

Atlas Shrugged - The Plot in a Nutshell

By

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The story of *Atlas Shrugged* takes place in the United States at an unspecified future time. Dagny Taggart, vice president in charge of operations for Taggart Transcontinental Railroad, seeks to rebuild the crumbling track of the Rio Norte Line that serves Ellis Wyatt's oil fields and the booming industrial areas of Colorado. The country is in a downward economic spiral with businesses closing and men out of work. Other countries in the world have become socialist Peoples' States and are destitute. Colorado, based on Wyatt's innovative method of extracting oil from shale, is the last great industrial center on earth. Dagny intends to provide Colorado the train service it requires, but her brother James Taggart, president of Taggart Transcontinental, tries to block her from getting new rails from Rearden Steel, the last reliable steel manufacturer. James wants to do business with the inefficient Associated Steel, which is run by his friend Orren Boyle. Dagny wants the new rail to be made of Rearden Metal, a new alloy that Hank Rearden developed after ten years of experiment. Because the metal has never been tried and has been denounced by metallurgists, James won't accept responsibility for using it. Dagny, who studied engineering in college, has seen the results of Rearden's tests. She accepts the responsibility and orders the rails made of Rearden Metal.

Worsening the economic depression in the U.S. is the unexplained phenomenon of talented men retiring and disappearing. For example, Owen Kellogg, a bright young Taggart employee for whom Dagny had great hopes, tells her that he is leaving the railroad. McNamara, a contractor who was supposed to rebuild the Rio Norte Line, retires unexpectedly. As more great men disappear, the American people become increasingly pessimistic. Dagny dislikes the new phrase that has crept into the language and signifies people's sense of futility and despair. Nobody knows the origin or exact meaning of the question "Who is John Galt?," but people use the unanswerable question to express their sense of hopelessness. Dagny rejects the widespread pessimism and finds a new contractor for the Rio Norte Line.

The crisis for Taggart Transcontinental worsens when the railroad's San Sebastian Line proves to be worthless and is nationalized by the Mexican government. The line, which cost millions of dollars, was supposed to provide freight service for the San Sebastian Mines, a new venture by Francisco d'Anconia, the wealthiest copper industrialist in the world. Francisco was Dagny's childhood friend and her former lover, but she now regards him as a worthless playboy. In this latest venture, d'Anconia has steered investors completely wrong, causing huge financial losses and a general sense of unrest.

James Taggart, in an attempt to recover the railroad's losses on the San Sebastian Line, uses his political friendships to influence the vote of the National Alliance of Railroads. The Alliance passes what's known as the "Anti-dog-eat-dog rule," prohibiting "cutthroat" competition. The rule puts the superb Phoenix-Durango Railroad, Taggart Transcontinental's competitor for the Colorado freight traffic, out of business. With the Phoenix-Durango line gone, Dagny must rebuild the Rio Norte Line quickly.

Dagny asks Francisco, who is in New York, what his purpose was in building the worthless Mexican mines. He tells her that it was to damage d'Anconia Copper and Taggart Transcontinental, as well as to cause secondary destructive consequences. Dagny is dumbfounded, unable to reconcile such a destructive purpose from the brilliant, productive industrialist Francisco was just ten years earlier. Not long after this conversation, Francisco appears at a celebration for Hank Rearden's wedding anniversary. Rearden's wife Lillian, his mother, and his brother are nonproductive freeloaders who believe that the strong are morally obliged to support the weak. Rearden no longer loves and cannot respect them, but he pities their weakness and carries them on his back. Francisco meets Rearden for the first time and warns him that the freeloaders have a weapon that they are using against him. Rearden questions why Francisco has come to the party, but Francisco says that he merely wished to become acquainted with Rearden. He won't explain his presence any further.

Although public opinion and an incompetent contractor are working against them, Dagny and Rearden build the Rio Norte Line. Rearden designs an innovative bridge for the line that takes advantage of the properties that his new metal possesses. The State Science Institute, a government research organization,

tries to bribe and threaten Rearden to keep his metal off the market, but he won't give in. The Institute then issues a statement devoid of factual evidence that alleges possible weaknesses in the structure of Rearden Metal. Taggart stock crashes, the contractor quits, and the railroad union forbids its employees to work on the Rio Norte Line. When Dr. Robert Stadler, a brilliant theoretical scientist in whose name the State Science Institute was founded, refuses to publicly defend Rearden Metal even though he knows its value, Dagny makes a decision. She tells her brother that she will take a leave of absence, form her own company, and build the Rio Norte Line on her own. She signs a contract saying that when the line is successfully completed, she'll turn it back over to Taggart Transcontinental. Dagny chooses to name it the John Galt Line in defiance of the general pessimism that surrounds her.

Rearden and the leading businessmen of Colorado invest in the John Galt Line. Rearden feels a strong sexual attraction to Dagny but, because he regards sex as a demeaning impulse, doesn't act on his attraction. The government passes the Equalization of Opportunity Bill that prevents an individual from owning companies in different fields. The bill prohibits Rearden from owning the mines that supply him with the raw materials he needs to make Rearden Metal. However, Rearden creates a new design for the John Galt Line's Rearden Metal Bridge, realizing that if he combines a truss with an arch, it will enable him to maximize the best qualities of the new metal.

Dagny completes construction of the Line ahead of schedule. She and Rearden ride in the engine cab on the Line's first train run, which is a resounding success. Rearden and Dagny have dinner at Ellis Wyatt's home to celebrate. After dinner, Dagny and Rearden make love for the first time. The next day, Rearden is contemptuous of them both for what he considers their low urges, but Dagny is radiantly happy. She rejects Rearden's estimate, knowing that their sexual attraction is based on mutual admiration for each other's noblest qualities.

Dagny and Rearden go on vacation together, driving around the country looking at abandoned factories. At the ruins of the Twentieth Century Motor Company's factory in Wisconsin, they find the remnant of a motor with the potential to change the world. The motor was able to draw static electricity from the atmosphere and convert it to usable energy, but now it is destroyed.

Realizing how much the motor would benefit the transportation industry, Dagny vows to find the inventor. At the same time, she must fight against new proposed legislation. Various economic pressure groups, seeking to cash in on the industrial success of Colorado, want the government to force the successful companies to share their profits. Dagny knows that the legislation would put Wyatt Oil and the other Colorado companies out of business, destroy the Rio Norte Line, and remove the profit she needs to rebuild the rest of the transcontinental rail system, but she's powerless to prevent the legislation.

Dagny continues her nationwide quest to find the inventor of the motor, and she finally finds the widow of the engineer who ran the automobile company's research department. The widow tells Dagny that a young scientist working for her husband invented the motor. She doesn't know his name, but she provides a clue that leads Dagny to a cook in an isolated Wyoming diner. The cook tells Dagny to forget the inventor of the motor because he won't be found until he chooses. Dagny is shocked to discover that the cook is Hugh Akston, the world's greatest living philosopher. She goes to Cheyenne and discovers that Wesley Mouch, the new economic coordinator of the country, has issued a series of directives that will result in the strangling of Colorado's industrial success. Dagny rushes to Colorado but arrives too late. Ellis Wyatt, in defiance of the government's edict, set fire to his oil wells and retired.

Months later, the situation in Colorado continues to deteriorate. With the Wyatt oil wells out of business, the economy struggles. Several of the other major industrialists have retired and disappeared; nobody knows where they've gone. Dagny is forced to cut trains on the Colorado schedule. The one bright spot of her work is her continued search for the inventor of the motor. She speaks to Robert Stadler who recommends a young scientist, Quentin Daniels of the Utah Institute of Technology, as a man capable of undertaking the motor's reconstruction.

The State Science Institute orders 10,000 tons of Rearden Metal for a top-secret project, but Rearden refuses to sell it to them. Rearden sells to Ken Danagger, the country's best producer of coal, an amount of Rearden Metal that the law deems illegal. Meanwhile, at the reception for James Taggart's wedding, Francisco d'Anconia publicly defends the morality of producing wealth. Rearden overhears what Francisco

says and finds himself increasingly drawn to this supposedly worthless playboy. The day following the reception, Rearden's wife discovers that he's having an affair, but she doesn't know with whom. A manipulator who seeks control over her husband, Lillian uses guilt as a weapon against him.

Dr. Ferris of the State Science Institute tells Rearden that he knows of the illegal sale to Ken Danagger and will take Rearden to trial if he refuses to sell the Institute the metal it needs. Rearden refuses, and the government brings charges against himself and Danagger. Dagny, in the meantime, has become convinced that a destroyer is loose in the world—some evil creature that is deliberately luring away the brains of the world for a purpose she cannot understand. Her diligent assistant, Eddie Willers, knows that Dagny's fears are justified. He eats his meals in the workers' cafeteria, where he has befriended a nameless worker. Eddie tells the worker about Dagny's fear that Danagger is next in line for the destroyer—that he'll be the next to retire and disappear. Dagny races to Pittsburgh to meet with Danagger to convince him to stay, but she's too late. Someone has already met with Danagger and convinced him to retire. In a mood of joyous serenity, Danagger tells Dagny that nothing could convince him to remain. The next day, he disappears.

Francisco visits Rearden and empathizes with the pain he has endured because of the invention of Rearden Metal. Francisco begins to ask Rearden what could make such suffering worthwhile when an accident strikes one of Rearden's furnaces. Francisco and Rearden race to the scene and work arduously to make the necessary repairs. Afterward, when Rearden asks him to finish his question, Francisco says that he knows the answer and departs.

At his trial, Rearden states that he doesn't recognize his deal with Danagger as a criminal action and, consequently, doesn't recognize the court's right to try him. He says that a man has the right to own the product of his effort and to trade it voluntarily with others. The government has no moral basis for outlawing the voluntary exchange of goods and services. The government, he says, has the power to seize his metal by force, and they have the power to compel him at the point of a gun. But he won't cooperate with their demands, and he won't pretend that the process is civil. If the government wishes to deal with men by compulsion, it must do so openly. Rearden states that he won't help the government pretend that his trial is anything but the initiation of a forced seizure of his metal. He says that he's proud of his metal, he's proud of his mills, he's proud of every penny that he's earned by his own hard work, and he'll not cooperate by voluntarily yielding one cent that is his. Rearden says that the government will have to seize his money and products by force, just like the robber it is. At this point, the crowd bursts into applause. The judges recognize the truth of what Rearden says and refuse to stand before the American people as open thieves. In the end, they fine Rearden and suspend the sentence.

Because of the new economic restrictions, the major Colorado industrialists have all retired and disappeared. Freight traffic has dwindled, and Taggart Transcontinental has been forced to shut down the Rio Norte Line. The railroad is in terrible condition: It is losing money, the government has convinced James Taggart to grant wage raises, and there is ominous talk that the railroad will be forced to cut shipping rates. At the same time, Wesley Mouch is desperate for Rearden to cooperate with the increasingly dictatorial government. Because Rearden came to Taggart's wedding celebration, Mouch believes that Taggart can influence Rearden. Mouch implies that a trade is possible: If Taggart can convince Rearden to cooperate, Mouch will prevent the government from forcing a cut in shipping rates. Taggart appeals to Lillian for help, and Lillian discovers that Dagny Taggart is her husband's lover.

In response to devastating economic conditions, the government passes the radical Directive 10-289, which requires that all workers stay at their current jobs, all businesses remain open, and all patents and inventions be voluntarily turned over to the government. When she hears the news, Dagny resigns from the railroad. Rearden doesn't resign from Rearden Steel, however, because he has two weeks to sign the certificate turning his metal over to the government, and he wants to be there to refuse when the time is up. Dr. Floyd Ferris of the State Science Institute comes to Rearden and says that the government has evidence of his affair with Dagny Taggart and will make it public—dragging Dagny's name through the gutter—if he refuses to sign over his metal. Rearden now knows that his desire for Dagny is the highest virtue he possesses and is free of all guilt regarding it, but he's a man who pays his own way. He knows that he should have divorced Lillian long ago and openly declared his love for Dagny. His guilt and error gave his enemies this weapon. He must pay for his own error and not allow Dagny to suffer, so he signs.

Dagny has retreated to a hunting lodge in the mountains that she inherited from her father. She's trying to decide what to do with the rest of her life when word reaches her that a train wreck of enormous proportions has destroyed the famed Taggart Tunnel through the heart of the Rockies, making all transcontinental traffic impossible on the main track. She rushes back to New York to resume her duties, and she reroutes all transcontinental traffic. She receives a letter from Quentin Daniels telling her that, because of Directive 10-289, he's quitting. Dagny plans to go west to inspect the track and to talk to Daniels.

On the train ride west, Dagny rescues a hobo who is riding the rails. He used to work for the Twentieth Century Motor Company. He tells her that the company put into practice the communist slogan, "From each according to his ability, to each according to his need," a scheme that resulted in enslaving the able to the unable. The first man to quit was a young engineer, who walked out of a mass meeting saying that he would put an end to this once and for all by "stopping the motor of the world." The bum tells her that as the years passed and they saw factories close, production drop, and great minds retire and disappear, they began to wonder if the young engineer, whose name was John Galt, succeeded.

On her trip west, Dagny's train is stalled when the crew abandons it. She finds an airplane and continues on to Utah to find Daniels, but she learns at the airport that Daniels left with a visitor in a beautiful plane. Realizing that the visitor is the "destroyer," she gives chase, flying among the most inaccessible peaks of the Rockies. Her plane crashes.

Dagny finds herself in Atlantis, the hidden valley to which the great minds have gone to escape the persecution of a dictatorial government. She finds that John Galt does exist and that he's the man she's been seeking in two ways: He is both the inventor of the motor and the "destroyer," the man draining the brains of the world. All the great men she admires are here—inventors, industrialists, philosophers, scientists, and artists. Dagny learns that the brains are on strike. They refuse to think, create, and work in a world that forces them to sacrifice themselves to society. They're on strike against the creed of self-sacrifice, in favor of a man's right to his own life.

Dagny falls in love with Galt, who has loved and watched her for years. But Dagny is a scab, the most dangerous enemy of the strike, and Galt won't touch her—yet. Dagny has the choice to join the strike and remain in the valley or go back to her railroad and the collapsing outside world. She is torn, but she refuses to give up the railroad and returns. Although Galt's friends don't want him to expose himself to the danger, he returns as well, so he can be near at hand when Dagny decides she's had enough.

When she returns, Dagny finds that the government has nationalized the railroad industry and controls it under a Railroad Unification Plan. Dagny can no longer make business decisions based on matters of production and profit; she is subject to the arbitrary whims of the dictators. The government wants Dagny to make a reassuring speech to the public on the radio and threatens her with the revelation of her affair with Rearden. On the air, Dagny proudly states that she was Rearden's lover and that he signed his metal over to the government only because of a blackmail threat. Before being cut off the air, Dagny succeeds in warning the American people about the ruthless dictatorship that the United States government is becoming.

Because of the government's socialist policies, the collapse of the U. S. economy is imminent. Francisco d'Anconia destroys his holdings and disappears because his properties worldwide are about to be nationalized. He leaves the "looters"—the parasites who feed off the producers—nothing, wiping out millions of dollars belonging to corrupt American investors like James Taggart. Meanwhile, politicians use their economic power to create their own personal empires. In one such scheme, the Taggart freight cars needed to haul the Minnesota wheat harvest to market are diverted to a project run by the relatives of powerful politicians. The wheat rots at the Taggart stations, the farmers riot, farms shut down (as do many of the companies providing them with equipment), people lose their jobs, and severe food shortages result.

During an emergency breakdown at the Taggart Terminal in New York City, Dagny finds that John Galt is one of the railroad's unskilled laborers. She sees him in the crowd of men ready to carry out her commands. After completing her task, Dagny walks into the abandoned tunnels, knowing that Galt will follow. They make love for the first time, and he then returns to his mindless labor.

The government smuggles its men into Rearden's mills, pretending that they're steelworkers. The union of steelworkers asks for a raise, but the government refuses, making it sound as if the refusal comes from Rearden. When Rearden rejects the Steel Unification Plan the government wants to spring on him, they use the thugs they've slipped into his mills to start a riot. The pretense of protecting Rearden is the government's excuse for taking over his mills. But Francisco d'Anconia, under an assumed name, has taken a job at Rearden's mills. He organizes the workers, and they successfully defend the mills against the government's thugs. Afterward, Francisco tells Rearden the rest of the things he wants him to know. Rearden retires, disappears, and joins the strike.

Mr. Thompson, the head of state, is set to address the nation regarding its dire economic conditions. But before he begins to speak, he is preempted, cut off the air by a motor of incalculable power. John Galt addresses the nation instead. Galt informs citizens that the men of the mind are on strike, that they require freedom of thought and action, and that they refuse to work under the dictatorship in power. The thinkers won't return, Galt says, until human society recognizes an individual's right to live his own life. Only when the moral code of self-sacrifice is rejected will the thinkers be free to create, and only then will they return.

The government rulers are desperate. Frantically, they seek John Galt. They want him to become economic dictator of the country so the men of the mind will come back and save the government, but Galt refuses. Realizing that Dagny thinks the same way that Galt does, the government has her followed. Mr. Thompson makes clear to Dagny that certain members of the government fear and hate Galt, and that if they find him first, they may kill him. Terrified, Dagny goes to Galt's apartment to see if he's still alive. The government's men follow her and take Galt into custody, and the rulers attempt to convince Galt to take charge of the country's economy. He refuses. They torture him, yet still he refuses. In the end, the strikers come to his rescue. Francisco and Rearden, joined now by Dagny, assault the grounds of the State Science Institute where Galt is held captive. They kill some guards and incapacitate others, release Galt, and return to the valley. Dagny and Galt are united. Shortly after, the final collapse of the looters' regime occurs, and the men of the mind are free to return to the world.