## History NEBRASKA

## Omaha, Nebraska

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Note: This is an abridged version of an article that originally appeared in *Harper's Magazine* in July and August, 1938. *Nebraska History* editor Sheldon commented that the author "intended to bring Omaha's faults into highlight."

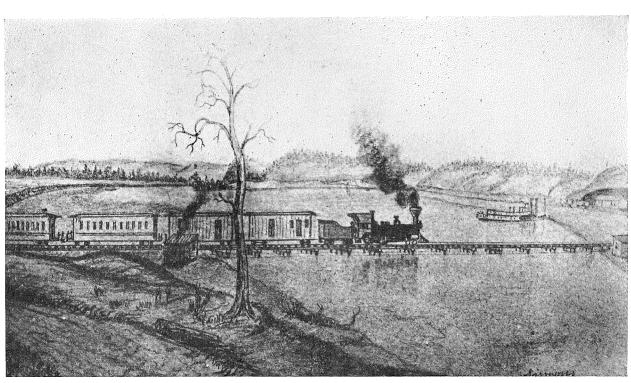
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Photographs / Images: first train of cars on bridge between Council Bluffs and Omaha (Winter 1866), building the Union Pacific Railroad in Nebraska (1866), a typical early-day breaking outfit in Nebraska, scene at Union Pacific Railroad Depot in Omaha (1869), Union Pacific train racing Nebraska prairie fire (1869), grasshoppers stopping a train in Nebraska (1874)



Sketch by George Simons

First Train of Cars Crossing Temporary Bridge between Council Bluffs and Omaha in the Winter cf 1866

## OMAHA, NEBRASKA By George R. Leighton

Condensed from Harper's Magazine July, August, 1938

On the edge of the great plains, on the west bank of the Missouri River, is a city where, on December 2, 1863, a group of men began one of the first great undertakings of the industrial era in America. A civil war, which was to set free the slave, was raging; it had already set free the iron master, the merchant, and the banker. The political supremacy of agriculture had been broken at last and the industrialists were on their way to power. The place where this ceremony occurred was Omaha; the occasion was the groundbreaking for the Union Pacific Railway.

It was the peculiar fortune of this town to serve as headquarters for the lieutenants of a distant industry; at the same time the town was dependent upon agriculture, which industry had vanquished. The strength of industry in that day was in the railroads, and Omaha shared in the strength for a generation. In the succeeding generation, during the few years of farmer wealth, Omaha had shared in that wealth also. The day of the railroad power passed, the years of farm prosperity faded. The city had served its purpose in the evolution of an economy traditional to the American mind. What its future would be in a different pattern no one would foresee.

On the afternoon of August 13, 1859, two months before John Brown made his raid at Harper's Ferry, an Illinois politician and railroad lawyer stood on the Iowa bluff above the Missouri and looked across to a little village on the opposite bank. Some town lots in Council Bluffs had been offered him as security for a loan of \$3,000; he had come to inspect the lots himself. Presently he left the bluff and went back to the tavern, where he fell into conversation with an engineer who explained why Council Bluffs was the point where the much discussed trans-continental railway ought to begin. The lawyer listened and, the next day, departed. He made the loan. Less than a year later, supported by railroad promoters, abolitionists, manufacturers, and free soilers, he was elected President of the United States.

The lawyer was Abraham Lincoln. The little village was Omaha, that Omaha which for more than a generation after meant to various persons the gateway to the West—the West, that mystic country where a man could try again, become an empire builder, grow up with the country, speculate in land, escape the tyrannies of Europe, be a free man, get a homestead for nothing, worship as he chose, and, incidentally, help to pay the interest on the foreign capital invested in American enterprises.

For many years there had been agitation over the question of a railway across the plains. Already railroads had reached the Mississippi from Chicago and were being pushed across Iowa. Among the promoters was Thomas Durant, a prairie physician turned Wall Street promoter, a gentleman fond of the ladies and a dispenser of shawls, diamonds, and yachts. He was not only interested in the Rock Island Railroad but in another called the Mississippi & Missouri, partly built across Iowa, which Durant thought might be carried thru to the Pacific. To further this plan he sent ahead his young engineer, Grenville Dodge, to make surveys and gather information.

The panic of '57 stopped railroad construction and stranded Dodge in Council Bluffs. There he dabbled in politics, sent letters to Durant, and watched the wagon trains setting out for the West. Some speculators who had staked out town lots in Omaha had rigged up a ferry to raft emigrants across the river. They didn't have much of a town, but they burned with enthusiasm. Dodge had his facts in hand when the Illinois lawyer arrived to look over the town lots.

On the 4th of March, 1861, Lincoln took the oath. The war in which the Federal Government was to make an immediate investment of more than three billion dollars was imminent, and hordes of men determined to be the immediate beneficiaries of this investment jammed the committee rooms and the steaming lobbies of the Willard Hotel in Washington. Every train brought the speculators and the lobbyists, swinging their carpet bags and looking for contracts, licking their chops with anticipation of tariffs and subsidies.

The Pacific Railroad situation was this: A group of California promoters, infected with the railroad fever of Theodore Judah, and headed by Leland Stanford, Charles Crocker, Mark Hopkins, and Collis P. Huntington, had a railway started and wanted to build east. This road eventually became the Central Pacific. Varions Eastern groups wanted to build west. Durant was the chief of one of these; Grenville Dodge, famous later not only as a great engineer but as the most accomplished railroad lobbyist in America, was a minor figure in the Durant group. Every one of the promoters knew that if a road was to be built the government would have to put up the money. The great question was: Who was going to get it? Indeed, the diamond-sporting Durant believed the business prospects of such a road were mythical and that the real profit could come only from government-subsidized construction. But before anv division of spoil could be made, legislation was necessary. With a will the lobbyists went to work upon a Congress that for a dozen different reasons was committed to the proposition from the start.

On July 1, 1862, the Pacific Railroad Act, providing for a hundred-million-dollar corporation—the largest capitalization ever known in the United States—was passed. The bill presented the promoters with

1. A right of way through the public lands, 200 feet on each side, for the entire distance.

2. The free use of building materials from the public lands.

3. The annulment of Indian titles.

4. Every alternate, odd numbered section of public land, to the amount of five sections a mile on each side.

5. A subsidy of \$16,000 a mile on the plains, and from \$32,000 to \$48,000 a mile thru the mountains.

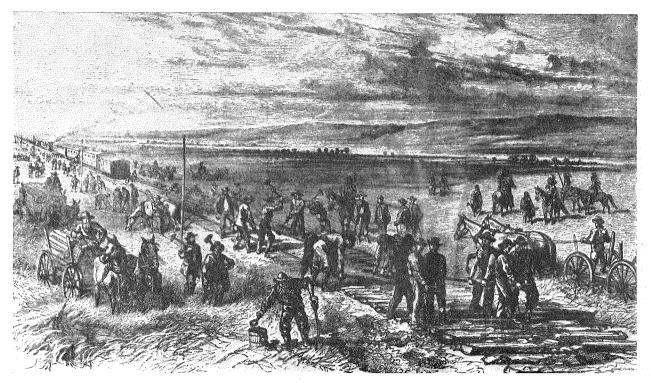
Upon the completion of each forty miles, the subsidy, in the form of U. S. bonds, would be paid over to the railroad company. The bonds and interest were to be redeemed at the end of 30 years and were to constitute a first mortgage.

Anybody in the country could have this subsidy. All you had to do was to build a railroad out to a point on the hundredth meridian in the middle of the Nebraska plains. Whoever got there first received the subsidy on all that he had already built and the privilege of building the rest of the way. This left an open field for the various Eastern groups.

Now the promoters and the bankers began to mull over the prospects. In the autumn of '62 Durant organized the Union Pacific Railroad Company and the subscription books were opened. The money didn't come in, despite all the fervor and publicity. The truth was that the subsidy wouldn't satisfy. Promoters wanted more. Finally, in the summer of '63, Lincoln sent for Dodge, who by this time was a General in the Union Army. They talked again as they had on that summer day in 1859 on the tavern porch. Dodge told him that it would take even better terms to make the promoters act; he advised him in the matter of fixing the eastern terminus of the road—at Council Bluffs, directly across from Omaha! Would Congress loosen up? One could but try. The lobbyists were turned loose in Washington with a half-million-dollar expense account and Durant decided to waste time no further.

On the 3rd of December, 1863, Durant's chief of publicity, the eccentric George Francis Train, arrived in Omaha to break ground for the great effort that was to unite East and West, all minds and hearts, into one indissoluble union. The feeling of the people in the village may be imagined. For so long all their speculative hopes, the very existence of their town, had depended on the moves in a Wall Street poker game and the activities of lobbyists upon the Federal Government. But now! "The great Pacific Railroad is commenced." Train "The President told the assembled crowd at Omaha. shows good judgment in locating the road where the Almighty placed the signal station at the entrance of a garden seven hundred miles in length (loud and prolonged cheers). Congress gives something towards building this great national thoroughfare---not much, but something; say a loan of government credit for thirty vears, for \$16,000 a mile and 20 million acres of land. But what is that in these times?"

What, indeed, with a great war raging, with contracts being shoveled out in Washington and profits pouring down like Niagara? Would Congress think They would. Oakes and Oliver Ames, the milagain? lionaire shovel-makers of Massachusetts, had now entered the corporation. Oakes Ames was a Congressman and in position to act in concert with the lobbyists. By July 2, 1864, the promoters had turned the trick. The railroad act was completely revamped; the land grant was doubled; coal and iron lands were now included; the government loan was reduced to the status of a second mortgage and the subsidy would be paid at the end of every twenty miles. The way was clear now and only one thing more was essential: some means must be found for the promoters to keep their hands on the subsidy. They found it; it was the Credit Mobilier.



Building the Union Pacific Railroad in Nebraska—1886

In 1859 a corporation charter had been put thru the Pennsylvania legislature. It permitted the holder to do almost anything he wanted. This charter the Union Pacific promoters bought and christened the Credit Mobilier of America. Contracts for construction were let by the railroad company to dummies and in turn to the Credit Mobilier. These contracts were paid for out of the government subsidy. It was the aim of the promoters to draw off the cash into their own pockets and still retain control of the railroad. They succeeded. But they were so absorbed in preliminary deals that construction came to a dead halt. The war ended, Lincoln was dead, yet still there was delay.

The town-site speculators of Omaha may well have chewed their finger nails in desperation. Durant came out "dressed in the style of a frontier dandy," full of enthusiasm; but still no construction. It was plain that promoters and dummies alone would not do; already another road building out of Kansas City was on its way to the one hundredth meridian. Now and at last the promoters gave to Grenville Dodge the command as chief engineer. In May 1866 he arrived in Omaha to find that all there was to the U. P. was a "rusty and uncertain line that jutted out from the banks of the Missouri on to the prairies of Nebraska as far as the Elkhorn." He took one look and got down to business.

Omaha in 1866 was still a village, but growing. No longer did the postmaster carry letters in his hat. By degrees the efforts of General Dodge gathered speed. In July a thousand men and a hundred teams were assembled at the end of the rusty track. A wilder crowd of roughnecks was never seen, but within three months they were laying three miles of track a day. Westward the course of the giant corporation made its way; the *Commercial and Financial Chronicle* purred with contentment.

In Omaha, the great jumping-off place, the trade that battened on construction flourished. Day by day

the lucky and diligent ones prospered. Already a little group of men, whose families were to dominate the community for years, had become influential. The darkhaired Edward Creighton, child of an Irish immigrant, was there. He had built the overland telegraph in '61 and when the Pacific Telegraph Company was organized he had bought a tenth of the million-dollar capital stock for eighteen cents on the dollar. One of his wagon trains to Montana had made a profit of \$60,000 on a single trip. He was the president of a bank and presently of a railroad. His younger brother John, who was to end his days as a papal count, was there. William Paxton, whose name seems to have got into more businesses and onto more buildings than any other in Omaha, was freighting. The interest of these men and many others was now fixed upon the Union Pacific. Look at the Millards, Ezra and Joe, who had come in '56. They lent money. When Oliver Ames came out on Union Pacific business he met Joe in the stage coach and bought \$5,000 worth of stock in the Millard bank. The Millards drew an even bigger plum than this: they became the chief dispensing agent in Omaha of the hundred-million-dollar bonanza.

But they were not the only ones. One might get contracts to supply the military or provide the government with beef. There were U. P. contracts of all sorts which, via the Credit Mobilier, showered down either money or promises to pay. Occasionally the little Omaha moneylenders and contractors may have looked anxiously at the incidental obligations which the great Eastern promoters were piling up, but not often. Without the Union Pacific the speculators of Omaha were nothing; with it the world was their oyster.

Big and little, the Omaha men were drawn ever more closely to the railway. What touched the Union Pacific touched them—to the quick. They were citizens of the great democracy, truly; they were citizens of Nebraska and citizens of Omaha also, but far and away beyond all this, the fortunate promoters were citizens of the Union Pacific Railway, the fount of every blessing. Indeed, when one of its lobbyists was asked, "How much of Nebraska's greatness do you attribute to the Union Pacific?" he replied, "I might say all of it."

So it was not remarkable when, in 1867, Nebraska was admitted as a State, that two men regarded as citizens of the Union Pacific should be elected to represent the Union Pacific State of Nebraska in the U. S. Senate. In the Herndon House there had lived together the U. S. marshal, the territorial governor, the territorial secretary, the adjutant general, and the chaplain of the 1st Nebraska regiment. One after another they went off to the U. S. Senate, popularly esteemed as U. P. Senators. And the U. P. leased their common dwelling and turned it into the railway headquarters.

At last the end of the great undertaking was in sight.

On May 1, 1869, the Union Pacific and Central Pacific tracks met at Promontory Point, Utah, and on the 10th the final ceremonies occurred. It was a close shave for Durant. He and his party had gotten into Wyoming when the train was held up by his own contractors, who wanted their money. Neither they nor their men had been paid for months. For a moment it looked as tho the much advertised "marriage" of the two roads was going to blow up in a general strike. Desperate, Dodge wired Ames for the money; it came and was paid over and the ransomed Durant proceeded on his way.

The solemn moment came. "In a flat valley, bare except for the sage brush and a sprinkling of scrub codars," with the two engines facing each other and a wild crowd of teamsters, track layers, and laborers surrounding the notables, a tie of California laurel bound with silver was laid down and a golden spike and silver hammer brought to the track. Promoters of the two roads eyed each other, already getting set for the rate wars that were to follow. Then Preacher Todd arose to call down the blessings of Alnighty God. Every stroke of the silver hammer was to be reported to the country; every wire from the east was cleared. In Omaha a breathless crowd had assembled.

"Hats off," came the message, "prayer is being offered." Then: "We have got done praying; the spike is about to be presented." Then the hammer strokes and finally came the single word. "Done!" The transcontinental railway was completed.

Within an hour, over the champagne, Stanford was cursing the Federal Government for not being more generous with its subsidy. In less than six years he and his partners made a profit of more than five hundred per cent on an investment of a million dollars! This incredible work, this gigantic project that had thrilled the world and represented the effort of thousands, was still the possession of promoters.

In the autumn of 1872, on the eve of the great panic, the New York Sun turned loose the scandal of the Credit Mobilier. The nub of it was this: In the winter of 1867-68 Oakes Ames—simultaneously a Representative from Massachusetts, chief promoter of both Union Pacific and Credit Mobilier, and most influential member of the Committee on Pacific Railroad before whom questions of land grant and subsidy must come-had sold Credit Mobilier stock to a number of the most influential members of the House and Senate: politicians who controlled the course of legislation. The stock was sold at par; soon dividends were paid—so large that they covered the cost of the stock and more. Upon the publication of these facts investigation committees were appointed and panic-stricken legislators ran for cover. Finally the profits of the great adventure were revealed—a total of \$42.-825,328.34. The hundred-million-dollar corporation had panned out gloriously.

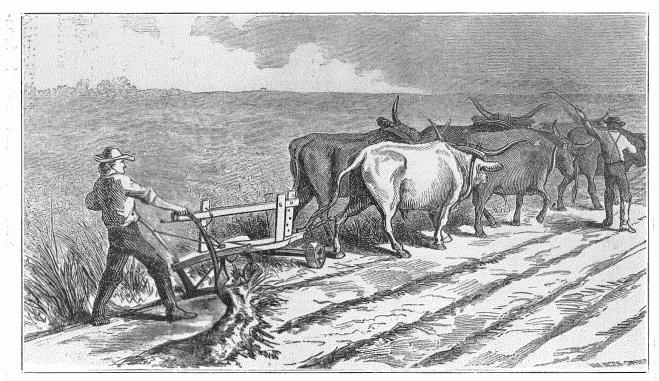
Then the country was treated to the ironical spectacle of legislators sitting in judgment upon hapless members whose cut was so tiny compared with that of the Credit Mobilier crowd that comparison was ludicrous. But the comparison was even stranger in the case of Ames who must play two parts: the great industrialist who would have Congress do his bidding, and a Congressman who gladly carried out the desires of his other self. Before the Committee he testified with great frankness. They held that the job was tantamount to bribery. Ames could not understand it. Wasn't this the way things were done? He produced his little book with all the details. Why all this fervor, this outburst? Ten days later he was dead.

What was the reason for these transactions tantamount to bribery? Why did this stock distribution occur in December, '67 and January, '68?

By August 16, 1867, the Union Pacific tracks were laid within thirty-seven miles of the western boundary of Nebraska and trains were running. Nebraska passengers were paying ten cents a mile and freight rates were so high that it was cheaper to haul goods by wagon than ship by rail! The devil of all devils, rates, had appeared and complaints from the prairie states had begun. In December, 1867, a Wisconsin congressman introduced a resolution calling for the *federal regulation* of rates. General Dodge, who served simultaneously as Chief Engineer, U. P. lobbyist, and Congressman from Iowa, referred the resolution to committee. In January Ames was writing, "I want that 14,000 increase in the C M to We want more friends in this Congress." sell here.

Now another resolution was introduced providing that a Commision consisting of the Secretary of War, of the Interior, and the Attorney General should fix rates over the Union and Central Pacific and their branches. One may imagine the icy chills that went down the spine of the Massachusetts shovelmaker and other corporation representatives. Could one conceive a more ghastly precedent to happen in a gilded age? But Ames moved with quiet expedition and the dreadful threat was averted. The star of empire continued on its way.

If Omaha was in love with the Union Pacific, where did the rate cries come from? They came from the farm-



A Typical Early-Day Breaking Outfit as Used in Nebraska and Iowa. From "History of the Grange Movement," by McCabe and Martin, National Publishing Company, Chicago ers and merchants in the little towns that mushroomed on the prairie. The railroads, built as speculation and largely without plan, had to have traffic and to get it they settled Nebraska at high pressure. They had their huge land grants to do it with. Europe was flooded with luscious pamphlets advertising a new Eden to people who had never owned an acre and who regarded the land as holy. Gaars, Swansons, Obchods, Dvornicheks, Gratzs, Krashetskis, and Branns were hurried to a strange and distant world where there were two towns: New York and Lincoln.

There were three things in Nebraska that a man might do. He could get a job with the railroad; he could become a merchant; or he could farm. He could be an independent producer on the narrowest of margins, with success dependent upon drought, grasshoppers, European crop failures, tight money in New York, stock-market rigging, protective tariffs, and combinations to fix prices. The price of barbed wire stayed put, but the selling price of cattle fenced in with that wire was something else. The cattle or grain had to get to market, and the *power* was in the railroad man's hands.

The first homesteaders knew this. Dwellers on a territorial frontier, they looked to the Federal Government for protection. But the plutocrats had got there first. So Nebraska farmers turned to the State. When the convention assembled at Lincoln in 1871 to revise the constitution, the fight had begun. "The legislature shall establish reasonable rates" and pass laws to "prevent discrimination and abuses." Union Pacific officials declared that the road "could well afford to spend \$200,000 if necessary to defeat the new constitution." It was defeated.

So the farmers wrestled. The sod houses of Nebraska sheltered many a caged animal. They knew the winters with the blizzards roaring down out of the Dakotas, and the summers with blistering heat that took the bloom from the girls and made the gaunt faces, the faces old so long before their time. Twice a year they could breathe—in the spring when the rain and mud were gone and the slopes of Crow Butte were covered with flowers; in the autumn when the Blue River valley turned yellow, then golden-brown, with the willows like plumes of pale bronze and the twilight sky a deep luminous blue before the full moon rose, pale and cold. For the rest—dig in! Maybe corn will be up a dime next year.

In the late 80's came a long summer with the prairie burning under a sky like brass. There followed a merciless winter, and the desperate homesteaders who once had pinned their faith to the Grange now began to swell the rolls of the Farmers' Alliance. It was so thruout the country—they listened no more to pious sermons on husbandry in Orange Judd publications; they had papers of their own. "Get this bargain! *The Nebraska Farmers*" *Alliance* and *Looking Backward* together for \$1.25." It was the great awakening, the brief springtime rebirth, the only intellectual period that the plains have ever known.

There were giants rising from the earth, exhorters and educators, country editors piecing the arguments together, the descendants of Jefferson grappling with the Hamiltonians. In Kansas was the lady lawyer, Mrs. Lease, with a high boned collar, urging the farmers to "raise less corn and more hell." A Nebraska editor told his readers: "We send the plutocrats a grim warning. The twin of this oppression is rebellion, and unless there is a change and a remedy found, this day is as inevitable as that God reigns and it will be soon." So the Farmers' Revolution got under way.

But the Union Pacific was no longer alone in the field; in 1869 its great rival and coadjutor, the Chicago, Burlington and Quincy, had arrived. Either as enemies or allies they divided the government of the State between them. And how admirably they were designed for government! These two great systems reached into al-

most every town in the State: their representatives from station master to local attorney were at work every day How close were the ties with the leading of the year. business men in each town! One of the most powerful weapons was the free pass. Favored country editors traveled on free passes and wrote the right kind of editorials. Preachers rode on passes and asked for them. See the country banker at Crete waiting with a friend for the Omaha train. The banker owns a chain of elevators along the line and on that train are two grain All four are good friends, all four are foud of buvers. poker all four have annual passes. These genial spirits get aboard. Let the cold wind blow outside; within, the game goes on. It is sweet to be the railroad's friend.

Could the clumsy machinery of representative government function in opposition to such a system? What a contrast! Every two years a miscellaneous crowd of legislators assembled at Lincoln for ninety days to ponder on the needs of farmers who had no free passes. And there were the courts. Could this structure stand against a great railroad? It could not, because the railroads all but owned that structure too. In 1879 it was estimated that passes to the legislative members represented an investment of over \$57,000 a year. Elections to the U. S. Senate brought political battles to a crisis, and on one occasion the General Manager of the Burlington set up his headquarters in the Governor's office and there received the returns from the legislative chamber.

The centers from which these powers were administered were in Omaha—in Herndon House of the U.P. and the office of George Ward Holdrege, western manager of the Burlington, a noticeable figure with his brisk walk, his tufted eyebrows and sharp piercing eyes. He spoke very little, was an expert listener, and in politics a most dangerous adversary.

In these two offices were the steering wheels of the economy of a great farm region. Thither came the favored country grain dealers and bankers; thence the orders went out for the rate wars; there were made and broken the "gentlemen's agreements" and rate pools; there the wholesalers came to beg for rebates. The office windows in the 80's looked out on an Omaha in the threes of a real-estate boom. And all in it and tied to it were the men and the businesses that looked not to farm prosperity but to the roads for their wealth and success. So the town roared along in its boom, heedless of the growing wrath of the farmers, and the gilded age was brought to Omaha. In 1887 there were real estate transfers amounting to no less than \$31,000,000. Then, without warning the boom collapsed, but before it did a new and powerful set of landlords arrived. On the 17th of March. 1887. Gustavus Swift went thru the yards and packing houses of South Omaha. "The presence of the prince of packers excites comment on every hand and is thought to have a deeper significance than most people suppose." It did.

Omaha promoters, thru a gift of land and cash and \$100,000 worth of stock in the yards, induced Swift to come. A similar subsidy was accepted by Armour, who opened a packing house with his lieutenant, Cudahy. Banks were organized near the yard to handle cattle loans, and into these banks the packers went. From now on a cattle-feeder borrowed money from a packer-controlled bank and sold his livestock in a "free market" controlled by packers also.

This new development caused many an anxious hour in the railroad offices of Omaha; it meant a division of power. And the packers were getting into the railroad boards. Among the greatest shippers in the counry, they were able to exact rebates in the form of "mileage," a subsidy on every refrigerator car the roads hauled. By acting in concert they were in a position to crush competition and establish themselves as a trust.

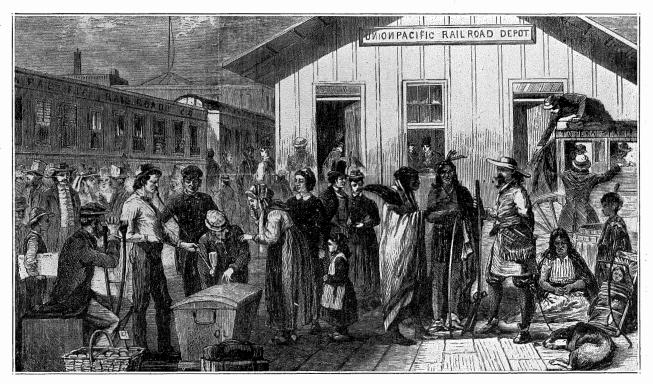
Between the rairoads and the packers, the grain growers and cattle raisers found themselves in a vise. Under the pressure they redoubled their attacks upon the courts, upon the State House at Lincoln, and on Washington. On February 1, 1887, Congress passed the Interstate Commerce Act. On April 1, 1888, Swift began operations at South Omaha. On May 16, 1888, Congress ordered an investigation of the packers. It was found that they were strongly entrenched and acting in collusion, fixing the retail price of beef in the East and squeezing cattle raisers in the West.

The tying together of the roads and the packers was a symptom of what was happening thruout the whole American economy as it became more tightly knit. And the beleaguered farmers were now incessant in their agitation.

As to the Union Pacific—its affairs were now in confusion. Every conceivable sort of pillage was turning the road, physically, into "two streaks of rust and a right of way." The Burlington was in better shape. The road was making money, and politically it had the edge on the U. P.

The result of these pressures was the forming of the Populist Party-the People's Party-in Kansas in the spring of 1890. Into it went Grangers, the leaders of the Farmers' Alliance, cheap-money men, and silverites. That fall they voted for the first time and the election returns alarmed the railroad men and astounded the East. The rebels had won four U.S. Senators, forty-nine Congressmen, three Governors, and the control of eight legislatures. In the fall of 1891, with conditions on the farms almost intolerable and the storm warnings of a national panic plainly visible, 18,000 covered wagons crossed the Missouri. They were homesteaders, quitting Nebraska, a country under a curse. It was in this atmosphere in July, 1892, that delegates from all over the West and South journeyed to Omaha for the first national convention of the Populist Party. The day fixed was July 4th. The agrarian declaration of independence was about to be given to the world.

On the first of July, a Friday, the delegates began to straggle in. Delegates in covered wagons—some had



Scene at Union Pacific Railroad Depot in Omaha. September 12, 1868

come a thousand miles and spent weeks on the way camped on the edge of town and skirmished for water and firewood. General Van Wyck, "the silent pardner" of the Burlington, was at the Paxton. General Weaver, the long-mustached Populist idol of Iowa, was at the Millard. Down the hall the Silver League had its headquarters.

They are coming, Father Abraham, they are coming. And with banners. "What is home without a mortgage?" asked one. Terence V. Powderly, Grand Master of the nearly defunct Knights of Labor, was expected on the morrow; so were Anna Howard Shaw and Susan B. Anthony. Young Hamlin Garland, the literary darling of the Populists, was due at any minute.

This swelling crowd could by no means be termed "labor." They were neither urban nor proletarian. Farm owners—with mortgages—predominated. They and the little business men from the small towns wanted to "get on" and they wanted protection in order to get on.

There were farm delegates in stiff Sunday suits and celluloid collars, there were bony-faced women with hair in door-knobs, there were young farmers' wives Country lawyer delegates were with children in arms. there, and country preachers in Come-to-Jesus coats. There were country editors-sandy-haired ones with Adam's apples, sour-faced old ones, burning young ones. Here was Dan Freeman, the first man in the United States to take out a claim under the Homestead Act, and Bill Dech with "a heart as big as his feet and no shoe was ever made too big for him." There were Union veterans in blue, Confederate Populists in uniform, Negro delegates from the South, Single Taxers, Prohibitionists, Knights of Labor, Greenbackers, and Women's Rightsers. Every important Eastern paper had its correspondents in Omaha; they had come prepared to turn out derisive copy and, confronted by the lunatics and radical mountebanks, they could do it. It was a different story

when they faced the farmer delegates whose faces showed so plainly the terrible mill they had been thru.

Sunday, July 3rd, had been set apart as a solemn memorial service for the dead Populist hero of North Carolina, Colonel Leonidas Polk. While the platform committee sweated over their labors in the hotels, the delegates gathered. See them now, waiting for the exercises to begin. They had been jeered and taunted from one end of the country to the other; they were rurals, hicks and jays. They were not "respectable" and they vearned to be respectable with a most terrible vearning. There were no words to describe the feelings of the farmer's wife driving into the county seat in a dress made over three times, knowing that all her dresses would be The thought of a pale blue challis, never to be 80. achieved, could wring the heart. Did they and their men feel self-conscious as they went into politics? Their beliefs and hopes were almost identical with those who had got on. This was the "farmers' rising," the defiance of the poor relations of America.

Before this whispering, restless, respectably threadbare throng, young Mr. Garland rose to read a story which he called "Under the Lion"s Paw." The horrors of farm debt hung over many in the audience; they *knew*. When the story teller came to his climax, with the desperate farmer turning upon the money lender: "Make out y'r deed an' mor'gage an' git off'n my land an' don't ye ever cross my line agin; if y'do I'll kill ye!" it was more than some of them could stand.

And then Mrs. Lease. Some might identify her as the lady lawyer from Kansas, the wife of a Wichita druggist, but to others she was the heroine of rebellion. Yesterday in the Coliseum, "Our Queen Mary," as General Weaver called her, had driven the delegates frantic with enthusiasm while "the five-minute rule lay a helpless wreck under her feet." This was the lady, in a black-and-yellow dress, with "a voice with the depth of a trombone, easily heard in the remotest part of the hall," who was the star of the afternoon. "The prairies of Kansas," she said, "are dotted over with the graves of women who have died of mortgage on the farm." There was weeping. At the last, when Colonel Polk had been extolled, the solemn gathering arose and sang: "We Shall Meet in the Sweet Bye and Bye."

These preliminaries prepared the delegates for the 4th of July when the platform was brought in. The platform got more cheers than the candidates. Government ownership and government aid from a government captured and run by "the little men" was the core of their thought.

The convention, it was plain, was no routine Republican or Democratic raree-show in which all the hoary old shibboleths were brought out by "railroad cappers" and dusted off. The platform meant something. There wasn't a plank in it that the delegates could not instantly recognize. All this was what they had argued out at home. sitting up at night in farm kitchens. Country editors who, in their smudged weeklies, had urged on the cause, glowed with exultation. Nuckolls and Red Willow Counties were one thing: this was a *national* convention. Few of the delegates dreamed that it was not only the first convention, but practically the last; that four years later they would be seduced by a silver-tongued careerist with Now the future was bright. a panacea. No.

This was in fact, almost the high point of the agrarian enthusiasm. Never again would they believe and feel this way:

"The interests of rural and civic labor are the same; their enemies are identical. . . Transportation being a means of exchange and a public necessity, the government should own and operate the railroads in the interests of the people. . . a just, equitable and efficient means of (currency) distribution tax not to exceed two per cent per annum, to be provided as set forth in the sub-treasury plan of the Farmers' Alliance... The land, including all the natural sources of wealth, is the heritage of the people and should not be monopolized for speculative purposes... a graduated income tax... governmentowned telephone and telegraph ... the Australian ballot... the initiative and referendum... eighthour day... no subsidy or national aid to any private corporation for any purpose."

Then they proceeded to nominate the Union General Weaver for the first place on the ticket, and the Confederate General Field for the second place.

Almost while they were cheering their candidates, on the night of July 5, 1892, a boatload of Pinkerton detectives moved up the Monongahela River above Pittsburgh and began the attack on the mea barricaded in the Carnegie Steelworks  $\mathbf{at}$ Home-If it was all up with the propertyless steel stead. workers in Pittsburgh it was all up with the farmers and little business men at Omaha. That fall they voted and polled over a million votes and twenty-two in the Electoral College, but the tide already was turning; they had fallen behind 1890 in many of the States. Though the farmers of Nebraska had successes still to come, though they would elect a governor and send "windy Allen," the "honest judge of Madison," to the Senate, their great effort had failed. The Burlington and the Union Pacific, and all the Eastern industrial power which these two names represented in Nebraska, were still in control. Mr. Ol-Burlington's General Counsel. had nev. the heen made Attorney General by Mr. Cleveland. He wrote the frightened Mr. Perkins (then president of the Burlington):

"The (Interstate Commerce) Commission, as its functions have now been limited by the courts, is, or can be made, of great use to the railroads. It satisfies the popular clamor for a government supervision of railroads, at the same time that that supervision is almost entirely nominal. Further, the older such a commission gets to be, the more inclined it will be found to take the business and railroad view of things. It thus becomes a sort of barrier between the railroad corporations and the people and a sort of protection against hasty and crude legislation hostile to railroad interests. . . The part of wisdom is not to destroy the Commission, but to utilize it."

No, the farmers were licked. The little man's day was over. Four years later in 1896, when they gave their souls to the boy orator of the Platte, Mark Hanna and the Wall Streeters beat them for good and all.

Quite accidentally, the rout of the Populists and their ideas was celebrated by the victors at Omaha in 1898. There was held the Trans-Mississippi Exposition. What had commenced in the dark days of '95 as the mad scheme of a few Omaha men and other Western capitalists to help revive trade turned out to be a stunning advertisement of American business and returning prosperity.

Some Omaha business men looked crosseyed at ihe idea of a fair. Where was the money to come from? But they didn't all feel that way, least of all Gurdon W. Wattles, a former Iowa banker who had come to Omaha on the eve of the panic of '93. Mr. Wattles had gone thru a strenuous youth on a poor Iowa farm and had accumulated a number of small-town banks before he sold out and came to Omaha. He joined organizations right and left. wore a mustache and a stiff collar, spoke at luncheons, and did it all with a high moral tone. Not for him the convivial habits of Count Creighton-who had received his patent of nobility from Leo XIII in '95-nor the raucous ejaculations of Bill Paxton. Those two worthies still lived, but the old-timers, the pioneers, were passing from the scene. The new types for the new era were in sight.

Wattles was it; the twentieth-century go-getter had arrived in Omaha and the Trans-Mississippi Exposition gave him the chance to show what he could do.

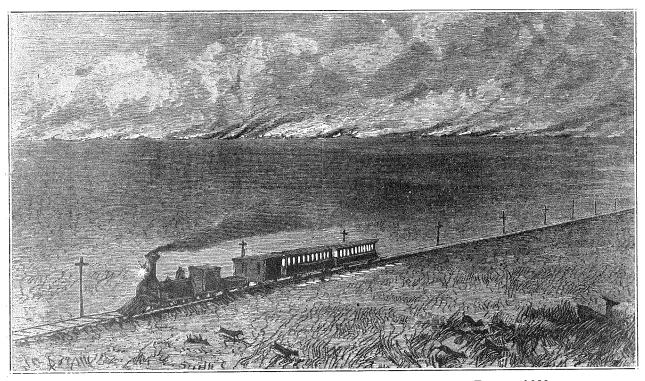
The main trouble was in raising the money, but Mr. Wattles and his colleagues could not be daunted. The Street Railway and the Gas Company chipped in ten thousand dollars apiece and so did Mr. Kountze, the banker; the Stockvards and the New York Life Insurance Company were good for five thousand and so was P. D. Armour. For a time the railroad people doubted the whole thing, but finally Mr. Holdrege was persuaded to go over to the Burlington and see Mr. Perkins. Once upon a time a locomotive engineer on the Burlington bought his wife a silk dress. Mr. Perkins was outraged at the extravagance and denounced it. But the exposition was another thing. He put the Burlington down for a \$30,000 donation and the other roads fell into line. Work on the exposition proceeded apace and the fair was opened on the 1st of June, 1898. It was a triumph and everybody in Omaha knew it.

During the worst of the hard times one could catch a street car on Farnam Street and ride out thru a sad part of town filled with building lots which, after the real-estate collapse of the 80's, had gone back to cornfields. Here in this tract, not far from the river bluff, a depression had been scooped out for a lagoon and around it was built, out of plaster of Paris and excelsior, a group of glittering white buildings. The architecture, "freely inspired by the classic and the renaissance," had no relation whatever to the life history of the plains and mountain country. Nor was it intended to have. More even than an advertisement of Omaha and the West, the fair was a reflection of the state of mind of its promoters. It was like a shot in the arm to leave the well-worn corner of 16th and Farnam, with all the familiar feeling of every-day Mid-Western existence, and step inside an enclosure half a mile long, all set about with "old Ivory" domes, sodded grass plots, flaming canna beds, and Corinthian columns. Flights of broad stairs looked down on a sheet of Missouri River water, dotted with gondolas and buttressed with dead-white balustrades.

The Fine Arts palace included Bougereau's "Return of Spring," valued at \$50,000; but the chief place was reserved for the now politically impotent Agriculture. The victors could afford to be generous and they were. Cass Gilbert was selected to design this mausoleum, "free Renaissance" also, with its garlands of wheat, corn, and fruit in brilliant colors. To crown all, "the monotony of the skyline was relieved by a fine group of statuary— Prosperity supported by Labor and Integrity."

Where was the old sod house now, and the mortgaged homestead? Of what moment were drouth, grasshoppers, plutocrats and the Credit Mobilier to farmers privileged to behold this stupendous spectacle, symbolic of a glory they had never known? What would Mary Lease have said of this temple to Pomona and Ceres, two ladies never yet seen in the cornfields of Nebraska? What of Charlie Wooster, the member from Merrick County who had opposed the State appropriation on the ground that the fair was "a scheme gotten up by and for the benefit of Omaha bankers!" No. All envy, all complaint was dumb in the face of the splendid show.

"Not a cloud marred the perfection of the cerulean vault . . . all the cardinal and semi-cardinal points of the compass converged at Omaha" on that first day of June. A platform had been set up at one end of the shimmering Grand Court, and on it sat the notables: President Wattles in his top hat, with General Counsel Baldwin of the Union Pacific near by. The U.P., down and out at last, had been bought at auction by the Harriman syndicate only a few months before. There was a St. Louis parson to offer prayer and the Honorable John L. Webster, variously Union Pacific attorney and counsel to the Street Railway, to listen to the prayer. And there was the Populist Governor, Silas Holcomb, sole representative of another bankruptcy, far more disastrous than that of the Union Pacific. All were waiting in the white, hot sunshine



Union Pacific Passenger Train Racing a Nebraska Prairie Fire in 1869

for Mr. McKinley to press the telegraph key in Washington.

The message came, the parson prayed. Then Mr. Wattles took off his top hat and faced the crowd. "Fifty vears ago." said he. "the larger part of the country west of the Mississippi was indicated on the map as the Great American Desert. No less than 80,000 miles of railroad have been constructed in the Trans-Mississippi country since that day. Great cities have been built and manufacturing has assumed enormous proportions. This magnificient exposition, illustrating the products of our soil and mines and factories, will pale into insignificance at the close of the twentieth century. When the agricultural resources of this rich country are fully developed . .when our natural products shall be manufactured here. then this Trans-Mississippi country will support a population in peace and plenty greater than the population of any other nation in the world. This exposition opens new fields to the investor, inspires the ambition of the genius, incites the emulation of States, and stands the crowning glory in the history of the West."

If anybody had told Mr. Wattles that within forty years the Middle West would be a network of bankrupt railroads, a region with dwindling manufactures, a declining population, and with agriculture in the toils, the banker would probably have thought him insane. For on that day in Omaha there was about to begin what was later known as "the Golden Age of Nebraska." There were long and bitter complaints of embalmed beef in Cuba; but the packers who had helped to back the exposition provided no exhibit of army meat at Omaha. No. "A month ago," said the Honorable Mr. Webster, "the American people were disposed to cling to the traditional policy of isolation; today they receive with patriotic enthusiasm the doctrine of annexation and conquest." The Star of Empire had become Manifest Destiny, but the main offices of the new goddess were in the same place — New York City.

The budding McKinley prosperity burst into bloom in Omaha on the night after Christmas, 1899, when a select company of guests witnessed the marriage of General Cowin's daughter, Edna, to young Jack Cudahy, the son of Mike, the packer — "one of the most fashionable weddings ever witnessed in Omaha."

It was indeed a mystical union — the age of the pioneers was about to be joined to the age of the trusts. This wedding in a little inland city reflected the change that had come over the economic landscape. A European crop failure in 1897 had made a great void which American grains could fill. Gold on the African Rand, soon to be followed by the Klondike and the discovery of the cvanide process for gold extraction, settled the hash of the Free Silverites. But more important still, the American industrial establishment, if not complete, was at last on its feet and the dependence on European capital was over. The interest drain slackened and industry now turned toward exploiting the home market. Through the nineties the trusts had been forming in that golden East to which Union Pacific and Burlington officials had looked for orders since the Middle West began. Now, at this solemn moment, the absentee landlords received the benediction of the church.

And when it was all over and General Cowin left the church, he took the frontier era with him, while the happy pair went out to start the new century. At the station waited the *Olivette*. All new and shining from the car shops, it was the first private car ever chartered out of Omaha that did not belong to a railroad official. The packers and the roads, Edna and Jack. What God hath joined, let no man nor circumstance of history put asunder. Ora! Ora pro nobis.

If, by any chance, young Mr. and Mrs. Cudahy stood on the back platform of the train as it rolled across the Missouri River bridge, they could have seen the sprawling little city of 100,000 spread out before them. Toward the south were the smoking stacks of the packing houses and the gray blur of the stockyards. Farther north, on the summit of the river bank, was the City Hall with its tower, the red dressed stone of the *Omaha Bee*, and the New York Life building. Down the slope from the summit came the chief streets of the town, . . down toward the wholesale district near the river and the old "Third Ward," in which was the segregated district, the stronghold of the boss of the town, Tom Dennison.

Tom Dennison, a gambler and for more than thirty years the political administrator of Omaha, came there in 1890 after getting a start in the mining towns of the West. Reputedly the representative of a gambling syndicate, he found Omaha what it had been from the beginning—wide open. Immediately upon his arrival he called upon the president of one of the banks. After depositing seventy-five thousand dollars, he told the president that the bank might use fifty thousand of it as they saw fit. The banker seems to have recognized a kindred spirit.

Rival gamblers presently found their houses closed by the police; they were not allowed to re-open. Before 1900 Dennison's control went far beyond his gambling interests. The consolidation going on in business everywhere was being organized in vice. He was strong for big business. It was his function to act as the political agent of the great absentees and the dominant local business interests; to run the machinery, turn in the requisite majorities and collect the tolls from gamblers, saloonkeepers, and prostitutes-tolls that swelled the bank accounts of those same local interests. To do all these things required ruthlessness, tact, and calculation. Dennison had these skills; he performed his function expertly, and ambitious politicians came from other cities to study his machine.

The Mayor, James Dahlman, a man of great charm and affability, kept a sort of open house at the City Hall and was known to everybody as Jim. Originally a Texas cowhand, Dahlman followed the cattle trails to Nebraska, and in time became known as the Perpetual Mayor of Omaha. He made no attempt to exploit his officeindeed, he died broke—but placidly, and without interference, ran the routine administration of the town. The actual machinery was in the hands of Dennison.

To favored business men went paving, building, and printing contracts. The dispersion of the vice revenue was a vital concern to other business men. This revenue was large. By 1911 it was estimated that the number of prostitutes practicing in Omaha was over 2,600, the most ambitious of these houses operating under police protection. The income from the combined liquor-prostitution-gambling sources was prodigious. The population of Omaha in 1910 was 124,000. For the years 1905-1911 the average yearly income from all the houses was \$17,-760.000. This was one of many sources, one remove from the farms, from which came the prosperity of Omaha in the Golden Age. But a profound stillness covers the bank accounts of those families who for more than a generation exploited not alone the labor of their "fellow-citizens" but their pleasure as well.

The establishment of Dennison as the boss and coordinator completed the pattern for Omaha in the day of the "triumph of business enterprise." The city had reached its maturity; it reflected in little the closely knit economy of the great financial centers to which Omaha paid tribute. It was essential that the railroads maintain their control over the State, and in March, 1905, Mr. Newbranch, the Lincoln correspondent of the Omaha World-Herald, was writing to his paper: "The House this morning yielded up the pound of flesh to the last drop of blood and laid it, all dripping and gory, on the already overladen altar of the allied railroads lobby." But in general things ran smoothly. To complete the control of the local interests only one more thing was necessary: labor must be kept down. It was.

One of the financial landmarks of the town was the street railway. By 1902 Mr. Wattles owned nearly five thousand shares in it. An energetic man, he and his associates now proceeded to reorganize the company and acquire the Council Bluffs street car company and their

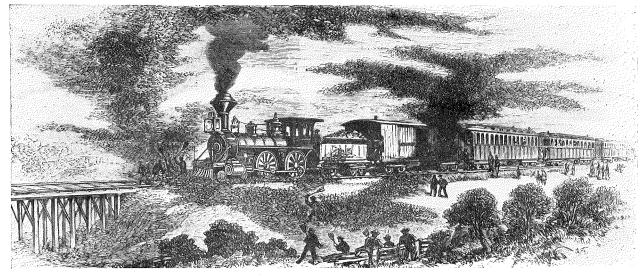
## Omaha, Nebraska

most precious possession, "the Bridge," a toll bridge and the only highway bridge of any kind that crosses the Missouri at Omaha, and popularly regarded as a gold mine. Mr. Wattles and his friends were now ready for riches. And with the help of the Business Men's Association (membership in which was confidential) and a great strike-breaking firm of New York City, all resistance in the ranks of labor was crushed; the union was destroyed. Victory had been costly—but it was victory!

"The Golden Age of Nebraska" was now approaching its meridian and it was powerfully reflected in Omaha. Between 1900 and 1910 the average value per farm had risen from \$6,000 to \$16,000. Yet concealed in this prosperity were signs of great changes. By 1910 the attrition of the soil was discernible in the plains region, but not many discerned it. The agricultural schools, by precept and example, had been laboring for years to increase the productivity of the soil but they could only advise. With the rise in land values came an increase in tenantry. The orginal settlers had been owners. Every farm depression had its train of foreclosures, the long drought of the '90s worst of all.

At the time, through a confused and highly complicated series of actions, the power and the influence of the railroads were changing. The day of the empire builders was over. And as it faded, the direct political dictation of the railroads faded also. Was such dictation longer necessary? Was capital seeking new fields for exploitation, leaving the railroads not a business, but in some strange mysterious way an institution that could defy change? Great powers had been given the Interstate Commerce Commission, but the vast maze of the rate structure remained to defy them, as it has defied them ever since. Though the railroads were privately owned, their institutional character was inescapable.

An institution, not a utility! Already rigid and with lime in its bones, the railroad rate structure was left to choke and dam the stream of economic life. The Jay



Sketch by A. P. Smith

Nebraska Grasshoppers Stopping a Westbound Union Pacific Train-1874

Goulds of a later day, the New York bankers and promoters, would find it highly profitable to promote bankruptcies and reorganizations. That would come with the old age of private ownership. But as it was, the institution was safe. In the name of the widow, the orphan, and the insurance company, in the name of the economy itself, the railroads must be preserved. What had been predatory and omnipotent had become sacred and immovable.

On the 15th of June, 1914, the Panama Canal was opened. If there were persons in Omaha who realized what the effect would be on Middle West railroad towns whose prosperity as distribution points depended on favorable differentials, those persons made no great outcry. Did they foresee a time when to ship plows from Moline to the Atlantic coast and then bring them around through the Canal to Pacific ports would be cheaper than to ship directly west via Omaha? They did not. The attention of the world was fixed upon Europe; Liege had fallen and the German army was advancing on Paris. The closing of the Stock Exchange in New York was largely intended to slow down the frantic effort of European investors to liquidate their holdings in America. Finance capital in America had come of age; the end of Nebraska's golden time was in sight.

Yet no one knew of it; agriculture was flourishing, farm prices were high, and land prices were rising. It took a long time for the War to reach these people; they enjoyed the prosperity and they were opposed to the War. It was not until Omaha business men discovered that patriotism and profit were joined that the farmers found out what had happened to them.

Then ensued the organization of the Non-Partisan League in 1917, the break of the Dennison machine and defeat of Jim Dahlman in 1918, the great riot at City Hall in 1919, and finally the *World-Herald* editorial that won the Pulitzer prize. "... It is over now. Thank God! Omaha henceforth will be as safe for its citizens and as safe for the visitors within its gates as any city in the land. Its respectable and law-abiding people comprising 99 per cent of the population will see to that.''

On the next election day, in 1921, the Dennison majorities rolled in; there was thanksgiving in the back room in the Budweiser Saloon and the gang once more had control of the city. *Finis coronat opus*!

Meanwhile, James E. Davidson of the Nebraska Power Company had become one of the leading citizens of Omaha. He was the resident representative of the latest of the great absentee landlords, the power industry which had its headquarters in New York. Remote control of public utilities, even in Nebraska, was not a new thing but it did not become common until about the time of the War. But now once more the Middle West was going to be milked for the benefit of distant promoters.

In 1928 nine out of fifteen directors of the "Nebraska" Power Company were Omaha men. They had received in dividends as high as 160 per cent in a single year, and there was an agreement by which the stock of a retiring director would be purchased by the New York company at 150 per cent in excess of what he paid for it. Rome in her prime does not ignore the local chiefs in Gallic villages.

The catastrophic stock market crash of 1929 in the industrial East had had a long foreshadowing in the agricultural West. Independent agriculture was bogging down and there was no sign that it would rise again. Briefly, this was the situation: The Civil War broke the political power of agriculture. Industry thereafter had at its disposal great subsidies in the shape of tariffs, bounties, and land grants. In addition, huge sums of European capital were poured in. The expansion of industry began. In the case of the Middle West it first took the form of the railroads which brought in settlers and for more than a generation controlled local government. The profit from these ventures was carried East and partly used to pay the interest on European debt. Later came the great packers and the grain speculators and their profit also was carried eastward. Last, in point of time, were the Wall-Street-controlled power companies and the great dairy corporations. The process was one of assisting development and simultaneously milking the Middle West of every possible dollar.

That one result of this exploitation would be the gutting of soil fertility was foreseen by only a handful of persons in the agricultural schools and on the farms. But it was true none the less, and it was possible that the day might come when, deprived of a market and with the soil wealth gone, the Middle West would become, not a desert, but one vast rural slum.

The incoming New Deal in 1933 found American industry without a market, American agriculture without a market, and with the liquid capital, as of old, draining into Eastern banks . . Through crop control it cut the acreage and gave bounties to the farmers. It assisted the conservation of natural resources, and it gave aid and encouragement toward the public ownership of power. But Federal largess found its way promptly back to the great Eastern banks. The New Deal could not or dared not get at this concentration of Eastern wealth.

When to all this were added the three terribie drought years of '34, '36, and '37, the Middle West was brought to its knees. In 1937, for the first time in our history, agricultural imports exceeded exports. Dust storms clouded the whole region of the plains; erosion had done its work, tons of topsoil had either been blown away or borne down the Mississippi. Now it was clearly seen that the population was shrinking.

For years the rate of population growth in the Middle West had been slowing down. After the War came the greatest migration of modern times, the move to the Pacific Coast. Those Middle West farmers who had sold out at the height of the boom moved to California to

spend their old age. They were followed by busted farmers who hoped to get another start. At the same time another sort of migration was going on all over the country. The cities were sucking in people from the farms. Omaha felt it. As the folk from the farms and country moved, the little Nebraska towns shrank and had trouble in paying the bills for local government. Then in January, 1938, when the Census Bureau published its estimates. Nebraska showed an absolute decline with fewer people in the State than in 1930. If migration had swelled the numbers on the Coast, the great bulk of the population increase was in the sacred "official territory," the region north of the Ohio and east of the Mississippi where the largest part of the nation's manufacturing was done. The Middle West was "drving up;" the exploiting East was doubling back upon itself. Across the broad landscape lay the railroad wrecks: memorials to the forces that broke the power of agriculture so long ago. Of the ten railroads that enter Omaha, seven were insolvent in 1937. The golden age had left a bequest of "more than 47 per cent of Nebraska farms operated by tenants, and the majority of these tenants rented the tilled land on a crop-share basis."

How was Omaha to face this future? It depended on the farms, and though business could go along on its momentum for a time and live on the fat stored up in the golden age, the fat could not last forever . . . Years before, the Populists had recognized that whatever the private sentiments of the local banker and the railroad manager might be, they were, functionally, the agents of the distant money power. When to their number were added the packing-house superintendents, the powercompany managers, the representatives of the dairy corporations and their legal support, the local cast of characters for the absentee landlords was complete. These agents, along with the local business leaders, were now confronted with the task of getting what juice they could from a sucked orange.

Now on the parched and harassed plains the rains are falling once more and there is new hope. Along with the attempts of the New Deal to bolster farm prices have gone efforts toward flood control and soil conservation. After years of disappointment, perhaps the Missouri River will be open for barge traffic before much more time is past. Where, in 1933, a number of power projects had been undertaken with Federal assistance, now they are combining with the little municipal plants to form a grid system.

Yet, whatever promise there may be in electric power, the fact cannot be avoided that the chief working occupation of the region is commercial agriculture carried on by individual farmers. The prospects of commercial agriculture are bleak indeed. If the resources available for absentee exploitation diminish, the exploitation continues nevertheless and eastward the attenuated stream of profit pours.

It is now forty-five years since Frederick Jackson Turner read his memorable paper on the closing of the frontier, but though the frontier of Bill Paxton and Count Creighton is gone, the thought that dominated Omaha in that day dominates it still. Surrounded by the ghosts of a vanished past, the local banker murmurs "The railroads have been so good to us." O Pioneers!

The illustrations used in this article (with exception of that on page 304), are from a collection drawn from Harper's Weekly and Harper's New Monthly magazines of the period.

Editor's Note: George R. Leighton of New York City, associate editor of Harper's Magazine, during the years 1937 and 1938 spent many weeks in Nebraska and in the Historical Society libraries gathering material for the story of Omaha that was published in Harper's in July and August, 1938. It is here pubhished in abridged form as a splendid example of present-day historical narrative and magazine writing. Obviously intended to bring Omaha's faults into highlight, the articles created a mild sensation for a time, but the old town still jogs along in its familiar gait.