Article Title: The Pacific Railroad Act of 1862

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Article Summary: The Pacific Railroad Act proved useful to the private groups that sponsored it but ineffective at best as a means of creating a national system. Later amendments modified but did not discard the Act’s reliance on certain railroads. When the favored railroads failed to function efficiently as a system, Congress responded by increasing their number and privileges.

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Cataloging Information:

Names: James Rollins, J C Stone, Henry Bennett, Samuel C Pomeroy, Thaddeus Stevens, Thomas Ewing Jr, James H Lane, Justin Morrill

Railroads: Union Pacific; Nevada Central; Leavenworth, Pawnee, and Western Railroad Company; Central Pacific

Nebraska Place Names: Omaha

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Photographs / Images: Union Pacific supplies unloaded in Omaha, 1865; Union Pacific excursion at the 100th meridian, 1866; Union Pacific timetable, 1866; Union Pacific construction train, 1868
ON THE 25th of June, a hundred years ago, the people of the United States learned from their daily papers that Congress had finally passed a Pacific Railroad bill. Six days later President Lincoln found time, amid a host of troubles, to sign the bill. If he said anything at the time to suggest that the new law was in any way memorable, the press gave no account of it. Very likely he was occupied with the affairs of General McClellan and his army, embroiled in the battles of the Seven Days on the Peninsula. Had he reflected at all upon the import of this law he would have remembered other momentous, peaceful acts of the same Congress, providing for free homesteads, an agricultural department, and endowments for colleges. With Congress, the President, and the nation absorbed in a tumult of projects for peace as well as for war, it would have been difficult to take accurate measure of the law providing for a railroad to the Pacific. Those who tried were prone to the view that it was “one of the most impor-
tant measures in the history of the country." But the fevers of the day and the habits of orators wrapped layers of haze around most verdicts on the law, and it was easy to forget that a law was not a railroad. Historians have labored to sharpen the picture, but with only moderate success. In the centennial year it is fitting to look once more into the birth and fortunes of the first Pacific Railroad Act and to reflect upon its place in the nation's history.

That the Pacific Railroad eventually proved itself useful to the nation and to states like Nebraska and cities like Omaha has long been certain. To comprehend fully the Act of 1862, however, it is well not to become overly entangled in the long chain of events that seems to trail out after it. Perhaps the Union Pacific was "the chief parent" of Nebraska, for example, as an Omaha sage later proclaimed, but the law of a century ago did not necessarily create the Union Pacific, except in a volume of statutes. Nor are the results of a law in all cases faithful guides in a search for its origins, and so one may ask whether a law that became valuable to Nebraska was conceived for this end. For at least two reasons, therefore, it is desirable to look sharply at the law itself, its origins and immediate consequences, putting temporarily aside its more distant connections with the Union Pacific and other railroads that entered largely into the history of Nebraska, the West, and the nation.

The agogies that Congress suffered in giving birth to this law are a familiar story. About the time Asa Whitney had exhausted his fortune in promoting a Pacific railroad, public demand for it became formidable. By the early


3 Summaries of the debates are numerous. Among the most valuable are Davis, op. cit., 35-95; and Robert William Fogel, *The Union Pacific Railroad, A Case in Premature Enterprise* (Baltimore: Johns Hopkins Press, 1960), pp. 25-47.
1850's, the story runs, most Congressmen and the major political parties endorsed the idea, but local and sectional quarrels wrecked each specific proposal. The unseemly squabbles over location between North and South and among partisans of Chicago, St. Louis, and Memphis provided one of the most dependable forms of punishment available to Congress. Relief came only when the Southern members decamped, taking part of the quarrel with them. When the South performed the added service of making war on the rest of the country, the need for military transport and the demands of patriotism and unity allowed the Republicans to redeem their campaign pledge and satisfy public demand. The surviving local interests accepted a compromise, and the Act of July 1, 1862, resulted.

In 1875 the Supreme Court took on the task of deciding why Congress had passed the Pacific Railroad Act. Impressed by the exigencies of war in 1862, the judges all agreed that the main purposes had been public in nature. "The project of building the road was not conceived for private ends; . . . It was a national work, originating in national necessities, and requiring national assistance."\(^4\) The Court's opinion was not heretical. Indeed, it was one of the platitudes of the day. Capturing the central theme of a decade of promotion, the law itself professed in varied ways a desire "to promote the public interest and welfare." The progress of the builders in subsequent years provoked a flood of encomiums upon "this grand national enterprise," and in 1873 a committee of Congress declared that the builders had been guardians of a public trust: "The United States have placed in the hands of the corporation large properties to be managed for a public purpose."\(^5\) Historians have not often strayed from this path of platitude, and the authors of a standard book on the period report that the Pacific Railroad was "framed as a great program to promote the public interest."\(^6\) Altogether, it would seem, the

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bill that Lincoln signed in 1862 was public in its purposes, the creature of a massive public demand that approximated the "general will." Measured against this noble dream, the bickering among local interests before 1862 seems selfish and obstructive, and the later schemes of profit-seeking managers are virtually a species of treason.

It is at least possible that we have been measuring this law with the wrong yardstick. At any rate, there are peculiarities in the doctrine of "public purpose." Amid the anxieties for national survival that prevailed in those June days, any idea of public interest had a military cast, and it took an agile mind to prove that a railroad to be built by 1876 could be useful in a war that was in its critical stages in 1862. Some argued that the mere gesture would secure the loyalties of California to the Union, as Canada later bought the loyalties of British Columbia with the promise of a transcontinental line. But California's loyalties were not in doubt in 1862.7 Samuel Ruggles had begged Congress during the crisis of 1860-1861 to adopt the project in order to placate the South and forestall secession, but success eluded this convincing effort at national preservation.8 And what value was there for a nation at war, or even for one at peace, in subsidizing a transcontinental railroad with four eastern termini between Kansas City and Sioux City? If there was public value in the road it lay in a future that seemed remote in 1862. If the chief values of the scheme were perchance private rather than public, how could the support given it possibly be justified in 1862? If the project was part of the unfinished business hamstrung by sectional bickering in the 1850's, should it have been approved during the war that ended the bickering? Did not logic and good sense lie with the Congressmen who urged that the cost

and trouble of the thing be put off until the war was over? The passage of the bill in 1862 is hard to explain in terms of rational argument or responsible action, and the doctrine of public purposes invites our skeptical attention.

The bill that survived much chopping and mending to become the first Pacific Railroad Act was the contribution of Congressman James Rollins, of Missouri. By 1862 there was little room for originality in Pacific Railroad bills, and in most ways Rollins' bill resembled one or another of its predecessors. In its provisions for financial aid, for example, it was much like the Curtis bill, which had nearly passed the year before. Indeed, it differed from its less fortunate predecessors mainly in being very specific about the most controversial points. No other bill that Congress had taken seriously had prescribed in such detail the location of the road and the persons who should build it. According to its original terms, the Leavenworth, Pawnee and Western Railroad Company would build from Kansas City to the western boundary of Kansas, with a branch line from Leavenworth. The Hannibal and St. Joseph would build from St. Joseph to a junction with the Leavenworth line. The bill was rather vague about Nebraska, providing only that the four east-west land grant roads in Iowa should among them build a line to join the Leavenworth road in Kansas. At the west end the Central Pacific would build the portion in California and the Nevada Central the portion in Nevada. A company might be formed to run a line from the Central Pacific into Oregon. To link east and west the bill would charter the Union Pacific, whose domain would reach from the western boundary of Kansas to the eastern boundary of Nevada. Here was a strategy of suicide, one might think: to assign so explicitly the favors that had caused a decade of contention. From another point of view the bill was merely ridiculous. Except for the Han-

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9 See especially the remarks of Justin Morrill, *Congressional Globe*, 37th Cong., 2d Sess., p. 1708 (April 17, 1862). All references to the *Globe* in this article are to the 37th Congress, 2d Session, and to the year 1862.
11 See the summary by Congressman James H. Campbell, *ibid.*, pp. 1578-1580 (April 8).
nibal and St. Joseph, not one of the "pet" roads had so much as a yard of track on the ground, or any other asset than a charter and a slate of officers. Were these the companies to carry out a project that to many people seemed unprecedented in its magnitude? The authors of such a scheme were surely naive or foolish. But whereas all before it had failed, this bill became law.

Like its extinct forebears the Rollins bill was an omnibus, and necessarily so. Unlike the others, this bus was wholly private property, with the owner driving. A suspicious member from Iowa noticed it first: "This Leavenworth, Pawnee, and Western Railroad Company is the pivot upon which the whole system of the bill turns," to the extent that it would take a dozen changes "to root the contract of the Kansas Company out of the bill." 12 The fact should have been obvious to all. The bill awarded the eastern terminus, bone of contention for a decade, to the L. P. & W., required the other eastern branches to join it in Kansas, and gave it control of the location through the Rocky Mountains by forcing the Union Pacific to start at whatever point on the western boundary of Kansas the Leavenworth line chose as its terminus. Having finished its task, moreover, the Kansas road might with the other pet roads help the somewhat nebulous Union Pacific build the trunk line. The L. P. & W. sought no favors at the west end, where the Central Pacific would rule. The prizes had always seemed to lie at the east end, however, and they were to be in the hands of an obscure line from Leavenworth.

The Leavenworth, Pawnee and Western Railroad Company must have seemed to its most hopeful friends a humble concern. 13 Created in 1855 when the Kansas legislature was summoning the affluent society with pen and ink, it

12 James F. Wilson, _ibid._ , p. 1704 (April 17).
had passed most of its youth in a dormant condition. Its friends were for the most part residents of Leavenworth, which had the honor of being the largest town in Kansas, and they expected their railroad to be a blessing to themselves and to their town. Like many other railroads, and like the wildcat bank and the squatter's farm, it was a thoroughbred frontier creature, devoid of capital and holding as assets the presumption and greed of its founders, a mystique of Progress and Democracy that made over vice into virtue, and a desire for influential friends in the East. Unlike other firms of its vintage it had good connections in Washington. It was in their attempt to convert these resources into more tangible assets that the men from Leavenworth crossed paths with the movement for a Pacific Railroad.

In its quest for assets the Leavenworth company had in 1860 and 1861 won the right to buy several hundred thousand acres of land in eastern Kansas from the Delaware and Pottawatomie Indians. The last of the Delaware treaties went into force October 4, 1861, and a month later the Pottawatomie treaty was signed. The lands were to yield cash for building the railroad, among other things. At the same time the company would get none of the lands until it had built part of the road. To escape from this predicament the company set out to capture the movement for a Pacific Railroad. Whether the company seriously desired the transcontinental plum or whether it only wanted help for a road through Leavenworth and the Indian tracts is beyond knowing, but one of its engineers remarked that "I see a better prospect for us to get Rail Roads in Kansas through it than through any other means." In any case the strategy was clear, and the company's officers departed for Washington. On January 6, 1862, with the coals still warm in the Pottawatomie peace pipe, President J. C. Stone contracted with a lobbyist named Henry Bennett to manage the campaign. For his services Bennett would receive

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14 O. R. Gunn to Thomas Ewing, Jr., Wyandotte, March 21, 1862, Thomas Ewing, Jr., Papers, Division of Manuscripts, Library of Congress.
$250,000 in L. P. & W. stock, convertible into $62,500 worth of Kansas lands in the event of victory. Together with Assistant Secretary of the Interior John P. Usher, who had read law with Bennett and had material interests in eastern Kansas, Bennett drafted the bill that Rollins produced in Congress a month later.

From his long experience in Congress and in the lobby Bennett must have gained a lively sense of the difference between abstract and concrete support for a legislative measure. Of abstract desire for a Pacific Railroad there was a large supply. Promoters then and later invoked an image of "universal public demand" for such a road. For Bennett and his clients, however, this "demand" was largely a phantom, likely to be insincere, hostile to specific projects, or insistent on putting off action until the end of the war. As one journalist reported,

Everybody seems to favor a Pacific road "in the abstract," but a very large number of the members oppose this particular bill, or any bill, at this particular time! It is more than probable that the subject will eventually be postponed to the next session.

In any practical sense, one of the Leavenworth men recalled later, "the people of the country were then both ignorant of and inattentive to the pressing need of the Pacific Railway." To wipe out this "ignorance," to convert cliches into votes, was the task awaiting Henry Bennett and his associates.

It was a task requiring much effort. Crowded by other business and imperilled by the indifference of some members and the quarrels of others, the bill needed close attention if it were to become more than an abstraction. "To...

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17 National Republicans (Washington, D. C.), April 19, 1862.
18 Pacific Railway Commission, p. 3850, testimony of Thomas Ewing, Jr.
pass the bill,” one of the Leavenworth men recalled, “it was indispensable that the subject should be thoroughly and ably presented to Congress and the country through the press and by personal discussion with committees and members of Congress.”

With Bennett’s help, therefore, the promoters gathered a corps of agents from around the nation, adding to it several members of the press. The company was short of cash for the purpose, and so they agreed to pay their assistants in the future assets of the Leavenworth road—stock, lands, and cash to be available if the bill became law. Thus the lobby, like the company, was a creature of ambition rather than resources, an offspring of the printing press and a map of the empty lands.

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19 Ibid.

20 For recollections of this lobbying see Pacific Railway Commission, testimony of James C. Stone, pp. 1595-1622; of John P. Usher, 1672-1716; and of Thomas Ewing, Jr., pp. 3849-3852. The testimony was rather detailed and, in general, consistent from one witness to the next. It was also generally consistent with some highly persuasive contemporary evidence, most of it in the Leonard Collection. The most impressive item there is a document (folder V:1:10) entitled “Leavenworth Pawnee and Western Railroad Stock Contracts made for the Company by J C Stone and Thos. Ewing Jr agents for the Company to secure the ratification of the Delaware and Pottowattamie Treaties & the passage of the Pacific Railroad Bill.” According to this, some 83,160 shares of stock were promised to a considerable number of politicians, newspapermen, and others. Samples of the procedure appear in a few of the original stock certificates (folder V:1:11) issued to Stone in July, 1862, apparently for transfer to agents; for example, certificate No. 264, for 1200 shares, is transferred on July 21 to Henry Bennett, and certificate No. 184, 100 shares, to Ben: Perley Poore on July 17. As a further illustration there is a note (folder V:1:26), signed April 28, 1862, by Stone, agreeing to give George M. Weston $10,000 in paid-up stock or, at his choice, 4,000 acres of the prospective land grant if the bill passes. In a letterbook in the Ewing Papers is a letter from Ewing to J. P. Devereaux, apparently written in 1866, describing a contract Ewing had signed May 10, 1862 with Benjamin H. Cheever (and enclosing copy of the contract) promising him 25,000 acres of land, $65,000 in stock, and $10,000 in cash a year later if the law passed; the list cited above notes that $25,000 of this stock was to be forwarded to Senator J. F. Simmons of Rhode Island. Another list entitled “Assetts [sic] of the Leavenworth, Pawnee and Western Railroad Company April 13 / 63” (Leonard V:1:12), 3,000 acres of land were due to James G. Blaine (not yet a member of Congress); on March 19, 1863, Blaine wrote Ewing that he expected to visit Kansas soon to select the lands “due me through your kindness.” (Ewing Papers). Taken together, the evidence suggests that the stock was distributed in connection with the Railroad Act primarily, and to a lesser extent in connection with Indian treaties.
in Kansas. In 1862 these could make it a valuable instrument, as the lobbyists were able to demonstrate.

Bennett’s bill and the labors of its friends reflect a strategy that was more or less coherent. The salient feature of the proceedings was an expert and tireless crusade to fill the pork barrel. It was a delicate and difficult task, to be sure, for what pleased one man might antagonize another, and a vexing minority disapproved of pork entirely. Ten years of futile effort pointed up the hazards. But the Leavenworth men concluded that the danger did not lie in the use of pork but in the failure to use enough of it, and in the right places. As one authority on such matters, Senator Samuel C. Pomeroy of Kansas, remarked in the heat of battle, “If the bill is to go through at all at this session and become a law, I do not see how it can become a law without the interests being consulted that are provided for in this bill.”21 The sponsors of the bill had been chiefly concerned to identify and provide for these “interests,” and its friends in the lobby struggled to preserve their allegiance.

The pet roads were conspicuous in the bill as the Pacific Railroad was primarily a local issue. This was especially true in the West. Poets and orators might dream of the road as a “passage to India,” but the residents of one Western community after another saw in the Pacific Railroad a subsidy to local interests. The “Leavenworth ring”22 was for the moment only the most aggressive of these. Nebraska’s delegate to Congress stated the case plainly. “When I look at this bill as it now stands,” he exclaimed, “and reflect on the difference it is going to make in Nebraska, I tell you I feel proud of it.”23 In the Senate Pomeroy spoke up candidly for the principle, declaring that “Not a new State has come into the Union that has not had aid from the Government in building her railroads.” Kan-

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21 Cong. Globe, p. 2834 (June 20).
22 The term is Castel’s, op. cit., p. 84. Castel refers often to the numerous enterprises of this group.
23 S. G. Daily to Editor, Washington, June 19, in Nebraska Advertiser (Brownville), July 3, 1862.
sas had been a state for an entire year without asking for anything, he added. And "what has this Government done for Nebraska? Nothing on earth." Throughout the contest the spokesmen for local interests became fast friends in the face of any assault on Pomeroy's principle.

These "friends" at times fought sharply as their principle had chaos built into it. The war of each against all was delayed just long enough for the Kansans and the Californians to discover that they, at least, had more reason to cooperate than to quarrel. Because the railroad was likely to have at least two ends, its blessings might be available to western and eastern parties concurrently, and by the time Rollins presented his bill the two groups had painlessly divided their unborn world between themselves. Thereafter, the Californians remained faithful allies of the Kansans. As President Stone explained, the L. P. & W. took care "to unite with the California parties, who, at the same time, were getting up their scheme at the other end of the road." To cement this natural union Stone assigned to the Central Pacific's chief engineer, Theodore Judah, 1,200 shares of stock in the Kansas road.

At their own end of the road the Kansans discovered that their friends were inclined to be fickle. The members from Iowa made it their business to whittle away the favors Bennett had bestowed on the Leavenworth road and transplant the main stem from Kansas to Nebraska. After trying vainly to move it still farther north the Minnesotans settled for an extra branch that trailed off vaguely toward their state. Before long it appeared that members were

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24 Cong. Globe, p. 2834 (June 20).
25 Pacific Railway Commission, p. 1604, testimony of James C. Stone. Some historians have asserted that the Californians, led by Judah, bore chief responsibility for putting the law through Congress. See, for example, John Walton Caughey, California (2d ed.; New York: Prentice-Hall, 1953), pp. 368-369. That the Californians were active is clear, and California's Congressmen were conspicuous in the debates. I have found no contemporary evidence that they led the lobby, however, and a considerable amount indicating that the Kansans did. The familiar story seems to rest largely on reminiscenses, gaining in appeal, no doubt, from the colorful later history of the Central Pacific and from the habit of finding more glamor in California than in Kansas.
not really loyal to a state, but to a rather small part of a state. Although the road was sure to connect with several roads that crossed Illinois, Senator Orville Browning said he could not support it unless it promised a connection with the road serving Quincy, his home town.26 Some Nebraskans living south of the Platte River complained that the territory's delegate to Congress had shifted his affections to the region north of the river.27 But it was the Kansans who had an excess of troubles. To win the support of Missouri they had to promise branches heading west from Kansas City and St. Joseph, but neither branch would pass through Atchison or Leavenworth, the homes of the state's two Senators. To repair this fault, they had invented an extra branch starting at Leavenworth, and Pomeroy secured an amendment that obliged the St. Joseph branch to detour through Atchison. When several Eastern members obtusely asked how these arrangements served the national interest the embattled Kansans had a ready answer. Senator Lane explained that the branch from Leavenworth "connects the metropolis of Kansas with the large interior town of Lawrence." Besides, "we should very much like to have it."28 The Senate did withdraw the subsidy from the Leavenworth spur, and the members from Iowa underlined the quarrelsomeness of local interests by voting with the majority.

Midway in the debates it dawned on perceptive friends of the pet roads that some of their opponents were confused. They insisted that the dispute was not between sections. It was not between Western men who wanted subsidies and Eastern men who did not, because there was really no barrier between West and East. A subsidy for the West was a subsidy also for the East, whatever the bickering of Kansans might suggest to the contrary. Iowa's Senator James Harlan propounded the imperial view. Capital and commerce bound the colonial West to the imperial

26 Cong. Globe, p. 2813 (June 19).
27 Nebraska City News, June 7, 1862.
East, he observed, and the branch roads served interests that were primarily Eastern.

This capital is not owned by the people living in Iowa or in Kansas. We are locally interested merely so far as we may enjoy the convenience of these roads. The capital is not owned by the people that I represent, except to a very small amount. . . . the capital is owned by the people of the old States.

The Iowa and Missouri roads were but distant spurs in railroad and commercial empires running in parallel belts to the Atlantic ports—from Iowa through Chicago to New York and Boston, and from Kansas through St. Louis and Cincinnati to Philadelphia and Baltimore. The main quarrel was among these rival metropolitan zones, to which the West lay only as a hinterland. Justice to these interests required that each receive equal benefits, and Harlan advised his Eastern colleagues that in voting against branch roads “they vote against their own constituents as much as they vote against mine.” He knew whereof he spoke, for he was himself toiling in the service of T. C. Durant of New York, who was the chief promoter of an Iowa road that hoped to control a branch of the transcontinental in Nebraska.

That the interests of West and East might coincide was not strange, even if some men found it easy or expedient to wave the sectional flag. The material interests of Eastern men in the West were more varied even than Harlan implied. It occurred to Thaddeus Stevens, for example, that the Pacific Railroads would consume iron rails. As an iron manufacturer and a Pennsylvanian he announced that he would oppose the bill unless it compelled the roads to use American iron, and this the House promptly decreed. Most Western men were transplanted Easterners, with interests, friends, and relatives both east and west. Thomas Ewing, Jr., of the Leavenworth group, bore the name of a well-known Ohio politician, while Collis P. Huntington and

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29 Ibid., p. 2834 (June 20).
30 Harlan to T. C. Durant, Washington, June 22, 1862, Leonard Collection, I:1:42.
the Congressman from his home district in New York were reputedly "devoted friends."\(^{32}\) James H. Lane had been a Congressman from Indiana before he became a Senator from Kansas. The "dominance of local interests" was a national, not a western trait,\(^{33}\) and the spokesmen for a particular locality were not necessarily resident there. Moreover, local interests had a way of blending into a regional interest that embraced portions of the East as well as the West. One-third of the votes for the Rollins bill in the House came from Pennsylvania and New York.

The pet roads seemed to both foe and friend the heart of Bennett's bill. It was natural that debate turn chiefly on the questions they raised. Partisans of the rival interests had first to fight each other and then to join forces in defense of the principle of subsidizing pet roads that they held in common. Running through their oratory was suspicion of that principle. Was this, asked an Illinois Republican, a scheme "to throw money into the hands of corporations who shall build profitable portions of the road and leave that which is the most expensive, and of the most vital importance to the country, to be built entirely by the Government"?\(^{34}\) Some of the pets—the Oregon branch and the Nevada Central—were buried without tears, but the efforts of Senators Clark, Sherman, and Trumbull to weed out the eastern branches produced only smoke and fury. The complaint that the pet roads were "insolvent... unable to build their own roads,"\(^{35}\) and the notion that the public interest could be served without launching an octopus fell before the combined forces of the guardians of the pork barrel. Clark tried in vain to destroy the branches one by one. The defeat of Trumbull's motion to build a single line from the Missouri River was the fitting climax.\(^{36}\)

From the gallery a reporter scribbled out an account of the

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\(^{34}\) William Kellogg, Cong. Globe, p. 1945 (May 5).

\(^{35}\) Albert White, ibid., p. 1727 (April 18).

\(^{36}\) The vote was 25 to 18. Ibid., p. 2835 (June 20).
Union Pacific Supplies Unloaded in Omaha, 1865.
(Union Pacific Photo)
Union Pacific Excursion at the 100th Meridian (Present Cozad), 1866.
RULES AND REGULATIONS:
THURSDAY, AUGUST 23, 1 O'CLOCK P. M.

1. The Clock in the Cashier's Office at Omaha will be the standard time, and Conductors and Engine men will regulate their time pieces by it.

2. Trains going West will have the right to track for one hour behind time. If not then at meeting point, Trains going East will proceed, keeping one hour behind card time until meeting Westward bound Train.

3. At meeting points Conductors will allow five minutes for variation of time if Trains due have not arrived.

4. Trains going West will Sides Track at meeting points.

5. Trains will leave Omaha and Kearney on time whether Trains due have arrived or not.

6. Conductors are authorized to call on Division men for assistance in case of accident, and in loading or unloading cars.

7. A stationary Red Flag by day, or Lamp by night, denotes that the track is imperfect, and must be run over with great care. A Red Flag by day, or Red Lantern by night, waved upon the Track, signifies that the train must come to a FULL STOP. The waving of a Lamp, or any like action, should be regarded a signal of danger, and NOT PASS UNNOTICED.

8. A Red Flag by day, or Red Light by night, displayed on front of an engine, indicates that an engine or train is following. When necessary to stop a train on account of obstruction, or other dangers, the signal must be sent forward or back, at least half a mile from such obstruction or danger.

9. A Lamp swinging across the track, signifies to stop. A lamp raised up and down, go ahead. A lamp swinging over the head, back up.

10. One stroke of the bell, signifies stop. Two strokes, go ahead. Three strokes, back.

11. One puff of the whistle is to break and stop. Two puffs is signal to loose the brakes, and three puffs, a signal to back.

12. Trackmen must use the utmost caution at all times, as under the telegraph system of working the road, a train may be expected at any moment. At all times when a rail is to be taken out or other work done, which will render the road impassable for trains, a man must be sent, out in each direction with proper signals to stop approaching trains. If work is being done which will render the track unsafe for trains to pass at their usual speed, a stationary Red Flag must be set at least 600 yards from the spot.

Sam'l B. Reed,
General Superintendent

OMAHA, AUGUST 22, 1866.

Union Pacific Timetable, 1866.
(Union Pacific Photo)
battle, remarking at the end that "the practical, Western sense of Messrs. Harlan and Wade" had prevailed over Trumbull's "merely theoretical intellect." 37 The victors had, indeed, been practical in laboring to appease rather than to ignore the private interests of Congressmen, for therein lay their majority. Whether they had also devised a more practicable railroad system then their "merely theoretical" opponents proposed was never really the issue, for they wanted local roads rather than a system.

The sponsors of the Pacific Railroad bill seem to have exhausted their "practical sense" in arranging for the pet roads, for in the rest of the bill Congress was, as Allan Nevins has said, "legislating in the dark." 38 Over the years the debates on the subject had been lengthy but not comprehensive, and in 1862, as before, most lawmakers had more zest for cutting the pie than for cooking it properly. The central problem, one might suppose, was a financial one. Except for this problem the subject might never have come into Congress. As a solution to it Congress offered to sundry private firms the largest subsidy of the century, 20,000,000 acres of land and a $60,000,000 loan. But what would the road cost? No one knew, for the "central route" on which it was to be built had never been surveyed as a railroad route. 39 The lawmakers could only turn to random guesses or the suggestions of those who, in their own interest, wrote the bill.

The principle of entrusting the work to private companies was not seriously challenged, though it was almost surely a product of private ambitions rather than rational theory. What might have been questioned was the choice of companies. Only one of the companies had so far proved that it could build a railroad. Still, the danger lay less

in the pet roads, which could be expected to rise to the bait they had devised for themselves, than in the proposed Union Pacific, which drew the most important but least attractive chore. Its stockholders would have to pay in ten per cent on their subscriptions and find cash for forty miles of road before drawing a subsidy. With the rising profits from war, what sane investor would go into this dubious project? A few Congressmen confessed to being skeptical of this, the main feature of the bill. Among them was Justin Morrill. Author of much of the Republican legislative program, Morrill declared that he was all for a Pacific Railroad, but that the sponsors of this bill were peddling illusions.

I am not to be deceived by any promises that this road is to be built and run by any party but the United States. Every dollar that it takes to construct the road is to be contributed by the United States. There is not a capitalist who will invest a dollar in it if he is to be responsible for its construction for any considerable distance. All that you will gain by the passage of this bill will be the building of two or three strips of road at each end. The capitalists who will avail themselves of the privileges granted by this bill will do it for the purpose of seizing the land at either end, but the gap that will remain before any through connection can be made will remain unfilled so far as they are concerned.

Morrill spoke wisely, for in truth the bill could be attractive only to the pet roads, and two years later Congress was persuaded to loosen its purse to provide for the main line. But in this, as Morrill may have suspected, the bill was entirely consistent with the intentions of its sponsors.

The controls to which the Pacific Railroads were subject were numerous but confusing. The President was assigned various duties of supervision, including that of withholding the subsidy for each forty-mile section until three government commissioners had satisfied him that it was "first class." But what was a "first class" railroad? The Treasury would retain up to one-fourth of the subsidy until the entire system was finished—a useful safeguard, no
doubt, but one that had the effect of shrinking the subsidy and thus worrying investors who were already leery of the project. The government held a first mortgage on the properties of the companies as security for its loans; presumably it would then, like other creditors, sit back and await the maturity of the loan. A skeptical Congressman won an amendment permitting the President to appoint two of the Union Pacific's fifteen directors yet leaving them as ugly ducklings with neither special powers nor an equity interest. At best this confused matters, but the failure to inflict similar government directors on the pet roads made a shambles of the system of control. Nervous about entrusting so much money to a nebulous group of men, Congress obliged the companies to start reducing their debt by paying to the government 5 per cent of their net earnings plus the revenue from the government's traffic. But what creditor exacts any such payment; and, besides, where had Congressmen secured these percentages, unless from random calculations? Lurking behind these miscellaneous arrangements was the failure to provide either officers or funds for administering them. The machinery for guarding the public interest in this national project was impressive only for its disorder.

Nor did the bill anticipate other responsibilities with which the government was sure to be faced. By law the government agreed to extinguish the Indian title in the railroad zones, but without special provisions this could not be done for years. According to some historians Senator Stephen Douglas had realized in sponsoring the Kansas-Nebraska Act in 1854 that law and order must precede the Pacific Railroad into the West, yet Congress in 1862 did nothing to extend law and order into the wild homeland of the Union Pacific. When the territories through which the Union Pacific passed became states, what controls and taxes might they impose on this federally-chartered corporation? At what moment did title to their lands pass to the companies? Unanswered in the law, these questions and many more plagued the companies and haunted Con-

42 Albert S. White, Indiana, ibid., pp. 1890-1891 (April 30).
gress and the courts for the next thirty years. The Congress­
man who proclaimed that "this bill is more perfect in its provisions than any ever before submitted to the atten­
tion of Congress" was not very complimentary to his predecessors.

The Pacific Railroad bill, one critic remarked, was "a conglomerate mass of confused legislation." The remark came early in the debates, but it could as easily have come at the end. As an instrument of government the bill was so full of holes that it could be but clumsily administered. As an example of policy it exhibited a bewildering dis­parity between principle and practice. Offered as a stup­pendous national enterprise, it provided convincingly only for sundry minor interests on the fringes of the West. Perhaps wise legislation was too much to expect in the spring of 1862, what with the distractions of war and the congested calendar in Congress. But this hardly explains why the bill was passed when it might have been post­poned. Perhaps ignorance and inexperience took a toll. Congress was unused to creating corporations and dispens­ing such vast subsidies, and, after all, nobody had built a Pacific Railroad before. But while some fumbling was to be expected, the force of such arguments is limited. Congress was full of lawyers who, collectively at least, should have been able to turn out a respectable statute, and it surely contained enough financial wisdom to have sensed that there would be no rush to buy stock in the Union Pacific under existing conditions. In any case the answer to ignorance might better have been information than error.

In accounting plausibly for the contents of the bill we must look to the intentions of its sponsors. The authors of the bill wished above all to build a railroad in northeastern

43 Aaron A. Sargent, California, ibid., p. 1598 (April 9).
44 Owen Lovejoy, Illinois, ibid., p. 1699 (April 17).
45 Robert Fogel ascribes the weakness of the financial provisions to lack of understanding of the risk involved; see op. cit., especially pp. 89-90. Some Congressmen did understand, however, so that what needs explaining is the failure of others to accept their analysis. The explanation is less likely to be found in comprehension than in motivation, which Fogel does not adequately explore.
Kansas, starting at Leavenworth. As a strategic device they allied themselves with men who wished to build other railroads in the Missouri Valley and in California. In the perennial talk of a transcontinental road they found a serviceable tool and bent it to their uses. The law that resulted was not ideal for them, for compromises had lined the road to success, but it provided well enough for the essentials. That it failed to provide very well for a transcontinental line was no surprise, for they had not seriously wanted it to do so. The sponsors of the law were chiefly interested in the pet roads at either end, and not in the transcontinental line. Their purposes, moreover, were obviously private rather than public. The law naturally reflected these purposes. The stray items in the law that provided usefully for the main line and for the public interest had for the most part crept in piecemeal in the course of debate.

But why did Congress adopt the bill? The circumstances of its birth savor of conspiracy, but the legislative environment permitted it to survive and even to flourish. The conspirators had their lobby, of course, and it seemed to some of them that the bill had passed largely because of their efforts. One of Ewing's friends thought "the honor of securing the Pacific Railroad principally [sic] yours." Henry Bennett claimed the credit for himself: "I was the engineer to carry out this Kansas R.R. & did succeed." Years later Usher asserted that "the act was passed, as I believe, through the persuasion and the constant interposition of Stone, Isaacs, and Ewing, and their friends." The claims vary slightly, but that does not matter. Together, they reinforce the evidence that Leavenworth men promoted with vigor and skill the bill they had written, and that their labors were important to its success. Among these labors, it must be added, was the purchase of votes. A list of names with the amounts of stock due to each later came to light, and eight of the names belonged to members

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of Congress. President Stone remembered telling his agents he wanted to hear of no corruption but that "what I had heard afterwards, after the whole thing was over, led me to suspect that there was more irregularity than I had expected at the time." 47 One of the names on the list was that of Thaddeus Stevens. Asked about this, Stone said only that he was not surprised, and that Stevens "had done as much as almost any other one man in getting it through." 48 The stock became something of a nuisance to Stevens, but his support of the bill had at least not been "merely theoretical."

Successful lobbying indicates not only that lobbyists were at work, but also that Congressmen responded. However conspiratorial the origins and handling of the Pacific Railroad bill, it was Congress that approved it, revealing thereby the habits and interests of its members. The contents of the bill and the success of the lobby point alike to the conclusion that many Congressmen were more sensitive to private than to public interests. Other evidence strength-

47 Pacific Railway Commission, p. 1607. Stone and his one-time colleagues were questioned about the published list, which was a version of the one in Leonard Collection, V:1:10. The members of Congress named in the manuscript list are Senators S. C. Pomeroy (Kansas), J. F. Simmons (Rhode Island), M. S. Wilkinson (Minnesota), and John S. Carlile (Virginia); and Congressmen Thaddeus Stevens (Pennsylvania), Thomas L. Price (Missouri), J. S. Rollins (Missouri), and William Mitchell (Indiana). Owing to later troubles inside the company the beneficiaries probably realized little from their stock, but it seems to have been offered and accepted in good faith.

According to the manuscript list, 5,900 shares, with a face value of $295,000, were to go to Judge J. F. Cowen of Pennsylvania, for transmission to Stevens. It is probable that Stevens received at least part of this stock, judging by evidence presented in Fawn M. Brodie, Thaddeus Stevens; Scourge of the South (New York: W. W. Norton & Co., 1959), pp. 183-184. Mrs. Brodie's discussion of the evidence is not quite clear, for she fails to get her railroad companies straight. She confuses the Union Pacific Railroad Company and the Union Pacific Railroad Company, Eastern Division—the latter the L. P. & W. under a new name. John D. Perry, whom she quotes, was president of the latter firm, and it was clearly that firm in which Stevens held stock. The "full paid certificates" that Stevens had acquired some time before February 5, 1864 sound very much like the documents Stone was dispensing in July of 1862, discussed in note 20 above. Like other recipients of these "certificates," Stevens apparently found that they were not valuable, accounting for his desire in 1868 to exchange them for bonds in return for legislative services to Perry's company (Brodie, p. 183).
ens the verdict. It was the chief theme in the debates, in which Morrill, Clark, Trumbull and others vainly exposed the faults of the bill while spokesmen for the pet roads replied that something should be done for Kansas, or Quincy, or the capitalists of New York. Harlan's appeal for Eastern votes for the branches was only a sophisticated defense of private interests. A considerable number of Congressmen were merely indifferent to the proceedings, perhaps showing lack of a special interest in the bill and perhaps simply neglecting their duty. For whatever reason, their conduct abetted the cause of the bill's sponsors. The bill finally passed in the House 79 to 49, in a partnership between the West and the large commercial states of the Northeast.\textsuperscript{50} The Senate approved more easily, 35 to 5, owing apparently to the disproportionate strength of Western states in that body and to the reluctance of opponents of pet roads to seem hostile to a Pacific Railroad.\textsuperscript{51} The voting disclosed neither an East-West nor a party division. Instead, it had added to the long-standing fixed support for a Pacific Railroad the combined votes of a range of private interests expecting to benefit from this particular bill. Far from blocking action, as they are alleged to have done previously,\textsuperscript{52} they were the prime movers in it. Their interests had merely to be reconciled from the pork barrel, a task of only moderate difficulty where enough men upheld the principle of the pork barrel to permit a liberal use of it.

With the legislative career of the Act of 1862 in mind, one may ponder afresh the reasons for the impasse of the 1850's in Pacific Railroad matters. If the Act of 1862 reflected the leadership of the Leavenworth company and the

\textsuperscript{49} Several speakers complained of this. See especially the remarks by Justin Morrill, Cong. Globe, p. 1947 (May 5).
\textsuperscript{50} Ibid., p. 1971 (May 6); members from New York, Pennsylvania, Massachusetts, and Ohio approved, 44 to 17. Later the House accepted the bill as modified in the Senate, 104 to 21; \textit{ibid.}, p. 2905 (June 24).
\textsuperscript{51} Ibid., p. 2840 (June 20). The reluctance to endorse the pet roads appears most directly in the remarks of Henry S. Lane of Indiana, who explained his affirmative vote, and John Ten Eyck of New Jersey, who asked to be excused from voting.
\textsuperscript{52} See, for example, the approach in Carter Goodrich, \textit{Government Promotion of American Canals and Railroads, 1800-1890} (New York: Columbia University Press, 1960), p. 182.
support of allied interests, perhaps the earlier stalemate resulted from the weakness of such groups, and not from their quarrels. In the late 'fifties and early 'sixties the interests likely to benefit directly from Western railroads grew at an explosive rate. The Colorado gold rush, traffic to Utah and California, the Missouri River towns—all flashed into prominence and drew speculative interest to areas that might be tributary to a Pacific Railroad. Statehood for Minnesota, Oregon, and Kansas rapidly enlarged the political strength of such interests. Meanwhile, railroads pushed across Iowa and Missouri, connecting at the Mississippi with the systems that were being developed by investors in the Atlantic ports. Eastern bankers and merchants as well as investors did a growing business west of the Mississippi. In these years, therefore, the Trans-Mississippi West rose in economic value to the East and in political and economic stature in its own right. These interests gained strength enough by 1862 to carry a Pacific Railroad bill, with help from men with durable poetic and patriotic enthusiasms. The bill had failed in the 1850's because the relevant private interests had been too weak. It passed in 1862 in spite of the war, not because of it, under pressure from men who were at last able to enforce their wishes. Thus the Act of 1862 was not unfinished business postponed by Southern stubbornness, but a natural product of the development of the Trans-Mississippi West and its commercial integration with the East.

The results of the Act are somewhat obscure, for only two years later it was overhauled. So far as one can gather, its results were consistent with its origins. There was at first a flurry of activity in private quarters, some progress on the pet roads, and an apparent still-birth for the Union Pacific. Congressmen had no sooner dispatched the bill to the White House than they began scurrying after the minor patronage their votes had just created. As might be expected, the Leavenworth and Central Pacific companies

53 There are several letters from Congressmen to the Secretary of the Interior, written late in June, 1862, offering candidates for these positions, in Railroad Package 238, Records of the Office of the Secretary of the Interior, National Archives.
were prepared for their new roles. When the President signed the bill they sent maps of their routes to the General Land Office and asked that their land grants be set aside for them, which was promptly done.\textsuperscript{54} Meanwhile, the chairmen of Congress’ Pacific Railroad Committees reminded the President of his duty to determine the gauge of track for the Union Pacific; they recommended a gauge of 5 feet, which was not the gauge of most Northern railroads but was, by the merest chance, the gauge of the Leavenworth and Central Pacific roads. Lincoln did what they asked, dismaying more northerly roads, one of which induced Harlan to have Congress override the President and decree the “standard” gauge of 4 feet 8 1/2 inches.\textsuperscript{55} At the same time the pet roads exhibited some interest in laying track, and by the end of the year the Leavenworth company had let a contract and the Central Pacific was about to “break ground.”\textsuperscript{56} In Nebraska the distribution of benefits was less certain, but optimists lost no time in wrestling for control of the Union Pacific’s terminus\textsuperscript{57} and in contemplating “some pretty nice side speculations connected with it.”\textsuperscript{58} Coloradoans could only take up the forlorn task of conveying to others their vision of the natural highways that must surely traverse the Rockies just west of Denver.\textsuperscript{59}

\textsuperscript{54} Commissioner of General Land Office to Register & Receiver, Junction City, Kansas, July 17, 1862, Records of the General Land Office, Division F, No. 64, National Archives. Commissioner to Register & Receiver at Marysville, California, August 2, 1862, \textit{ibid.}


\textsuperscript{57} C. H. King to John Evans, Plattsmouth, July 26, 1862, John Evans Collection, Colorado State Archives, box 12.

\textsuperscript{58} P. W. Hitchcock to Samuel J. Tilden, Omaha, July 26, 1862, Tilden Papers, New York Public Library, box 7.

While all this was going on the Union Pacific was struggling to be born. On July 12 a notice went out summoning the commissioners named in the law to meet September 2 in Chicago, to organize and to open subscription books. The government was entitled to five representatives at the meeting, and on August 19 the Secretary of the Interior named them. Again the Kansans had been busy, for Assistant Secretary Usher had secured one of the posts for Samuel J. Tilden, "because I knew that you would be efficient in preventing the Comrs giving any undue importance to the Northern route, but would keep St. Louis prominent." The commissioners met, organized, called for subscriptions, and resolved to ask Congress to change the law. An engineer was sent West on reconnaissance and made a useful report, but thereafter nothing happened. As Morrill and others had predicted, few investors found the project attractive. Finally, late in 1863, a few men bought stock enough to enable the company to qualify for surgery rather than burial at the hands of Congress. Only martyrs or gamblers were likely to do this, and the latter prevailed. For the Union Pacific the Act of 1862 was useful only in making possible the Act of 1864, and in placing the company in the hands of adventurers. For Nebraska and the West it produced little but a quickened pulse, and the dirty shovel that remained after "breaking ground" in Omaha on December 2, 1863.

In the short run the Act redeemed many of the prophecies of its critics: it was moderately useful to the private groups that sponsored it and ineffective, or worse, for "the great national road." In the long run its effects were partly obscured by later legislation. These later laws owed

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60 "Call for First Meeting of Corporators," Chicago, July 12, 1862, printed notice in Union Pacific file, Baker Library, Harvard Graduate School of Business Administration.


62 There are long accounts of the meeting in New York Times, September 6, 1862. See also Report of the Organization . . . ., op. cit. Peter A. Dey's letter reporting his survey is in ibid.

63 For a summary of these activities and their results, see J. F. D. Lanier to John Sherman, New York, April 27, 1864, John Sherman Papers, Division of Manuscripts, Library of Congress, vol. 69.
much to the first one, however. The mere existence of one law smoothed the path for others. However ineffective the Act of 1862 may have been in itself, it went far to fix the characteristics of the Pacific Railroads, for later amendments only elaborated on the principles adopted in 1862. The reliance on private companies, the method of subsidy, and the machinery for governmental supervision were modified, but not discarded. The overriding principle of the first law, response to private interests, continued its reign thereafter, with ever-growing results. When Congress provided more amply for the Union Pacific in 1864, for example, it acted under the crudest kind of pressures and enlarged the subsidy while reducing its controls. Although the pet roads proved refractory in meeting their responsibilities in the “system,” Congress responded by adding to their number and their privileges. Meanwhile, the Act of 1862 inspired others by its example, and Congress was induced to subsidize additional transcontinental lines to compete with the one, still unbuilt, in which the government was the largest creditor. The results, in time, included a number of railroads, together with a measure of “progress” in the West. In a general way they were useful to the nation, though less so than they might have been. With few exceptions they became both unstable and unpopular, and the hunting ground of adventurers. They were plagued by quarrels with a government whose responsibilities were unclear and a Congress that shifted its affections to hostile interests.

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64 This complicated affair is reviewed in a letter from J. B. Stewart to T. C. Durant, Washington, July 7, 1867, Leonard Collection, III:3:14.

65 As a “system” the branches miscarried completely. The L. P. & W., later the Kansas Pacific, returned to Congress yearly in quest of a larger destiny; in the end it was hardly a branch at all, building all the way to Denver and then joining the main line at Cheyenne. The branch from St. Joseph stopped abruptly in the prairies of Kansas one hundred miles from its beginning. The Sioux City & Pacific, the northern branch, angled down the Missouri River in a path that deprived it of all value as a “branch.” Nor did the Central Pacific rest content with the modest role the law implied for it, for in the end it built over one-third of the main line. See the maps in Trottman, _op. cit._, p. 13, contrasting the plan and the results.
One's estimate of the significance of the Pacific Railroad Act must in the end turn on the intentions of its authors. As a creature of private ambitions it represented no measured choice among policies, hence it is obviously useless to ask what policies were involved, or how they were applied. Scholars who study it as an example of the relations between "private" and "public" enterprise study a phantom, for there could be no such dichotomy in a government where nearly all the controls were private. The Act launched an enterprise that might call to mind the Second Bank of the United States, or perhaps the mercantilist schemes of the seventeenth century or the welfare state of the twentieth; yet any such comparisons savor of a coherent policy that was absent in 1862. The public later became disillusioned with the Union Pacific and charged that its leaders had betrayed their trust. The disillusion was misplaced. The behavior of the Pacific Railroads contrasted sadly with the noble dreams of some Americans, but this should have surprised no one. The fact is that the history of the Union Pacific accorded very well with its origins; measured against the intentions of its founders it was a success. The proper object of disillusion was the Congress that passed the law. Better still, it was the people themselves, for in all probability Congress behaved about as they expected. Disillusion follows in the wake of illusion, and the poetic fancies about a Pacific Railroad partook of the grand illusions about their character and destiny in which Americans revelled in the last century. The illusions prevented few Americans from holding private ambitions of a very unpoetic sort and from expecting them to be gratified by nature and by an open-handed government. The nation's myths pleasantly masked the assumption that it was the duty of Congress to represent private interests and to transfer to the citizens the nation's resources. The Pacific Railroad Act was the act of a democracy of abundance and license, wholly consistent with laws.

66 The most pertinent discussion of this subject is Henry Nash Smith, Virgin Land; The American West as Symbol and Myth (New York: Vintage Books, 1957 [1950]); Book 1, "Passage to India," pp. 16-51, is especially relevant.
that gave valuable lands to citizens who had trespassed upon them, that eased restraints upon bankers who had no funds, that took from Indians land demanded by voters, and that bestowed bankruptcy and stay privileges upon impecunious citizens. It was an imperfect but wholly characteristic act of a people whose ideals got in the way of their ambitions but who clung stubbornly to both. "The railroad will be of immense advantage to Leavenworth—and Kansas," Mrs. Ewing wrote to her sister-in-law.67 Therein lay the heart of the matter.

67 Mrs. Thomas Ewing, Jr., to Mrs. W. T. Sherman, Leavenworth, June 24, 1862, Ewing Papers.