Railroaders without Borders: A History of the Railroad Development Corporation

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Howard Dean? They all had their moments in the Iowa sun (at least the Iowa January sun), but who remembers them now? Political caricature is an art. Duffy manages to exaggerate some physical characteristic and make it forever the candidate’s distinguishing feature. Jimmy Carter has an enormous toothy smile. George W. Bush sports pointy ears. Michael Dukakis has heavy dark eyebrows. Duffy claims that John Glenn was the hardest candidate to draw, but fortunately he could put him in an astronaut’s suit. It is worth noting that Duffy’s depictions are not cruel. They may not be how the candidate would choose to be presented—Governor Terry Branstad is characteristically short—but they never highlight a disability or a serious embarrassment.

There is no doubt that visuals carry a punch that is hard to achieve in words. They often crystallize what readers are already thinking. In 1988 the seven Democratic candidates became Duffy’s “seven dwarfs,” none of whom had much stature overall or even in comparison with the others. Gary Hart’s sexual misadventures earned him a new dwarf handle, “Sleazy.”

Older political junkies will love the book. Regardless of what happened to their candidates in the caucuses or on election night, Duffy’s cartoons bring back the opening minutes of an exciting game.

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H. Roger Grant is one of America’s most able and prolific railroad historians, having authored more than 30 books on the subject. He adds to that reputation in this volume while moving in a fresh direction. Rather than elaborate on the history of bygone carriers, as he has frequently done, his topic is the history of an existing, tight-knit enterprise that invests in and manages shortline and regional railroads in need of rejuvenation: the Railroad Development Corporation (RDC). Founded in 1987 by Henry Posner III, RDC mirrors his global vision, operating railroads on four continents. Grant undertook this study at Posner’s request, but he recounts failures as well as victories and scrupulously documents his analysis, drawing on a wide variety of print sources—newspapers, industry publications, books, articles, and materials in RDC’s superb archives—and on numerous interviews with key actors. A seasoned
writer, Grant weaves together an absorbing narrative about this “small, imaginative, honest, and socially conscious” company (xi) and the railroaders who constitute it.

Posner ardently embraces free enterprise while deeming himself “a capitalist with a conscience” (x). His firm’s mission is to save railroads and produce profits while respecting the public interest and local cultures. Reasoning that reinvigorated railroads will stimulate local economies, Posner further believes that management must remain sensitive to the societies within which it operates. Given RDC’s involvement in emerging markets beyond American borders (thus the title of this volume), the humanitarian element is particularly meaningful. Grant examines RDC’s efforts to achieve these objectives and uses historical context expertly to frame his narrative.

The book consists of five chapters: the initial two explore activities within the United States; the next three portray RDC’s efforts elsewhere. Readers of the *Annals of Iowa* will find the second chapter especially absorbing. The longest chapter, it investigates RDC’s first triumph: restoring the Iowa Interstate Railroad (IAIS) to sound operational and fiscal health. As he does for each railroad, Grant recounts in detail the evolution of IAIS, beginning with the rise and demise of its predecessor, the Rock Island. After futile efforts to revive an east–west line across Iowa, prospects brightened in 1991 when RDC entered the picture. Posner’s firm created an effective, modern railroad, applying critical lessons learned from earlier defeat. Good timing, or good fortune, enhanced its endeavors. A decade earlier, for instance, the Staggers Act had transformed railroad-government relations from contentious to more supportive, subsequently enabling beneficial federal loans to IAIS. A meteoric rise in ethanol production, meanwhile, occurred after RDC gained control of IAIS, enhancing the railroad’s bottom line but not influencing the purchase price. As Posner remarked, sometimes it is “better to be lucky than good” (84), adding that IAIS was both. Grant agrees but asserts that success was due fundamentally to RDC’s insistence on capable personnel, excellent customer and labor relations, improved safety, and sound finances. Today, IAIS remains “the jewel in [RDC’s] crown” (208).

Not all attempts, however, were unequivocally fruitful. Despite resolute efforts, Posner’s team had failed in its earlier endeavor to purchase the Pittsburgh & Lake Erie Railroad. Although the IAIS success soon followed, Posner decided that future opportunities were more promising abroad, so he began to concentrate on recently privatized railroads located in “Emerging [Transportation] Corridors in Emerging Markets” (99). The final three chapters demonstrate the variability of those outcomes. Chapter three unravels the complicated histories of RDC efforts
to surmount challenges in Argentina, Guatemala, and Peru. The firm remained committed to social awareness, sometimes through philanthropy, but the ventures were not always financially rewarding. Similarly, chapter four examines RDC’s management of a railroad connecting Malawi and Mozambique in 1990s Africa and another in post-Soviet Estonia. Notwithstanding exasperating political instability, those projects were profitable although they did not fulfill their promise. The closing chapter examines “New Involvements,” featuring investments in Colombia, Germany, France, and (surprisingly) Pennsylvania. The last, a bus service, collapsed; the jury is still out on the other three as regards their profitability. Yet Grant justly concludes that RDC has experienced overall success while remaining attentive to Posner’s goal of social responsibility.

Grant obviously admires Posner and the RDC’s goals, business practices, and achievements. He nonetheless exhibits a fair-minded assessment of the outcomes in each chapter. This book will undoubtedly appeal to readers interested in railroads but also to anyone intrigued by the study of business. Outstanding photographs and maps add visual interest. Overall, the author’s wide-ranging research, extensive command of railroad history, and clear expression make this volume a pleasure to recommend.


Rick March takes us through the small towns of Wisconsin to outline the continuing attraction polka music still holds for many people. Supplemented by excellent photographs by Dick Blau, Polka Heartland is a personal and heartfelt look at this interesting and unique popular music. March is a longtime folklorist, polka enthusiast, and musician, so his analysis is not very critical, but that is not the point of the book. What he and Blau set out to do with words and pictures is to detail how this music remains an active part of many people’s lives and, with that, the historical factors that led to it coming to the Midwest and why it still remains a part of many small-town celebrations.

Jazz is generally seen as America’s unique contribution to music, not simply for its longevity, innovation, or even popularity, but because