went abroad with his wife, and while in London he bought nine mares and the stallion "Martenhurst."²⁵ To this nucleus of imported horses he added numerous American bred animals.

Although his trotting horses continued to be moderately successful, Reed's venture into the breeding of running horses was expensive and not very satisfactory. In November, 1893 he wrote: "My experience thus far has been that Horse Racing is a very expensive luxury without much fun in it either for me."²⁶ Part of this expense was the result of bad luck. In September, 1893 his imported stallion caught cold and died.²⁷ With his typical persistence, however, he did not give up, but immediately imported another English stallion.²⁸ By January 1, 1895 he owned fifty-one thorough-bred running horses, fourteen of which were imported. He was still busily engaged in trying to make his venture a success when death claimed him the following November. His last recorded letter was concerned with horse racing. On October 30, 1895 he wrote a brief note to the clerk of the Coney Island Jockey Club requesting a revision in his entry in the *Register* of 1897.²⁹

²⁵ Notebook for July to September, 1892, in Reed Papers.

²⁶ Reed to L. C. White, November 9, 1893, R. L. XXXVII, 27. ²⁷ Reed to M. Winch, September 26, 1893, R. L. XXXVI, 122.

²⁸ Reed to J. Osborne, April 30, 1894, R. L. XXXVII, 88. ²⁹ Reed to F. Foster, October 30, 1895, R. L. XXXVII, 164.

Considering Reed's career as a livestock breeder and agriculturalist in its entirety, it must be admitted that he did not conduct his affairs in a fashion becoming to a gentleman farmer. The thrifty habits of good business made him an uneasy gambler. He preferred sound investments in a sure thing. With such a temperament he was fundamentally unsuited for the role which he attempted to assume. His deep respect for property drove him to obtain the best which his money could buy. But behind this desire for the best, rested the profound conviction that it was the best which produced the handsomest returns. He expected something in return for his investment. His role as a livestock breeder would have been more in character with his personality if he had stuck to breeding cattle rather than to race horses.

For him the whole experience served mostly as a diversion from his commercial interests. In 1885, during the height of his difficulties with Seeley, he found time to dicker with a horse trader in Pendleton.³⁰ And again in 1891, in the midst of his negotiation with Crocker for the stock in Bunker Hill and Sullivan mines, he paused long enough to inquire: "Has 'Belle H' foaled? If so telegraph date and description."³¹ As long as he was able to compete in the commercial world, horse breeding was a diversion; when he was forced into semi-retirement, his diversion became his business.

³⁰ J. Kenny to Reed, August 24, 1885, R. L. XVIII, 137-138. ³¹ Reed to S. Gamble, March 7, 1891, R. L. XXX, 192.

CHAPTER V PERSONALITY AND CONCLUSION

In the eyes of his contemporaries, Reed's personality loomed as large as his performance in the fields of business, politics, or agriculture. But to one, three generations later, the characteristics of his individuality have been forgotten. Only his accomplishments are remembered. The effort here, therefore, will be to restore some appreciation for the man himself.

Although Reed's name means little today, his memory is still cherished by the few remaining people who were directly acquainted with him. One woman who occasionally visited the Reed home has remarked that, "Mr. Reed's personality was one you would never forget. His presence comes before me almost as if he were standing in the room now. That's rather strange, because I wasn't with him a great deal, but he was a very impressive man and his personality was what you might call 'permeating'. Certainly Reed must have been exceptional if he were capable of making such an impression on someone who had known him only slightly fifty years before. What were the attractions which gave him such an appeal.

Physically the man was of no great stature; but those who met him for the first time must have been struck by his massive appearance.

¹ Notes on an Interview of Dorothy O. Johansen with Mrs. Curtis Strong, 1935.

Although only five feet nine inches tall, he weighed over two hundred pounds.² His head was large and well shaped, crowned with black curly hair that turned grey as he became older. The lower part of his face, in keeping with the fashion of the time, was adorned with a heavy beard reminiscent of General Grant's. His strong slightly aquiline nose gave force to a face that otherwise lacked strength, and to some degree counteracted the weakness apparent in his brooding eyes.

He was fussy about his clothes and tended to be a flashy dresser. On Sundays, with his wife, he drove to church in a smart landau behind high-stepping matched horses in silver mounted harnesses. During his younger days he was considered a fine rider and an excellent marksman despite a hunting accident which had deprived him of two fingers on his right hand. He also liked bourbon whiskey and was not a stranger to the wines that go with good living. But his passion seemed to be for expensive cigars which he bought in lots of five hundred and smoked constantly.³

Among his acquaintances he was known for his easy good nature and superlative hospitality. He seldom missed an opportunity to play genial host to a houseful of visitors. Having "ice cream at Reed's" was apparently an experience that involved a great quantity of frolicking and singing, which Reed himself led to the accompaniment of his guitar.⁴ Those who were at his home during childhood also

² Reed to W. Simmons and Son, June 4, 1877, R. L. X, 6-7, ³ M. Bloskower to Reed, January 14, 1893, R. L. XXXV, 58. ⁴ Mrs. E. H. Wood to M. Winch, June 12, 1893, R. L. XXXVI, 78.

recalled that he was a great tease.⁵

Yet strangely enough, his capacity for hospitality and good humor did not bring him many close friends. There is no evidence indicating that he became truly intimate with a single person outside his immediate family. His personal life seemed to be completely separated from the outside world, the only avenues of contact being through his business associations and social activities. One of his contemporaries has said that Reed made it a life-long policy never to bring his business problems home with him.⁶ It should also be added that he brought his guests only as far as the parlor. The familiarities of the sitting room or study were denied to all but members of his family.

Because of this sharp division between the outer surfaces of contact and the inner core of his existence it would be extremely interesting to catch a glimpse of him on some of the occasions when he was not playing the host or carrying on business. Unfortunately only the sketchiest evidence of this life remains; but it is upon this which any interpretation of his private existence must be based.

Throughout his life Reed maintained a close relationship with his cousin Newton and half brother Edward. Newton Reed in particular seems to have been nearer as a real friend than any other man in Simeon's life. Of almost the same age, and possessing a similarly easy disposition, "Nute" shared many experiences with his cousin.

⁵ Notes on an Interview of Dorothy O. Johansen with Miss E11a De Hart, 1935.

⁶ Notes on an Interview of Dorothy O. Johansen with Mrs. T. L. Eliot, 1935.

The dry, close-mouthed Edward did not enjoy the same amount of confidence as Newton, but Simeon remained very attached to him also. One evidence of this attachment is demonstrated by the fact that Simeon deeded his share of his stepfather's Massachusetts property to Edward.⁷ A relative by marriage, his wife's nephew, Martin Winch, was another who was intimate with Reed. Early in young Winch's life, Amanda had taken him and his mother under her roof. Later when Martin was grown he became the manager of the Reed estate. The two most outstanding influences in Reed's life, however, were women, his wife and his mother.

Although much of her controlling force was exerted indirectly, and grew steadily less as he became older, Simeon's mother was a powerful factor in his life. She has been described as "a good Christian woman, but more of the strict, quiet kind, [and of the] less approachable type."⁸ This description of her is sufficient to give a rather clear indication of how young Simeon must have been brought up. As a stepchild in a home shared with a cousin and a half brother, he undoubtedly looked upon her as the real authority in the family. She was considered the mother of them all, and represented the connecting link between Simeon's stepfather, his half brother, and his cousin. References to their parents in later years always centered around Mrs. Reed rather than her husband. She was the unifying force, a New England matriarch, judging her children and their wives and censoring their behavior. As long as she lived, she demanded and received acknowledgment

⁷ Reed to E. P. Reed, November 4, 1891, R. L. XXX, 241. ⁸ Miss

Myra Lane to Dorothy O. Johansen, April 15, 1940.

of her position of authority. That she never forgave Simeon for moving away from Abington was revealed in a letter which she wrote to him after he had left home.⁹ An indication of how deeply this displeasure affected her son is shown by his failure to write home until after he had made himself a success.¹⁰

During the first years on the West coast the forces of maternal control which had guided Simeon as a child diminished before Amanda's growing influence. Reed showed his wife the utmost devotion and respect. Such treatment was partly engendered by her fiery disposition. For despite the appearance of a prim and docile wife, Amanda was as strong-willed as her mother-in-law. If the situation warranted it, she was capable of displaying a temper which her husband described as "swearing mad."¹¹ She also possessed an astute and capable mind which Simeon trusted in both domestic and business problems.

In their choice of acquaintances, Reed habitually deferred to his wife's judgment. Large numbers of those who frequented the Reed household appear to have been her favorites rather than his. Except for the Winches, however, she did not bring many of her relations into their home. Several nieces and nephews of hers asked for loans from time to time, but she handled these transactions herself, requiring Simeon to do little more than furnish the money. About the only instance of Reed's participation in the affairs of the Wood's was his

⁹ Mrs. Amos Reed to Reed, April 8, 1875, R. L. VI, pt. 2, 301. ¹⁰ H. D. Reed to Dorothy O. Johansen, December 15, 1936. ¹¹ Reed to Martin Winch,

March 22, 1888, R. L. XXVII, 46.

management of his brother-in-law's estate.

By refusing to share his private life with anyone except his family, Reed limited his real companionship almost completely to his wife. Their common background and similar tastes undoubtedly made them quite compatible. But because of this they were deprived of whatever stimuli they might have enjoyed had they come from somewhat dissimilar environments. The normal relationship that exists between a husband and wife was also complicated by the fact that no children resulted from their union. If this circumstance created any difficulties between them, it has been kept secret from posterity. But the manifestations of dissatisfaction with their plight were apparent. Both of them hungered for children, and they appeased this hunger by befriending the offspring of others. The Reed home was known and remembered as a meeting place for young people.¹² Kindnesses and affection were showered upon Edward's and Newton's children, upon Martin Winch, and upon Martin's son, Simeon Reed Winch. It is an irony of fate that in the midst of all the luxury and plenty which money could produce, the only barren things were Reed and his wife. Undoubtedly it was this frustrated desire for children that prompted Reed's interest in the education of young people, and was a factor contributing to the establishment of Reed College.

There is no conclusive evidence proving which of the two was sexually deficient. But some consideration should be given this question, because if it were Simeon who was impotent, some of his behavior in other activities would make more sense. For instance, it

¹² Notes on an interview of Dorothy O. Johansen with Mrs. David Robertson, 1935.

could be a possible explanation of his hypochondriacal preoccupation with patent medicines. Mind cures, nauseous cold remedies, hair doctors, and cures for such diverse ailments as small pox, stomach ulcers, and hemorrhoids are crowded into his memo books. From the records it is clear that Reed suffered no serious illness until 1891. Why then did he persistently accumulate such information? Perhaps it was done in hope that some day he might find a magic cure-all that would help him in his particular difficulty.

Combined with the early influence of his mother, any sexual short-comings Reed might have had could also explain his constant dependence upon others. Encouraged in his youth to rely upon maternal guidance, the realization of any personal deficiency in later years might have caused this reliance to be transferred to his strongly moral wife. She could have sustained him in his private life. In the business world he would have had to seek support from such men as Ainsworth, Ladd, or Villard.

On the other hand, if Amanda were sterile no explanation for either these peculiarities in his personality can be suggested. Even his relations with his wife would be more difficult to understand. For Reed was acknowledged by everyone who knew him to have a great attraction for women. If he were a normal, completely virile individual, it is doubtful if he would have avoided extra-marital relations. Despite the prevailing moral attitude toward promiscuous behavior, it was not uncommon among the wealthy class to which he belonged. His own brother frequently indulged in such indiscretions. But there is no record of Simeon having done so. Certainly he was not of sufficient intellectual

or temperamental depth to find solace from his predicament in religion or from the moral righteousness of simple abstention. His approach to all other problems was direct and uncomplicated. There is no reason to assume that he would follow any other course in such an instance. Does it not seem more reasonable to imagine Reed abstaining because of some physical defect, and, therefore, bound to a faithful wife not only by family ties and affection, but also by a strong feeling of guilty responsibility for his own inadequacy?

Reed's cultural tastes were in complete harmony with accepted dogma of his day. The home which he built in 1868 is an excellent example of his conformity. It occupied an entire block and was surrounded with a low cast-iron fence. The main building was three stories high, with a full quota of protuberant bay windows and asymmetrical angles. Outside it was liberally ornamented with the grotesque gingerbread woodwork so typical of late nineteenth century architecture. Inside, the rooms were finished with expensive hardwood panelling, filled with heavy draperies, plush furniture, and decorated with reproductions by contemporary Munich artists. The most attractive part of the residence was the relatively simple stable.

Another indication of his acceptance of the cultural demands of nineteenth century America was the grand tour of Europe which he made in 1878. In company with Amanda and Newton and his family, Reed traveled through Ireland, England, Scotland, Germany, Switzerland, Italy, and France. According to Amanda's account of the journey, they saw a great number of well known tourist spots, stayed in the most

fashionable hotels, were impressed by their proximity to European nobility, visited museums and picture galleries, and attended many plays and concerts. Also recorded with the same emphasis and fidelity were the names of a multitude of Americans whom they dined with, called upon, or accompanied to social events.

A second expedition abroad was made in 1892 for the primary purpose of consulting with the English physician, Sir Henry Thompson.¹³ This trip was briefer than the first visit, and except for a few days in Paris they stayed in England where Amanda shopped for clothes and Simeon divided his time between calling on his doctor and buying racing horses. Reed showed little appreciation for what he had paid so much to see in Europe. If he had not been worried about his health, and if the horses could have been procured in America, it is doubtful that he would have returned for a second visit. The sort of knowledge and polish which could be derived from the European tradition of wealth and leisure failed to interest him. Trout fishing, duck hunting, or watching a good horse horse run gave him more pleasure.

In any evaluation of Reed's character, it should be emphasized that he was not an adventurous man. Probably the greatest risk he ever took was when he decided to leave Massachusetts for the West coast. This move represented no clear break, but rather the transplanting of old stock to new ground. He always remained firmly attached to New England, even after he had struck his deepest roots in Oregon. This attachment to a place, and his usual caution, reflect the influence of

¹³ Reed was suffering from Bright's disease.

of the rural environment from which he came. It helped to balance his quick receptive mind and his open generous nature. It accounts for his thoroughness and ready acceptance of hard work. Undoubtedly it also sharpened his poignant yearning for children.

But he did not let this disappointment prevent him from enjoying a full life. He was, as with most successful business men of his age, essentially an optimist, a believer in progress. Very probably by being busy he dissipated the sense of futility that a childless man must sometimes feel. In the furious pace of his activity, the direction of any ultimate goal was forgotten; only the immediate competition for material benefits was remembered. He rose to a position of economic dominance, but in all personal ties, tastes, and sympathies he remained on equal terms with those who acknowledged him their superior. This was a fundamental characteristic of the whole class of American society to which he belonged. They were the sons and daughters of the "common man," the inheritors of an infinite vitality and a fabulously rich land. With a remarkable mixture of gaudy ostentation and humble drabness, of superficial hardness and fundamental sentimentality, they established the traditions of the moral and ethical code which has become part of America's heritage today.

* * * * *

With this discussion of Reed's personality, the preliminary biographical investigation has been finished. There remains but one

step between this phase and the organization of the material into its final literary form: the building up of a thorough background of the time and place in which Reed lived. One should become familiar with Abington, Massachusetts, between 1830 and 1850, with San Francisco and Sacramento in the early 'fifties, and with Portland during the last half of the nineteenth century. By being familiar, more is meant than a mere knowledge of the physical appurtenance of the place. An understanding of the attitudes, mores, ambitions, and frustration, not only of the community, but also of their leading personalities is necessary.

Such data should be accumulated with the same objectivity that governed the examination of Reed's career. For only in the final presentation, after all possible effort to acquire the most complete insight into the individual has been exhausted, should the writer deviate from his position of detachment. It is not until then that his work ceases to be wholly an objective investigation and becomes a form of subjective expression.

Even this subjective expression, however, must be controlled by the facts of the period and of the individual's life. In identifying himself as closely as possible with the person whom he attempts to portray, the biographer must rigorously limit himself to operating within this frames of reference. His job is to serve as a link between the reader, the era, and the person. He transmits and makes articulate experiences which have become lost in the past. In doing this he is only justified in relinquishing his objective approach in order to clarify the subject's position.

When this paper was begun, the general outline of biographical

procedure was but vaguely realized. Its completion has increased the appreciation of what actually must be part of such an attempt, and has provided a challenge for further endeavor.

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