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Huntington Under Morgan's Lash

The Railroad Man Writhes Beneath His Sharp Questions

How the Senator Uncovers the Methods of the Southern Pacific

The Alabama Man Alone Fights the Battle for the State of California

Every Kind of Evasion Tried

***At the End Other Committeemen Come to the Relief of the Magnate
and Postpone the Hearing***

WASHINGTON, February 17.—Today's work of the Senate committee on Pacific Railroads was uncommonly interesting. It was expected that Mr. Huntington would take the "witness stand" again the first thing. He was present, according to promise, to complete the exposition of his views as begun last week, but Mr. Thurber obtained permission to be examined first.

Mr. Thurber, who looks like the worthy descendant of a long line of undertakers, in a wholesale grocer and president of the New York Board of Trade. The House committee had previously heard Mr. Thurber's views of the funding bill, and "The Examiner's" readers have seen Mr. Davenport's views of Mr. Thurber.

It is needless to explain that the gentleman is firmly opposed to any legislation that would deprive Mr. Huntington and other Huntingtonians of control of the Central Pacific Railroad, and views with special alarm the possibility of government ownership.

He professed to represent the convictions of the National Board of Trade, comprising about a half hundred individual boards, all of them aggressively set against foreclosure. It turns out, however, that with a single exception all those boards have their several habitats east of the Mississippi—and the exception is at St. Louis.

After Senator Morgan's questions had compelled Mr. Thurber to disclose that fact to himself he seemed less confident that he was "voicing the commercial sentiment of the country."

This witness was a first very sure, not only that "republics are ungrateful," but that this particular republic is ungrateful to the associated archangels who built the Central Pacific road, but when Senator Morgan got done with him his faith in even these propositions appeared to have suffered a sad change. Nor did his discomfiture end there, or anywhere.

Having affirmed the stupendous public service of the Pacific roads in settling up the West, creating land values and causing two "empires" to grow where but one empire had grown before; having, indeed, committed himself with infantile unreserved to the proposition that all

the earth and the fullness thereof are due to railroads, he was asked by Senator Morgan if Abraham and Isaac had not founded pretty prosperous communities before railroads were invented.

It only remains to explain that Mr. Thurber strongly favors repeal of the anti-pooling law and the Ten Commandments.

At the afternoon session Mr. Huntington came forward and resumed his testimony under oath—the obviously holy Thurber had not been sworn. Then ensued one of the most interesting scenes that it has even been my privilege to witness.

For three hours the great bulk of Mr. Huntington confronted the light frailness of Senator Morgan, with only the width of a table between. For three hours the senator plied the railroad man with questions that he answered most reluctantly and with every evasion of which his faulty intelligence was capable, with every falsehood that he dared when evasion was no longer possible, and with every outward and visible sign of inner turmoil that the flesh could denote.

Hardly another member of the committee than Mr. Huntington spoke a word. When one did it was a comfort to Mr. Huntington—a question calculated to break the force of some terrible admission that Morgan had wrung out of him.

The situation was dramatic, the bad old man pathetically defending his claim to the right of adding to his useless millions, shuffling, falsifying, cowering under the pitiless gaze of his persecutor, mortified by admissions already made and trembling under apprehension of ones to come, the tranquil earnest manner of his great antagonist patiently but steadily holding him to the matter in hand or bringing him back to it when he thought it successfully evaded and forgotten; the breathless attention of the spectators, who hardly breathed for fear of missing a word—all this was interesting to the end.

The strain upon Mr. Huntington must have been tremendous. I should not have been surprised at any stage of the proceeding to see him break down and go all to pieces. One thing has been demonstrated beyond the shadow of a doubt by today's events. Mr. Huntington is not the moral pachyderm that we Californians have always believed him to be.

He feels the disgrace and discredit as keenly as anybody that cannot make up his mind not to deserve them. He sets as high a value on the respect and esteem of the reputable as he can afford to. He has more frank cynicism than he needs in his public business. No man need henceforth fear sharp words of censure will be wasted on this malefactor; they will not reform him, certainly, but they will hurt him. If not deterrent they will be punitive. The tradition of his invincible callousness is henceforth (to me at least) faded fiction.

I wish every boy in the land could have been in that committee-room today and seen what it may cost to be dishonestly rich. As an awful example to American youth Mr. Huntington, sweating beads of blood in the heat of exposure, would have done something to repair the moral ravage caused by public honors to his sainted accomplice of Palo Alto.

Of our modern Forth Thieves, Mr. Huntington is the surviving thirty-six, and a sore survivor is he. For a particular account of this man's cross-examination the reader is referred to the telegram of this paper's regular correspondent, yet I must here mention some special features of the incident.

By patient and persistent questioning, Senator Morgan obtained from the witness a pretty full account of the methods of the Kentucky corporation in obtaining "control" of the various lines extending from New Orleans to Portland. He had to explain how the small companies exchanged their stock for the stock of the "operating company," which, however, did not assume their debts. The stock issued to them in exchange for their own is what he calls "warrant stock,"

and is transferable by mere delivery—no record being necessary, so its ownership is not ascertainable by the too-curious creditor.

After much evasion, Mr. Huntington admitted that the Kentucky corporation was the actual owner of all the so-called “leased” lines excepting the Central Pacific. But it has paid no money for them, nor can it, in his judgment, be held for their debts. Having learned all the facts of ownership of the entire line between Portland and New Orleans and learned that from its profits the operating company had built twenty ocean steamers and was running them between New Orleans and New York, and that it has also an “arrangement” giving it virtually a transatlantic line, Senator Morgan began to inquire about other matters.

First, if the government should foreclose its mortgage on the Central Pacific and put that property up for sale, would Mr. Huntington expect to bid for it? First, Mr. Huntington would. Then he would think about it. Lastly, he would not; he would feel so aggrieved by foreclosure and the implied lack of confidence that he would have no more to do with so ungrateful a government, and, as a kind of second thought, he did not greatly care to invest money in a country of sagebrush and greasewood anyhow. At this disparaging reference to the “Battle-born State,” his good friend Senator Steward looked sad, but not resentful.

Senator Morgan tried for a long time to get the witness to confess that controlling a steamship line from New York to New Orleans and a railway line from New Orleans to Portland via San Francisco, he would consider the control of the combined Union Pacific and Central Pacific an advantage.

The witness would not admit that the connection would be beneficial. Neither would he admit that the Southern Pacific company is “rich and powerful.” He would not admit that it could raise \$50,000,000.

He said that he himself was poorer than he was before he became a railroad man, for whereas then he lent money, now he is always borrowing money.

He declared that the government had never done anything whatever for him in return for all that he had done for the government.

Thus in cheerful conversation the time was whiled away until Senator Morgan pulled a pistol—I mean a pamphlet. It proved to be the memorial that emanated from Metropolitan Temple, San Francisco, January 19, 1896, and Mr. Huntington’s cheerfulness vanished like firelight on a window pane. The senator explained that he proposed reading a few statements and getting the witness’ opinion as to their truth.

The witness said, with an ugly sneer, that “those fellows,” meaning the memorialists, never told the truth. He added, as their names were read, “that all had grievances,” but Senator Morgan persisted in regarding the matter seriously and found a way to make the witness do the same.

Asked about the wealth of the builders of the Central Pacific when they undertook to build it, he said Huntington, Hopkins & Co. were worth several hundred dollars, Stanford Brothers several millions, and Charles Crocker, well, he was very rich and used to lend money. From this, Senator Morgan went straight into the heart of the pamphlet, compelling the witness to follow. He drew out of him his version of the history of the government land grants, the local subsidies, the Oakland water front matter, the land given by San Francisco (which the witness swore was all under thirty feet of water and not worth one cent), and, in brief, whatever important topics the book suggested.

Mr. Huntington was a long time answering most of the questions, but answer them some way he had to, and did. His worst enemy would have been most pleased to see him doing it and his guardian angel most grieved by the answers that he gave.

At last he was made to explain the operations of the Contract and Finance Company and to confess that it and the directorate of the Central Pacific, from which it got its profitable contracts, were the same men. He admitted that it obtained all the assets of the Central Pacific of whatever kind, the value of securities alone amounting to \$116,000,000. But he held that it cost \$7,000,000 to \$8,000,000 to build the road. Asked about the books of the Contract and Finance Company he persisted in affirming his ignorance; he said he had never seen but believed they had been destroyed.

Time writes no wrinkles on the brow of that story; it is still as smooth as the cheeks of "The young-eyed cherubim."

It was now late in the afternoon. Mr. Morgan appeared as fresh as ever. Mr. Huntington was supremely distressed; it looked as though another question would finish him. He had hardly enough effrontery left to throw coherent blame on his dead partners and exonerate himself. It seemed as if the justice of heaven in killing the guilty and sparing the one really blameless member of the gang would have to go without further illustration.

But then occurred the characteristic incident. Senators Gear, Brice and Frye came to the old man's rescue. Brice protested that all this had nothing to do with what they were there to consider. Frye, who, it seemed, is chairman of the committee whose rooms they were using, threatened to deprive them (he is one of them) of the room. Gear objected variously with blind vigor. Steward stroked his long white beard; he could think of nothing to say, but he looked as much like a statue of dissatisfaction sitting on thorns as he knew how. Mr. Morgan was unmoved by the clamor. He said he proposed to do justice to the people of California; that he should continue to inform himself so as to know how to vote intelligently. It was finally agreed to adjourn until 10:30 Tuesday morning.

At that hour, unless the other members of the committee shall have found a way to stop him, Mr. Morgan will indubitably resume where he left off.

If there is in Washington one person who merits the respect and gratitude of the people of California, it is he. It is impossible to overstate the magnitude of the services done to our state by that able and courageous man.