

John Sutter: A Life on the North American Frontier. *By Albert Hurtado*. Norman: University of Oklahoma Press, 2006. xvii + 412 pp. Photographs, maps, tables, bibliography, notes, index. Cloth, \$34.95. ISBN: 0-806-13772-X.

Reviewed by Ryan J. Carey

Recently, the noted historian of the American West Patricia Nelson Limerick called John Sutter, mythical hero of the California gold rush, a “prototype for failure” (*Something in the Soil*, 2000). Sutter was an abysmal businessman who despite having all the advantages—being in the right place at the right time with the right connections—still managed to squander what by all accounts should have been one of the largest and quickest fortunes in the history of the nineteenth century. In addition, Limerick tells us, Sutter is a prototype for the failure of historians—our failure to deal adequately with complexity, to move beyond simple morality tales—and for the twin evils of myth-making and myth-busting. If anyone demands complexity, it is Sutter. In his biography of Sutter, Albert Hurtado, an accomplished historian of Native America, tries to make good on Limerick’s challenge. The result is a thoughtful, subtle, and most important, complex telling of John Sutter and his role in the dynamic history of capitalism and empire.

What does Sutter, “one of the poorest businessmen in the history of capitalism” (p. xiii), have to teach business historians? As it turns out, quite a bit. Though Sutter made numerous bad business decisions and incurred mountains of debt, his practices highlight some of the major aspects of transnational capitalism before the rise of modern corporations. In addition, his creditors (and his debts) were essential pieces of the Californian financial landscape, both before and after the gold rush. Hurtado briskly narrates the complicated events of Sutter’s life and business dealings in an engaging story that spans decades. This in itself is no small feat, as the transition from Mexican to American California and the gold-rush days involved political intrigue on a grand scale, complete with a long and intricate cast of characters.

After a short sketch of Sutter in his native Switzerland, Hurtado brings us to the Mexican frontier and California, where Sutter’s gregarious personality and charismatic optimism provided him access to the most powerful men in the Pacific basin. Once in

California, Sutter immediately began securing an immense (and ill defined) land grant in the Sacramento Valley. Sutter quickly learned the lessons of frontier commerce, whereby monopolistic practices, good connections to credit and resources, and ruthless control over Indian labor ensured success. For a short time Sutter seemed to be building a successful empire, selling to his own ruthlessly disciplined Indian labor force in the Sacramento Valley eastern goods shipped to him through Hawaiian merchants, bought with money borrowed from Mexican, American, and Californio creditors (he also endeavored to sell California wheat to Russian-Alaskan fur traders!). Hurtado accurately describes him as the quintessential entrepreneur of the Pacific world; and his story becomes transnational history at its best. Though it appears as if Sutter cleverly manipulated the flows of good and people in the fluid landscape of the California borderland, it turns out that his short-lived success was underwritten by his isolation from competition (and a mountain of debt). Sutter didn't learn his lesson after all. He became egregiously indebted to the major business and financial figures in the Far West. By the time they realized the extent of his obligations, his creditors needed him to stay afloat.

Sutter's empire began to crumble when the wider world intruded. On the eve of the Mexican-American war, Sutter involved himself in a dense political fight between Californios and central authorities in Mexico. Unlike his fellow immigrant entrepreneurs, who stayed out of the fray, Sutter allied with the faction favoring centralized authority, seemingly to secure his questionable land grant. In doing so, Sutter backed the wrong horse. When American immigrants initiated a rebellion a short time later, Sutter's loyalty to the American cause came under question. Though Sutter was known for being gracious to American immigrants, they began to suspect him of unrepublican sympathies, a situation made worse by the discovery of gold on his enormous land holdings. As squatters descended on Sutter's supposed domain, he involved himself with swindlers and sharks, who privately took advantage of him while squandering his empire. For a man who essentially controlled the land and business of the Sacramento Valley on the eve of the gold rush (indeed his lands contained the first signs of the treasure!), Sutter's failures are staggering. He ended his life not penniless, but nearly broke, dependent on a gracious California legislature that was already busy manufacturing the mythic Sutter for a public eager to hear tales of the passing frontier.

Why did Sutter fail? Though Hurtado revises much of the previous scholarship (and myth) on Sutter, to a certain extent he accepts the assessments of his predecessors when it comes to Sutter's lack of business acumen. Sutter was a failure because he drank, he was reckless, and he took on more than he could hope to accomplish. Rather than blame Sutter for poor choices, however, Hurtado asks his readers to come to know Sutter in all his complexities. For Hurtado, "Sutter's contradictions defined him" (p. 344). This is a judgment that previous historians have not been willing to make. For too long, Sutter has been either hero or villain, swindler or swindled. Few historians have wanted to see him as occupying more than one subject position.

Though not written for business historians, Hurtado's tale brings together many of the insights that western history has to add to the story of American capitalism. The book shifts our focus to the far West, outside the traditional metropolitan locales of business history. Hurtado's biography of Sutter implicitly joins a growing chorus in business history to investigate not just the *bordered* lands and cities of a settled nation-state (the core), but also the dynamic and fluid *borderlands* of international empires, the so-called periphery. In nineteenth-century California, we find a history as much "controlled by local conditions" as the metropolitan concerns of Boston, New York, or Philadelphia (p. 174). This shift toward the periphery, more critically, presents us with a crucial way of understanding the development of the transnational (global) economic systems where they are the most global—at the edge of empire.

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