CREDIT MOBILIER.

Proceedings of the Poland Committee.

Statements of Benjamin M. Boyer, James M. Wilson, Commodore C. K. Garrison and George W. Kennedy.

WASHINGTON, Jan. 18, 1873.

Judge Poland's special committee to inquire into the Credit Mobilier charges resumed its session this morning, and Benjamin M. Boyer, ex-member of Congress from Pennsylvania, being sworn, made the following statement:—

BENJAMIN M. BOYER'S TESTIMONY.

I appear voluntarily before the Committee, without a summons, because I have been mentioned in the testimony as the owner of stock in the Credit Mobilier while I was a member of Congress; I desire that I may be examined in relation to my purchase of that stock; I have

NOTHING TO CONCEAL

concerning it; I took the stock in my own name, and have so held it, as the books will show; I held seventy-five shares as my own and twenty-five shares as trustee for my wife, making one hundred shares in all; I always regarded it as a legitimate stock operation, and never denied having made the investment; it did not interfere with my duties as a member of Congress; I entered Congress in 1865, and retired four years afterwards; during that time neither the Credit Mobilier nor the Union Pacific Railroad required any legislation by Congress that I know of;

THE LAND GRANTS AND SUBSIDIES

to the Union Pacific Railroad had all been voted before I became a member of Congress, and the legislation relating to the postponement of the interest on the payment of the government bonds took place after I had left Congress; I am not conscious of ever having voted whilst in Congress for any measure in the interest of either the Credit Mobilier or the Union Pacific Railroad. I invite the most critical examination of my record; the investment in Credit Mobilier stock was recommended to me by Dr. Thomas C. Durant, who was my personal friend, and with whom

I AGREED FOR THE PURCHASE OF ONE HUNDRED SHARES

at par, at a time when the success of the enterprise and the profits dependent thereupon were by no means certain; this was in the Winter of 1866; the stock was not actually transferred to me until long after I had agreed to take it; there were some difficulty and delay in obtaining all I had agreed to take; at first seventy-five shares were paid for and transferred to me in December, 1867, and some time afterwards the additional twenty-five shares which I had transferred to me as a trustee for my wife; this completed the original contract between Dr. Durant and myself, and I had no idea of wrong in the matter, nor do I now see how it concerns the public; no one connected with either the Credit Mobilier or the Union Pacific Railroad ever directly or indirectly or in any way hinted that my

SERVICES AS A MEMBER OF CONGRESS

were expected in behalf of either corporation in consideration of the stock I obtained, and certainly no such services were ever rendered; I was much less embarrassed as a member of Congress by the ownership of Credit Mobilier stock than I should have been had I owned stock in a national bank, or in an iron furnace, or a woollen mill, or even as a holder of government bonds, for there was important legislation while I was in Congress affecting all these interests, but no legislation whatever concerning the Credit Mobilier; I therefore find nothing in my conduct in that regard to regret; it was in my judgment

BOTH HONEST AND HONORABLE

and consistent with my position as a member of Congress, and as the investment turned out to be profitable my only regret is that it was no larger in amount.

In answer to questions of Judge Poland Mr. Boyer testified he did not inquire particularly in what way or through whom he was to get the stock contracted for; he contracted for it in the usual way; the negotiation was wholly with Mr. Durant; it commenced in 1866; witness was ready to pay for the stock long before it was delivered to him; received the seventy-five shares in December, 1867, through Dr. Durant, and paid for it when it was transferred; could not remember the total amount of dividends which he received, but had no doubt he received the same as other stockholders; he had no negotiation with Mr. Ames; did not think he ever conversed with him on the subject until after witness became a stockholder.

By Mr. Merrick—Left Congress in 1869; never voted to smother any investigation into the affairs of the Union Pacific Railroad.

James M. Wilson, of Iowa, was sworn, and testified as follows:—

JAMES M. WILSON'S STATEMENT.

I once bought and paid for ten shares of the capital stock of the Credit Mobilier of America; the par value of the shares was $100 cash—in all, $1,000; the purchase of this stock came about in this way:—When Mr. Oakes Ames was soliciting subscriptions to the stock of said company he

ASKED ME TO SUBSCRIBE FOR $5,000 OF IT,

which I declined to do; I heard nothing more of this stock until sometime in the year 1868, the exact time I cannot state, but certainly not earlier than May; when I met in this city Mr. H. T. McComb, with whom I had been acquainted for several years, and against whose character I had never heard any reproach, who, during a conversation had between us, asked me if I held any Credit Mobilier stock; I told him that I did not; that Mr. Ames had once asked me to subscribe for $5,000 of it, but that I had declined the offer; Mr. McComb replied that I could get that stock yet, and that he wished I would do so; I told him that I knew but little about it and inquired its value; he said that would depend somewhat on circumstances, but that I need not hesitate because of that; that he thought he could get it at par, and that he would take it, furnish the money to pay for it and allow me an advance, which would have been

A LIBERAL COMPENSATION FOR THE NEGOTIATION;

he then related the circumstances under which he had subscribed for a number of shares; that he had made the subscription in good faith; that the company refused to recognize his subscription and were trying to cheat him out of his rights under it; that he was

DETERMINED TO HAVE THE STOCK,

and that if he could not get it quietly and peacefully he would enforce his rights at law; that he did not want to have or make any unnecessary trouble about it, but that he would not be cheated out of it, and that he was willing to do anything for peace, short of surrendering his rights; that to go to law would lead to strife, delay and expense, but that he would go through with it all if driven to it; the impression which he made on my mind was that if he could get the stock, even by indirection, he would rather do that than resort to the courts, and in this connection he said that there was other stock in the same position as that, which he said I could get, and that therefore that was no reasonable excuse for the company treating him as they had done; as

A RESULT OF THIS CONVERSATION

I had an interview with Mr. Oakes Ames; I inquired of him if there were not $5,000 of Credit Mobilier stock that I could have; he said, "No; you declined to subscribe for it and it has been disposed of;" I replied that I had been informed that that amount, and more, was undisposed of and that I could have fifty shares; he replied that the stock was disposed of, and that whoever had told me what I had stated was mistaken; I communicated the result of this interview to Mr. McComb, who said that it was

JUST LIKE AMES;

and that if he could take care of himself and friends everybody else might whistle for their rights, and said, "See Ames again, and tell him that there is no mistake about the matter, and that I (McComb) know there is not;" I did see Mr. Ames again, who said that Mr. McComb's statement was not true, and repeated his former statements; I then asked him if it could not be arranged so that I could get the stock; he replied that he did not believe that it could be, but that he was soon going to New York and would see what could be done; some time afterward Mr. Ames told me that he had arranged for ten shares for me at par and seven per cent ex prior dividends; that that was the best and most he could do then, but he would see if he could do any more; I took the ten shares and asked him to arrange for the rest if he could, but no more were arranged for; when I subsequently told Mr. McComb he said, "Well, that is another of his tricks; he don't want to do any better, but if you insist on it he will," and that he (Mr. McComb) wanted the stock on the "ground floor," just as the rest had had theirs; I had talked so much to Mr. Ames that I

CONCLUDED TO AWAIT HIS MOVEMENTS;

that anything further would look too much like importunity; but, as I have stated, he never arranged for any more stock, and the ten shares were on my hands; I held the stock until some time in the Winter of 1869, when I sold it, the reason for which I will state:—A good deal of contention had sprung up among the parties interested in the Union Pacific Railroad and the Credit Mobilier relative to the management of the affairs of the said companies, and an effort was to be made at a meeting of the stockholders of the Union Pacific Railroad company in March, 1869, to change a part of the Board of Directors; my opinion was asked for concerning the right of stockholders in the Union Pacific Company to vote shares held by them regardless of a proxy which was said to run with the stock under the terms of the contract and agreement existing between said company (the Credit Mobilier) and certain parties designated as trustees; in order to enable me to understand the question submitted copies of certain papers were placed in my hands, some of which I have now in my possession, and among which were the contract of Oakes Ames, of the first part; T. C. Durant, Oliver Ames, John B. Alley, Sidney Dillon, C. V. Bushnell, Henry S. McComb and Benjamin S. Bates, of the second part; the Credit Mobilier of America, of the third part—an agreement between the aforesaid parties of the second part, in which they

BOUND THEMSELVES TO VOTE THEIR OWN STOCK

and that for which they held and should hold proxies, which was represented to embrace all that issued or to be issued under the Oakes Ames contract in the manner provided in the agreement, and some other papers not bearing directly on the question submitted; I examined the question and gave an opinion to the effect that stockholders of the Union Pacific stock could vote their own shares, regardless of the proxy running with it, and that the affairs of the corporation could not be tied up in the hands of a few individuals in the way attempted by the terms of said contract and agreements, and that the scheme of the Credit Mobilier was one which might render every officer and director of the Union Pacific Railroad Company, which was a party to it, accountable to the latter company for the profits accruing to him from the construction contract; down to the time these papers were placed in my hands I knew almost nothing of the organization and the details of the Credit Mobilier or of the value of its stock, but then saw that there was

GROUND FOR FURTHER TROUBLE AND LITIGATION,

and, as one of the results, sold out my interest, and have at no time since been in any manner interested in the Credit Mobilier, nor did I at any time or in any manner have any interest of any kind or character in said company other than as hereinbefore stated; so far as Mr. Ames is concerned, his action was the result of my application to him for the purchase of the stock; my action was induced solely by the conversations had with McComb, who was actuated, as I understand, by what he denounced as a gross injustice practised on him by the company, and it was well known to both of them, as it was to everybody, that my connection with Congress would end with my third term; the reports of the testimony given before this committee, as published in the newspapers, show that Mr. McComb has testified that he had requested Mr. Ames to let me have some Credit Mobilier stock; not one word of this ever came to my knowledge from him, Mr. Ames or any other person, except as I have related in this statement, and I desire here to recall the fact that when the transaction above related occurred

THE WHOLE COUNTRY RESOUNDED WITH PRAISES OF THE ENERGY

manifested by the constructors of the Union Pacific Railroad; they had pushed the work with great vigor and under great difficulties; in March, 1868, the Chief Engineer in reviewing the difficulties attending, told the country that during the past two years the road had been built through the Indian country with all the tribes banded together and hostile; our best and ablest men have been killed; our cars, stations and ranches burned; our men driven off and our stock stolen; graders and track layers, tiemen and station builders have had to sleep under guard and have gone to their work in the daytime with their picks and shovels and their mechanical tools in one hand, and their rifles in the other, and they have often to drop the one and use the other; the graders went to their work as soldiers, stacked their arms by the cuts, and worked all day with hostile bands of

INDIANS IN VIEW READY TO POUNCE UPON THEM

and kill and scalp any unlucky or negligent person who gave them an opportunity; down to this time the interest on the bonds advanced by the government had been paid by the company and with only about four hundred miles of the road completed; there had been saved to the government in the cost of transportation for the year 1867 over one million five hundred thousand dollars; every person seemed satisfied with what was being done, and astonished at the results produced; these facts, together with the recognized high character of most of the gentlemen connected with the enterprise, were sufficient to satisfy any person unlearned in the data which those versed in

THE SECRETS OF THE CREDIT MOBILIER

in purchasing stock in either company possessed, and it will be remembered that the praises of what was being done swelled on until they burst forth in the ringing of bells and the firing of cannons all over this country; when, in the Spring of 1869, it was announced that the last spike had been driven and that the tracks of the Union Pacific Railroad and Central Pacific Railroad companies had been united and that an iron way spanned the Continent from ocean to ocean, the completion of the road brought to the surface the contentions and quarrels among the parties who held the secrets and power of the Credit Mobilier; there developed the facts which now give direction and tone to the public judgment, but they are not those with which to measure the motives and actions of men who acted under the former state of facts; what I did was under the former state of facts, with no suspicion that they were not true and would not continue true to the end; the very fact that Mr. McComb threatened to carry his claim to the Courts for adjudication was of itself calculated to allay any suspicion of fraud or wrong in the affairs of the company, for such a suit would of necessity bring to light the whole history of the operations of the company; I wish to say in conclusion that when I entered Congress in 1861 I did so as the representative of

A CONSTITUENCY UNANIMOUSLY IN FAVOR OF THE CONSTRUCTION OF A RAILROAD TO THE PACIFIC;

my predecessor had been chairman of the Committee on the Pacific Railroad; to his efforts in favor of the construction of such a road more than to any other one thing he owed his last election to Congress; my district at that time embraced nearly one-half of the State of Iowa, and extended from the Mississippi to the Missouri River; I desired to secure the location of the road so as to have it commence on the western boundary of my district and thus secure connection with it for the Iowa roads, then projected and in course of construction; the bill of 1862 secured this result, and I supported it earnestly; I supported the bill of 1864, believing the representations made as to its necessity to be true; I worked as efficiently as I could to promote the interests of the section of the country I was representing;

I WAS THE PRONOUNCED FRIEND OF SUCH LEGISLATION

as would tend to develop that great Western country; I regarded the Pacific Railroad as the greatest of all measures proposed to effect that result; I believed that it would hasten the construction of the several roads projected through Iowa and thus secure to our people at an early day the facilities for transportation so much needed to promote the growth, prosperity and settlement of the State; the result proves that my judgment in this respect was not at fault; consider what that country was a decade ago in comparison with what it is now, and I ask for no more perfect justification of the support which I gave to the measures of legislation which have produced the result.

Mr. Wilson, turning to Mr. Ames, asked him if the statements which he just made relating to him were true?

Mr. Ames replied they were.

Mr. Wilson then asked Mr. McComb if the statements so far as they related to him were true; to which Mr. McComb replied they were, most emphatically.

The witness then testified, in answer to questions of Judge Poland, that he sold the stock, carrying the dividends with it; to the best of his recollection he realized a profit of $3,000 on the stock; knew nothing about any other members of Congress having held stock; as a government director of the Union Pacific Railroad he

DESIRED TO ENTER HIS PROTEST NOW AGAINST THE REPORTS GOING AROUND

the country that the government would lose its investment in that road; he had no doubt the road would be able to pay back every dollar; neither Mr. Ames, Mr. McComb, nor any one else attempted to influence the action of witness as a member of Congress; did not know, at first, whether he had a profit or a loss on the stock;

WOULD ACT AGAIN EXACTLY AS HE DID

under the same state of facts.

By Mr. McCrary—Witness was in Mr. Grimes' room when Oakes Ames came in and asked Senator Grimes to take $25,000 worth of stock in Credit Mobilier; Mr. Ames said to Mr. Grimes, "We must raise money, and if you will take stock I will guarantee you ten per cent on your money, providing you will divide all the profits over ten per cent with me;" Mr. Grimes replied, "Well, I am satisfied with ten per cent on my money," and agreed to invest.

Mr. Smithers, counsel for Mr. McComb, said in the statement submitted by Mr. Alley there were

PERSONAL REFLECTIONS ON MR. M'COMB

which had nothing to do with this investigation, and he desired that Mr. Alley's statement be supervised by the committee, and those personal statements erased. If they be allowed to stand Colonel McComb should be allowed to produce witnesses to refute them; but this would prolong the investigation and that they did not desire to do.

The Chairman announced that the committee would consider the matter.

EXAMINATION OF COMMODORE GARRISON.

Commodore C. K. Garrison was then sworn, and testified that he never was connected with the Credit Mobilier or the Union Pacific Railroad to the amount of one dollar, either directly or indirectly; was entirely ignorant of any dealings of any member of Congress or any Senator in the stock;

MR. BROOKS INTRODUCED MR. DURANT TO WITNESS;

Durant desired him (witness) to take an interest in the Union Pacific Railroad; after considering the matter he declined; understood that Mr. Durant desired to dispose of a portion of the stock to New Yorkers; did not remember having application made to him to take Credit Mobilier stock; had no knowledge of either Mr. Brooks or his son-in-law holding any Credit Mobilier stock.

By Mr. Merrick—Has been familiar with Mr. Brooks for years.

In answer to a question of Judge Poland as to what he believed of certain statements he had heard, the witness replied, "Oh, well,

YOU CAN'T BELIEVE EVERYTHING YOU HEAR, GENTLEMEN;

if I were to believe all that I hear I should believe that one-half of you gentlemen in Congress were interested in the road." (Laughter.)

GEORGE W. KENNEDY EXAMINED.

George W. Kennedy sworn—Resides in North Easton, Mass.; is bookkeeper for Mr. Ames; owned no stock in the Credit Mobilier; never had any information that stock stood in his name on the books of that company; never heard Mr. Oakes Ames say to whom he sold stock. Judge Poland—On the books of the company which have been produced here it appears that thirty shares of the stock stand in your name. You never had any information of that fact? A. No, sir.

By Mr. Merrick—Do you know of any dealings or any contracts to furnish anybody with Credit Mobilier stocks made by Mr. Ames? A. I think I have seen on some books some transactions, but I don't remember what they were; it has been a long time ago.

Q. Can you recall any of these entries? A. No, sir.

Q. You have no memory at all touching them? A. Nothing positive that I can swear to; I think I saw on these books two or three entries in reference to parties I supposed to be members of Congress; I remember, sir, but very little about it.

Mr. Merrick—Well, be good enough to tell us what you do remember; you have just said you remember some names? A. I have

READ SO MUCH IN THE NEWSPAPERS LATELY

that I have got it all mixed up; I remember nothing that I can swear to positively.

Q. Have you any impression? A. My impression is that some entries showed some members of Congress had stock.

Q. Who were they? A. I think Mr. Patterson was one.

Q. Can you state to us any impression you may have in reference to entries touching Mr. Patterson? A. I think he had some money for some of the stock; that is, I judge so from the entries.

Q. Well, what other names? A. Well, sir, I don't remember; the only one I seem to remember distinctly, and I am not positive of that, is Mr. Patterson; did not remember the name of Mr. Garfield; did not remember the name of Mr. Dawes; thought he saw something about Mr. Wilson; thought he saw something which made to refer to Mr. Colfax; could not remember what it was; the entries were made in a pocket memorandum book.

Judge Merrick—Can you say, under the obligation you have taken to tell the truth, that you have no knowledge, direct or indirect, touching Mr. Ames' dealings with members of Congress other than what you have detailed? A. No, sir; I don't remember.

By Mr. Smithers—Had Union Pacific stock transferred to him by Mr. Ames; between six and seven hundred shares, for which he paid no consideration; afterwards retransferred them to Mr. Ames.

ADJOURNED.

At a quarter past twelve o'clock the committee adjourned until ten o'clock Monday morning.

PROCEEDINGS OF THE WILSON COMMITTEE.

Testimony of Oliver W. Barnes—How the Charter was Obtained—George Francis Train on a Mission—Congressmen Immaculate—Mr. Durant is Recalled, and Explains About the Franchise of the Sioux City Branch of the Union Pacific Railroad.

WASHINGTON, Jan. 18, 1873.

The Wilson select investigating committee met this morning at eleven o'clock.

OLIVER W. BARNES WAS SWORN:

Witness resides in New York; was secretary of the Credit Mobilier from May 29, 1863, to May 21, 1870; was not an officer in the Union Pacific Railroad; was a stockholder in the company; made investments occasionally and sold stock; had forty shares in the Credit Mobilier; acquired them in 1864, paying for them; the first dividend was paid January 2, 1867, when witness received his dividend.

Witness exhibited a printed circular of the Credit Mobilier, dated January 2, 1868, stating that at a meeting of the Executive Committee, on the preceding 28th of December, it was resolved that in order to equalize the rate of payment, under the agreement of February, 1867, interest be allowed from the date of payment, July 1, 1867, at the rate of fourteen and a half per cent per annum, and interest on the amount from July 1, 1867, to January 1, 1868, at the rate of seven per cent per annum. It was also resolved that a dividend of six per cent per annum be declared for the year ending the 31st of November, 1866 and 1867, payable in stock of the Union Pacific Railroad Company, at the rate of thirty per cent on the value of the registered stock.

Having been interrogated as to the history of the Credit Mobilier witness said that the charter was obtained from the State of Pennsylvania; it was a living organization, but had not been used; the first instalments to the stock were paid in small amounts, not more than two and a half or five per cent on shares of $100;

GEORGE FRANCIS TRAIN

came from New York to Philadelphia and asked Mr. Hall and witness whether they controlled the charter; they replied they did; Mr. Train said the charter was wanted for the purpose of using the organization in the construction of the Union Pacific Railroad, and that they would be paid their expenses and a small consideration for carrying it as long as they had; an offer was made, and witness thought

$25,000 OR $30,000 WERE PAID FOR THE CHARTER.

Witness signed the transfer papers in New York at the request of Mr. Durant.

Witness was interrogated at length as to the transactions of the Credit Mobilier in the matter of dividends. The charter of the Fiscal Agency, afterward changed to the Credit Mobilier, was obtained November 1, 1859; after the transfer of the charter the business was transacted in New York, although the organization was preserved in Philadelphia.

Witness being interrogated by the chairman, said he did not know of any member of Congress being employed as attorney for the Union Pacific Railroad, nor did he know of any money having been used by that company or the Credit Mobilier or by any one connected therewith for the purpose of

INFLUENCING MEMBERS OF CONGRESS

or assisting in their election; nor did he know of any money having been used for procuring the acceptance of the road, &c.

In reply to the question whether he knew of any stock being placed in the hands of Oakes Ames to comply with engagements, the witness said he had only heard the matter spoken of in the office; the amount was something over three hundred shares; the Credit Mobilier had a contract with the Union Pacific Railroad not to engage in any other business than the construction of the road; the capital of the Credit Mobilier was derived from the Union Pacific Railroad Company.

MR. DURANT RECALLED.

Mr. Durant was recalled, and testified as to the franchise of the Sioux City branch of the Union Pacific Railroad. On being asked whether he knew of any money having been paid to any persons to have certain objects accomplished, witness replied that he thought

OAKES AMES AND JOHN B. ALLEY HAD LARGE INTERESTS IN IT;

he heard Ames say he had to pay others for their interest and that he paid $5,000 apiece to two of the Iowa members of Congress to get control of the franchise; the members were J. F. Wilson and William B. Allison, but witness was not positive as to Allison.

Mr. Durant was examined at length and his testimony concluded.

The committee then adjourned till this evening, at half-past seven o'clock.

Evening Session.

JOHN F. WILLIAMS' TESTIMONY.

The committee met this evening and examined John F. Williams, who said:—

I reside at Cambridge, Mass.; was treasurer of the Union Pacific Railroad from May, 1869, to March, 1871; was elected a director, but never served as such; was

ONE OF THE ORIGINAL SUBSCRIBERS

for $20,000, and held from time to time stock to the amount of three or four hundred thousand dollars; took an interest in the Credit Mobilier in the beginning of 1865; he (the witness) and his partner Gliddon subscribed $37,500 each; was a director from June, 1868, to May, 1867, and on the Executive Committee with Thomas C. Durant and A. Griswold Gray; the management was committed to a railway bureau of five members March 16, 1865; the railway bureau was appointed by the Executive Committee; the bureau appointed an executive committee without whose approval there should be no contracts or appointments; was secretary of the railway bureau at the time the Executive Committee was appointed; attempted to make a contract with the Union Pacific Railroad, November 4, 1867, to build 267 miles of railroad for $50,000 a mile, to be completed January 1, 1868; the proposal was made to T. J. Carter, the Secretary of the Union Pacific Railroad Company; he thought a small portion of the road embraced in the line had already been constructed;

On being asked his purpose of offering to build a road, the contract embracing a portion of which had already been constructed, the witness answered it was for the purpose of getting it into right hands—

THE HANDS OF BULLOCK AND BUFF,

instead of Durant, confidence having been lost in the management of Durant, who was too extravagant; the interest of the Union Pacific Railroad and the Credit Mobilier was identical—they were virtually one concern.

During the examination Mr. Hoar asked whether witness was acting in good faith with the government in to return as part cost of the railroad ten or twelve millions of dollars divided among the stockholders?

Witness answered they did not consider there was any breach of good faith; they should look at the matter from

THE STANDPOINT OF THE THIRTY-SEVENTH AND THIRTY-EIGHTH CONGRESSES,

and not the Forty-second Congress; they understood the government would never call on the company for the interest on bonds or five per cent net earnings, but retain only about one-half of the amount for government transportation.

Mr. Hoar also asked whether the first mortgage bonds and also the stock on the Union Pacific Railroad had not been divided among those who received a division of the profits of the contract?

The witness replied:—"Some of them." The witness

DID NOT KNOW THE PRECISE COST OF THE RAILROAD

to the persons who built it.

The Chairman—You said you considered the Pacific Railroad and the Credit Mobilier the same thing? A. So nearly identical that there was no diversity of interest.

Q. Was the cost of the road larger to the Union Pacific Railroad than to the Credit Mobilier? A. You have to consider that this is a question as to whether there was more money in one pocket than in the other, but all belonging to the same parties.

The chairman wished to know how the Union Pacific Railroad Company and the Credit Mobilier were the same thing.

The witness made some calculations to show how affairs between them were made even, but the chairman thought the calculations proved their inequality.

The Chairman asked the witness whether he knew of any money having been paid by the Union Pacific Railroad Company, or Credit Mobilier, or by any persons connected with them at any time, to influence or procure the election of any Senator or Representative in Congress.

Witness said he had always contributed for general political purposes only.

Witness said, in answer to a question, that

BENJAMIN F. BUTLER, A MEMBER OF CONGRESS, WAS PAID THREE THOUSAND DOLLARS

by the Union Pacific Railroad Company; it was reported that Butler received $5,000, but witness could testify to $3,000 having been paid; he had seen it on the treasurer's books; this was in the Fall of 1867 or the Spring of 1868;

BUTLER GAVE ADVICE

as to the Oakes Ames contract, and helped the company at a meeting of election of officers; Mr. John B. Alley brought Mr. Butler to New York as his attorney, but the company took his advice and paid him for it.

Mr. Aller, who was present, asked how the witness understood that he brought General Butler with him to New York as his lawyer. Had the witness any ground for the statement?

Witness replied that that was the general understanding and report.

Mr. Aliey rejoined that he had nothing more to do with General Butler's going to New York than the witness himself; the President of the company sent on for Butler.

JOSEPH B. STEWART'S TESTIMONY.

Joseph B. Stewart testified—Witness is a practitioner of law in the city of Washington. Having been asked whether he had rendered any service for the Pacific Railroad Company or the Credit Mobilier, and if so, when, the witness said he had been

AN ADVOCATE AND CONSISTENT ADVOCATE OF ALL PACIFIC RAILROAD PROJECTS

for many years and of national improvements generally; he had urged these measures on members of Congress, as any citizen had a right to do; he tried to induce Congress to foster, sustain and favor the persons who had invested their property and fortunes in building the roads.

The Chairman—Were you engaged in what are commonly known as lobbying schemes? A. I disclaim the performance of such service on any occasion; for the last twenty-seven years I have had much to do getting business through Congress, and have addressed myself to Congress through its committees, and showed why laws should be passed for the relief of my clients; I acted earnestly in the matter of having passed the Union Pacific Railroad bill of 1864; the service was not gratuitous on my part;

I WAS PAID FOR THE SERVICE BY THE COMPANY

or those representing it.

Q. What amount? A. I was paid a fee of $30,000 on account of railroads for my individual services by Messrs. Durant and Hallett; another tee of $10,000 was paid to me by C. D. Huntington, in stock of the Union Pacific Railroad in 1864; a great deal more money came into my hands; I received it in order to discharge my duty as an attorney in cases where railroads were concerned, and as

A MEDIATOR,

negotiator and compromiser of conflicting interests; my business had no reference to any Senator or Representative; I received for these purposes $250,000, part of this sum in Union Pacific Railroad bonds.

The witness declined to state to whom he paid the bonds, but they were not paid to any Member of Congress. He repeated that most of the money was paid to settle the dispute with the Leavenworth, Pawnee and Western Railroad Company; he considered himself the agent of all the railroad companies; he was employed to frame a proposition acceptable to Congress to aid and strengthen the financial condition of the companies, and he was the author of the tenth section of the Union Pacific Railroad act of 1864.

The committee at nearly midnight adjourned until Monday, at ten o'clock.

THE COURTS.

Yesterday Aaron Hudson, steward of the steamer St. Thomas, from St. Thomas, was held in $3,000 bail for examination before Commissioner Shields on a charge of having smuggled into this port five cases of brandy and seven cases of whiskey.

John W. Norton, cashier of the money order department of the Post Office in this city, was indicted some time since on a charge of having embezzled $115,000 government funds. He gave bail in $20,000. United States District Attorney Bliss, considering this bail inadequate, obtained a bench warrant for the arrest of Norton, bail being fixed in that warrant at $115,000, the amount alleged to have been embezzled. Norton was arrested yesterday, and counsel on his behalf went before Judge Woodruff and moved to have the bail reduced. The Judge, on ascertaining that Norton had no property of any amount, reduced the bail to $35,000.

The case of Mr. Ahlander, who is charged with having embezzled money alleged to have been the property of the government of Sweden, was yesterday before Judge Blatchford on *certiorari* in the United States District Court. On the examination before Commissioner Osborn the Commissioner held there was sufficient in the evidence to justify him in remanding Ahlander for extradition. The particulars of this matter have been often and fully repeated in the HERALD. The counsel for the accused now seeks to set the decision of the Commissioner aside on the ground, among others, that even if Ahlander did take the money in question it was not government money, and that he never held office under the government of Sweden. The opposite view is maintained by counsel for the Swedish government. Judge Blatchford took the papers and reserved his decision.

Judge Barrett, holding Supreme Court Chambers, yesterday refused a stay of proceedings in the suit for the recovery of some seven thousand dollars, claimed to be due for preparing county records for printing. It will be remembered that the Judge recently rendered a decision in the case directing payment of the claim. From this decision the city has appealed, and a stay of proceedings was solicited by the city on this account.

Lippe, arrested two weeks ago on suspicion of having set fire to his picture gallery in Nassau street, and confined since then in the City Prison without any examination by a police magistrate, the full facts of which have been published in the HERALD, was yesterday brought on writ of habeas corpus before Judge Barrett at Supreme Court Chambers. After hearing the facts in the case the Judge granted his discharge on the ground that there was no sufficient reason for detaining him in custody.

A CHANCE FOT STOKES.

Is the Present Jury Law Constitutional?—Was Stokes Tried Before a Legal Tribunal?

A question of law will be argued at the General Term of the Supreme Court to-morrow morning by Mr. William F. Howe, which, if decided in his favor, will have the effect of interfering very effectually with the execution of Edward S. Stokes on the day fixed by the Court for the last sentence of the law. To prevent the disqualification of jurors who had formed an opinion, from reading or otherwise, as to the guilt of a person accused of crime, and with a view to avoid the consequent difficulty thereon of obtaining a jury in capital cases of any persons but those incapable of exercising common sense, the last Legislature, on the 3d day of May, 1872, passed an act entitled "An act in relation to the challenges of jurors in criminal cases." Section 1 of this act reads as follows:—"The previous formation or expression of an opinion or impression in reference to the circumstances upon which any criminal action at law is based, or in reference to the guilt or innocence of the prisoner, or a present opinion or impression in reference thereto, shall not be a sufficient ground of challenge for principal cause to any person who is otherwise legally qualified to serve as a juror upon the trial of such action, provided the person proposed as a juror who may have formed or expressed, or has such opinion or impression as aforesaid, shall declare on oath that he verily believes that he can render an impartial verdict according to the evidence submitted to the jury on such trial, and that such previously formed opinion or impression will not bias or influence his verdict, and provided the Court shall be satisfied that the person so proposed as a juror does not entertain such a present opinion as would influence his verdict as a juror."

Within a few days after the passage of this act Mr. Howe was retained to defend a man by the name of William J. Barclay, who was indicted before Recorder Hackett for burglary at the Grand Hotel, in this city. The prisoner was convicted; but, owing to some objections of a technical character interposed by his counsel during the trial, although the guilt of the prisoner was clearly established, Recorder Hackett granted the counsel's motion for a new trial. The then District Attorney, feeling that he had a notorious criminal within his grasp, deemed it his duty to immediately place the prisoner on trial for the same offence. This being the first case tried under the operation of the new Jury law, Mr. Howe objected to those jurors who had heard the case and had consequently formed an opinion as to the guilt of the prisoner. The learned Recorder then put the following question to the jurors whom Mr. Howe challenged:—

Question—Can you, without regard to any impression you have formed, give a true verdict on the testimony to be given in this case?

Mr. Howe, in an argument of great length, insisted that the act in question was wholly unconstitutional, because by its provisions it deprived a prisoner of his right to a common law jury—a right guaranteed by the constitution and upon which no Legislature could infringe. Counsel further claimed that under this jury law a father or a brother of a prosecutor would be a competent witness while entertaining the most bitter and malignant feelings against the accused, and that, substantially, this unconstitutional enactment actually makes a juror the judge of his own competency.

The Recorder overruled Mr. Howe's objections, upon which exceptions were duly taken, a writ of error obtained and the entire proceedings removed into the Supreme Court, before the General Term of which this very interesting question will be presented to-morrow.

Thus it is obvious that if any jurors on the Stokes case were empanelled under the statute referred to and subject to legal exception, and the General Term to-morrow should agree with Mr. Howe that the "Jury act" is unconstitutional, then of course the decision will apply to the Stokes case, and a new trial must be granted him.

SHIPPING NEWS.

Almanac for New York—This Day.

SUN AND MOON.			HIGH WATER.		
Sun rises	7 20		Gov. Island	morn	12 10
Sun sets	5 03		Sandy Hook	morn	11 25
Moon rises	eve	10 48	Hell Gate	eve	1 55

OCEAN STEAMERS.

DATES OF DEPARTURE FROM NEW YORK FOR THE MONTHS OF JANUARY AND FEBRUARY.

Steamers.	Sails.	Destination.	Office.
Spain	Jan. 22	Liverpool	69 Broadway.
Idaho	Jan. 22	Liverpool	29 Broadway.
City of Brussels	Jan. 23	Liverpool	15 Broadway.
Silesia	Jan. 23	Hamburg	61 Broadway.
Ville de Paris	Jan. 25	Havre	58 Broadway.
Atlantic	Jan. 25	Liverpool	19 Broadway.
Hansa	Jan. 25	Bremen	2 Bowling Green
India	Jan. 29	Glasgow	7 Bowling Green
Minnesota	Jan. 29	Liverpool	29 Broadway.
Italy	Jan. 29	Liverpool	69 Broadway.
City of Bristol	Jan. 30	Liverpool	15 Broadway.
Frisia	Jan. 30	Hamburg	61 Broadway.
Adriatic	Feb. 1	Liverpool	19 Broadway.
Mosel	Feb. 1	Bremen	2 Bowling Green
California	Feb. 1	Glasgow	7 Bowling Green
Washington	Feb. 8	Havre	58 Broadway.
Oceanic	Feb. 8	Liverpool	19 Broadway.

PORT OF NEW YORK, JAN. 18, 1873.

CLEARED.

Steamship Celtic (Br), Murray, Liverpool via Queenstown—J Hyde Sparks.

Steamship City of Washington (Br), Delamotte, Liverpool via Queenstown—John G Dale.

Steamship Main (NG), Oterendorp, Bremen via Southampton—Oelrichs & Co.

Steamship Schmidt (NG), Dauncmann, Bremen—Herman Koop & Co.

Steamship St Thomas (Br), Drakeford, Port au Prince, Laguayra and Curacoa—Pim, Forwood & Co.

Steamship City of Merida, Timmermann, Havana and Vera Cruz—F Alexandre & Sons.

Steamship G W Clyde, Cole, Galveston via Key West—C H Mallory & Co.

Steamship Cortes, Kemble, New Orleans—H B Cromwell & Co.

Steamship Western Metropolis, Baker, New Orleans—F Baker.

Steamship Huntsville, Crowell, Savannah—Robt Lowden.

Steamship San Salvador, Nickerson, Savannah—W R Garrison.

Steamship Manhattan, Woodhull, Charleston—H R Morgan & Co.

Steamship Fanita, Doane, Wilmington, NC—Lorillard Steamship Co.

Steamship Volunteer, Crossman, Philadelphia—Lorillard Steamship Co.

Steamship Glaucus, Bearse, Boston—D F Dimock

Steamship Acushnet, Fish, New Bedford—Ferguson & Wood.

Ship Pearl of India (Br), Johnston, Liverpool—E E Morgan's Sons.

Ship Zoroaster (Br), Brown, London—Grinnell, Minturn & Co.

Bark America (NG), Koper, Bremen—E Unkart.

Bark Guiseppe d'Abundo (Ital), Camaroti, Gibraltar and Genoa—Slocovich & Co.

Bark H D Stover, Pearce, Havana—J E Ward & Co.

Brig Linus (Br), Morris, Exeter, E—G F Butley.

Brig Oliver Cutts (Br), Nelson, Kingston, Ja—S de Cordova & Co.

Brig Loch Lomond, Gilchrist, Cardenas—Borland, Dearborn & Co.

Brig Carrie Purinton, Whittemore, Calbarien—Miller & Houghton.

Brig Robert McK Spearing (Br), Thomson, Cienfuegos—Jova & Co.

Brig E McLeod (Br), McLeod, Halifax, NS—D R De Wolf & Co.

Schr Uncle Tom, Huntley, Jacksonville—W Ray.

Schr Eclipse, Rowantree, Savannah—Overton & Hawkins.

Schr Volunteer, Smith, Portsmouth, NH—Ferguson & Wood.

Sch George H Squire, Haley, Providence—Overton & Hawkins.

Steamer North Point, Foley, Baltimore.

ARRIVALS.

REPORTED BY THE HERALD STEAM YACHTS AND HERALD WHITESTONE TELEGRAPH LINE.

Steamship Idaho (Br), Morgan, Liverpool Jan 1, Queenstown 2d, via Halifax 16th (where she put in for coal), with mdse and 126 passengers to Williams & Guion.

Steamship Holland (Br), Bragg, London Dec 28 via Havre Jan 1, with mdse and passengers to F W J Hurst.

Ship Sea Serpent, White, Hong Kong Oct 10, with mdse to Grinnell, Minturn & Co. Passed Java Head Nov 8, Cape of Good Hope Dec 6, and crossed the Equator Dec 29 in lon 38; had fine weather the entire passage except during the last 7 days, when experienced light baffling winds, with occasional squalls and torrents of rain. Passed through Sunda Straits in company with ship Archer, from Manila for Boston, and ship Duke of Athol (Br), from Shanghae for New York; Dec 8, lat 28