

JIM HILL'S PLAN

MINNEAPOLIS PLEASED AT ITS
FAILURE.

IT MADE JIM TOO LARGE

The Consolidation Would Have Put
the Northwest Entirely in His
Hands — Financiers Now Think
Nothing Will Come About but a
Traffic Agreement.

There is no disguising the fact that a great majority of the business men of Minneapolis are very much pleased over the prospect that there is now every probability that the proposed consolidation of the Great Northern and Northern Pacific roads will not become a fact. The Times learns from a gentleman who is very prominent in Eastern financial circles that some of the financiers who have been prominent in connection with the deal, and who have all along been very much in favor of President Hill's plan, are now convinced that there is absolutely no chance of consolidation of the two great systems upon the plan proposed by Mr. Hill. It is among the railroad officials of the Northwest that the greatest satisfaction is manifested over the apparent failure of the Great Northern magnate to get control of his great parallel rival on the north. All the officers of the roads not directly concerned in the proposed amalgamation are pronouncedly of the opinion that to place the two systems under the same management would prove a very great detriment to the great section of country through which the roads run, and whose life depends to a very great extent upon the existence of competing lines. The railroad officials are generally pretty reticent about expressing their real convictions in regard to this matter. It is not a matter which directly affects them, and then they realize that it is just as well for them not to do or say anything which is calculated to arouse the wrath or the displeasure of President Hill. Some months ago, after President Hill had been to Europe and the broad and illuminating smile was interpreted as meaning that the sagacious magnate had accomplished his purpose—or at least had accomplished enough in a preliminary way to warrant him in believing that the world was his—a good many railroad officials and others just as prominent in the Twin Cities took occasion to express the belief that things were going President Hill's way, and that if consolidation was effected it would prove a good thing for the entire Northwest. It was evidently a clear case of "getting on the band wagon." A prominent railway official, a gentleman who is well and personally acquainted with President Hill, in discussing the consolidation scheme yesterday with a Times reporter, said:

In a Pickwickian Sense.

"Some months ago, when I was in the East and was interviewed as to what I thought of the proposed consolidation, I then, for reasons best known to myself—reasons which justified the course which I took—said that I believed the plan of President Hill's would carry, and that it would prove beneficial to the Northwest—that it would brace up a great property which had been demoralized for many years, and which had done much to injure the financial credit of the Northwest. But when I was saying that I knew absolutely there was no chance of any such scheme going through. About all that will come out of this talk will be a tariff arrangement between the Northern Pacific and the Great Northern. When the foreign security holders were seen they took kindly to President Hill's proposition. Mr. Hill was known to them as a great and successful railway

"Some months ago, when I was in the East and was interviewed as to what I thought of the proposed consolidation, I then, for reasons best known to myself—reasons which justified the course which I took—said that I believed the plan of President Hill's would carry, and that it would prove beneficial to the Northwest—that it would brace up a great property which had been demoralized for many years, and which had done much to injure the financial credit of the Northwest. But when I was saying that I knew absolutely there was no chance of any such scheme going through. About all that will come out of this talk will be a tariff arrangement between the Northern Pacific and the Great Northern. When the foreign security holders were seen they took kindly to President Hill's proposition. Mr. Hill was known to them as a great and successful railway manager and financier. In the face of competition such as the Northern Pacific afforded he had built up a great road, and was operating it very economically. The strong points in regard to Mr. Hill were known, and it was only natural for people who were holding the securities of a road that had failed several times to take kindly right at the start to the proposition to have Mr. Hill take charge of the Northern Pacific. The Deutsche Bank people know nothing about the real condition of things in this country. They certainly know very little about the relations of one road to the other. J. Pierrepont Morgan was not considered at first. When the question was finally submitted to him he felt that he was ready to undertake anything which promised well for himself as a financier. But the trouble was that President Hill did not give any thought to the legal aspect of the thing. It was not because he did not think of such a thing. He did not want to bring that feature of the affair to anybody's attention at first. The idea was to get the people who held the Northern Pacific securities crazy over the idea to surrender to the American railway manager who has better credit abroad than any other man, and when the proper sort of sentiment was created among the people directly concerned, then the legal part of the thing might be tackled.

The Northern Pacific Is All Right.

"The Northern Pacific is getting along all right. It is the most popular line of the transcontinentals. It earned last year something over \$20,000,000, as against \$14,000,000 earned by the Great Northern. The Northern Pacific runs through the richest and best country. These facts have finally come to the surface, and a good many of those who were at first disposed to regard President Hill's proposition as quite unselfish, and calculated to benefit the Northwest generally, can now see how questionable a thing it would be to turn the Northern Pacific over to the control of a man whose first and greatest interest would be the Great Northern. It would perhaps not be so bad if it was some other man than James J. Hill who was to be given such tremendous power. But President Hill, great and able and successful railroader as he is, is eccentric and erratic. He acts very largely on impulse, and very often he is governed by personal considerations or feelings in some very important matters. You cannot tell what Mr. Hill might do. He might direct trade away from the Twin Cities, and in favor of Duluth, or he might do the reverse, and lend his influences to help the Twins as against the ambitious towns at the head of the lake."