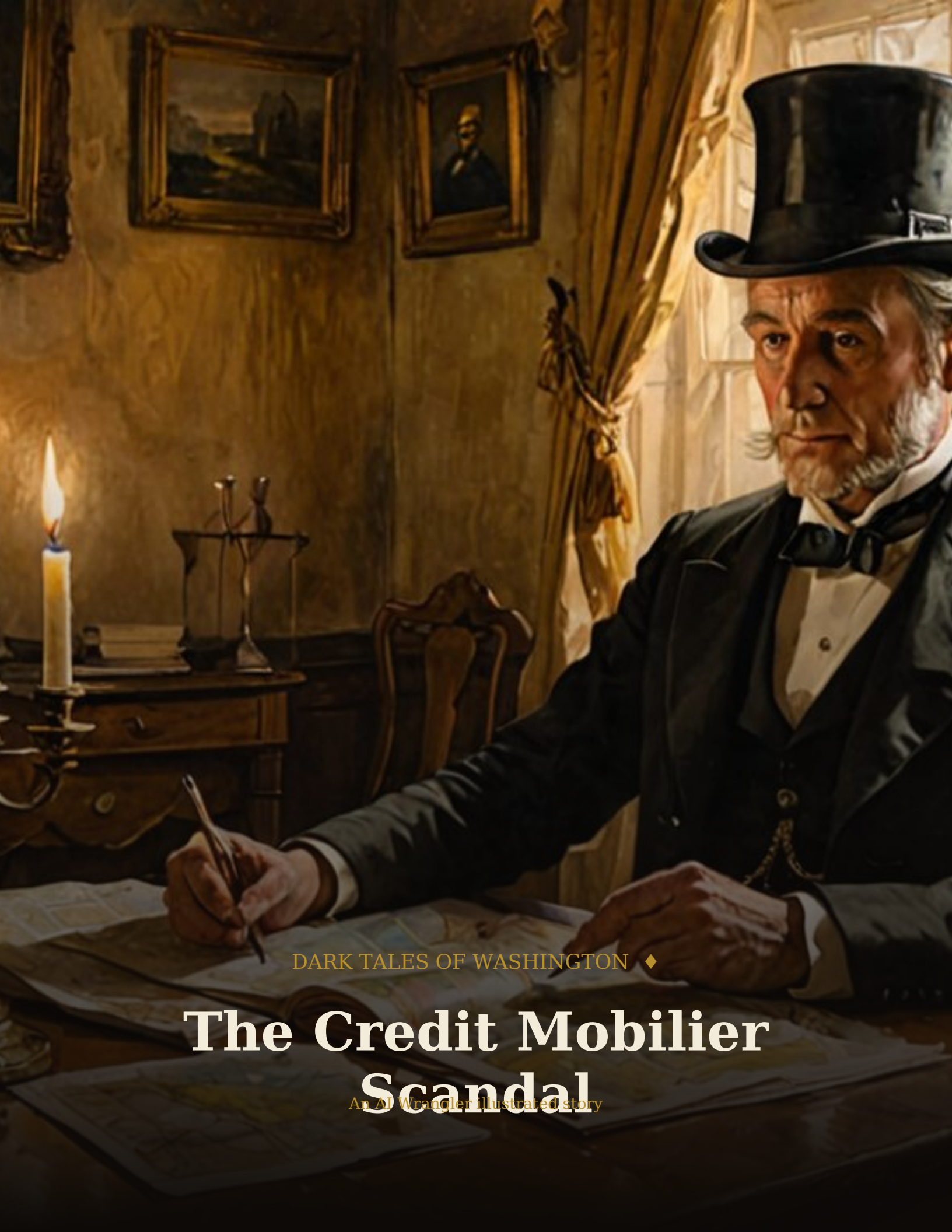




DARK TALES OF WASHINGTON ♦

The Credit Mobilier Scandal

An Al Wrangler illustrated story



From the film

MARTY

Pull your chair up close to the fire tonight, friends, because this tale rides in on the roar of a steam locomotive across the great American plains, out of the years just after the Civil War, when the nation set itself the enormous dream of laying a railroad clear across the continent, from the Missouri River to the shining Pacific. This is a true story, Carol, every word of it documented, and it is the story of how that magnificent dream was turned into one of the greatest swindles the young republic had ever seen. It has a company with a fancy French name, it has a satchel of stock certificates passed quietly among the mightiest men in Congress, and it has a single sentence that still rings down the years: put it where it will do the most good.

CAROL

Where it will do the most good. Marty, that gives me a shiver already, and I don't even know what it means yet. A railroad across the whole country, though, that sounds like a wonder, not a crime. Where does the wrongdoing come creeping in?



MARTY

The wonder was real, Carol, that is what makes it so sad. After the war, the government wanted that transcontinental line so badly that it opened the treasury to build it. It handed the Union Pacific Railroad enormous grants of public land, mile after mile of it, and it lent the company millions upon millions of dollars in government bonds for every stretch of track they laid. The whole weight of the United States was behind those rails. And a handful of insiders who ran the Union Pacific looked at that river of public money flowing in, Carol, and instead of building an honest railroad with it, they asked themselves a darker question. How could they siphon that river into their own pockets?

CAROL

Oh, Marty, I think I see the shape of it coming. They were meant to be building the country's railroad, but they were looking at all that federal money and getting greedy. So how did they do it? How do you steal from a railroad you already run?



MARTY

With a trick as clever as it was crooked, Carol. The insiders quietly bought up a sleepy little outfit and gave it a grand French name, Credit Mobilier of America, to make it sound like a solid European finance house. But it was nothing of the kind. It was a construction company, a shell, and here is the wicked heart of it. The very same men who controlled the Union Pacific Railroad also controlled Credit Mobilier. So they had the railroad hire the construction company to lay the track, and then they set the prices themselves. They billed the Union Pacific wild, inflated sums, far more than the work could ever cost, and the railroad paid it out of all that government money. The profits gushed straight into Credit Mobilier, and from there into the pockets of the very same insiders. They were paying themselves with the taxpayer's dollar, Carol, and bleeding the railroad white in the doing of it.

CAROL

So they sat on both sides of the same bargain, the buyer and the seller both, and simply passed the public's money from one hand to the other. Marty, that is breathtaking. But surely someone in Washington would notice a railroad being drained like that. Wouldn't Congress come asking questions?



MARTY

Ah, and that, Carol, is the darkest turn of the whole tale. The men behind it knew Congress might come asking. So they made certain that when Congress looked, it would look kindly. There was a congressman from Massachusetts, a wealthy shovel manufacturer named Oakes Ames, and he was one of the ringleaders. Ames took a block of Credit Mobilier stock, shares so rich with dividends they practically rained money, and he carried them into the halls of Congress like a man handing out cigars. He sold them, and sometimes as good as gave them, to influential congressmen, at prices far below their worth. And he chose the men who mattered most, the ones who sat where they could help the railroad or hurt it. He wanted them to own a piece of the thing, Carol, so that if anyone ever moved to investigate, those men would be voting against their own pocketbooks.

CAROL

Oh, that is so much worse than plain theft, Marty. He wasn't just stealing, he was buying the very men who were supposed to be the watchmen. Is that the sentence you meant, at the start? The one about doing the most good?



MARTY

That is the very one, Carol. When Oakes Ames was later asked how he had decided which congressmen to give the stock to, he explained, in words that have never been forgotten, that he had placed it where it would do the most good. He meant the most good for the scheme, of course, for the railroad ring, by putting the shares in the hands of the men best able to protect it. And for a time it worked beautifully. The stock did its quiet work, the questions did not come, and the money kept flowing. But secrets like that, Carol, they are heavy things to carry, and this one was about to come crashing into the daylight in the worst possible season.

CAROL

The worst possible season. Marty, you say that as though the timing itself was part of the disaster. What happened? Who finally pulled the whole thing into the light?



MARTY

It was a newspaper, Carol, and it was an election year, the year 1872, with the presidency itself on the ballot. A New York paper called the Sun got hold of letters, Oakes Ames's own letters, laying bare who had taken the stock and what had been whispered in the passing of it. And they printed it, splashed it across the front page in the very heat of the campaign. The effect was like a bomb going off under the Capitol dome, Carol. Because the names that came tumbling out were not small men. They were the towering figures of the age.

CAROL

The towering figures. Oh, Marty, now I'm bracing myself. Just how high did the stain reach? Give me the names.



MARTY

It reached to the very top, Carol. It splashed onto the Vice President of the United States himself, Schuyler Colfax. It touched the man about to become the next Vice President, Henry Wilson. It stained the powerful Speaker of the House, James Blaine, one of the biggest men in the country. And it caught a rising young congressman from Ohio, a Civil War general with his whole future ahead of him, a man named James Garfield, who would one day be elected President of the United States. Imagine it, Carol, this thing brushing up against a future president. The whole leadership of the nation seemed to have had its hand in that satchel of stock, and the country stood aghast.

CAROL

A future president, and a sitting Vice President, all tangled in the same web. Marty, with the guilt reaching so high and so wide, surely the punishment must have come down like thunder. Tell me they answered for it.



MARTY

And here, Carol, is where the fire burns low and sad. Congress held its investigations, and the men squirmed and explained and denied, each telling his own version of how he came by the stock, or swearing he never truly had it at all. And when the dust settled, the great and mighty mostly walked away untouched, their careers bruised but their skins whole. The one man who truly paid was Oakes Ames himself, the fellow who had handed out the shares. Congress voted to censure him, a formal mark of shame upon his name, and he went home to Massachusetts a broken man and died only a few months later. He had done the dirtiest work in plain sight, Carol, and so he became the one left holding the blame for all of them.

CAROL

The one man who wrote it all down and handed it out, left carrying the shame for the whole crowd of them. Marty, there's a hard justice and an injustice both, all tangled together in that.



MARTY

There is, Carol, and that is the ache at the center of this one. But the scandal left something lasting behind it. From that day, the name Credit Mobilier became a byword, a kind of curse word for the whole rotten marriage of railroad money and government power in that gilded, glittering, greedy age. It stood as a warning of what happens when the men who build the nation's dreams and the men who guard the nation's purse turn out to be the very same men, whispering to one another about where a thing might do the most good. A railroad meant to bind a country together, Carol, very nearly pulled its honor apart. That is the story, and it is all true. I'm Marty Shepard.

CAROL

And I'm Carol, and tonight I'll be thinking about all that public money meant to lay track across a continent, and the men who could not resist reaching into the river as it flowed past. Remember that the watchman and the thief must never be the same person, that sunlight is the surest cure for a secret, and always, always come back to the fire.

