Bonds of Enterprise: John Murray Forbes and Western Development in America's Railway Age

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ISSN 0003-4827
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Recommended Citation
Available at: https://doi.org/10.17077/0003-4827.10570

Hosted by Iowa Research Online

Reviewer William Friedricks is professor of history at Simpson College. He is the author of Covering Iowa: The History of the Des Moines Register and Tribune Company (2000) and is working on a biography of Iowa businessman and philanthropist John Ruan.

I originally read Bonds of Enterprise as a graduate student when it was first issued in 1984 and thought it was an interesting and important study. Now, years later, I have reread the new edition and remain convinced of the book's value. The University of Iowa Press deserves congratulations for putting John Lauritz Larson's work back in print.

Most business and economic historians as well as those interested in railroads are already familiar with this book, but many studying Iowa may not be. For the uninitiated, Larson examines the business career of John Murray Forbes—a prominent Boston trader and western railroad builder—in the context of the railroads' extension into the Midwest. The book begins with a look at Forbes's background, first as a student at Northampton's Round Hill School and then as a China trader in Canton during the 1830s. Once he returned home, Forbes worked as a general financier investing in land, iron, steam, and transportation. In the 1840s he was convinced that the Michigan Central was a good opportunity and, with its purchase, Forbes and partners entered the railroad business. Pushed by Chicago businessmen who were trying to make their city the major transit center in the area, the Boston investors bought into Iowa rail lines, which soon became part of the Chicago, Burlington & Quincy. That railroad's extension throughout Iowa and the various people affected by its development become the focus of the book.

Rather than use the old, and now tired, dichotomy of the railroad interests versus the people, Larson paints a more complex picture of conflict involving eastern investors, such as Forbes and later Charles Perkins, and local railroad promoters, such as James Grimes, along with farmers and merchants. Those groups, Larson contends, were "not really contestants with different objectives." All were "believers in progress and economic growth; but they saw their interests at different levels of the system, and struggled to improve their standing within the economy as the new order unfolded" (xxi). Likewise, the author adds that none of these actors completely understood the new interconnected nation wrought by the railroad.
Real problems were first precipitated by the depression of 1857. Although Forbes had stressed "harmony of interests"—the idea that all would benefit from the railroads—it became clear that different groups had very different concerns. With money now tight, Iowa railroad promoters and farmers frustrated Boston capitalists—who financially controlled the railroads—by ignoring their calls for additional funds to expand the lines. Meanwhile, Forbes and his associates angered many Iowans when, instead of extending the rails ahead of settlement as most locals would have preferred, they continued building the rails across the state in a systematic, sequential manner as the traffic mandated.

Iowa's farmers and shippers were further upset by what they saw as the railroad's manipulation of shipping rates, and they sought to redress the situation by looking to state government for assistance. In Iowa, the legislature responded, first with the Granger Laws and then with the state railroad commission. Ultimately, the federal government entered the picture with the creation of the Interstate Commerce Commission in 1887.

By concentrating on Forbes, his associates, and their regional rail interests in Iowa, Larson presents an intimate view of the railroad's varying impact on mid-nineteenth-century agrarian America. His examination of the ever-changing relations among eastern investors, western boosters, farmers, and shippers is especially illuminating.

This "expanded edition" adds a new six-page introduction and a selected bibliography of pertinent recent works; otherwise, the original text remains the same. Those interested in railroads, regional agrarian unrest, government regulation, or Iowa history will find this paperback compelling.


Reviewer Jeffrey Ostler is associate professor of history at the University of Oregon. He is the author of Prairie Populism: The Fate of Agrarian Radicalism in Kansas, Nebraska, and Iowa (1993).

Walter Nugent's Into the West: The Story of Its People makes a significant contribution to western U.S. history through its focus on demography. It deals with the political, economic, and cultural history of the American West, but it is principally a social history of migration. Nugent does not consider Iowa part of the West. The West, he says, begins "somewhere in Kansas and Nebraska" (9).