

## JOHN I. BLAIR AND HIS ASSOCIATES IN RAILWAY BUILDING IN IOWA.

BY B. L. WICK.

Of the many men who invested largely in railway enterprises in Iowa, John Inslee Blair, of Blairstown, New Jersey, was one of the first in the field and the heaviest investor. He was born at Belvidere, New Jersey, August 22, 1802, of sturdy old Scotch-Irish stock. He died in his native state on December 2, 1899. Up to the last he was active in many enterprises, which he conducted alone, largely by aid of an envelope system which surpassed any form of bookkeeping known in his time. He entered a grocery store at the age of ten, owned it at the age of twenty, and hired his first clerk two years later. In ten years more he had acquired four stores and several grist mills in the vicinity, and thus laid the foundation of wealth for his later projects. In order to handle all his varied business, and to control deposits and make loans, he organized the Belvidere Bank. For forty years he was postmaster of Blairstown, a small village at the Delaware Gap in Warren county in the northwestern part of the state.

He was a born financier and early Scranton business men came to him seeking aid in a financial way, and he joined them in the iron industry, then in its infancy. As soon as he became interested he began to investigate for himself how the raw material could be made cheaper by use of anthracite coal. His experiment was a success from the start. Another company, known as the Scranton Coal and Iron Company, was formed on a larger scale, and in time became one of the strongest financial institutions in the east.

In order to get rid of their iron and coal products, the owners recognized the need of owning and operating railroads and began in a small way to acquire railroad properties. Thus the Delaware, Lackawanna and Western Railway was pur-

chased and extended gradually, as the trade expanded. John I. Blair was one of the first directors of this road and in a short time the largest stockholder. He made a careful study of railway operation, and looked ahead far enough to see the future possibilities of the country and the need for extension of lines in all quarters where lands were opened for settlement. On account of his income, his resources and his financial genius, the banker and railway promoter, tucked up in a small house in Delaware Gap, was often sought by the New York financiers for loans. Thus he learned to know the financial condition of the country.

He was a delegate to the Chicago Convention which nominated Lincoln, and there was approached by many men, whom he knew, as to extensions of railroads in various sections of the West, which at this time was suffering from the depression of '57. He is said to have come to Iowa at this time either to look after investments already made, or with a view of obtaining control of the railway lines then in progress of extension.

From 1862 Mr. Blair gave personal attention to the construction and was in absolute control of the affairs of the Cedar Rapids and Missouri River Railroad. The various railroads which were acquired and financed by Blair became known as the "Blair Roads," and were generally so mentioned in the public press in the West. It must be borne in mind, however, that Blair was not the owner of more than one-sixth of the stock of these various companies. Another one-sixth was held by the Lackawanna Iron and Coal Company, which was composed of such men as J. H. Scranton, Moses Taylor, W. E. Dodge, D. W. James, James Stokes and many other well-known financiers. It is stated that the controlling interest was always held by a group of New England men, such as Oakes and Oliver Ames, John Bertram, C. A. Lambard, W. T. Glidden, D. P. Kimball, Joseph and Fred Nickerson and Horace Williams, who later removed to Clinton, Iowa, to assume control of this property.

The beginning of Iowa railroad activities was after Congress in May, 1856, passed what is known as the "Iowa Land Bill,"

making grants of land to the State to aid the construction of four lines of railway across the State from east to west. The Iowa Legislature, on July 14, 1856, granted the land inuring to the State, to what became known as the "Air Line," running from Lyons, to Anamosa and thence westerly to the Missouri river.

The same year considerable grading was done, but the panic came on, work was stopped and never again resumed by this company.

Thus it was that the Cedar Rapids and Missouri River Railroad was organized on June 14, 1859, by eastern capital and headed by such men as J. F. Ely, John Weare, George Green, Col. S. D. Carpenter, S. C. Bever and others of Cedar Rapids, and by G. M. Woodbury of Marshalltown and many others. In March, 1860, the Legislature took over the land grant from the "Air Line" company and bestowed it upon the Cedar Rapids and Missouri River Railroad.

The first work west of Cedar Rapids was done in 1860 and the bridge across the Cedar was built during the winter of 1860-61. Forty miles of track were laid west of Cedar Rapids by the end of 1861. In December, 1862, the track was laid to Marshalltown. From Clinton to Marshalltown, Milo Smith, of Clinton, was the engineer and had personal charge of the construction of the road. West of Marshalltown, John I. Blair, store keeper, miller and practical business man, had complete control but had as an able assistant W. W. Walker, a trained engineer, a young New Yorker fresh from Brown University, full of life and vigor, who assumed charge and for many years was noted as an upbuilder of Iowa railroads.

On account of Blair's varied resources, his skill in handling men, and the efficiency of his many assistants, the road was completed to Council Bluffs in January, 1867, a feat unequalled in railway building up to that time.

L. B. Crocker was president of the road until 1866, when Blair assumed control. He was succeeded by Horace Williams of Clinton in 1871. He retired in 1884, when the road was consolidated and became known as the Chicago and

Northwestern Railway. After this consolidation, the old Cedar Rapids and Missouri River Railroad, which had done so much to extend railway facilities for the fast settled parts of the State, closed its business.

This was not the only enterprise with which John I. Blair was connected. He made Cedar Rapids his home while engaged in building and extending the railway lines, but he also organized other companies, so as to profit by the extension of the lines. He knew better than any one else the great future of the State and what the extension of the roads would mean to Iowa's hidden wealth. He was interested in and helped organize the Sioux City and Pacific Railroad Company in August, 1864, construction beginning the following spring. Blair was also the first president of this line. He was succeeded by Horace Williams in 1871. This road was also absorbed by the Chicago and Northwestern Railway Company at the time of the consolidation in 1884.

A railway company had been organized to extend a line between Iowa Falls and Fort Dodge, and some work was done, when for lack of funds, John Blair took this over and organized what was known as the Iowa Falls and Sioux City Railway Company, October 1, 1867. Again he demonstrated his ability to get work done, as he had finished all the work into Sioux City by the fall of 1871. In this extension work Blair sought and found another valuable man in the person of J. E. Ainsworth, who had charge of the construction. Blair was the first president of this road also, and when he retired was succeeded by Horace Williams, who remained at the head of affairs until this road was taken over by the Illinois Central Railroad Company.

The Fremont, Elk Horn and Missouri Valley Railway Company was strictly a Nebraska Company, but its offices were in Cedar Rapids. This road was also hard up and was taken over in 1869, before it was completed, by John I. Blair and his associates who undertook to finish the construction of the road. It was built gradually on account of the uncertain crop conditions in that country and lack of a sufficient population to support a railroad. In August, 1884, this road was

taken over by the Chicago and Northwestern Railway Company. This company extended the branch so that in time it became a revenue producer.

Blair was also president of this line, with J. E. Ainsworth as engineer, and a new man brought out from the east, P. E. Hall by name, superintendent of construction. Mr. Hall came later to Cedar Rapids and is still living, enjoying old age. For many years he was an intimate associate of Blair and his associates. Mr. Hall is now the only person left of the old guard and he controls the syndicate property still held in Cedar Rapids by the old New England group of financiers.

The Maple River Railroad was another branch of Blair's business. This branch was also later taken over by the Chicago and Northwestern Railway Company. In 1882 Congress granted to the Sioux City and Pacific Railway Company the right to erect a bridge across the Missouri river at a point where the line crosses the river between Missouri Valley, Iowa, and Blair, Nebraska. The company at this time was unable to meet this expense and the railroad assigned its rights to what became known as the Missouri Valley and Blair Railway and Bridge Company which was organized in 1882, for the purpose of erecting a bridge across the river at this point. This bridge was open for traffic in November, 1883, and was built at a cost of \$1,300,000.00. Nearly a half million was for the bridge proper, the balance being expended for approach work, and for protection against the annual flood of the Missouri river. Mr. Blair was correct in his views in this respect also. Since then several hundred thousand dollars have been spent in trying to keep the water in the channel under the bridge, by the erection of dikes and protection works along the river banks on both sides.

In this work P. E. Hall had general charge of construction and G. S. Morrison had charge of the engineering work. This road was also later taken over by the Chicago and Northwestern Railway Company.

The Iowa Railroad Land Company was formed in 1869 for the purpose of handling the land then earned from the State for completion of the railroad. Much litigation and

trouble arose over these land matters, which were finally closed up in 1902. This was one of the largest land companies ever organized in Iowa. John I. Blair was president from 1871 to 1872 and J. Van Deventer succeeded him and remained until 1889. Since that time P. E. Hall of Cedar Rapids has been president and since 1871 has been in office.

In addition to several subsidies the company was authorized to issue government bonds and to organize with a capital stock not to exceed \$100,000,000. It later became evident that the road could be built for \$20,000,000 less than the resources thus furnished. Oakes Ames became the scapegoat for others. Through the efforts of the son of Oakes Ames, the State of Massachusetts exonerated Ames May 10, 1883, some ten years after his death and after the forty-second Congress had censured him.

John Blair was more than a promoter, railroad builder, postmaster of a small village and an unknown storekeeper as he was often called. He was more or less of a seer and stood for big business. In the first years of the Civil War he loaned the Government one million dollars to help pay the debts which were fast accumulating. He was a believer in the Republican party and a follower of Lincoln. He was persuaded to run for governor of the State in 1868, by his friends or by those who had hoped to profit by such politics. He lost, paid all campaign expenses with a smile on his lips as he drew a check for nearly a hundred thousand dollars, saying, "It costs to become a statesman." This was his first and last entry into political life.

In his daily habits he was close and stingy with others and even with himself. He denied himself all pleasures, and a few of the comforts. With him, it was big business from morning till night and then over again the next day. He needed little rest and his big sturdy frame seemed in constant action. He would take two steps at a time in walking up stairs, and would walk if he could get to a place quicker than by waiting for some conveyance.

It is told he took dinner at a small railway eating house along the line of the Chicago and Northwestern Railway.

When the owner made a charge of fifty cents, Blair protested and threw down a quarter. The owner began to growl, and finally said he did charge railroad men twenty-five cents, but all others fifty cents. Blair replied as he went out, "I am a railroad man; I own this road." A porter could not make change when he had shined Blair's shoes. Six months later Blair came back to the same porter and had his muddy shoes again cleaned and shined, when he said: "All right, we are even now. I paid you for two shines last time I was here, when you did not have the change." He went into a tailor shop to ascertain the price of a new lining for an old coat, and was told the price would be ten dollars. Blair put the coat on and said, as he walked out: "It will last just as long without a lining." Many of such stories are still told by men who knew Blair and his operations in Iowa.

While Blair was close in his dealings and made every employee account for every penny that came into his hands, he was also generous and kind when he felt like it, and gave away large sums of money to charity and for education. He gave large sums to as many as one hundred churches and gave the Presbyterian church, of which he was a member, nearly a half million dollars. He gave something like \$600,000 to Blairstown Academy of Blairstown, N. J., to Lafayette College \$100,000 and to Princeton College money donations from time to time. He also erected buildings. He generously came to the rescue of Iowa College at Grinnell after the cyclone had demolished the buildings in the eighties. He erected the Blair building in Cedar Rapids in which he housed all of the Blair interests in the West. This building was rebuilt by the Kimball crowd of Boston, and is still standing a monument to the work of John I. Blair in Iowa. This building cost about \$60,000.00 and was said to be the most substantial business building in the West. He also organized the First National Bank of Cedar Rapids, to which he gave his support and lent his influence. He saw that it was essential to have a bank in the West so as to be able to pay off all the claims on the properties and thus be able in the East to discount the paper or make loans on collaterals. Only with Blair's backing could this be possible.

He was associated in his railway plans with James Blair, a brother, who also became wealthy. He also brought to Iowa as early as 1862, D. C. Blair, a son, who was associated with him in his projects for many years. Ledyard Blair, a grandson, is now and has been for many years the head of Blair and Company, who still control much of the stock in the railway companies which the grandfather financed and controlled in such a masterly manner. The offices now and for many years have been in New York.

John I. Blair will always be remembered in Iowa as the first real pioneer railway builder who was willing to invest his wealth and that of his associates long before the rest of the railway builders believed such investments safe. He not only invested his money, but he helped actually to construct the road and walked over nearly the entire line on foot, and that long after he was rated among those who owned millions. He came at a critical period in Iowa railway building, and was one of the men who blazed the trail for the oncoming civilization. It was only by means of extension of railroads that the settlers hoped to be able to get the products of the farm to market and to profit by the new enterprise. This vast extent of prairie country, without rivers and without mountains, just waited for an empire builder such as John I. Blair, and he early saw the possibility of such a country. The settler was not slow to follow, and soon the virgin prairies were turned by the strong arms of the pioneer settlers, and the railroads in turn began to haul the vast crops which since then have been growing without any diminution.

John I. Blair, railroad builder and man of affairs, should long be remembered among the men who made Iowa.



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