9-1-1972

Coal, Oil and Grain

William J. Petersen

Follow this and additional works at: https://ir.uiowa.edu/palimpsest

Part of the United States History Commons

Recommended Citation
Petersen, William J. "Coal, Oil and Grain." The Palimpsest 53 (1972), 422-427.
Available at: https://ir.uiowa.edu/palimpsest/vol53/iss9/6

This Article is brought to you for free and open access by the State Historical Society of Iowa at Iowa Research Online. It has been accepted for inclusion in The Palimpsest by an authorized administrator of Iowa Research Online. For more information, please contact lib-ir@uiowa.edu.
Coal, Oil and Grain

Three bulk commodities—coal, oil and grain—have been the major cargoes transported by Upper Mississippi towboats. Of these, coal and oil were important from the start as upstream cargoes while grain was slower to develop as a downstream cargo because of intense railroad opposition.

COAL

The huge piles of coal heaped up along the river at various points bear mute testimony to the tremendous cargoes brought upstream by towboat each year. These may be seen at such points as Davenport, Clinton, Dubuque, Cassville, and Lansing—to mention a few. The magnitude of this traffic was brought home years ago by figures released by the Key City Gas Company which indicated that the amount of coal that had been delivered to this single Dubuque firm surpassed the tonnage of lead transported down the Mississippi between 1823 and 1848, amounting to 236,000 tons.

Similarly, the Interstate Power Company at Dubuque has had need of special docks at Clinton, Dubuque and Lansing to handle the barges of coal delivered during the course of the navigation season. The steady growth in tonnage in these three
plants alone has doubled over the past fourteen years.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TONNAGE</th>
<th>YEAR</th>
<th>TONNAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958</td>
<td>371,000</td>
<td>1965</td>
<td>461,000</td>
</tr>
<tr>
<td>1959</td>
<td>361,000</td>
<td>1966</td>
<td>516,000</td>
</tr>
<tr>
<td>1960</td>
<td>421,000</td>
<td>1967</td>
<td>684,000</td>
</tr>
<tr>
<td>1961</td>
<td>426,000</td>
<td>1968</td>
<td>742,000</td>
</tr>
<tr>
<td>1962</td>
<td>379,000</td>
<td>1969</td>
<td>652,000</td>
</tr>
<tr>
<td>1963</td>
<td>468,000</td>
<td>1970</td>
<td>790,000</td>
</tr>
<tr>
<td>1964</td>
<td>358,000</td>
<td>1971</td>
<td>703,000</td>
</tr>
</tbody>
</table>

When it is remembered that coal is towed upstream as far as the Twin Cities, where the hugest stock piles may be seen, it becomes abundantly clear why coal should have passed oil in upstream tonnage in recent years. The introduction of oil pipelines has become a potent factor in adding further competition not only to railroads, but also to waterways.

In 1947 the St. Paul Pioneer-Press photoed the new dock at Lansing where coal barges could be brought to unload their coal during the navigation season. A quarter century later, in 1972, the Interstate Power Company announced the construction of another huge power plant at Lansing that would greatly increase the power available to thousands of homes and industries in Iowa, Wisconsin, and Minnesota. The importance of coal may be further illustrated by the combined electric power furnished by the Clinton, Dubuque and Lansing plants.
When one considers that other power plants are located between St. Louis and the Twin Cities one can understand why coal has become such an important factor in the towboat era.

**OIL**

Once the 9-foot channel was assured, the transportation of oil zoomed to the top in towboat tonnage. All along the river, from St. Louis to St. Paul, huge tank farms sprang up at strategic points. These tank farms, representing the major oil firms of the Midwest, not only supplied the gas and the petroleum products for the communities at which they were located, but oil trucks carried the gasoline inland to numerous communities remote from the Mississippi.

Starting initially with only a few tanks, the size and number of tanks have grown through the years. A breakdown of the oil receipts for each town is not available. Neither is it available for the companies engaged in bringing their products upstream. The oil tows pictured in this issue are ample evidence of the importance of this commodity in the towboat era. It should be noted that some major oil companies took advantage of the 9-foot channel by building their own towboats and barges to transport their products upstream. Others, on the other hand, engaged private towing companies to transport their oil products upstream.

**GRAIN**

Credit for the breakthrough in shipping the
first grain by towboat on the Upper Mississippi belongs to L. Ransom McKee, a highly imaginative, energetic, and courageous Muscatine businessman. It began in the year 1934. From that year Ransom McKee saw his small storage space rise from 30,000 bushels capacity to a total of 600,000 bushels at the time he sold out to Central Soya in 1965.

According to McKee:

Most of the barges were of six sections and carried about 8,000 bushels of corn per section. Some smaller barges were of one compartment holding about 30,000 bushels. Receipts of grain in 1934-1935 at the river elevator were light at first but later receipts were larger as prices paid for grain at Muscatine were higher than most country elevators could pay and grain was hauled by truck as far as 175 miles from Muscatine. This was due to the fact that river transportation was cheaper than railroad rates. Barge rates from Muscatine to New Orleans, about 1000 miles, on corn were about 12¢ per bushel while rail rates from Muscatine to Chicago, about 210 miles, were about 15¢ per bushel. Most of the savings went to the producers.

During the 1930's McKee Feed and Grain was shipping about 2,000,000 bushels of grain per year. This increased to around 5,000,000 bushels a year during the early 1940's. After World War II shipments increased until they were barging from 12,000,000 to 15,000,000 bushels of grain yearly at the time of the sale to Central Soya in 1965.

Ransom McKee also owned and operated the grain elevator at New Boston, Illinois, 20 miles
downstream from Muscatine. At one time McKee Feed and Grain operated the feed and grain businesses at Ladora and Wayland. Throughout these activities, Ransom McKee was ably assisted by his son Harry G. McKee, who as Vice President of this family-owned firm, headed the Grain Department.

Looking back over the years, Ransom McKee can take genuine satisfaction in the part he played in making Muscatine “the Port City of Iowa.” According to McKee:

Muscatine, because of the location on the west bend of the Mississippi River, I believe receives more grain than any point or city on the river between St. Louis and Minneapolis.

As of this date, in addition to the Central Soya Company, the Coop has an elevator at Muscatine and the Grain Processing Corp., while they do not ship any grain on the river, are the largest receivers of grain, especially corn which is processed. Other processed products, mostly alcohol, are shipped by water. The Grain Processing Corp., and Kent Feeds, founded by the late G. A. Kent and others, is the largest industry in Muscatine operating 24 hours a day and using about 60,000 bushels of corn each day and employing over 950 people.

Muscatine is truly the Port City of the Corn Belt.

The steady increase in grain tonnage since the close of World War II has been gratifying to waterways enthusiasts. In 1972, for example, the upstream tonnage of coal and petrol combined through the Rock Island District was 6,008,970
tons, with coal representing three-fourths of the total amount. Grain shipped downstream through the same period (January-August) totaled 6,096,700 tons, actually surpassing coal and petroleum. This ratio has been maintained for the past several years. Truly, the dreams of early waterways enthusiasts such as Halleck Seaman and General Ashburn were being realized.