The O&C Timberlands have been much in the news lately, and little wonder, for the decline in revenue from this timber tract has been nothing less than catastrophic for the timber industry, its workers and the 18 Oregon counties that have come to rely on revenue from this source to fund their operations. As a result the last few years have seen the closing of libraries, curtailment of government services such as police and fire protection. Drastic cuts have even been made in our education budgets resulting in the layoff of teachers and a general decline in the quality of our education in our schools. It has gotten so bad that two counties have publicly announced that they face bankruptcy if they do not receive some form of relief.

To most Oregonians it is a familiar story. What has come to be known as the O&C timberlands were originally granted to the Oregon and California Railroad (Southern Pacific) in the form of a land grant. There were certain requirements governing the transaction, including a provision that the railroad must resell the lands to genuine settlers in tracts of not more than 160 acres, and at the set price of $2.50 per acre. This provision seems to have been largely ignored by the railroad, leading to a lawsuit filed by the government in 1907 seeking to force the railroad to return the land. That suit prevailed and in 1916, the lands that had not been sold were returned to the government.

This created a whole new set of problems. Since the lands would no longer be privately owned, they were not subject to taxation by the counties (Continued)
(Continued from Page 1) in which they were located. The solution was to allow
the government to harvest the timber on the tract on a sustained yield basis
with the net proceeds from the sales being used to help the railroad offset the
cost of construction. Income from O&C timber sales has dwindled in recent
years, timber paid to the county in lieu of taxes. This seems to have worked
quite well until sales began to decline in recent years leading to the current
crisis. —Jack Bowden

This is a splendid example of the checker board effect of a land grant tract.
Under the original 1862 act, the railroad received all of the odd numbered
sections within 10 miles of the railroad on each side of the railroad right of way.
A new law, enacted in 1864 increased this to 20 miles on each side. It also
granted full rights to all the minerals beneath the surface of the ground.
NOTHING LIKE IT IN THE WORLD

Although for some time the government had been giving away land to encourage the construction of canals, wagon roads and railroads, grants had been relatively insignificant. It wasn’t until the enactment of the Pacific Railroad Act of 1862 that land grants began to increase in size and importance. As Stephen Ambrose points out in his award-winning book, Nothing Like it in the World, the monumental task of building the nation’s first transcontinental railroad was unprecedented. When Ambrose says “there was nothing like it in the world,” he means exactly what he says. To begin with, before the job could even begin it was necessary to develop a financial system capable of providing the unprecedented sums of money that would be needed. The logistics were unbelievable. Railroad grades, ties, rails and rolling stock would not come easily nor cheaply. Most of the rails, railroad cars and a multitude of other manufactured products would have to be shipped from Europe. The builders would have to literally go to the far corners of the world in order to find a labor force to do the job. That they succeeded was due in no small part to the generous land grant policy of the United States Government.

A Land Grant Primer

While land grants played a vital role in the development of the nation they were by no means free from abuse. Mismanagement and even outright fraud were prevalent and it would be difficult to say how much government land was doled out to unscrupulous contractors in payment for roads that were shoddily built or never completed. All of the free land and money floating around was more of a temptation than some land grant recipients could resist. Nowhere was this more apparent than with the wagon road land grants in the State of Oregon. One needs look no further than right here in Klamath county to find a classic example of abuse and misuse.

In June 1864 Congress authorized the first of five wagon road land grants within the State of Oregon. The recipients were to receive three alternate sections of land for each mile of road built on a wagon road from Eugene to the eastern boundary of the state by way of the Middle Fork of the

---

1 Large land grants had been proposed for the Illinois Central Railroad in the 1850s, and other smaller grants in the same years, but they were insignificant in comparison to the grants that would later be given away for the construction of the first transcontinental railroad.
Willamette River. (Willamette Pass) In due course the Oregon Central Military Wagon Road Company was organized and was designated by the Oregon State Legislature to construct the road and collect the grant land.

When completed in 1872, the road ascended the Cascade Mountains by way of the Middle Fork of the Willamette River as planned and emerged onto the plateau of Eastern Oregon near Crescent Lake. From that point the road turned south, passing through the pumice and jack pine flats to Sprague River where it turned east to the Idaho border.

Meanwhile, in October 1864, Congress approved a treaty with the Klamath Indians. This pact, which was ratified in 1870, was the last important Indian Cession Treaty. Under its terms the tribe was to relinquish all rights to their twenty million acre domain in Southern Oregon and Northern California for $80,000 in graduated payments of supplies and equipment and a new, two million acre reservation extending from Upper Klamath Lake to a point near the present Klamath-Lake County boundary. Unfortunately the new Military Wagon Road bisected this new reservation from north to south, and then turned east passing out of the reservation near the site of the present day town of Bly. The Wagon Road Company received 110,000 acres within the reservation and in due course the land, in alternate sections was patented to the company.

But wait! The 110,000 acres of land within the reservation, which had been granted to the wagon road company, was for the most part worthless for any purpose other than grazing. Also included in the Klamath Reservation, however, were some of the finest stands of ponderosa pine timber in the Pacific Northwest. The Wagon road cast greedy eyes on this timber and when it was given the opportunity to exchange its scattered sections of worthless land for an 88,000-acre tract of timber it did not hesitate. A trade was promptly arranged between the road company and the tribe whereby the worthless 110,000 acres were traded for the 88,000-acre tract of ponderosa pine near Yamsay Mountain. What a deal! An informed observer at the time estimated that the land company stood to gain from one to three million dollars on the exchange. The accuracy of this prediction was bourn out in 1918 when Long-Bell Lumber Co. purchased the tract for $3,700,000.

The Klamath Tribe later maintained that they had been coerced into signing the agreement and they probably were. They later obtained partial
reimbursement but the case drug on in the courts until 1938 before it was finally settled.

The 88,000-acre tract given to the road company in exchange for the original 110,000 acres had the added advantage of being in a solid block, whereas the original grant lands had been scattered over a wide area. This would be an important feature when it came time to harvest the timber. In 1929 a logging railroad was built into this tract and during the next 15 years four different lumber companies cut logs and hauled them to their mills in and around Klamath Falls by rail.
Malin Centennial Approaching
By Todd Keppe

The community of Malin is preparing for a celebration of its centennial in 2009, with the newly formed Malin Historical Society leading the way.

Ryan Bartholomew is 2007 president of the Malin Historical Society, which came together in January 2005, and gained nonprofit status in early 2006. The group purchased the old Malin Drug Store building last November, and has plans for refurbishing it. The store dates to 1919, but has been vacant since the mid-1960s, according to Bartholomew.

Malin native Don Stastny, an architect at StastnyBrun Architects in Portland, is donating services to design the building renovation.
Bartholomew said Stastny’s firm has contributed to design work of the Oklahoma City National Memorial and the World Trade Center Memorial, which puts the Malin Historical Society Museum in good company.

The collection of artifacts at the Malin museum will include one item that has a special connection to the building.

“We’ve got the old wagon that was used to haul material that was used in construction of the building,” Bartholomew said. “The native stone
Coming Soon to the Klamath County Museum Gift Shop

This issue will complete the reprint project. The Klamath Echoes consists of 16 volumes of Klamath area history. This issue continues the Applegate Trail saga starting on the west side of the Cascades and ending in the Willamette Valley. Each issue sells for $10 plus we have an index available that sells for $35. Watch for a press release announcing the arrival of our latest reprint.

1776 BICENTENNIAL 1976

APPLEGATE TRAIL II

"West of the Cascades"
KLAMATH ECHOES

Sanctioned by
Klamath County Historical Society

Number 14
Klamath County Historical Society

Meetings are held the 4th Thursday of the month — with some exceptions. See schedule or call 883-4208. We meet at the Klamath County Museum meeting room, 1451 Main St., Klamath Falls, Spring Street entrance. For further information call the museum. **Our next regular meeting will be September 27 at 7 pm.**

2007 Officers
President: John Fortune
Vice-President: vacant
Secretary: Susan Rambo
Treasurer: Avis Kielsmeier
Board Members:
Doris Peters
Bob Baker
Carol Mattos

Dues
Dues will be due at the end of the year. If you look on your mailing label you will see an entry above your name. A date entered indicates you are paid through that year. Initials indicate you are receiving a complimentary issue or are a Life Member. If there is no entry, you either haven’t paid for a while or we are sending you a complimentary issue, hoping you will become a member.

Notices:
The Annual Tour will be July 8 of the Tulelake Lava Beds area. Transportation will be by bus. A $5 donation is requested. Please sign up at the front desk at the Museum as soon as possible, as we will be opening it up to the public on June 23.

The Picnic-Potluck will be held Aug 2 at 6 pm at Fortune’s home at 1145 Tamera Drive. Bring your own table service & your favorite dish.

Help! Know Any Russians?
For the next Shaw Library Journal, I’d like to write a general article on a group of Russian farmers who settled in the Henley area prior to WWI. There were several families, and they seemed to have been in the area for less than 10 years, and then left abruptly. If you have any information about these groups, or know of any leads, please contact me...Bill Johnson, (541)882-1440 (H) or (541)885-4131 (Work, leave message) or email: sylvfarm@fireserve.net or 810 Old Midland Road, Klamath Falls, OR 97603. Thanks in advance!

Membership information

<table>
<thead>
<tr>
<th>Membership Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Member</td>
<td>$10.00</td>
</tr>
<tr>
<td>Supporting Member</td>
<td>$25.00</td>
</tr>
<tr>
<td>Life Member</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

*Make your dues payable to: Klamath County Historical Society*

and mail to or drop off at:
Klamath County Museum, 1451 Main Street, Klamath Falls, OR 97601

2007 Meetings
Sept 27 – 7 pm
Oct 25 - 7 pm
November date to be determined
KLAMATH COUNTY HISTORICAL SOCIETY

ANNUAL FINANCIAL REPORT

2006

Beginning balance 1 January 2006 $ 6,054.75

Income:
- Checkbook interest $ 4.40
- Copies 216.75
- Donations 500.00
- Dues 1,095.00
- Echoes 3,289.00
- Home tour – Dearborns 61.05
- Home tour – Maddox 350.00
- Klamath County history book 49.95
- Rummage sale 904.35
- VKM investment withdrawal 3,000.00 9,470.50

Expenses:
- Bulk mailing permit 150.00
- Copy machine contract 501.06
- Echoes printing #9 and #10 6,219.00
- Fax machine for museum 99.98
- Oregon Form CT-12 10.00
- Oregon annual registration 50.00
- Quota bazaar booth rent 20.00
- Supplies – keys, batteries 21.08
- Trumpeter mailing 83.39
- Winema painting 3,000.00 (10,154.51)

Ending balance 31 December 2006 5,370.74

VGM Investment 11,877.03
From the President:

Greetings. I hope you have been wintering well and trust that our good old Klamath weather won't interfere with more of our upcoming meetings. Meanwhile, as you may have seen, we have the reprint of Echoes #11 back on the shelves which gets us pretty well restocked; thanks to Avis Kielsmeyer and our membership for pursuing that need. The Echoes continue to be in demand for those interested in Klamath County history. We also should give a big thanks to Jack Bowden and Susan Rambo for their diligent work in writing and producing the Trumpeter.

It's because of our dedicated officers and board members that our Society continues to function so well. You may have noticed that those folks have been in their offices for several years and despite that dedication would be pleased to be relieved of duty at next fall's election, including your President. Our Society is not supposed to be like the U.S. Supreme Court with lifetime positions! Currently, we have a vacancy at our Vice President position. The VP is important in backing up the Pres. but is most valuable in lining up our monthly programs; so, that vacancy is putting that job in the hands of the our other officers and board. We'll do the best we can but it would be well to have the VP in charge of that job.

Try as we might, we have not been able to recruit a new Vice President or other officer candidates at our regular meetings. That's probably not too unexpected since many of our active members have already served in the past. Then, we must face up to the fact that the majority of our members turning out for meetings "are quite mature" and have either served their time or don't feel up the task. This membership status gives me concern about the future of our Society; we can't keep a viable organization going on without our members, old or new, stepping up into leadership positions.

There are a substantial number of folks on our membership roster that don't attend our meetings regularly or at all for some reason. Their support is certainly appreciated but here is my plea. For the welfare of our Society, those of you in that status please consider getting active in the direction and activities of our future. If there's anyone out there that is willing to serve as our V P, you don't have to wait until the next election; we need you now, give me a call!

I'm looking forward to your response. Please, if anyone has anything for the good of the order give me a call (882-6041) or bring it up at our next meeting.