



The Central Pacific Railroad began as the dream of engineer Theodore Judah. He sold stock in his fledgling Central Pacific Railroad Company to four Sacramento merchants: Leland Stanford, Charley Crocker, Mark Hopkins, and Collis P. Huntington. These “Big Four” eventually made huge fortunes. Stanford became governor of California, served as a U.S. senator, and founded Stanford University.

Because of a shortage of labor in California, the Central Pacific Railroad hired about 10,000 workers from China. It paid them about \$1 a day. All the equipment—rails, cars, locomotives, and machinery—was shipped from the eastern United States. The equipment suppliers traveled either around Cape Horn at the tip of South America or over the Isthmus of Panama in Central America.

Workers completed the transcontinental railroad in only four years, despite the physical challenges. Each mile of track required 400 rails, and each rail took 10 spikes. The Central Pacific, starting from the west, laid a total of 688 miles of track. The Union Pacific laid 1,086 miles. On May 10, 1869, hundreds of spectators gathered at Promontory Summit, Utah. They watched dignitaries hammer five gold and silver spikes into the final rails that would join the Union Pacific and Central Pacific. Engineer Grenville Dodge was at the ceremony:

#### PRIMARY SOURCE

“The two trains pulled up facing each other, each crowded with workmen. . . . The officers and invited guests formed on each side of the track. . . . Prayer was offered; a number of spikes were driven in the two adjoining rails . . . and thus the two roads were wedded into one great trunk line from the Atlantic to the Pacific.”

— from *How We Built the Union Pacific Railway*, 1910

After Leland Stanford hammered in the last spike, telegraph operators sent the news across the nation. Cannons blasted in New York City, Chicago held a parade, and Philadelphia citizens rang the Liberty Bell.

### Railroads Spur Growth

The transcontinental railroad was the first of many lines that began crisscrossing the nation after the Civil War. By linking the nation, railroads increased the markets for many products, spurring industrial growth. Railroad companies also stimulated the economy by spending huge amounts of money on steel, coal, timber, and other materials.

Large rail companies consolidated hundreds of small, unconnected railroads to create large, **integrated** railroad systems. Southern states particularly benefited from improved transportation, as railroads spurred

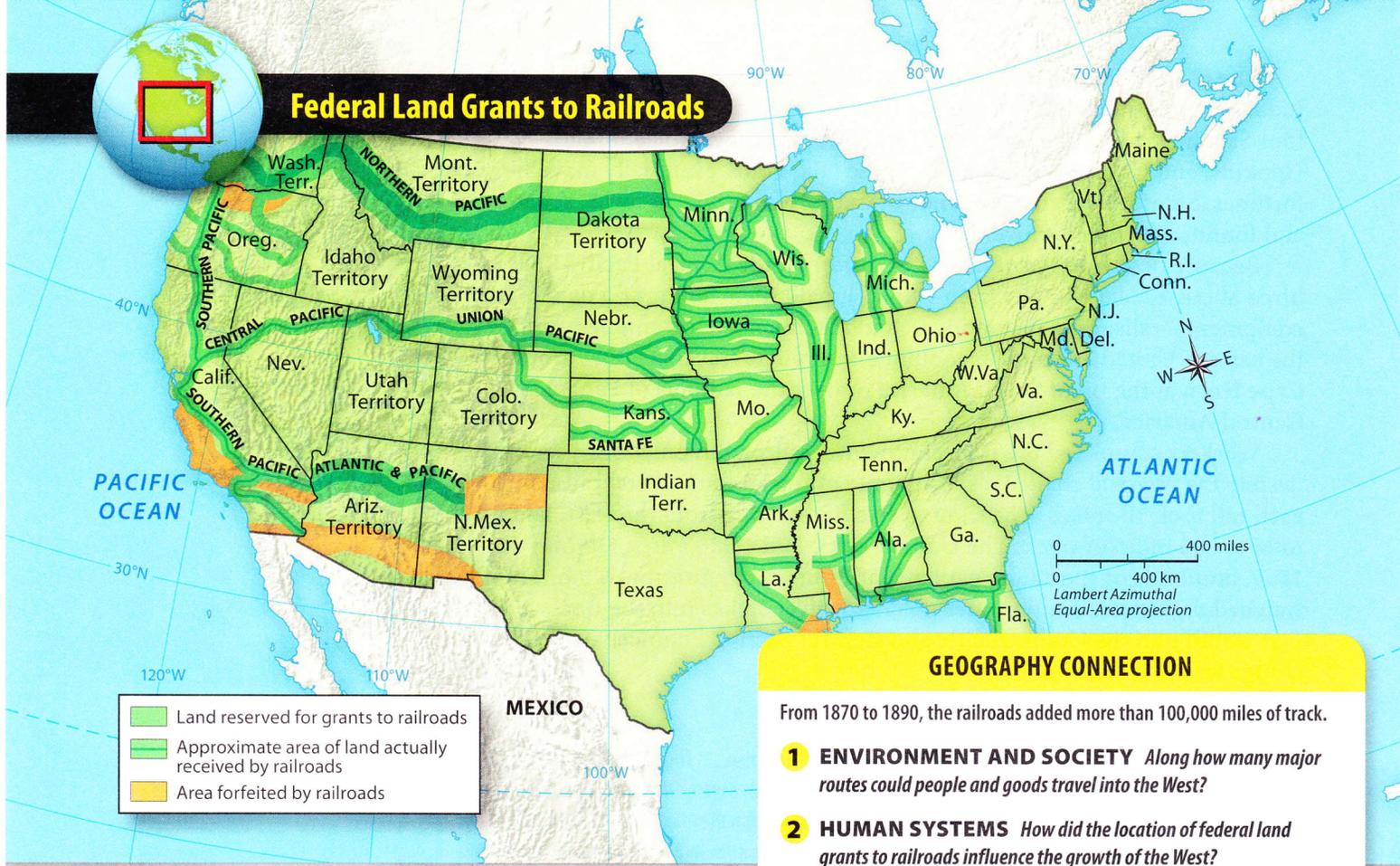
**integrate** to combine two previously separate things



The Union Pacific and Central Pacific lines met in Utah. Ceremonial gold and silver spikes were driven into the track, joining the two lines.

#### CRITICAL THINKING

**Predicting Consequences** How might the completion of the transcontinental railroad change American life?



the growth of new industries such as the Florida tourist trade. As rail systems grew, increased efficiency helped freight prices drop by over half between 1860 and 1900.

The railroads even unified the nation's clocks. Before the 1880s, each community set its own clocks, creating multiple local time zones. This interfered with train scheduling and passenger safety. These issues spurred the American Railway Association to divide the country into four **time zones** in 1883.

### READING PROGRESS CHECK

**Explaining** How did the transcontinental railroad help unite the nation?

## Robber Barons

**GUIDING QUESTION** How did government grants to build railroads result in large-scale corruption?

Most private **investors** could not raise the money needed to build railroads. As a result, the federal government gave **land grants** to many railroad companies. Companies sold the land to raise money for construction. In time, the great wealth accumulated by many railroad entrepreneurs, such as Cornelius Vanderbilt and Jay Gould, led to accusations of swindling investors and taxpayers and bribing officials. Bribery did occur, partly because the government helped fund railroads. To get more grants, some investors began bribing members of Congress.

### The Crédit Mobilier Scandal

Corruption in the railroad industry became public in 1872 with the Crédit Mobilier scandal. Crédit Mobilier was a construction company set up by

