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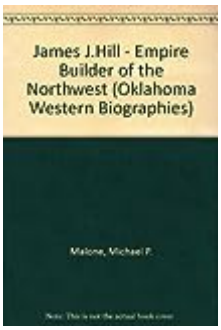

Michael P. Malone. *James J. Hill: Empire Builder of the Northwest.* Norman: University of Oklahoma Press, 1996. xiv + 306 pp. $29.95 (cloth), ISBN 978-0-8061-2793-4.

Reviewed by William L. Lang (Portland State University)

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An Imperial Ego in the Age of Industrial Capitalism

This new biography of the much-admired Empire Builder, an addition to the University of Oklahoma's Western Biography Series, is a wonderfully balanced portrait of a legendary capitalist who wrought great changes in the Northwest. Michael Malone's gifts as a historian and writer are fully evident in this carefully crafted account of James J. Hill's remarkable life.

As with other volumes in this series, Malone's biography is selective in its focus and interpretive in its method. He avoids the pitfalls of earlier biographies that either presented hagiographic portraits or narrow business histories. Instead, Malone puts Hill in the full context of his times, especially emphasizing the effect his actions had on the region. The result is both engaging and illuminating.

As in most other stories of western enterprise, the saga of Hill's domination of northern-tier rail transportation is complex. The familiar image of Hill as a railroad man's railroad man is confirmed in Malone's treatment, for it is Hill's intense, even obsessive, attention to the details of running his railroad empire that differentiates him from most of his counterparts. But the equally familiar story of Hill as the only railroad tycoon who built his lines free of government aid is demolished in this revisionist treatment. Not only did Hill benefit from land grants when he began erecting his railroad network in Minnesota, but he also played the government for all the financial aid, direct and indirect, that he could glean. In Malone's perceptive account, we see him as clearly the beneficiary of government investment and action, a far cry from earlier depictions of Hill as the self-made man who built an empire with little more than his bare hands.

Malone begins with a succinct and clear description of Hill's family origins, his youthful ambitions, his emigration from Canada to St. Paul on the upper Mississippi River, and his first forays in freighting and transportation commerce. Born in Guelph, Ontario, in 1838, Hill moved to the Minnesota frontier in 1856, where he rose quickly to partnership in substantial concerns. By the 1870s he had invested in several businesses but had cast his lot with a risky railroad venture that required enormous capital and savvy negotiations with rival groups. In league with four powerful allies–George Stephen, Norman Kittson, John Kennedy, and Donald Smith–Hill aggressively

pursued his dream of creating a regional railroad, which would soon make all of them very rich men. This 1879 venture–the Saint Paul, Minneapolis, and Manitoba Railway Company–became the core of latter-day corporate powerhouses: the Great Northern Railway (1889), Northern Securities Company (1901), and this era's Burlington-Northern (1970). As Malone's title confirms, it is not too much to call Hill the "Empire Builder," and in this tightly written volume the author explains why and how Hill accomplished it all.

Describing and evaluating the life of a man like Hill presents the biographer with a difficult task. An easy solution would be either to glorify or defame the man and his legacies. Malone avoids these simplistic alternatives by asking probing questions about Hill's decisions and considering how this generation can understand his business methods. Malone tells us first that Hill created his fortune by working all sides of the street and striving for victory in all contests, regardless of what devices he had to employ. The creation of the Manitoba line in 1879, a manipulation that engaged Hill in very questionable dealings with an officer of the court to secure a right-of-way for his new railroad, is a case in point. The effort, as Malone characterizes it, "tainted the creation of this soon-to-be great railroad empire and left a stain, like the mark of Cain, on the lives and reputations of those who gave it birth" (p. 63). Offsetting this description of the darker side of Hill's business tactics during the early years of his empire building, Malone also shows the reader Hill's more positive side by emphasizing how thoroughly and aggressively he planned the expansion of his railroad: first in Canada between 1881 and 1883; next, across the northern-tier territories and states of the western United States between 1886 and 1893; and then with the establishment of ancillary business ventures such as Great Lakes transportation and iron mining.

Two additional points add to this explanation of Hill's success. Malone relates–with appropriate and pithy quotations from Hill and associates–that the railroad genius succeeded in large measure because of a "near-manic preoccupation with his business" (p. 103) that prompted him to master all the details, from roundhouse operations and grade-laying to clever and timely stock manipulations that kept speculators and raiders at bay. Moreover, as Malone interprets his actions, the real genius in Hill's method was his understanding that a "mutual interdependence" reigned in relationships between railroad and region. In part, this recognition led Hill to use many different financial and contractual mechanisms to build his road, establish towns, manage real estate, and increase paying traffic.

In the end, Malone presents Hill as a sometimes ruthless pragmatist who fixed his attention on what was best for his railroad, not what might be best for the commonweal–although those interests often coincided. In politics, for example, Hill "preferred the free-trade, Jeffersonian Democratic Party of the 1880s to the protectionist Republicans, but he consistently placed his political support where it would do him the most good regardless of political preference" (p. 92). And when his plans to extend the Manitoba westward through Indian lands faltered in 1887, Hill "directly solicited the president," Grover Cleveland, applying as much pressure as he dared and successfully influencing the federal executive branch to compromise tribal control of lands in Dakota and Montana.

In this biography, Malone is perhaps at his best when he integrates his explanations of Hill's corporate and financial machinations with descriptions of the railroad man's intense brand of interpersonal relationships. Hill made fast and loyal friends, but he also drove hard bargains and played his own hunches often enough to exasperate even his loyalists. In his family, as Malone points out, it was his son, Louis, who emerged the favorite, even though son-in-law Samuel Hill had great entrepreneurial talent. Hill lieutenant Henry Minot, before his untimely death, also had the great man's confidence.

Hill's personality drove him to create, expand, and dominate. Even when his associates warned that he worked too hard and that he had enough money, Malone points out, a not inconsequential "love of acquiring wealth" (p. 103) still beset him. Hill's pursuit of money–and power–led him directly to a thirst for hegemony in railroad matters, which in turn prompted his adventure in creating the Northern Securities Company. The atmosphere that gave rise to the Northern Securities Company, as Malone expertly explains, was dominated by two pressures on railroad men: the need to rationalize financially, and the need to develop powerful rail networks with transcontinental breadth. Malone's nearly play-by-play description of the dazzling stock market game in 1901 that allowed the Hill and J. P. Morgan interests to outbid the E. H. Harriman group for control of the Burlington road makes it clear why Hill and his cohorts often operated with such ruthless abandon. The public interest might be served, but it was served only in happy coincidence, and too often it was not served at all. Such was the conclusion reached by the U.S. Supreme Court, of course, when it ruled that the establishment of

the Northern Securities Company had violated the Sherman Anti-Trust Act of 1890.

Malone's portrait gives us a view of Hill from several angles. Readers might be tempted to select one or another of the "sides" the author presents as the dominant facet of Hill's personality and business persona, but such a choice would miss the strength of this biography. It is a truism that in most historical circumstances, and surely in this case, matters are a good deal more complex than we would have them. In this book, James J. Hill comes off as both brilliant and flawed, acquisitive to a fault, and a man whose career expressed an ego as large as his ambitions.

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