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W.A. (BILL) MERCK EDITOR

THE ARKANSAS RAILROAD CLUB IS A NON PROFIT ORGANIZATIONS. REGULAR MEETINGS ARE HELD SECOND SUNDAY OF EACH MONTH AT THE MOP OFFICE BLDG. NORTH LITTLE ROCK. REFRESHMENTS USUALLY AVAILABLE. EDITOR'S ADDRESS: 5007 HAWTHORNE RD. LITTLE ROCK ARK. 72207. VISITORS WELCOME.

SEPTEMBER PROGRAM: Mr. Martin M. Pomphrey, Assistant Vice President, Public Relations and Advertising, Frisco Railroad, St. Louis, will address our club at the September meeting. The date is September 10th starting at 2 PM at the MOP Office Building in North Little Rock. This promises to be an interesting program and trust we will have a good attendance. Don't forget to bring those visitors.

QUEEN STILL ROLLING: The SOUTHERN CRESCENT, QUEEN OF U.S. passenger trains which are still operating, will continue to roll for at least another year. The I.C.C. denied Southern Railway's application to discontinue the train. Southern officials were surprised at the decision since the train was running at losses totaling almost \$7 million dollars in 1977. During the final week in July when the train supposedly was making its last run, railroad fans nearly stripped the train for souvenirs, particularly in the dining car. We are glad to see the train still running; however we cannot agree with those who say that Southern should keep the train running since it makes so much revenue on its freight operations. Privately owned railroads are in business to make money for their stockholders and at the same time give as good freight service as possible. Any part of their total operations that loses \$7 million in one year is certainly a candidate for discontinuance. Those of us now who would like to ride this fine train have another year's grace to do so. Southern must continue the run until at least August 4, 1979.

FINE DAY AT COUCHWOOD: On August 16th, at the invitation of Mr. Pratt Rammel, son-in-law of the late Harvey Couch, former president of the L&A/KCS, the wife and myself drove to Couchwood which is owned by the Rammel and Couch families to visit Mr. Couch's former L&A business car MAGNOLIA. This was a treat indeed and a day to be remembered. The car is located on the estate within a stone's throw of Lake Catherine. Color is Pullman green with the letter board containing words LOUISIANA AND ARKANSAS in white and the word MAGNOLIA also in white lettering on both sides. Car contains two staterooms; one with a bath tub and the other with a shower bath, a parlor end sitting room and observation platform. Galley contains a wood burning stove; in other words it has all the comforts of what you would expect on a private business car. Very, very nice.

NUMBER 819 REMEMBERED: Not so long ago had a another chance to go down to Pine Bluff and out to Oakland Park for another view of EX-SSW 4-8-4 No. 819. When presented to the City Of Pine Bluff by the CottonBelt some years ago the engine had seen some 800,000 miles of service, much of it run off in World War II. The once fine machine is now showing some signs of deterioration; the bell has been stolen as well as one of the brass Cotton Belt plates on the steam chests. Many smaller parts as well have been stolen. With all the many engine foundations making the rounds of the country its too bad that someone can't start a #819 FOUNDATION. This is the largest steam display engine in the state. We think the City Of Pine Bluff is partly to blame for its present condition since they apparently do nothing to take care of it. What can one caretaker in a city park do to take care of a steam locomotive? Very little if anything. The engine really should be at a location in the heart of the city where it could be viewed more easily. Everytime I see this engine I get a "tug" in my heart since I had the opportunity of seeing the famous 800 fleet in operation.

DOWN MEMORY LANE: Do you like flapjacks (hot cakes) Most everyone does and my Wife can really make them. Not long ago she made some for me for breakfast and they had all the ingredients except the rolling motion of the dining car. Took me back to the days of riding Cotton Belt Train No. 5 out of St. Louis with the cafe-observation car put on the rear of the train at Jonesboro. A few minutes out of Jonesboro the waiter would make the first call for breakfast and I was one of the first if not the first one in the car. I could picture myself writing my order on the meal check--wheat Cakes with Sausage or Bacon, Fruit Juice and coffee. Man oh man what eating, sitting there while No 5 rolled down thru the rice fields of Arkansas headed for Pine Bluff and points southwest. She usually made a stop at Fargo, Arkansas (six miles north of Brinkley) where usually waiting in the station was M&NA motor train eastbound for Helena waiting for the CottonBelt connection. Those were the days. They say we should live in the present; however many events happen to take you back to those good old days of dining cars and steam power. (Trips I refer to above were all in the 1930's)

Some final information and then will start typing Gene Hull's third and final installment of his wonderful article entitled, "An Arkansas Railroad Defeats A President". You all of course know by now that our second Antiques and Artifacts Show is scheduled for September 18th thru October 20th in the lobby of the Worthen Bank in Little Rock. Items should be brought down to the bank for set-up either on Sept. 16th or 17th. There will be a layout of some 22 tables of rail goodies. There is a possibility, however, that the dates may have to be changed. If so it may be January, 1979 before we can schedule this event. At any rate if there is any change everyone will be advised. President Bill Bailey will have additional information on this at the September meeting.

Here we go with Gene's article. In order to conserve space will start it on this page;

AN ARKANSAS RAILROAD DEFEATS A PRESIDENT

By Clifton E. Hull

The fact that Elaine was an eager partner in the devious plan is shown by a letter he wrote to Fisher on June 29, 1869... "Your offer to admit me to a participation in the new railroad enterprise is in every respect as generous as I could expect or desire." In the same letter he mentions the possibility of Caldwell disposing of a portion of his interest in the Arkansas road to Elaine, and that he, Elaine, was eager for a definite decision. In ending he said... "I see various channels in which I know I can be useful." Construction was begun in 1869, and in 1870 a new scramble was begun to secure additional money. Value of railroad bonds was steadily dropping and by late 1871 there were worthless.

A. L. Robinson, another friend of Elaine's was the chief engineer in charge of construction in Arkansas. He had many hundreds of men working on the road, and in March of 1871 his men near Ozark went on strike because they had not been paid for several months. A wave of discontent was spreading.

It was discovered later that Caldwell would use the bonds of one railroad as security to raise money and then spend it for work performed on another road.

In a like manner, Warren Fisher was getting himself in an undesirable position. To perhaps salvage as much as possible from the deal, Caldwell tried to consolidate the LR&FS with the LR&M (now the Rock Island). but this effort failed.

During Fisher's career he had been contact with Elisha Atkins, a successful business man in Boston. Early in 1871 Atkins began loaning money to Fisher and Caldwell on the Security of LR&FS bonds. when it became evident that something had to be done to protect his interests, Atkins and several other bondholders took control of the Arkansas road from Caldwell and Fisher. This was a fortunate turn of events for the railroad. It was completed as far as Ft. Smith in 1876, and was in fairly good financial condition. Ironically, this was the year in which Elaine attempted to secure the Republican Party nomination as President of the United States. The Democrats had won control of the House and they immediately began an investigation of the man their party was going to try to defeat.

During this investigation a series of letters were found, and when Elaine realized it he knew things were getting serious. These letters were to be known as the "Mulligan Letters", for they were in the files of James Mulligan, the confidential clerk of Warren Fisher. They had been written by Elaine to Fisher during the period between 1869 and 1876.

Through this long chain of correspondence ran a winding thread of devious maneuverings. In 1871, when it appeared that financial failure of the Little Rock and Ft. Smith would force an accounting of the stocks and bonds, Elaine knew he would have to cover himself with his constituents in Maine to when he had sold bonds at an inflated price. If this became known, in addition to the fact that he had kept land bonds which should have bonded to the mortgage bond purchasers, he would be politically dead at home as well as being denied the presidential nomination.

In frantic haste he began buying back the bonds (now with no value) at the inflated price had sold them for. Also, Fisher and Caldwell had failed to send him all the land bonds they had promised. He got only \$95,000 worth. To protect his friends in Maine from loss, Elaine paid them \$168,150 between the spring of 1871 and spring of 1872.

The series of letters mentioned previously revealed he had very little personal wealth during this time. Letters to Fisher dated Dec. 29, 1870, and January 26, 1871, reveal that his personal hardships were "bitter, burning and humiliating to the last degree". A constant stream of letters to Fisher, between June and November of 1871, begging for payment of what he said was owed him, showed he was unable to make even a \$2,578.35 payment he owed.

Even so, the investigation revealed that in 1871 a draft for \$64,000 was negotiated through the banking house of Morto, Eliss & Company with collateral of \$75,000 in bonds of the Little Rock and Fort Smith Railroad. This draft was negotiated by Thomas A. Scott, president of the Union Pacific Railroad. The U. P. Treasurer, E. H. Rollins, believed the bonds came from his old friend, James G. Elaine.

(Sorry Gene, thought I could do it but in order to get something else in will have to wind it down. Final installment in October newsletter).

Also, have a couple of Mike Adams' articles have never run that will be forthcoming soon.

We hear from our good friend and member, James R. Fair Jr. of Clayton, Missouri who, as you know was the author of that bestseller, "THE NORTH ARKANSAS LINE" that the M&NA reunion group will meet on September 3rd in the old M&NA depot. Jim will be the speaker. Almost forgot to put the place of the meeting; its Eureka Springs, Arkansas. Understand Jim is in the final stages, or close to it, of a book on the KCS/L&A. Should be very interesting.

There is a possibility that your editor may not make the September meeting. After a long hot summer (and its not over yet) of "stay at home", the wife and I may make a run up to Columbia and Moberly, Missouri to visit friends and relatives. If there is any change in my plans naturally I will be at the meeting; if not will surely make the October meeting. While gone will make some antique shops looking for railroad goodies and also plan on coming back by the National Museum Of Transport in good old St. Louis.

Better close it up for this time. Am getting flapjack hungry again; might want them for my next breakfast; if so I can always go back to C.B. #5 days. Wish I was riding on that good old train right now. Its almost dinner time; now I can think of the good old days on C.B. Train #6 northbound and get me a good steak dinner at a reasonable price; something like \$1.30 in the nineteen thirties I believe. So long for now.

Bill Merck Editor