

Boosters, Hustlers, and Speculators: Entrepreneurial Culture and the Rise of Minneapolis and St. Paul, 1849–1883. *By Jocelyn Wills*. St. Paul: Minnesota Historical Society Press, 2005. xi + 290 pp. Index, notes, bibliography, illustrations. Cloth, \$34.95. ISBN: 0-873-51510-2.

Reviewed by George D. Green

Jocelyn Wills provides a broadly researched collective entrepreneurial biography of the Twin Cities business community from the earliest days of Euro-American settlement to 1883, the year that the Northern Pacific Railway reached the Pacific coast. She has drawn upon over one hundred manuscript collections of business and personal papers (some as huge as the James J. Hill Papers or the Great Northern and Northern Pacific corporate records), government documents, business and city directories, newspapers, and a variety of other contemporaneous writings. From this challenging array of primary sources she has stitched together a composite portrait of how the business leaders, large or small, responded to and participated in the gradual economic growth and diversification of the two cities and their surrounding hinterlands.

This is a business history of two rival cities that much later became one metropolitan area. St. Paul started out as the dominant city, a center of wholesale trade and finance as well as of territorial and state government. St. Paul's leaders viewed St. Anthony and Minneapolis as manufacturing "suburbs." This was reasonable in the river era obviously, but the attitude persisted even into the early railroad decades, as both cities tried to establish themselves as the hub of railroad systems linking back to the East and into the South and eventually extending southwest and northwestward into areas of expanding settlement. St. Paul built railroad links down into Minnesota river valleys of solid early agriculture and to St. Louis, as well as eastward to LaCrosse and Milwaukee. Minneapolis slowly developed good links northward into early timberlands and then into Red River Valley wheat fields of northern Minnesota and Manitoba.

One of Wills's primary themes is the great reliance of the entrepreneurs on a variety of supports from government at all levels. In the earliest decades (the 1820s to the 1840s), Fort Snelling served as the trading center for fur traders and a few lumber millers

and farmers. Federal treaties to remove the Indians and congressional action in 1852 to shrink Fort Snelling from 26,000 to 9,000 acres opened lands to preemption and eventually to legal settlement. The development of the western side of the Mississippi River at St. Anthony falls, which became the center of the flour-milling district and modern downtown Minneapolis, was delayed until federal shrinkage of the fort's boundaries. At every stage of transportation improvements, from steamboats to overland wagon trains to railroads, businessmen sought government charters, land grants, construction subsidies, and shipping contracts for mail, supplies, or soldiers. Local business leaders dominated the formation of streetcar companies, gaslight, and water or electric utilities for their own investment profits as well as for improved services to their business or residential neighborhoods. Obscure individual merchants or lawyers sometimes advanced to the upper ranks by acquiring a postmaster, surveyor, or land-office agent appointment that gave them insider information or access to other business opportunities. The business "hustlers" of government benefits saw no conflict between their private gains and the social benefits that would follow from faster economic expansion of their cities and region. Their business dealings with governments complemented their "booster" activities in forming, overseeing, and subsidizing community institutions, such as schools, meeting halls and hotels, opera houses, colleges and universities, churches, or other urban amenities. Wills's interpretation in this regard parallels Robert Lively's classic view of a mixed public-private "partnership for development" ("The American System: A Review Article," *Business History Review* [1955]).

By narrating her business history in short cycles of booms and busts over a half-century, Wills shows the impacts of periodic financial crises, of wars, and of political changes, such as those affecting territorial status, leading to statehood, or even emerging from shifts in Canadian government policies. The panic of 1857 brought a generational turnover in the St. Paul and Minneapolis/St. Anthony business communities. Some overextended leading businessmen failed (and left town to dodge creditors), while others who had operated more conservatively, incurring less debt and engaging in less speculation in urban lands or start-up companies, moved into the leading positions for the following decades by buying out their distressed rivals. There were similar but less major

shake-ups after the panic of 1873, which started with Jay Cooke's and the Northern Pacific's bankruptcy and brought down many who had tied their fortunes and investments to Cooke's. The years of depression after financial crises saw the interruption of immigration and business growth. Revival after 1857 came with government contracts (the Civil War), while the recovery in the late 1870s was led by new flour-milling technologies and westward-expanding railroad construction.

This close focus on all the businesses in an urban area reveals another theme that deserves greater explicit emphasis than Wills gives it. When historians study individual entrepreneurs, companies, or even industries in isolation, they often portray an individualistic, competitive marketplace. Wills reveals case after case of business partnerships and networks of shared investments, information flows, credit and investments frequently spilling across industry or city boundaries. These "cooperative" partnership networks don't preclude either the competitive aspect or the occurrence of betrayals, secret dealings, and pursuit of monopoly power by crushing and buying out rivals. Rather, they reflect, as I read Wills's evidence, the advantages in early urban development of risk pooling and diversifying investments over several projects and sectors, as well as the need to raise investment capital for projects beyond the resources of one's extended family (including relatives back east in several cases). Similar networking occurred in the early corporate stage too, especially for large railroad or milling projects. Beyond building their separate rival corporations, entrepreneurs collaborated to build or repair water power at the falls, to lobby against Granger laws regulating railroad rates, and to form buying cartels and build grain-elevator chains to hold down the price of wheat. Wills's comprehensive local study aptly reveals the dialectic of competition and collaboration essential to the growth of a business community within the expanding national market economy.

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