

Ambition Theory Reconsidered:
“Boss” Tweed, Fernando Wood, and Gilded Age Political Wealth Accumulation

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The Gilded Age and Ambition Theory: Another Look

Political science has difficulty grappling with the harsh realities of ambition, money, and power. Ambition Theory, for example, posits that office-seekers are rational actors who have “progressive ambition” for higher office. Since Joseph Schlesinger’s 1966 book *Ambition and Power*, the literature has further developed his initial observation that “a politician’s behavior is a response to his office goals.”¹ One area that continues to remain cloudy, however, is the tension between an individual’s greed and their ambition for office. The Ambition School is steeped in behavior economics and large-n statistical studies that obscure how this dialectic has unfolded in actual historical political careers. How do we make sense of this muddle? The method advanced in this paper is to examine critical junctures within political careers where ambition for wealth openly clashed with ambition for power. By using these demonstrative cases we can better make sense of how historical actors themselves understood important decisions.

The Gilded Age in American political development was a period of rapacious political wealth accumulation. Two New York politicians stand out in the historical literature for their brazen accumulation of outsized political fortunes, William “Boss” Tweed and Fernando Wood. They were longtime officeholders and party leaders during the antebellum, Civil War, and Reconstruction eras. Both managed to make themselves millionaires not long after the very concept was invented. How exactly did Tweed and Wood use politics to further their greed? When did their mercenary approach to politics serve to advance their careers? And why did such entrepreneurial activities inhibit their political advancement?

¹ Joseph Schlesinger, *Ambition and Politics: Political Careers in the United States* (Chicago, IL: Rand McNally 1966), 6.

The case of Fernando Wood represents a useful analytic contrast to William Tweed, whose influence in New York politics eclipsed that of Wood in the 1860s but whose fortunes—both political and financial—collapsed abruptly in the early 1870s. The historian Edward K. Spann put it bluntly: “Wood went to Congress, Tweed went to jail.”² What Spann failed to mention, however, was an equally significant outcome. Wood and his family maintained their political wealth, and even expanded it over time. Tweed and his family lost everything.

Fernando Wood: Beyond the “Two-Penny” Office

Fernando Wood’s career stretched fifty years, from the 1830s to the 1880s. He served as Gotham’s political center of gravity for a decade from the mid 1850s to the mid 1860s, winning the mayoralty three times and then later holding a U.S. House seat for twenty years. Electoral victories were fragile, however. He won mayoral elections with bare pluralities in crowded fields of multiple candidates, parties, and factions, and later traded away this citywide influence to maintain a congressional career. Thus, Wood’s domination of the local scene was real but tenuous. Within this context of political uncertainty, Wood seized numerous opportunities to fill his pockets with spoils.

Yet, Fernando Wood found himself unceremoniously pushed to the sidelines of the political arena in the 1860s and 1870s. The outcome of the Civil War closed the most important chapter in Wood’s career and severely limited his future political options. Union victory cemented the Republican Party’s national control, and brought with it policies anathema to Wood: stronger national government, industrial protectionism, and progress for newly enfranchised African Americans. At the same time, realignment in

² Edward K. Spann, *The New Metropolis: New York City, 1840-1857* (New York: Columbia 1981), 397.

local New York politics favored William Tweed and his Tammany allies. Strengthened by their position as the loyal opposition during the war, under Tweed's leadership Tammany Hall consolidated the support of Wood's former base among working-class Irish and German immigrant voters. Coupled with this loss of popular support was the impact of the corruption issue that trailed each of Wood's mayoral administrations. The collapse of confidence in Wood among elite New Yorkers—principally merchants and uptown property owners—proved fatal to his efforts to organize the broad coalitions necessary for city or statewide electoral success. In later bids, Wood failed repeatedly to be taken as a serious contender for mayor, governor, U.S. Senator, and congressional leadership positions. Instead, Wood spent the next two decades representing Manhattan's Fifth and then Ninth District in the U.S. House of Representatives. Control of this House seat was a brokered exile, indicative of enduring but much-reduced political influence. Even as an elder statesman in the House of Representatives, Wood was stymied in his quest to win the speakership, due in significant part to his legacy of greed-driven politics.

The historian Edward Pessen has shown that, contrary to Tocquevilleian assumptions and American mythology, nineteenth-century mobility between social classes was rare.³ At the same time, Wood stands as a notable outlier to Pessen's empirical finding. Where others failed, Fernando Wood *did* in fact manage to rise from proverbial rags to riches. A penniless youth, he tried his hand at a series of trades—actor, clerk, tobacconist, shopkeeper, ship chandler, and merchant. Each of these efforts met with disappointment. “Instead of waiting, like [Charles Dickens'] Mr. Micwaber, for something to turn up,” wrote one hagiographic campaign biography, “he himself turned

³ Edward Pessen, *Riches, Class, and Power: America Before the Civil War* (New Brunswick, NJ: Transaction Publishers, 1990).

something up; no matter what, he thought, so it were work, were industry, were resolute self-maintenance.”⁴ Left unspoken by the biographer, and unexplored by scholars, was that the truly significant opportunities “turned up” were political in nature.

Nineteenth century accounts recycled Fernando Wood’s own claim that he followed the traditional republican model in which disinterested gentlemen “retired” into civic life after a long successful career in business.⁵ Crucial to this conception of officeholding was the equation of wealth with virtue. Gentlemen were assumed to be above using public service for what Alexander Hamilton called the “sinister accumulation of wealth.”⁶ In the *New York Times*’ thirty-year biographical retrospective of Wood after his death, the paper maintained that upon becoming mayor in the 1850s, he “withdrew from business activities, after making a fortune in the shipping trade.”⁷ This story remains the standard interpretation today in no small part due to Wood’s own effort. Along with his brother and sister-in-law, Fernando actively cultivated and shaped his public image as an old-line propertied gentleman. Such a task included embellishing family histories, and in some cases, such as that of Ida Mayfield Wood, inventing them altogether.⁸

In contrast to prevailing legend, the construction of Fernando Wood’s business empire lay not in mercantile wealth established prior to his political career but in profit-seeking activity simultaneous to his government influence. He moved into politics as the

⁴ Xavier Donald MacLeod, *Biography of Honorable Fernando Wood, Mayor of the City of New York* (New-York: O.F. Parsons, 1856), 47.

⁵ Gordon Wood, *The Radicalism of the American Revolution* (New York: Vintage Books, 1991), 287-304.

⁶ Alexander Hamilton’s phrase. Alexander Hamilton, “The Reynolds Pamphlet,” in *The Works of Alexander Hamilton*, ed. Henry Cabot Lodge, (New York: G.P. Putnam’s Sons [1797] 1904).

⁷ The *New York Times*, June 9, 1912. See also, Typical of this view is Laura Carter Holloway, *Famous American Fortunes and the Men Who Made Them, A Series of Sketches* (Philadelphia, PA: Garret & Co. 1885), 713-19.

⁸ Mushkat, *Fernando Wood: A Political Biography* (Kent State University Press, 1990), chapter 1.

most practical means to expand his fortune, and in this sense, represented a new breed of political careerism dependent upon access to and control over public policy and government budgets. Instead of the republican model, where the amateur “retired” into politics and subsequently rotated out, Wood’s behavior is better described as that of a capitalist who traveled from one industry to another by rational outgrowth of a search for the highest profit margins.

Fernando (born 1812) and his brothers Benjamin (1820) and Henry (1825) grew up in abject poverty. Itinerant in their early years, they experienced great difficulty finding their initial footing in life. Before his first term in Congress in 1842, Wood had briefly operated a “Wine and Segar” shop and also a liquor store, both of which had little success. Upon his abrupt return to private life, he found it necessary to borrow from creditors to finance his new chandlery firm.⁹ To make ends meet, Wood requested a choice political appointment through party channels as dispatch agent for the State Department in the Polk Administration. In an ironic twist, as a Congressman, Wood had actually denounced the very post as an example of government waste. The “sinecure,” he explained in a speech on the floor of the House, consisted of “forwarding despatches—probably once a month—not consuming more than an hour of...time.”¹⁰

Now with his business struggling and second wife pregnant, he pleaded with Secretary John C. Calhoun for appointment as a New York dispatch agent. “My pecuniary circumstances induces me” to make this request out of “your friendship and generosity,” explained Wood in his correspondence. This job “would put some 6 or 800

⁹ New York *Evening Post*, May 5, 1845.

¹⁰ *Congressional Globe*, 27th Congress, 2nd Session, Vol. 11 No. 31, May 14, 1842, 494. See also Samuel Pleasants, *Fernando Wood of New York* (New York: Columbia University Press, 1948), 23-4.

dollars per annum in my pocket, *which God only knows I need very much.*”¹¹ Calhoun obliged, in recognition of Wood’s congressional voting record as one of the most pro-slavery northern members of the House. Wood collected official government dispatches from returning ships and sent out new ones to those departing. This “two-penny office,” as he disparagingly called it, operated as a kind of partisan social insurance, reducing Wood’s dependence on private financing or the vagaries of the job market. The modest salary subsidized Wood’s struggling chandlery firm and allowed him to migrate his new family, including three children, uptown into Manhattan’s 19th Ward. Fernando’s first real break came during the California gold rush in 1848, when he organized the shipment of gold mining supplies on the *John Carter*. He earned \$40,000, including profits rightfully owed to his business partner, Edward E. Marvine.¹² With these funds and his second wife’s dowry, Fernando funded his first major forays into real estate speculation and political struggles.¹³ But he was not yet rich. Tellingly, despite his gold rush windfall, Wood held onto his State Department sinecure until 1850, at which time the Democrats were turned out of power.

In the following decade, Fernando Wood reached the apex of his renown. He became the first mayor to serve three terms; elected from 1855 to 1857, he won reelection but was defeated the following year when the Republican State legislature called for new elections. In 1859, he recaptured the mayor’s office and his name was brandished as a viable gubernatorial and vice-presidential candidate. After 1863, however, Wood’s political career stagnated due to a confluence of political corruption, national issues, and local rivalries. He was relegated to the House of Representatives, where his attention

¹¹ Original emphasis. Mushkat, *Fernando Wood*, 19-21.

¹² Two years later courts ordered Wood to pay Marvine \$15,000. Inghram, *Villainies*, 7.

¹³ Mushkat, *Fernando Wood*, 23.

turned. The political scientist Joseph Schlesinger refers to this stationary-type position as “discrete ambition.”¹⁴ It was certainly not by choice.

The experience of Fernando Wood shows that ambition for power and ambition for money operate in relation to each other; they may both advance, but even if political power is stymied, money can still be accumulated. Wood continued to profit from politics long after his failure to regain his former position at the center of New York’s political world. In the 1850s, Wood’s political and business interests grew together. As Wood became a leading figure in New York politics, so too did he become wealthy enough to simulate the trappings of a gentlemen, including a fabricated backstory that whitewashed evidence of childhood poverty. After the 1863, Fernando Wood’s success in politics and business diverged. Wood became a wealthy member of high society even as rivals closed him out of leadership positions in the Democratic Party and opportunities for higher office.

Fernando Wood and Central Park

The crux of Fernando Wood’s fortune was real estate: acquiring land, leveraging it as capital, selling, and renting it. Wood’s political career coexisted with an extended real estate boom that had begun with the 1825 opening of the Erie Canal and, until the time of his death in 1881, was halted only periodically by fires, financial panics, war, and depression. Through the Democratic Party, the mayor’s office, his U.S. House seat, and business and civic networks, Wood converted political pull into landed property during this time of explosive growth in the economy and built environment.

¹⁴ Schlesinger, 10.

Land on the island of Manhattan was already a scarce commodity by the 1830s. At midcentury, land ownership was highly concentrated into hands of the few.¹⁵ A mere 2.1% of the population owned landed property, and the majority of propertied families owned only a house and the plot underneath it.¹⁶ Along with trade, real estate emerged as a main source of the Manhattan elite's "superwealth."¹⁷ State and local government were integral to creating this duality of scarcity and plenty by enforcing private property rights, managing the city's expansion through enclosures, urban planning (such as the 1811 grid system), and land-enhancing improvements.¹⁸ Importantly, the city also leased and sold public lands, and was itself a tenant of private commercial landowners.

The creation of Central Park is a prime example of how Wood directed developmental politics to his own benefit. As the city's nineteenth-century population swelled and outgrew the "walking city," developers devoured all available green space to maximize economic potential. Wealthy New Yorkers fled uptown for reasons ranging from status to sanitation, and civic boosters called for a public park that would offer refuge from the overbuilt disorder of downtown business and swelling working-class districts. Roy Rosenzweig and Elizabeth Blackmar explain that Central Park emerged from "a complex mix of motivations—to make money, to display the city's cultivation, to lift up the poor, to refine the rich, to advance commercial interests, to retard commercial development, to improve public health, to curry political favor, to provide jobs."¹⁹ The plan was controversial for several reasons. It would be a significant public investment,

¹⁵ Elizabeth Blackmar, *Manhattan for Rent, 1785-1850* (Ithaca: Cornell University Press, 1990).

¹⁶ David Scobey, *Empire City: The Making and Meaning of the New York City Landscape* (Philadelphia, PA: Temple University Press, 2002), 126.

¹⁷ Spann, 207.

¹⁸ Blackmar, 157.

¹⁹ Roy Rosenzweig and Elizabeth Blackmar, *The Park and the People: A History of Central Park* (Ithaca: Cornell University Press, 1992), 18.

surpassing even the cost of the Croton Aqueduct, which itself represented a revolution in debt-financed public works.²⁰ The new plan called for taking 840 acres out of one of the most competitive real estate markets in the country. Large east side landowners such as the Beekmans had more to gain from a centrally located park than one covering Jones's Wood. Fiscal hawks in the city council deemed the original plan far too costly and proposed a smaller and less ambitious project that would make the southern border at 72nd Street.²¹

At the height of his first-term popularity, Mayor Fernando Wood opposed this alternative proposal as too narrow in scope. In his 1855 veto message, he reasoned, "To admit the necessity of a great Park, and to assert that this will be too large, is in my view an exceedingly limited view of the question."²² Wood's veto was decisive and ended years of uncertainty. He rescued nearly a quarter of the park by maintaining its southern border at 59th Street, a total area that today includes Swan Lake, Sheep Meadow, the Mall, the zoo, and Wollman Rink. For this action he was heartily applauded by uptown park boosters, many of who were Republicans, for his civic virtue and long-term vision. This veto played a major part in the endorsement for his 1856 reelection campaign by one hundred of the city's largest property owners.²³ In his public stance on the park, Wood thus styled himself as a disinterested public servant devoted to "rural beauty, healthful recreation and pure atmosphere."²⁴

²⁰ Joanne Abel Goldman, *Building New York's Sewers: Developing Mechanisms of Urban Management* (West Lafayette: Purdue University Press, 1997).

²¹ Ian Stewart, "Politics and the Park: The Fight for Central Park," in Neil Shumsky ed., *The Physical City: Public Space and the Infrastructure* (New York, Garland Publishing, 1996), 18-49.

²² *New York Times*, March 24, 1855.

²³ Other signers such as the Brown Brothers, New York cotton merchants, backed Wood for his support of slavery. *New York Herald*, September 3, 1856.

²⁴ *New York Times*, March 24, 1855.

In reality, he was heavily invested, both politically and financially. The grandiosity of the endeavor generated huge national press for Wood, and helped position him as the country's "model mayor" and a potential presidential candidate. As a large-scale public works project, it also made very practical sense. Control over construction jobs and building contracts quickly became the city's single largest source of patronage, and the mayor's appointments to the Central Park Commission were rightly understood to be the most important of his administration. Wood eventually lost control over the park and its spoils after a protracted struggle with the Republican state legislature. The Charter of 1857, written with the express purpose of turning Wood out of office, allowed Republican commissioners to turn those park jobs against his reelection.²⁵ Many historians have analyzed these political angles. No one has yet unpacked Wood's financial angle in the momentous public undertaking.

For Wood, a tremendous amount of personal property hung in the balance as he decided the fate of Manhattan's greatest park. In 1848, he had invested his wife's dowry and a \$4,000 mortgage toward purchase of the old Somerindyck estate near Bloomingdale Road (today's Broadway) and 75th Street.²⁶ Following the park's initial announcement during the administration of Ambrose Kingsland in 1851, he flipped several uptown parcels of land. At the time of his mayoral veto in 1855, Wood was among the largest landowners on the Upper West Side. These were not one-off investments such as the kind that Wood later took advantage of in other instances. The year construction began in 1857—a year of financial panic and widespread social unrest—Wood had already purchased 123 separate lots in Ward 22, adjacent to the

²⁵ Rosenzweig and Blackmar, 96-7, 154.

²⁶ Mushkat, *Fernando Wood*, 23.

proposed park, with a total value of \$42,610 (over a million in today's dollars). This included plots of land as high as 83rd Street and as low as 53th Street. In all, this speculative reach accounted for about 4 percent of the ward's entire real estate value in 1857. Although this percentage may appear relatively low, it was in fact quite high; ownership in the ward was dispersed among hundreds of the city's elite families.²⁷ Along with the Astors and Delanoes, Fernando Wood was among the most heavily invested in the long-term success of Upper West Side development.

By exercising mayoral prerogative, Wood created a major locational advantage for his property. For example, part of his landholdings went from bordering Seneca Village, a vibrant independent community of free Blacks, subsequently removed through eminent domain, to neighboring one the most celebrated urban projects of the nineteenth century.²⁸ Notably, the creation of Central Park greatly accelerated uptown development and concentrated speculation around its borders, much as property owners hoped it would. If the Common Council's stingier park design had won the day, many of Fernando's holdings—and his younger brother Henry's lots, valued in 1857 at \$4,300 (or \$104,429 today)—would have been nearly twenty blocks away from the park and excluded from the benefits of rising land values.²⁹

The speculative windfall was nothing less than breathtaking. Value of taxable land in the three wards surrounding the park doubled in five years after the beginning of

²⁷ See for instance, David Scobey, *Empire City: The Making and Meaning of the New York City Landscape* (Philadelphia, PA: Temple University Press, 2002), 126.

²⁸ Leslie M. Alexander, *African or American? Black Identity and Political Activism in New York City, 1784-1861* (University of Illinois Press, 2008), 168.

²⁹ Fernando Wood and Henry Wood, Record of Tax Assessments, Manhattan, Ward 22, 1857 vol. 1 & 2, Municipal Archives, City of New York.

construction and quadrupled after ten.³⁰ The historians Rosenzweig and Blackmar note that some early (and lucky) uptown investments reaped dizzying profits between 1,000 percent and 2,000 percent.³¹ The value of *one* of Wood's plots located at 87th street and 11th avenue appreciated 3,900 percent from 1857 to 1871.³² Before the Depression of 1873, he sold an entire block for \$250,000 off the park at 60th street between Madison Avenue and Lexington (nearly \$5 million today).³³

Historians have never asked where Fernando Wood found the money during his political heyday to finance Mozart Hall (his party faction), litigate the city's position against the Charter of 1857 in state courts, pay for loyal delegations to Democratic Party conventions, or even how he could afford generous "loans" to politicians like Stephen Douglas (which he used to actively court a vice-presidential nomination in 1860).³⁴ Wood leveraged the speculative windfall from these plots near the west side of Central Park to finance his national political aspirations.

The Woods' Commercial Real Estate Business

As a way to diversify business operations and spread risk, another income generating strategy employed by Wood was to become one of the city government's most conspicuous landlords. Both Fernando and his brother Benjamin rented office space to the City of New York at highly favorable rates. The timing of this new venture is

³⁰ Real Estate Record Association, *A History of Real Estate Building and Architecture in New York City During the Last Quarter of a Century*, New York: Record and Guide, 1898, [Reprint, Arno Press, 1967]), 43.

³¹ Rosenzweig and Blackmar, 85.

³² From an original \$400 investment in 1857 to a \$16,000 sale in 1871. *Real Estate Record and Builders' Guide*, No. 8, Vol. 174, July 15, 1871, 17.

³³ *Real Estate Record and Builders' Guide*, Vol. 8, No. 180, August 26, 1871, 84.

³⁴ Wood loaned Douglas \$39,000 for property in Cook County. Mushkat, *Fernando Wood*, 23. Pleasants, 166. Allen Johnson, *Stephen A. Douglas: A Study in American Politics* (New York: Macmillan Company, 1908), 383.

politically significant. The Wood brothers moved into commercial real estate in the 1860s when the wartime economy created a need for them to find new sources of income but also made it difficult to find suitable tenants. For a number of reasons, including corruption and Confederate sympathies, Mozart Hall was essentially vanquished in local politics after Fernando's third place finish in the mayoral election of 1862. In what may appropriately be called the Third Phase of Fernando's political career, he was elected to Congress and began focusing time and energy on national political issues and capitol society life. Benjamin remained influential locally. He held seats in the New York State Senate and U.S. House of Representatives, and continued to hold his position as editor of the *Daily News* until 1907. He was also a fixture of the Democratic Party elite's Manhattan Club.

Benjamin Wood signed his first three-year lease while his brother was mayor in 1860, renting part of 19 Chatham Street to the City Inspector's Department for \$5,000 annually (\$126,000 today). Benjamin continued to rent this space to the city until the 1875.³⁵ Fernando and the city signed their first lease in 1863 to rent the old Artisan Bank premises at 115 and 117 Nassau Street. Despite paying rent, the city's Corporation Counsel never moved in and Wood re-leased the space to a second tenant, thereby collecting two rents.³⁶ In 1865, Fernando negotiated another lease, this time covering ten

³⁵ Corporation of the City of New York, *Annual Report of the Comptroller Exhibiting Revenues and Expenditures of City Government including Operations of the Several Trust and Sinking Funds For the Year 1860*, Document No. 16 (New York: Edmund Jones & Co., 1861), 92. *New York Tribune*, August 24, 1865. *Commercial Advertiser*, June 15, 1867. Corporation of the City of New York, *Communication of the Comptroller, Transmitting Financial Estimates or Budget for the Year 1868, Together With Draft of an Ordinance Making the Annual Appropriations for Said Year*, Document No. 3, (New York, E. Jones & Co. 1868), 43. *New York Times*, October 18, 1873.

³⁶ Pleasants, 172-5.

years for \$18,000 annually (\$266,000 today).³⁷ Critics charged that Fernando had bribed the council with a hefty \$21,000 in cash. If he did so, the bribe would have been well within the prevailing norms for securing city contracts. However, these public accusations obscure a more important factor in the transaction.

At the same time the leases were negotiated with the city council, Mozart Hall, the Woods' political operation, agreed to endorse the entire slate of Tammany Hall without reciprocity; that is to say, without Tammany's equal support of Mozart candidates. Benjamin himself withdrew from a congressional race and endorsed the Tammany candidacy. The only Tammany endorsement of a Mozart nominee was Fernando Wood for the House of Representatives.³⁸ This move likely sealed the extremely favorable terms of the lease deal, and explains the curious question why the Common Council, filled with the Woods' enemies, voted nearly unanimously for the expensive contract.³⁹ In a nutshell, Wood received inflated rents and a House seat in exchange for uniting Democratic factions under Tammany's control. Other members of the political and social elite also rented commercial space to city agencies, such as the Brennan brothers, with their political base in the Five Points, William B. Astor, who was Manhattan's leading patrician, and the wartime Republican mayor George Opdyke. Yet, no one ever received the same deals, either in compensation or duration, as Fernando Wood and his brother. In practice, Fernando's 1865 lease marked an official surrender of

³⁷ Corporation of the City of New York, *Communication of the Comptroller*, 44. Mushkat, *Fernando Wood*, 157.

³⁸ *Commercial Advertiser*, October 31, 1866.

³⁹ That is not to say, of course, that all his rivals accepted the generous terms of this agreement. Fernando was in and out of court defending the lease until he was awarded the entire rent, plus interest, in an 1868 ruling by Judge Albert Cardozo, who had previously benefited from Mozart support. *Evening Post*, May 8, 1867. See also *The Ermine in the Ring: A History of the Wood Lease Case* (G.P. Putnam & Son, 1869).

local ambitions and inaugurated a period of Tammany hegemony in city politics that reigned until the collapse of the Tweed ring six years later.

Missed Opportunities: Wood's Congressional Career

Fernando Wood served in the House of Representatives continuously from 1862 until 1881, with the exception of a one-term election defeat from 1864 to 1866. After his second mayoral defeat in 1867, Wood recalibrated his “progressive ambition” away from local politics and towards the nation’s capital. Symbolic of this new direction, he purchased a \$40,000 mansion in Washington D.C. at the corner of I and 15th Streets. Wood’s goal was now to become Speaker of the House. Two major factors prevented him from attaining this goal. The first was structural: Republicans held a virtual monopoly on federal government for nearly the entire period of Wood’s congressional career, and therefore upward House mobility was highly restricted. The second factor was personal. Despite seniority and support among colleagues, the Democratic Caucus ultimately chose to pass him over for speaker to avoid association with his embarrassing legacy of mercenary politics.

Open talk of Fernando Wood’s desire for congressional leadership began immediately upon his election to the House in 1862.⁴⁰ Such possibility reflected his prominent opposition to the war and the importance of New York as a wartime haven of Democratic politics. Once in Washington, D.C. Wood embarked upon a long-term charm offensive, positioning himself and Alice, his wife, as patrons of the social circuit. Over the next decade, Wood ingratiated himself not only with the Democratic rank-and-file,

⁴⁰ See for instance the gossip noted on November 6, 1862 in Maria Lydig Daly, *Diary of a Union Lady, 1861-1865*, Harold Hammond ed., (University of Nebraska Press, 2000), 195.

but also with Republican House leaders, who he courted for committee assignments that would allow him to build a base of support for his own leadership ambitions. For example, he loaned money to the Republican Speaker James Blaine (R-ME), a notoriously transactional legislator, who placed him on Foreign Affairs and the Select Committee for Reform of Civil Service.⁴¹

In 1873, the House Democratic Caucus nominated Wood for chair on the second ballot, outpolling his next closest opponent 44 to 22 votes.⁴² In this capacity he was officially the speaker-in-waiting, since Republicans controlled the chamber by a huge margin. When Democrats won control of the House in the midterm elections the next year, Wood was ideally placed to lead the House at the moment of the party's long-awaited return to power. It was not to be. At a meeting of Democrats before the first official session, a minority faction was so vehemently opposed the idea of electing Wood speaker that they threatened to bolt for the Republican candidate.⁴³

This vocal opposition derailed Wood's leadership aspirations. With Wood at the helm, they argued, it would be impossible for the party to seize the mantle of reform in the midst of Republican corruption scandals in Congress and the Grant Administration. Anti-Wood Democrats anonymously published and circulated a pamphlet attacking Wood's long history of political wealth accumulation going back to the 1850s, *A Condensed Biography of a Candidate for Speaker! Fernando Wood, his Forgeries and Other Crimes*. The pamphlet held nothing back—it called upon caucus members to reject Wood, a “moral leper” who had been “dishonest in his mercantile transactions, and

⁴¹ Blaine was a major participant in the Crédit Mobilier scandal. Mushkat, *Fernando Wood*, 196.

⁴² Jeffery A. Jenkins and Charles Stewart, III, *Fighting for the Speakership: The House and the Rise of Party Government* (Princeton, NJ: Princeton University Press, 2012), 398.

⁴³ *Ibid.*, 254.

unfaithful to his public trusts.”⁴⁴ Essentially, the pamphlet relitigated embarrassing old scandals already well known to New Yorkers. As more recent evidence of unfitness for office, opponents cited Wood’s role in the congressional “salary grab” of 1872.

The “salary grab” was a black spot on Fernando Wood’s relatively clean congressional career. As the biographer Jerome Mushkat points out, Wood passed up several opportunities to cash in on the Gilded Age culture of congressional graft. He took no part in the Crédit Mobilier scam, in which Representative Oakes Ames (R-MA) supplied members of Congress with Union Pacific Stock in return for favorable votes on railroad subsidies and land grants.⁴⁵ The “salary grab” was a separate controversy that occurred in the wake of the Crédit Mobilier scandal, which had already destroyed public confidence in Congress. In March 1873, congressmen from both parties voted themselves a \$2,000 per year raise (or \$38,000 today), retroactive for two years, plus higher travel allowances. Wood supported the raise as a practical measure to build a wide coalition for his upcoming campaign for speaker. Unfortunately for him, the exercise in self-dealing was ill timed. The country was suffering from a full-on depression. Public outrage and bad press led to a repeal of the “salary grab.”

The salary episode marked Wood as politically vulnerable by unearthing his long history of mercenary political behavior and drawing unwanted attention to reputation as a corrupt machine pol. Still, Wood withdrew himself from consideration only after it was clear the speakership was well beyond his reach, suffering considerable embarrassment in front of his caucus. Three years after withdrawal from the race for speaker, Wood secured

⁴⁴ *A Condensed Biography of a Candidate for Speaker! Fernando Wood, his Forgeries and Other Crimes* (1875), 1.

⁴⁵ Wood’s decision to pass may be due to the fact that Crédit Mobilier was largely a Republican scandal. However, it is also notable that Benjamin Wood owned hundreds of thousands of dollars of Union Pacific stock, which opens the tantalizing possibility that Fernando did in fact participate in the scheme by directing stock through his brother, despite a voting record might indicate the contrary.

chairmanship of powerful Ways and Means committee, in recognition of his seniority. Nevertheless, the committee chairmanship was a consolation prize compared to his decades long ambition to hold a public office of national stature.

William “Boss” Tweed & Gilded Age Political Capitalism

Born in 1823 to a modest New York artisan family, William Tweed moved into politics from participation in civic and fraternal organizations. In his youth, when wealthy merchants dominated local office, he harbored nativist sympathies and flirted with Whiggery.⁴⁶ Outgrowing these affiliations, Tweed became a Democratic officeholder in the 1850s as the exodus of men of distinction from downtown Manhattan opened the possibility of political careers to shopkeepers and artisans.⁴⁷ In 1857, he owned a struggling chairmaking shop and earned \$3,600 per year as a County Board Supervisor.⁴⁸ At the start of the Civil War in 1861, Tweed was \$57,150 in debt with only a few articles of clothing to his name.⁴⁹ Giving up the family business, he moved full-time into public life and recovered his financial health.

Tweed used his position on the County Board of Supervisors as a springboard to prominence as the chief negotiator of the compromise that ended the bloody draft riots of July 1863.⁵⁰ The following year, he became president of the Board of Supervisors and through his rising position in Tammany parlayed this opportunity into an 1865 appointment as deputy street commissioner in Mayor John Hoffman’s administration.

⁴⁶ Tyler Anbinder, “Boss Tweed: Nativist” *Journal of the Early Republic*, 15:1 (Spring 1995), 109-116; Hershkowitz, 9-10.

⁴⁷ Edwin Burrows and Mike Wallace, *Gotham: A History of New York City to 1898* (New York: Oxford University Press 1999), 823.

⁴⁸ Alexander Callow Jr., *The Tweed Ring* (New York: Oxford University Press, 1966), 46.

⁴⁹ Leo Hershkowitz, *Tweed’s New York: Another Look* (Garden City, NY: Anchor Press, 1977), 85.

⁵⁰ Iver Bernstein, *The New York City Draft Riots: The Significance for American Society and Politics in the Age of the Civil War* (Lincoln, NE: University of Nebraska Press, 1990), 60-4, 202.

Tweed's combined elected and appointed salaries in 1865 totaled \$9,500, a notable income but hardly a princely one; yet, he managed to purchase Linwood, an 80-acre country estate in Greenwich, Connecticut for a sum nearly double that size.⁵¹ In 1866, Tweed reported earnings of \$11,576 on his federal income tax filings.⁵² Two years later, Tweed was elected to the New York State Senate from lower Manhattan and the Ring's business truly began. Tweed estimated his own financial worth at its 1871 apex to be \$3 million, or \$57 million today.⁵³ The years between 1866 and 1871 were thus breathtakingly profitable.

In the parlance of the day, William Tweed and several political associates formed a "Ring," or small cooperating group that managed to control interlocking elected and appointed party and government offices. Ring members first rose to prominence during the 1850s and early 1860s within Tammany Hall, a local faction of the Democratic Party and the principal rival to Wood's Mozart Hall. Following the election of Tammany Mayor John T. Hoffman in 1865 and Tammany's sweep of state and local elections in the campaign of 1868, the group expanded their sphere of influence in Albany and City Hall. With Tweed's guidance, the state legislature passed the Charter of 1870 and a Tax Levy bill, which reorganized local legislative and executive functions into new municipal departments. Importantly, these bills also created a Board of Audit overseeing city finances. Together, the following Ring members filled the newly formed Board and

⁵¹ Frank Hubbard, *Other Days in Greenwich* (New York: J.F. Tapley Company, 1913), 202; Elizabeth Clarke, *Before and After 1776: A Comprehensive Chronology of the Town of Greenwich, 1640-1976* (Greenwich, CT: Historical Society of the Town of Greenwich 1976), 51.

⁵² Assessment lists, 1862-1874, Department of Treasury, Office of the Commissioner of Internal Revenue, New York, New York, Division 16, District 5, 1866, NARA via Ancestry.com.

⁵³ Board of Alderman, *Report of the Special Committee of the Board of Alderman Appointed to Investigate the "Ring" Frauds with the Testimony Elicited During the Investigation*, Document no. 8 (New York: Martin B. Brown, 1878), 372; *New York Herald*, April 9, 1875, 3; Ackerman, 185-6, 251, 257, 316, 333; Hershkowitz, 156, 265, 203;

reorganized city departments: William Tweed, state senator and Commissioner of Public Works (an appointed city position), Abraham Oakey Hall, mayor, Richard Connolly, city comptroller, and Peter Sweeny, district attorney and president of the Parks Department (also an appointed position).⁵⁴

Tweed, Hall, Connolly, and Sweeny were former rivals with long political careers who cooperated to carry out the business of politics. They had witnessed the failure of “one-man rule” during the mayoral administrations of Fernando Wood, when his attempt to centralize municipal patronage only succeeded in uniting opponents. During the 1860s, Ring members forged an alliance of convenience and leveraged their party and public offices for mutual benefit; not only did they govern together, but they purchased land together and sat on the same corporate boards. At their peak of influence in 1871 there was serious talk about prospects for national office. By the year’s end all four men were plagued by scandal and, in the words of one local politico, “dead socially and politically.”⁵⁵ Driven from office, harassed by the press and civil and criminal suits, their political careers were over and their reputations and personal finances lay in ruin. Tweed died in jail, lonely and broke; he could not even afford his sister-in-law Margaret a small loan to buy coal for winter.⁵⁶

During the Ring’s heyday from 1868 to 1871, William Tweed expanded and diversified his business portfolio. His reach included the Erie Railroad Board of Directors, leadership positions with several banks, ownership of the New York Printing Company and the *Transcript*, and management of the luxury six-story four hundred-room

⁵⁴ New York *Tribune*, July 29, 1871; Charles F. Wingate, “An Episode in Municipal Government” *The North American Review* (1874), 359-407.

⁵⁵ Quoted in Kenneth Ackerman, *Boss Tweed: The Rise and Fall of the Corrupt Pol Who Conceived the Soul of New York* (New York: Carroll & Graf Publishers, 2005), 315.

⁵⁶ William M. Tweed to Margaret Sands Tweed, November 3, 1877, Richard M. Tweed Papers, Southwest Collection, Texas Tech University, Lubbock, Texas.

Metropolitan Hotel. In this period of explosive urban growth, Tweed became one of Manhattan's largest property owners, with coveted real estate across the city.⁵⁷ He also held investments in a variety of enterprises: upstate iron mines, a whiskey distillery, a gas company, the Brooklyn Bridge Corporation, and the New York Railway Company. In addition, Tweed was a proactive business entrepreneur. He incorporated and organized financing for the Real Estate Trust Company, a luxury steamboat line, and a cigar company named the Tobacco Manufacturers' Association.⁵⁸

Estimating the exact size of Tweed's fortune obscures the fact that he was capable of calling upon great reserves of economic capital. Several politically controlled banks, namely the Tenth National Bank, the National Broadway Bank, the Guardian Savings Bank, and the Bowling Green Savings Bank, held hundreds of thousands of dollars of deposits from the city's Police, Fire, and Public Works Departments, along with other public benefit funds, Catholic charities, and minor accounts held by downtown laborers.⁵⁹ At one point during Jay Gould's brief corner of the gold market, Tweed instructed the Tenth National Bank to certify tens of millions in checks with city deposits as collateral. In later testimony, bank clerks recalled that Tweed withdrew money off the books.⁶⁰ Tellingly, when these financial institutions became insolvent, the first thing they did was

⁵⁷ New York *Herald*, April 15, 1875; Hershkowitz, 203; Ackerman, 106.

⁵⁸ State of New York, *Journal of the Senate of the State of New York*, 94th Session, (Albany: the Argus Company, 1871), 28, 830; Frank S. Witherbee, *History of the Iron Industry of Essex County, New York* (Essex County Republican, 1906), 20; State of New York, *Report of the Select Committee in Relation to the Charges Against Hon. James Wood, Senator for 30th District*, Document no. 54 (Albany: Argus 1872); Hubbard, 202-217; Hershkowitz, 156; New York *Times*, June 3 and September 9, 10, 1872.

⁵⁹ New York *Times*, March 11, 1876; *Gill v. Guardian*, 403-404; Board of Alderman, "Report of the Auditor of Accounts for Quarter Ending in March 30, 1872," Document no. 6, *Documents of the Board of Aldermen of the City of New York For the Year 1872* (New York: M.B. Brown & Co., 1873), 13, 22, 76, 199, 200, 228, 316, 355.

⁶⁰ Kenneth Ackerman, *The Gold Ring: Jim Fisk, Jay Gould, and Black Friday, 1869* (New York: Harper Business, 1988), 151, 165, 215.

look to him for a bailout.⁶¹ The *New York Times* referred to these banks as “William M. Tweed in corporate capacity” because they financed Ring activities and served as conduits for payments between the business elite and Tammany.⁶²

The Ring fused together a powerful urban pro-growth coalition in the late 1860s and early 1870s where earlier attempts failed. Industrialists and speculators such as Jim Fisk, Jay Gould, and Cornelius Vanderbilt received state railroad charters. The financial sector obtained a massive increase in municipal debt that was sold to European investors, with the *éminence grise* of the Democratic Party, August Belmont, in the role of ambassador.⁶³ Real estate brokers enjoyed booming property values. Tammany’s commitment to land-enhancing public works contributed to a “revolution” in land values; in the words of the Real Estate Record Association it was “the greatest speculative craze that has so far affected New York real estate.”⁶⁴ Politically connected contractors, many originating from lower wards, were awarded a slice of the building frenzy.⁶⁵ An incredible 12,000 strong army of immigrant workers nicknamed the “Shiny Hat Brigade” swelled the ranks of public employment, offering a stable source of work, tightening the labor market, and driving up wages.⁶⁶ Catholic institutions such as schools and charities were subsidized by public money. Together with seasonal Tammany funds distributed through local ward leaders, the historian John Pratt has argued this systematic program of

⁶¹ *New York Tribune*, November 20, 1871.

⁶² *New York Times*, October 3, 1871.

⁶³ From 1867 to 1871, municipal debt ballooned from \$30 million to \$90 million, two-thirds of which grew from January 1, 1869 to September 17, 1871. Morton Keller, *Affairs of State: Public Life in Nineteenth Century America* (Cambridge, MA: Belknap Press, 1977), 116; David Black, *The King of Fifth Avenue: The Fortunes of August Belmont* (New York: Dial Press, 1981), 589.

⁶⁴ Roy Rosenzweig and Elizabeth Blackmar, *The Park and the People: A History of Central Park* (Ithaca, NY: Cornell University Press, 1992), 263-283. Beckert, 150-1. Hershkowitz, 138-9; Real Estate Record Association, *A History of Real Estate Building and Architecture in New York City During the Last Quarter of a Century New York* (New York: Record and Guide: 1898. Reprint, Arno Press, 1967), 45-69.

⁶⁵ Callow, 198-206.

⁶⁶ Callow, 88; Mushkat, 348; Real Estate Record Association, 65.

religious welfare functioned as partisan social insurance.⁶⁷ The political class was paid off in cash or offices. “The cost of votes” in state and local legislatures, wrote the *Sun*, “is as well known as the price of gold on Broad Street.”⁶⁸ Finally, the silk stocking crowd was delivered—for a time—their much-valued social peace and, since new spending came from borrowed funds, relatively low taxes.⁶⁹

Control over political resources allowed the Tweed Ring to reshape the balance of power in New York’s political economy. The County Courthouse and Central Park were public endeavors from which Tweed extracted millions in graft. But a similar fate awaited the Brooklyn Bridge, controlled by the New York Bridge Corporation, a private entity, had Tweed not fallen out of power before building started on the New York side of the East River. Importantly, it was Bridge sponsors who approached Tweed for help in securing city financing, and not the other way around, despite the fact he was not a member of the city council but state legislature. Indicative of Tweed’s business terms, investigations later disclosed that he had negotiated himself a sizable number of the Bridge Company’s shares as a “gift” as well as positions on the Board of Trustees for himself and several close allies. The pattern was similar with railroads, banks, newspapers, and utilities.⁷⁰ In another noteworthy example of simultaneously pursuing personal and political agendas, the Ring negotiated a large fare reduction for their working-class constituents commuting by ferry between Manhattan and Brooklyn. In

⁶⁷ Pratt, 396-411.

⁶⁸ New York *Sun*, February 6, 1871; Board of Aldermen, Document No. 8, 21; New York *Herald*, April 3 and July 1, 1868; Edward Renehan, Jr., *Dark Genius of Wall Street: The Misunderstood Life of Jay Gould, King of Wall Street* (New York: Basic Books, 2005), 133.

⁶⁹ Beckert, 173-4; Allan Nevins and Milton Halsey Thomas, ed. *The Diary of George Templeton Strong, The Post-War Years, 1865-1875*, Volume IV (New York: Octagon Books), 171; Keller, 120.

⁷⁰ Board of Aldermen, Document No. 8, 126-130. *Irish American*, September 9, 1877.

return, the cost of the Union Ferry Company's lease with the city dropped from \$103,000 annually to a mere dollar, not including a sizeable one-time donation to Ring members.⁷¹

Tweed's downfall in 1871 was the product of a convergence of factors: the first major reemergence of public disorder since the Civil War draft riots, revelation of the true state of city finances, mobilization of the city's bourgeoisie to recapture political office, and the collapse of Tammany's banking institutions. Together, these events resulted in the total withdrawal of public confidence. On July 12, 1871, Protestant and Catholic Irish rioted on Eighth Avenue over commemoration of the Battle of the Boyne. All sides condemned Ring leaders for their inability to manage ethnic conflict and class tensions.⁷² Shortly thereafter, Tweed's enemies in the press were provided with materials to substantiate long-held suspicions of public misconduct. Once the full scope of graft became apparent, an emergency "Committee of Seventy" formed on September 3, 1871 made up of industrialists, bankers, and professionals, who proclaimed it their duty to hound Tweed, Sweeny, Hall, and Connolly out of office through public pressure and waves of civil and criminal suits.⁷³ One thousand of the city's wealthiest taxpayers announced they would refuse to pay further taxes until city finances were audited. Mainstream banks refused to extend the city loans. It was a full-scale civic strike of economic-capital holding New Yorkers.⁷⁴

In November 1871, reform forces effectively severed the Ring's main artery of economic capital by recapturing the comptroller's office. Andrew Green, Connolly's replacement, sought to move city money away from the Guardian Savings Bank; when

⁷¹ Norvin H. Green, "From Periauger to Diesel, or, The Saga of the New York Harbor Ferries," Vol. 2, Unpublished manuscript, Norvin H. Green Papers, New-York Historical Society.

⁷² Bernstein, 228-236; Burrows and Wallace, 1002-8.

⁷³ Beckert, 180-192.

⁷⁴ Martin Shefter, *Political Crisis/Fiscal Crisis: The Collapse and Revival of New York City* (New York: Columbia University Press, 1992), 18; Beckert, 171.

the bank could not muster sufficient funds to make the transfer, the “wildest rumors circulated” about the solvency of all Tammany financial institutions. Ensuing panic led to the failure of the Guardian Savings Bank, followed promptly by the Bowling Green Savings Bank, both of which had incorporated in 1868 at the Ring’s beginning. Three other Tammany banks, the Tenth National, Yorkville Savings, and National Savings, also teetered on the brink. On November 18, large crowds of furious depositors “besieged” the doors of these shuttered banks. “Many of the persons waiting outside [of the Guardian Bank] were wet to the skin by the heavy rain,” described the *Commercial Advertiser*. “Several of them were Irishwomen who showered excretions upon the officers of the bank,” where Tweed was president. Working-class immigrants were not the only ones affected. “The petty politicians...are howling with indignation” at the prospect of losing their money, reported the *New York World*.⁷⁵ Before the Ring’s existence, Tammany’s leadership and political constituencies were poor in economic capital but rich in votes and public offices. The post 1868 expansion of Tammany’s banking sector was an effort to bridge this gap.⁷⁶ Loss of public confidence crippled these financial institutions, and with it, the Ring’s political infrastructure. In the following election of 1872, a chorus of reformers won victories at the polls.

Conclusions: Greed & Political Opportunity

The two historical cases presented here demonstrate the interdependence between ambition and greed in the strategic choices made by public figures. During his career,

⁷⁵ New York *Herald*, November 18, 20, 21, 1871; New York *Evening Post*, November 18, 1871; New York *World*, November 21, 1871; New York *Tribune*, November 30, 1871; Willis Seaver Paine, *A Summary of Savings Banks that Have Failed in the State of New York* (New York: The Financier, 1906), 28-31, 35, 41.

⁷⁶ This analysis is indebted to Stephen Mihm, *A Nation of Counterfeiters: Capitalists, Con Men, and the Making of the United States* (Cambridge, MA: 2007), 15.

Wood tried to achieve both higher office and great wealth. Ultimately, a combination of structural forces and personal choices forced him to select one path over the other. In series of party negotiations and business deals made throughout the 1860s, Wood orchestrated an exit from the local scene on favorable terms, removing himself from the struggle over the most lucrative spoils. In doing so, Fernando Wood secured the permanence of his vast wealth that was built through the politically mediated processes of real estate speculation, public subsidies, and public monopolies. Together with his brother Benjamin, the Woods not only avoided the downfall of other prominent political wealth accumulators, such as William Tweed, but they continued to benefit from political rents until their deaths.

The major difference between Wood and Tweed then is that Tweed's activities represented a potential alternative way of organizing New York's political economy. William Tweed was not simply speculating through traditional avenues but incorporating new businesses, chartering new banks, and fostering new political institutions. His ambition for power and wealth engendered a tremendous amount of opposition from the upper class who felt an existential threat was posed by Tweed's ability to accumulate material profits from elected and appointed office. Indeed, Tweed's ascent was quick and dramatic. For example, Tweed was hired as an Erie Railroad lobbyist in the 1860s. By the end of the decade he served on its board of directors. In 1871, he was preparing to incorporate his own railroad, the New York Viaduct Railway. Thus, the very year of his downfall he was poised to no longer simply be working for railroads. He would have owned one.

Nearly all studies of political behavior in American politics assume that the main purpose or value of public office is for ambitious politicians to wield that office's express or implicit powers. In this 'textbook' model, an officeseeker holds policy preferences and once elected or appointed, uses the powers of that office to advance those preferences. Emblematic of this approach is Joseph Schlesinger's theoretic examination of "progressive ambition," which assumes that politics is about more political power, and that seeking higher office is the way to achieve it. The experience of Wood and Tweed demonstrate another way in which public office is valuable: as a means of private wealth accumulation. Their upward social mobility is exemplary of this Gilded Age political road to riches.