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National Capital Parks

A STUDY OF THE HISTORY OF THE POTOMAC RIVER VALLEY

Prepared in connection with

A REPORT TO CONGRESS

on the

~~PRO~~POSED PARKWAY ALONG THE CHESAPEAKE AND OHIO CANAL
BETWEEN GREAT FALLS AND CUMBERLAND, MARYLAND

by

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INTRODUCTION

By Public Law 618 (80th Congress, 2d Session, Chapter 435), approved June 10, 1948, the Congress authorized a survey of the federally-owned Chesapeake and Ohio Canal between Great Falls, Maryland, and Cumberland, Maryland. The purpose of this act was to supply information for the use of the Congress upon the advisability and practicability of constructing a parkway upon the abandoned waterway. The following report contains the findings of this study, together with relevant phases of the historical background and pertinent engineering details.

The recent interest of Congress in the Chesapeake and Ohio Canal is a logical continuation of an earlier concern. The Potomac improvement project has had a consistently close relationship to the District of Columbia and to the federal government over the course of the past two centuries. The Potomac route to the West was one of the earliest known and exploited, and it has always been of particular interest because of its central location and its relation to the city of Washington. Many prominent persons in the federal government have taken a direct interest in the development of the various projects to improve the route Nature provided.

A further stimulus to Congressional interest has been the rich historical heritage of the area concerned. Here occurred a good part of the significant events of the French and Indian War, some of the earliest experiments in canal building and

river navigation, one of the clearest tests of the comparative merits of canals and railroads, the rise of an important coal center in the early years of that industry, the dramatic raid by John Brown, and the stirring events of the Civil War. Here also may be found physical evidences of America's geological eras and of her pre-Columbian inhabitants. Because the region has not been extensively developed in the past century, the Potomac Valley bears many traces of our past unchanged by the passage of time and the growth of an urban civilization. Much of the charm of the natural setting, justly famed for its rugged beauty, has been preserved also.

A National Capital Parks' press release, dated August 10, 1938, captures the feeling which has permeated this study as it developed, in saying "the Chesapeake and Ohio Canal has a political significance outranked only by the Potomac River, which it parallels." The rich heritage of the area, the prominent role of the canal in the stirring events, and the scenic splendor of the valley along the canal right-of-way all seem to recommend the parkway project for the further consideration of the Congress.

CHAPTER ONE

The Valley and its Inhabitants

The Potomac Valley holds today, as it has from the earliest times, the continuing interest of those who become acquainted with it. The attraction which its physical beauty exerted upon its earliest discoverers has been enhanced over the course of several centuries by the addition of a rich vein of history woven through and around the picturesque valley. At one time an area in dispute between representative tribes of the major Indian linguistic groups, the Potomac has, since the seventeenth century, served Americans as a home, a route for trade and migration, and a strategic economic and political region. A full and fair evaluation of the Potomac Parkway proposal must therefore include consideration of the historical and natural setting of the project. The account in the pages following is intended to summarize, as far as present historical knowledge of the area permits relevant material on the physical and historical background of the Parkway proposal.

The geological history of the valley provides much to interest both the amateur and the professional geologist. According to the latest consensus, long before the Potomac Valley came into existence the region experienced a series of upheavals and submergences which formed the rock strata now visible. The Potomac Valley itself is the result of stream erosion in a much less ancient time. According to one group of writers:¹

During Archean times that region was part of a sea bed on which great thicknesses of sediment accumulated. ... During the Paleozoic era the Appalachian Mountain area was a long narrow trough covered for long periods by the sea. ... As the trough became nearly filled with sediment, the region became a great swamp...

The Paleozoic era ended with stresses that buckled the Appalachian strata into a series of mountainous swells and troughs, and reversed the drainage as far as the line of the Blue Ridge. ...

The first Appalachian Mountains probably attained Alpine proportions, but during the Mesozoic era they were eroded to their roots. Meanwhile the reversal of drainage progressed westward by stream capture. Early in the Triassic period there was an outburst of seismic energy. Along a great fault plane east of Catoctin Mountain, a broad area was dropped more than a mile to form the floor of the Frederick Valley. ... Erosion continued throughout the Triassic and Jurassic periods, until the whole of what became Maryland was worn down to become part of an almost flat plain that covered all eastern North America. ...

The Cretaceous period began with a warping of the land that flooded the coast as far as the present Fall Line, but raised the inland region and gave new velocity—hence, cutting power—to the rivers. ...

The cataclysmic disturbance ending the Mesozoic era had no effect in the area. The gently arched surface was gradually worn down once more to a low and monotonous plain (the Schooley Peneplain), with sluggish rivers winding across it in ever-changing courses. After the formation of this plain the land began to rise so gradually that the rivers were able to incise their meandering courses into the rock. A number of entrenched meanders remain along the Upper Potomac and its branches. In time the underlying rock structures of the Appalachian region had its effect on the river courses. Where the sandstones and other hard rocks came to the surface along the flanks of the truncated folds, ridges were formed whose crests were at the former plain level; they deflected the streams, which then carved valleys in the softer shales and limestones. The middle parts of the ancient swells, as well as the troughs between, are now valleys; the crests of the mountains lie near the level of the

dissected plain, forming a remarkably even horizon. The harder, more low-lying Piedmont rocks have preserved a similar surface of more recent date.

Throughout at least two great geological eras (literally thousands of feet of rock have been removed by the erosion of unknown ancient streams and) the Potomac has emerged (in this century) as a winding, twisting river, plunging over numerous rapids and falls through narrow gorges and flowing through quiet pools in fertile valleys, amid scenes as widely contrasting as those of bucolic tranquility and rugged, almost literally primordial, rock formations. Mounting the valley from the national capital today, the traveller passes through five of the six great topographical sections of the eastern seaboard, excepting only the Atlantic shore region.² From tidewater in the District of Columbia and southwestern Montgomery County through the Piedmond, the Blue Ridge, and the great valley to the massive Appalachian backbone one may see every variety of soil characteristic of the region (again excepting the present ocean shore) and most species of the native flora and fauna of the area still extant.³ It is no mere passing remark to say that the Potomac Valley is truly a storehouse of natural wonders relatively unspoiled by the disturbances of recent technological developments.

The tidewater region is represented in the upper Potomac Valley by the short stretch of the river below Little Falls. The Piedmont area commences at Little Falls, from which the valley rises gently by a series of water-worn plateaus to the Blue Ridge, west of the Monocacy Valley. The Blue Ridge section extends from

the Catoctin Mountains, the site of the bitter controversy between the Baltimore and Ohio Railroad and the Chesapeake and Ohio Canal for the right of way in the Potomac Valley, to the South Mountain.

The fourth section, the great valley known in Virginia as the Shenandoah and in Maryland and Pennsylvania as the Cumberland, is in reality a series of minor folds, averaging five hundred feet above sea level, rather than a single basin. This is the famous limestone area for which the Potomac Valley has long been so well known. Here the historically famous Antietam and Conococheague Rivers on the north and the Shenandoah and Opequon Rivers on the south flow to meet the Potomac. The Shenandoah River, readily accessible from the proposed parkway, has an interesting geological origin itself.⁴ The streams of northern Virginia originally flowed from west to east as do the James and Potomac today. During the undulations of the earth's surface, a new stream formed flowing from south to north. This river, the Shenandoah, gradually undercut the west-east streams such as the Rappahannock and the Rapidan and diverted the flow to the Potomac, leaving only the famous wind gaps in the Blue Ridge which play such havoc with weather east of the mountains as evidences of the former course of the streams. The great valley is also known for its underground caverns, sink-holes, et cetera, and is one of the principal historic areas of the Potomac region.

The last great distinct physical section of the Potomac is the Appalachian region. In Maryland alone there are fifteen separate ridges in this massive mountain barrier, ranging upward from sixteen hundred feet.⁵ Here are found steep cliffs and huge

boulders in the winding river bed, fragments left by the cutting of the Potomac through the mountains. From the earliest days travellers have commented on the rugged beauty of this region. On the Maryland side the streams are relatively short and precipitous, but on the south, the Cacapon and the South Branch of the Potomac are impressive rivers in their own right. The latter indeed is longer than the North Branch, and there have been many who have insisted that it is the main bed of the Potomac.⁶ Cumberland, the western end of the Chesapeake and Ohio Canal and of the proposed parkway, is set in a natural amphitheater at the mouth of Wills Creek. The site was early recognized as being of strategic value and has consequently had a long and interesting history. Physically and historically it is a logical terminus for the proposed parkway.

Turning from the physical background to a consideration of the record of human habitation in the valley, one encounters some confusion arising from the sketchy character of current knowledge concerning pre-European occupation of the area. Thus the following account is a tentative outline which may be expanded and modified by subsequent investigations.

There is no doubt that human beings were living in the Potomac Valley long before the historical Indian tribes moved in. Prehistoric man may have roamed through the area from Folsomoid sites in Virginia. This would place the earliest entrance of man into the valley between 10,000 and 25,000 years ago.⁷ Regardless of this reasonable conjecture, sites discovered below the present city of Washington indicate that human habitation definitely existed in the Archaic period (to 900 A.D.)⁸

The intermediate period is not so well represented in the Potomac Valley, possibly because it had a less spectacular aspect than the contemporaneous mound-building cultures to the south and west. It is also possible that during this period the region was not heavily populated, or was used, as in later times, mainly as a hunting preserve by several groups. These people left artifacts attesting to their presence, although they had withdrawn long before the coming of the Indians. The latter did not remember them, even in their most ancient traditions.⁹

The earliest Indians to enter the area were apparently members of the Algonquin group who occupied North America from Newfoundland to the Carolinas and west to the Rockies and who moved into the Potomac region about three hundred years before the Europeans.¹⁰ Later migrants brought representatives of two other great linguistic stocks, the Iroquois and the Sioux. These major groups were divided into numerous small and frequently warlike tribes. The Algonquin, as the earliest, began to experience the intrusion of the Iroquois and Sioux tribes in the late sixteenth century. The southward expansion of the Five Nations, established in the late sixteenth century, brought an alteration of the existing pattern of Indian settlements which was in progress when the English arrived.¹¹ The Algonquin were being subjected to Iroquoian dominion and were being pushed to the south and east. The Iroquois tribes moved into the north and west of the Chesapeake area and the Sioux settled briefly to the west and south.

When the first white men arrived they encountered among others the Powhatan Confederacy in Virginia and the Piscataways

in Maryland, two strong Algonquin groups.¹² To the west were the Shawnees, another Algonquin tribe.¹³ At the head of the Chesapeake Bay were the Susquehannocks, then at war with the Piscataways. On the upper stretches of the James and in the Shenandoah Valley as far north as the Potomac ranged the Monocan, a Siouan confederacy. Many smaller tribes or villages in the region had already fallen under the dominion of one or another of these more powerful groups.¹⁴

The general outline of the Indian wars which followed is obscured by the multiplicity of tribes and tribal names¹⁵ and by the intrusion of many purely local events which distort the overall picture. Apparently the Susquehannocks continued their southward expansion in the first half of the seventeenth century, driving the Piscataway before them into the arms of the early settlers. The latter then made treaties with the Susquehannocks endeavoring to contain their advance and eventually removed the Piscataway to the west. At the height of Susquehannock power they undertook to protect enemies of the Five Nations, thus incurring the wrath of that powerful confederacy. After a bitter struggle, the Susquehannocks, reduced by disease to some seven hundred persons, collapsed in 1674 and fled to an abandoned Piscataway stockade.¹⁶

In the meantime the Monocan were exerting pressure on the Powhatan Confederacy with similar results after the arrival of the white man.¹⁷ Further south the Catawba, probably favored by the English, drove the Shawnees north in the years following 1677 into the Shenandoah and Potomac Valleys.¹⁸ The new and increased pressures on the Indian tribes in the Potomac region burst into full

violence in 1674. Roving bands of natives preyed on red and white men alike. In Indian history the succeeding decades marked the virtual extermination of many tribes and the wholesale migration of many others.¹⁹ The upper Potomac reverted to its earlier function as primarily a hunting ground, crossed at several places by branches of the famous Warriors Path over which Delawares, Catawbas, Iroquois, and Shawnees moved constantly. In colonial history these disturbances are significant as the background of Bacon's Rebellion in Virginia, in part the consequence of Governor Berkeley's failure to provide adequate protection for the frontier.²⁰

The Indian wars are of interest in the history of the valley for several reasons. To a considerable extent they account for the relative absence of Indians in the Potomac Valley after 1700. They also provide the essential background for an explanation of the Indians which were present when the earliest explorers and settlers arrived. Sites of Indian stockades, villages (on all water courses of the Potomac Valley, but especially on the Shenahdoah, Potomac, Monocacy, and South Branch), and battles are still visible in the valley and have been fully noted in the written records.²¹ The branches of the Warriors Path which crossed the Potomac near Cumberland (following the South Branch) and near Winchester (forking to the South Branch on the west and the Shenahdoah River on the east) are also of historical interest.

Footnotes to Chapter One

1. Federal Writers' Project, Maryland: A Guide to the Old Line State [American Guide Series] (New York, 1940), pp. 10-12. See also Julia Davis, The Shenandoah [Rivers of America Series] (New York, 1945), pp. 13-17; and Federal Writers' Project, Virginia: A Guide to the Old Dominion [American Guide Series] (New York, 1940), pp. 12-16.
2. J. Thomas Scharf, History of Western Maryland (2 vols., Philadelphia, 1882), I, 13-46 ("Topography and Geology"). This chapter was actually prepared for Mr. Scharf by Professor Philip R. Uhler, President of the Maryland Academy of Sciences.
3. Scharf, I, 15, 18-19, 32, 43; Philip A. Bruce, Economic History of Virginia in the 17th Century (2 vols., New York, 1895), I, 93.
4. Davis, p. 16.
5. Scarf, I, 37
6. Will H. Lowdermilk, History of Cumberland... (Washington, 1878), p. 24. See also the report on the boundary dispute between Maryland and Virginia in Samuel Kercheval, A History of the Valley of Virginia (Winchester, Va., 1833), pp. 215-233.
7. David I. Bushnell, "Evidence of Early Indian Occupancy near the Peaks of Otter, Bedford County, Virginia," Smithsonian Miscellaneous Collections, Vol. 99 (Washington, 1940), no. 15.
8. Carl Manson, "Marcey Creek Site: an Early Manifestation in the Potomac Valley," American Antiquity, Vol. XIII, No. 3 (January 1948).
The chronology used is that suggested in Paul S. Martin, George I. Quimby, and Donald Collier, Indians Before Columbus, (Chicago, 1947), p. 239. The outline is based primarily upon the Indian cultures in New York State, but the authors believe that it forms a "sequence which in its broadest contours is applicable to the rest of the Northeast", (Ibid., p. 258). The periodization suggested is: ? to 900 A.D., Archaic; 900 to 1300, Intermediate; 1300 to 1600, Late Prehistoric.
9. Maryland Guide, p. 18; Davis, p. 17. The latter says that trees growing on their mounds were 600 years old when the Europeans arrived. There is some disagreement concerning the quality of the artifacts, particularly in reference to their craftsmanship in comparison with later Indian work.
10. Frederick W. Hodge, ed., Handbook of American Indians (Smithsonian Institution, Bureau of American Ethnology, Bulletin 30, 2 vols., Washington, 1907-1910), I, 38; Maryland Guide, p. 18

11. Virginia Guide, pp. 23, 25.
12. Scharf, I, 49ff; Bruce, I, 140.
13. Lowdermilk, pp. 18-19; Alexander S. Withers, Chronicles of Border Warfare, or A History of the Settlement by the Whites of North-western Virginia;... (Clarksburg, W. Va., 1831), p. 40. Doubt has recently been cast on the presence of Shawnee Indians at the time of the first European contacts. See Frederick Johnson, Man in Northeastern North America (Papers of the Robert S. Peabody Foundation for Archeology, Paper No. 3).
14. Scharf, I, 46-49; Virginia Guide, p. 25;
15. On the multiplicity and confusion of Indian names see: Paul Weer, "Preliminary Notes on the Iroquoian Family," Prehistory Research Series, Vol. I, No. 1 (Indiana Historical Society, 1937) pp. 5ff; Hodge, I, 336, II, 533; Maryland Guide, p. 18; Lowdermilk, p. 23; Davis, pp. 19, 21; Bruce, I, 83; Scharf, I, 49.
16. Scharf, I, 49, 51; Maryland Guide, p. 22; Kercheval, p. xxv.
17. Bruce, I, 93.
18. Hodge, II, 533.
19. Kercheval, p. 50; Withers, p. 41; Scharf, I, 51, 53.
20. Kercheval, pp. xxv-xxvii; Scharf, I, 50ff; Maryland Guide, p. 22.
21. On Indians and Indian sites in the Potomac Valley see: Hodge, II, 533; Lowdermilk, pp. 18-19; Kercheval, pp. 54-56; and 58; Alice L. L. Ferguson, Moyacone and the Piscataway Indians (Washington, 1937); Ferguson, "An Ossuary near Piscataway Creek," American Antiquity, VI, No. 2 (1940).
On nearby Indian sites see: William B. Marye, "Former Indian Sites in Maryland, as Located by Early Colonial Records," American Antiquity, II, No. 1 (1936), pp. 40-46; C. C. Willoughby, "The Virginia Indians in the 17th Century," American Anthropologist, IX (1907), pp. 2ff; David I. Bushnell, "Indian Sites Below the Falls of the Rappahannock, Virginia," Smithsonian Miscellaneous Collections, Vol. 96 (Washington, 1937), No. 4; J. R. Swanton, "Indians of the Southeastern United States," Bureau of American Ethnology, Bulletin 137 (Washington, 1946).
On Indian wars in the valley see: Kercheval, pp. 47-49; Scharf, I, 51-54.

CHAPTER II

The Colonial Period
1608 - 1775

The Potomac Valley came within the horizons of the earliest colonists. Captain John Smith visited the river in 1608, penetrating as far as the present District of Columbia according to some writers. Later Captain Henry Fleet visited the region around Little Falls, first in 1621 and for many years thereafter. But for the most part the early colonists kept to the tidewater area which was little more than an estuary of the Chesapeake Bay.¹ Not until the latter part of the seventeenth century was the frontier moving above the falls into the piedmont area. And it was not until the eighteenth century that the region west of the Blue Ridge was first penetrated by the white men. Many groups played a role in the development and exploitation of the area: explorers, Indian traders and fur trappers, military adventurers, pioneer farmers, and gentlemen land speculators -- oftentimes indistinguishable and inseparable in the same person.

Settlement in the lower part of the valley, east of the mountains, came only slowly in the seventeenth century. The early colonists were content to establish their farms and plantations along the tidewater shores of the streams emptying into the Chesapeake Bay. Here they had, at least in the first decades after 1607, fertile lands and easy access to trade with the mother country. As one authority has noted, many of the tributaries of these streams were "deep enough to float the largest ships employed in carrying trade between Virginia and England. At that early period, every planter owned a wharf..."²

Only after the best sites were occupied in this area did settlements occur on the upper stretches of these rivers. The grant of the Northern Neck of Virginia, the peninsula between the Potomac and Rappahannock Rivers, to Lord Hopton and his associates in 1649, marks the beginning of extensive settlements on the south bank of the Potomac.³ Large scale occupation of the valley above the present city of Washington seems not to have occurred until shortly before or during the period of Lord Fairfax's interest in the region in the eighteenth century.

On the Maryland side of the river colonists advanced up the Potomac from St. Marys in the years following the establishment of the palatinate in 1634. Paucity of records prevents too precise a dating of the migration, but certain events do serve as milestones in the westward movement. Captain Fleet provides the first definite description of the area in his report to Leonard Calvert in 1634. He asserted, in a glowing and somewhat optimistic description of the Potomac Valley above Georgetown,⁴

The place is, without all question, the most healthful and pleasant place in all this country, and most convenient for habitation, the air temperate in summer and not violent in winter. It aboundeth in all manner of fish. ... And for deer, buffaloes, bears, turkeys the woods do swarm with them, and the soil is exceedingly fertile; but above this place the country is rocky and mountainous, like Canada.

As for the actual occupation of the valley Father Andrew White, a Jesuit missionary to the Piscataway Indians, in 1643, found scattered settlers in the neighborhood of Piscataway Creek, still below Washington.⁵ Subsequently several manors were laid out in Maryland to

the east of the Anacostia River and opposite Alexandria.⁶ By 1695 there was sufficient population in the area to justify the creation of Prince George's County.

West of Washington the Potomac Valley began to fill up in the first decades of the eighteenth century. Georgetown on the Maryland side was early recognized as a natural site for a port, lying as it does at the head of tidewater on the Potomac. Other settlers, including refugees from Virginia, Swiss from the Delaware, Scots from the home country (especially in 1715 and 1745), Germans from Pennsylvania, and the hapless Marylanders caught in the boundary dispute between the Penns and the Calverts (ultimately settled by the Mason-Dixon line) scattered through the valley above Washington. By 1730 there were settlers in the southern part (Urbana district) of the upper valley and in 1733 a company of Germans from Pennsylvania settled in the Monocacy Valley. Frederick Town was laid out in 1745. A few years later the inhabitants were sufficiently numerous to warrant the creation of Frederick County, embracing all of present-day western Maryland.⁷ On the Virginia side there were some settlements in that section of the Northern Neck east of the Blue Ridge.⁸

By this time, however, the tide of migration was already moving west of the mountains. It is generally agreed that Governor Alexander Spotswood, of Virginia, was one of the first to cross the Blue Ridge, entering the Shenandoah Valley through Swift Run Gap with a party of about fifty in 1714.⁹ He learned from the Indians of the region of a river flowing from a large body of water to the north only

three days' journey away. Imperialist as well as adventurer, Governor Spotswood surmised that the body of water was one of the French-controlled lakes [Erie], and he was aroused over the possibility of establishing some connection between British Virginia and the Great Lakes. However, he was removed from office before his projected connection could be realized.¹⁰ Although there probably were other Europeans in the upper Potomac Valley or its environs prior to 1732, possibly even before Spotswood, there is no evidence of permanent settlement prior to 1732.¹¹ One authority states categorically that there is no written or oral history of the Potomac prior to approximately 1728.¹²

The settlement of the upper Potomac was inseparably connected with the increase of geographical knowledge through further exploration and the removal of the threat of Indian wars. Definite efforts were made along these lines in the years following Spotswood's penetration of the mountains. In 1736 Benjamin Winslow was authorized to survey the North Branch of the Potomac to its headwaters. Either he tired of his task before its completion or he was inaccurate in his measurements, for the maps based upon his findings contain errors which persisted long after further knowledge was available. Another survey of the river was made in 1739-40 without apparent success in correcting the earlier errors.¹³

The removal of the Indians proceeded along a more orderly and more successful course. The Indians who had been removed by the Maryland assembly after 1674 to the area of Georgetown were later

moved farther west into Frederick County.¹⁴ In 1735 the lord proprietary of Maryland cancelled all existing reserves and ordered them to be erected into manors.¹⁵ By the treaty of Lancaster (in Pennsylvania), June 30, 1744, the Indians surrendered to the English, for three hundred pounds, title to all lands between the Potomac and the Susquehanna. All of Maryland was specifically cleared by the terms of the treaty. Thus the earliest map (1751) still existing indicates the lands of western Maryland as entirely deserted by the Indians.¹⁶ To a considerable extent this was true in fact as well as in law, yet so scattered were white settlements and so frequent the incursions of the Indians that all authorities agree that the Conogocheague was the virtual limit of European penetration.¹⁷

The removal of the Indians in Virginia was of course a larger undertaking and proved to be less satisfactorily carried out. Governor Dunmore's treaty with the Indians by which the latter ceded title to all lands south and west of the Ohio apparently was not completely effective. However, the activities of the Ohio Company predicated upon this treaty and the influx of settlers apparently discouraged the natives sufficiently to place them in a receptive mood for invitations from western Indians to remove across the mountains. This they did in 1754.¹⁸

Settlement on the Maryland side of the Potomac began shortly after Governor Spotswood's discoveries rekindled the interest of the colonists in the lands beyond the mountains. It also coincided with the expansion of German and Scotch-Irish on the frontiers in Pennsylvania. Surveys made in 1732 on the western side of the Blue Ridge

provide the basis for the assumption that there were a number of families, chiefly German, in Washington County by 1735.¹⁹ If so, this would place the settlement of western Maryland in the identical chronological period as the first occupation of western Virginia.

The most famous person in the early history of western Maryland is Colonel Thomas Cresap.²⁰ Settling first in the Antietam Valley about two miles from Hagerstown, he soon moved to the abandoned Indian site, Old Town, which he renamed Skipton. Thus one of the oldest occupied sites in the Potomac Valley was one of the earliest outposts of European dominion in the valley. Under orders from Governor Bladen of Maryland, Colonel Cresap also undertook to locate by survey in 1745 a town of nine hundred and fifteen acres at Walnut Bottom on Wills Creek from the mouth of Jennings Run at the site of the former Indian village of Gaiuctucuc. The Ohio Company established its principal advanced trading post at the junction of the Potomac River and Wills Creek in 1749.²¹

By 1776 the population of western Maryland was large enough to warrant the division of Frederick County into three parts. Montgomery County was erected from the southeastern portion. The territory west of modern Frederick County became Washington County. The town of Cumberland was laid out in 1765 and Allegany County, embracing all lands west of Sideling Hill, was separated from Washington County in 1789. By 1800 Hagerstown and Williamsport were both considered flourishing industrial and commercial towns. The area was dotted with many mills and taverns.²²

On the Virginia side of the Potomac the first definite

settlement west of the mountains was in the neighborhood of Winchester. Joist Hite and others, sixteen families in all, migrated in a southwesterly direction from York, Pennsylvania, crossing the Potomac two miles above Harpers Ferry, cutting their own road all the way.²³ In 1734 Benjamin Allen and others migrated from the Monocacy Valley and settled along the north Branch of the Shenandoah. In the same year Richard Morgan and others, including Robert Harper, after whom Harpers Ferry was named, settled along the Potomac in the neighborhood of Shepherdstown. Settlement on the South Branch of the Potomac commenced about 1734-35 although Lord Fairfax's land warrants for this region are dated 1737 or later. The Cacapon Valley received its first settlers about this time, and there is record of a Friends Meeting on the Opequon as early as 1738.²⁴

The rapid influx of settlers into western Virginia is partly the result of the sudden interest and land activities of Lord Fairfax. The latter upon learning that his possessions in the western portions of the Northern Neck were truly valuable and were indeed being occupied by intruders rushed to the locality to direct personally the exploitation of his huge holdings. He encountered considerable hostility to his land and rental policies at first. This persisted, despite his apparent encouragement of settlement later, until all quit rents were abolished by the Virginia legislature in 1785.²⁵ As is apparent from the names of the settlers, much of the migration came from Pennsylvania where the rising tide of German and Scotch-Irish immigrants overflowed

the bounds of that colony and flooded the valleys beyond the mountains as far south as Georgia.²⁶ The settlers from Pennsylvania were generally well received by the Indians, probably because of the good reputation among the natives enjoyed by the Penns.²⁷ Certainly the Virginians were hostily received by these same Indians and clashes between Virginia militia and Shawnee Indians are noted as early as 1742.²⁸ In 1754, however, the Indians suddenly disappeared from the Shenandoah Valley and the lower part of the Potomac. It is assumed that they accepted the invitation of emissaries from western tribes, who had been among them in 1753, and moved west of the Alleghenies -- possibly in anticipation of the border warfare which followed during the French and Indian War.²⁹

The progress of settlement on the south side of the Potomac can be traced in the creation of towns and counties in the area.³⁰ Stephensburg was inhabited as early as 1732 and the town created in 1752. Winchester had two cabins as early as 1738 and was made a town in 1752. Shepherdstown, originally Mecklinburg, became a town in 1762, and Romney was laid out by Lord Fairfax in the same year. Bath (Berkeley Springs) was created by the Assembly and occupied in 1776. Martinsburg was established in 1778. Clarksburg and Morgantown came into being by legislative act in 1785 and Charles Town in 1786. Spotsylvania County was created in 1720 including a small portion of territory west of the Blue Ridge. Orange County, created in 1734, embraced all territory west of the mountains. Frederick and Augusta Counties were created out of that part of Orange County lying west

of the mountains in 1738. Subsequently from Frederick County were taken Hampshire (1754), Berkeley (1772), Jefferson (1801), and Morgan (1820) Counties.

By 1749 the settlement of the Potomac Valley west of the mountains was well under way, and the frontier was marching inexorably onward. In that year the Ohio Company was established as the first organized attempt to utilize the Potomac as a route for the growing trade of the valley and the hitherto ineffectively-tapped fur trade with the Indians in the mountains and beyond. Thus by the middle of the eighteenth century the development of the Potomac region had reached the point at which it became a potentially important route to the west. The Ohio Company made considerable headway in the years preceding the French and Indian War in spite of competition from the French and the Pennsylvanians and the uncertainty of title in the lands west of the mountains.³¹

In the year in which the Ohio Company received its charter the Board of Trade of England licensed no fewer than three enterprises to engage in the western trade and in land activities.³² The company included in its membership "some of the most opulent and respectable inhabitants of the colonies of Virginia and Maryland".³³ To a considerable extent they were holders of the comparatively recent grants in the Northern Neck of Virginia. Foremost among the stockholders were Thomas Cresap; Thomas Lee; George Fairfax; Robert Dinwiddie; Lawrence, Augustine, and George Washington; John, George, James, and John Francis Mercer; Richard Lee

and George Mason.³⁴ The Ohio Company received a grant of five hundred thousand acres on the Ohio River between the Monongahela and the Kanawha, but their activities were spread over a large part of present day Kentucky as well as West Virginia and southwestern Pennsylvania and Maryland.³⁵ Its greatest efforts, however, were concentrated in the region of the Monongahela and Youghiogheny Valleys and the area relatively accessible from the Potomac and then in dispute between Virginia and Pennsylvania. In this area the Ohio Company organized the activities of the individual traders from the Chesapeake Bay colonies and entered into competition for the fur trade.³⁶

In addition to its trading privileges the Ohio Company obtained rights of colonization in the disputed area and promptly secured a large tract of land which it intended to sell to prospective settlers.³⁷ It also conducted land surveys, undertaken by Christopher Gist and George Washington, for purposes of trade and settlement; these surveys contributed much to the betterment of knowledge of the Potomac Valley and of the land to the west as far as the Ohio.³⁸ Under Lawrence Washington's guidance, in 1752, the company made an unsuccessful effort to induce some Pennsylvania Germans to settle on its lands southeast of the Ohio River under terms of the treaty with Half-King, an Indian chief, at Logstown.³⁹ The Virginia Assembly subsequently passed three acts to facilitate the settlement of its western lands in order to establish the

Potomac as a route of trade and migration to the Ohio and to strengthen its claims to the lands in dispute at the forks of the Ohio.⁴⁰ In 1752 it relieved its frontier inhabitants of the obligation to pay taxes. In 1754 it appropriated £10,000 for frontier defense. In 1766 it approved a grant of £200 for the improvement of the Braddock Road.

In the meantime, the Ohio Company turned its attention to trade. It established the first regular route for the commerce to and from its western posts via the Potomac Valley. The eastern terminus was Belhaven (Alexandria) on the Virginia side of the river. From there a wagon road led about eighteen miles up the river past Little Falls to the phantom town of Philae at the upper end of the Great Falls of the Potomac.⁴¹ From Philae the route used the river as far as Fort Cumberland, an outpost at the mouth of Wills Creek, then as later considered the upper limit of satisfactory navigation on the Potomac.⁴² From this point a trail crossed the mountains to Turkey Foot, the three forks of the Youghiogheny. The company established a second outpost near the site of present-day McKeesport. In 1752 Nemacolin, an Indian scout in the company's service, blazed a new trail from Wills Creek to the Monongahela, at the mouth of Redstone Creek. Here the traders built another storehouse generally called Redstone Old Fort.⁴³

The settlement of the Potomac Valley received an emphatic check in the decade following 1754. Events were occurring on

the frontier which proved to be the prelude to a long period of border warfare embracing both the French and Indian War and Pontiac's Rebellion. The contest between France and England for hegemony in the New World was but a phase of a global conflict between the two powers, underway since 1689.⁴⁴ By 1750 the climax was approaching in North America with friction occurring all along the frontier from Maine to Georgia. The French sought to strengthen their hold on the strategic and valuable St. Lawrence, Ohio, and Mississippi River valleys by reenforcing their military outposts and by far-flung alliances with the Indians.⁴⁵

In the struggle for advantageous positions the St. Lawrence bottleneck and the forks of the Ohio occupied the early attention of the two contenders.⁴⁶ In 1753 Virginia sent George Washington via the familiar Potomac route to treat with the French at Fort le Boeuf.⁴⁷ Although the trip was unsuccessful in obtaining any assurances from the French commander, it is important because Washington began construction of a fort at the forks of the Ohio on his return trip. The following year he returned with authority to occupy the site. In his absence, however, the French seized the unfinished stockade and completed it as Fort Duquesne. They then moved east with their Indian allies encountering Washington at the hastily erected Fort Necessity.⁴⁸ The Virginians won the first skirmish in a surprise attack near the fort,⁴⁹ but eventually surrendered to the French and abandoned the fort.⁵⁰

The British now came to the aid of the colonies, undertaking an

expedition to oust the French from the Ohio. The troops under General Edward Braddock advanced up the Potomac Valley to the Ohio Company's outpost at Fort Cumberland, and across the mountains via Nema-colin's path, which was widened to permit the passage of wagons. The French and Indians succeeded in surprising the British and Colonists near Fort Duquesne and defeated them in July, 1755. General Braddock lost his life in the confusion of the fight and the disastrous retreat.⁵¹

In the months following Braddock's defeat, the immediate problem facing the colonies was the defense of a demoralized frontier from the scourge of Indian attacks.⁵² In the Potomac Valley, the most advanced outpost was Fort Cumberland where George Washington held uneasy command of an inadequate and strife-torn garrison while Indians ranged freely to the east as far as the Conogocheague and almost to Winchester. As a second line of defence Maryland in 1756 began the construction of Fort Frederick, on a plateau thirteen miles east of Hancock and a quarter of a mile from the Potomac (close to the route of the proposed parkway). In a similar fashion Virginia decided in the same year to establish its military base at Winchester, as advised by Washington.⁵³

After a major scare late in 1757, with an erroneous report that the French were assembling men and artillery near Fort Duquesne to march against Fort Cumberland, the tide of war again changed in the valley. The year 1758 found the colonists on the offensive all along the frontier. The English had assembled another force at

Raystown (Bedford, Pennsylvania) for another attack on Fort Duquesne. The new plan called for the construction of a new road west from Raystown. Washington opposed this plan on the grounds "that the road taken by Braddock had been laid out by the Ohio Company, aided by traders and Indians, the sold object being to secure the best and most direct route; that the road was in pretty good order..." Virginia troops were ordered to join Colonel Bouquet in 1758 and Washington reoccupied Fort Cumberland in July, 1758.⁵⁴ In the same year Colonel Cresap led two separate forays into Indian territory west of Cumberland, following the Braddock road to Savage Mountain and Negro Mountain respectively. In both instances there were skirmishes with small parties of Indians. Finally in this most significant year in the history of the Potomac Valley, the Maryland Assembly authorized the repair of the road from Fort Frederick to Fort Cumberland. Out of this action came a decision ultimately to construct a new road, avoiding the river and its fords, which became the basis of the later road system in the western portion of the State.⁵⁵

The return of colonists to their abandoned homes, which had begun in the latter years of the war, and the influx of new settlers in the Potomac Valley following the Peace of Paris in 1763 was held up briefly by the return of Indian terror. Pontiac's Rebellion in 1763-64 affected all parts of the frontier between Pennsylvania and Virginia but the major blow fell on the principal forts. Of these Presque Isle, St. Joseph, and Michilimackinac fell to the natives, but Bedford, Ligonier, Niagara, Pitt, and Detroit successfully

withstood the siege. Inasmuch as the major forts protecting the upper Potomac did not fall the principal effect of this episode was the brief renewal of Indian raids in the valley.⁵⁶

The termination of the border warfare accompanying the French and Indian War and Pontiac's Rebellion permitted the resumption of western expansion in the Potomac Valley as in the colonies generally. The Royal Proclamation Line of 1763 prohibiting trade or settlement west of the mountains without license did not seriously retard the filling up of the Potomac region. On the contrary, the increased safety of the frontier and the continuing heavy immigration from Europe fostered a period of renewed western migration. The growth of speculative spirit in the colonies after 1763 gave birth to many proposals to secure the trade of the west, such as the Vandalia proposals, the Indiana Company, the the Walpole Company.⁵⁷ There were no less than three attempts to improve the navigation of the Potomac in the 1760s and 1770s. The first two failed because of local opposition;⁵⁸ the third failed because of opposition in England.⁵⁹ Thus on the eve of the American Revolution, the settlement of the valley was proceeding apace, but plans for the development of the Potomac as a route for trade and migration to the west were still without success.

Footnotes to Chapter Two

1. Bruce, I, 83, 103; Scharf I, 48. See also John Smith, "True Relation" (1608) and "Generall Historie of Virginia" (1624), in L. G. Tyler, ed., Narratives of Early Virginia (J.F. Jameson, ed., Original Narratives of Early American History, New York, (1907), pp. 27-72, 291-408.
2. Bruce, II, 524. See also Beverly, History of Virginia, p. 93, quoted in Bruce, I, 104.
3. Samuel M. Wilson, The Ohio Company of Virginia, 1748-1798 (Lexington, Ky., 1926), p. 5.
4. Scharf, I, 359.
5. Father Andrew White, "A Brief Relation of the Voyage unto Maryland" (1634), in C.C. Hall, ed., Narratives of Early Maryland (J.F. Jameson, ed., Original Narratives of Early American History, New York, 1910), pp. 27-46.
6. Scharf, I, 359: Blue Plains (1662), Oxon Hill and Barnaby Manors (1695)
7. Ibid., pp. 360, 641. On the activities of the early German settlers in Western Maryland, see: Dieter Cunz, The Maryland Germans (Princeton, 1948), pp. 47-93.
8. Withers, p. 42.
9. Lowdermilk, p. 18; Clarence W. Alvord and Lee Bidgood, The First Explorations of the Trans-Allegheny Region by the Virginians, 1650-1674 (Cleveland, 1912), p. 203; John Fiske, Old Virginia and her Neighbors (2 vols., Boston and New York, [ca.] 1902), II, 433-434.
10. Fiske, II, 433-434.
11. Alvord and Bidgood, p. 204. For a different point of view, see: Charles A. Hanna, The Wilderness Trail (2 vols., New York, 1911), II, 294-296.
12. Lowdermilk, p. 18.
13. Ibid., p. 23; Alvord and Bidgood, p. 204.
14. Scharf, I, 50.
15. Maryland Guide, p. 22.
16. Lowdermilk, pp. 20, 37-38.

17. Ibid., p. 254; Scharf, II, 981.
18. J. W. Campbell, A History of Virginia from its Discovery till the Year 1781 (Petersburg, Va., 1813), p. 148.
19. Kercheval, p. 70.
20. John J. Jacob, A Biographical Sketch of the Life of the late Captain Michael Cresap (Cincinnati, 1856), pp. 30-33; Lawrence C. Wroth, The Story of Thomas Cresap, a Maryland Pioneer (Columbus, 1928), pp. 19ff, 26-29, 31-37; Kenneth P. Bailey, Thomas Cresap, Maryland Frontiersman (Boston, 1944), esp. 57-63, 64-77 (Old Town), 78-82 (Ohio Company), 96-110 (French and Indian War).
21. Lowdermilk, pp. 22, 31, 259: Report of the Committee on Roads and Canals on the Chesapeake and Ohio Canal, April 17, 1834, 23d Cong., 1st Sess., House of Representatives, Report No. 414, pp. 1-2.
22. Scharf, I, 362, II, 1323; Lowdermilk, pp. 259, 267.
23. Kercheval, p. 64; John W. Wayland, The German Element of the Shenandoah Valley of Virginia (Charlottesville, Va., 1907), p. 33ff; Hermann Schuricht, History of the German Element of Virginia (Baltimore, 1900), I, 84ff; Willis De Hass, History of the Early Settlement and Indian Wars of Western Virginia (Wheeling, 1851), p. 36. For examples of local traditions concerning early settlers in Western Virginia see Kercheval, p. 72
24. Kercheval, pp. 65-68; Fiske, II, 460-461; De Hass, p. 36.
25. Kercheval, pp. 209-211.
26. On the Scotch-Irish in America, see: Charles A. Hanna, The Scotch-Irish (New York, 1902); Wayland F. Dunaway, The Scotch-Irish of Colonial Pennsylvania (Chapel Hill, 1944), esp. pp. 102-117; Henry J. Ford, The Scotch-Irish in America (New York, 1941), pp. 378-401, esp. 379-380; John Fiske, The Dutch and Quaker Colonies in America (2 vols., Boston and New York, [c.] 1902), II, 414; Sidney G. Fisher, The Quaker Colonies, Allen Johnson, ed., Chronicles of America, vol. 8, New Haven, 1921), pp. 45-51; Sidney G. Fisher, The Making of Pennsylvania (Philadelphia, 1896).
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27. De Hass, p. 37. On the good relations between William Penn and the Indians see: Edward Beatty, William Penn, as a Social Philosopher (New York, 1939) pp. 266-283; Wertenbaker, pp. 188-231; Fiske,

- Dutch and Quaker Colonies, II, 191-194; Fisher, Quaker Colonies, pp. 22-23.
28. Kercheval, p. 70; Campbell, p. 95.
 29. Kercheval, p. 70.
 30. Ibid., pp. 233, 238, 240-242, 244, 247; ~~Withers~~, pp. 46-47.
 31. The bibliography of secondary works on the Ohio Company of Virginia is not very extensive. The three principal studies are: Kenneth P. Bailey, The Ohio Company of Virginia and the Westward Movement, 1748-1792 (Glendale, Calif., 1939); Samuel M. Wilson, The Ohio Company of Virginia (Lexington, Ky., 1926); and Herbert T. Leyland, The Ohio Company, A Colonial Corporation (Cincinnati, 1921). These should be supplemented by the following accounts of the leading persons associated with the enterprise: Journal of Christopher Gist (Pittsburgh, 1893); Bailey, Thomas Cresap; Albert T. Volwiler, George Croghan and the Westward Movement (Cleveland, 1926), esp. pp. 41-54; Louis K. Koontz; Robert Dinwiddie, his Career in American Colonial Government and Westward Expansion (Glendale, Calif., 1941); and Nathaniel W. Stephenson and Hilary Dunn, George Washington (2 vols., New York, 1940), esp. I, 35-67.
 32. Bailey, The Ohio Company, pp. 28-29, 66-67; cited hereafter as Bailey. The second was the Loyal Company, the third was a patent to John Hanbury, a London capitalist associated also with the Ohio Company.
 33. Report of the Committee on Roads and Canals, April 17, 1834, p. 1
 34. Bailey, pp. 35-36.
 35. Lowdermilk, pp. 27, 30; Wilson pp. 30ff.
 36. Bailey, pp. 74, 111, 154. Pennsylvania traders attempted to discredit the Ohio Company by emphasizing the potential threat, to the Indians, of the company's land policies.
 37. Report of the Committee on Roads and Canals, April 17, 1834, p. 1; Bailey, p. 73.
 38. Bailey, pp. 70, 88-96, 97-100; Stephenson and Dunn, I, 41; John Pickell, A New Chapter in the Early Life of Washington (New York 1856), pp. 17-19, 24-25, 35-37. See also the Journals of Christopher Gist.
 39. Bailey, p. 80; Homer R. Stanford, "The Historic Potomac," (a carbon copy of the manuscript of a speech delivered before the

- Newcomen Society, In National Capital Parks, File 1460 (Chesapeake and Ohio Canal)), Section I (Department of Interior, Washington, D. C.), p. 3. The speech was later printed (Princeton, 1940) but the citations in this report are to the manuscript copy.
40. Stanford, p. 4.
 41. Corra Bacon-Foster, "Early Chapters in the Development of the Potomac Route to the West," Proceedings of the Columbia Historical Society, XV (Washington, 1911), 101. This paper was later published separately (Washington, 1912), but the citations in this report are to the volume of the Proceedings. See also the Report of the Committee on Roads and Canals, April 17, 1834, p. 2. The town of Philae never really developed.
 42. Report of the Committee on Roads and Canals, April 17, 1834, pp. 1-2; Bailey, pp. 76-78; Stanford, pp. 2-4; Lowdermilk, p. 31.
 43. Bailey, pp. 153-154; Stanford, pp. 3-4; Wilson, p. 20. See also Report of the Committee on Roads and Canals, April 17, 1834, p. 2. General Braddock enlarged Nemacolin's path in 1755.
 44. On the European background of the French and Indian War, see: Walter L. Dorn, Competition for Empire, 1740-1763 (William L. Langer, ed., Rise of Modern Europe, New York, 1940), esp. pp. 122-179, 251-291, 318-384.
 45. On the North American background, see: On New France, any of the volumes by George M. Wrong: The Fall of Canada, (Oxford, 1914) The Conquest of New France (Allen Johnson, ed., Chronicles of America, X, New Haven, 1921), The Rise and Fall of New France (2 vols., New York, 1928); and Reuben G. Thwaites, France in America (A. B. Hart, ed., The American Nation, vol. 7, New York, 1905).
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 46. On the geography and strategy of the French and Indian War, see: Pennsylvania Colonial Records, vols. V and VI, and Pennsylvania Archives, vol. II quoted in Walton, pp. 251-301; Arthur R. M.

Lower, Colony to Nation, a History of Canada (London and New York, 1946), pp. 52-58; Lt. Col. F. E. Whitton, Wolfe and North America (Boston, 1929), pp. 151ff.

47. John C. Fitzpatrick, ed., The Diaries of George Washington, 1748-1799 (4 vols., Boston and New York, 1925), I, 43-67; Kellogg, p. 424; Dahlinger, pp. 43ff; James Hadden, Washington's Expeditions and Braddock's Expedition (Uniontown, Pa., 1910), pp. 7-16; Charles H. Ambler, George Washington and the West (Chapel Hill, N. C., 1936), pp. 30-49; Mary Darlington, History of Colonel Henry Bouquet and the Western Frontiers of Pennsylvania, 1747-1764 (n. p., 1920), p. 48; Whitten, p. 157.
48. Kellogg, p. 424; Chapman, pp. 23-29; Darlington, Colonel Bouquet, pp. 49-50; Hadden, pp. 16-19; J.C.B., Travels in New France, (ed., by S. K. Stevens, Harrisburg, 1941), pp. 55-57; Whitton, p. 157.
49. Kellogg, p. 425; Dahlinger, pp. 50-54; J.C.B., pp. 58-59; Ambler, pp. 50-72; Hadden, pp. 19-31.
50. Dahlinger, pp. 54-56; Chapman, pp. 47-59; Darlington, Colonel Bouquet, pp. 50-51; Hadden, pp. 31-36; Ambler, pp. 73-91; J.C.B., pp. 60-64. See also Maryland Gazette (Annapolis), July 25, 1754, (quoting the Virginia Gazette [Williamsburg], July 19, 1754, summarizing unofficial reports attributed to Washington), August 1, 1754 (quoting a letter from Colonel Innes to Governor Hamilton), and August 29, 1754 (quoting a letter from Captain Adam Stephen), cited in Ambler, pp. 211-213.
51. Winthrop Sargent, The History of an Expedition against Fort Duquesne in 1755... (Philadelphia, 1856); Whitton, p. 159; Kellogg, pp. 426-427; Dahlinger, pp. 86-89; Chapman, pp. 60-72; Darlington, Colonel Bouquet, pp. 51-52, 85-88; Hadden, pp. 67-88; Ambler, pp. 92-109; J.C.B., pp. 82-85. See also Pennsylvania Gazette, July 24 and 31, 1755, reprinted in Ambler, pp. 222-224; and John S. Ritenour, Old Tom Fossit (Pittsburgh, 1926).
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54. Kellogg, p. 433; J.C.B., pp. 99-107; Chapman, pp. 87-99; Lower, pp. 58-61; Whitton, p. 218; Lowdermilk, pp. 227, 232-233, 239; Darlington, Colonel Bouquet, p. 95; Darlington, ed., Fort Pitt, pp. 63-83 (letters of Grant, Forbes, Bouquet). See also Alfred P. James, ed., Writings of General John Forbes... (Menasha, Wis., 1938), pp. 58, 62, 156-158, etc.
55. Lowdermilk, pp. 252-256.
56. Rev. Joseph Doddridge, Notes on the Settlement and Indian Wars of the Western parts of Virginia and Pennsylvania, printed in Kercheval, pp. 260-261; Maryland Guide, p. 24; Howard H. Peckham, Pontiac and the Indian Uprising (Princeton, 1947).
57. Bailey, pp. 237-238, 260-262, 269; Bacon-Foster, p. 115. See also, George E. Lewis, The Indiana Company, 1763-1798 (Glendale, Calif., 1941).
58. Bacon-Foster, pp. 110-114, 116-117; Stephenson and Dunn, I, 304; Pickell, pp. 30-31; Stanford, p. 5; Hugh Taggart, "Old Georgetown," Proceedings of the Columbia Historical Society, XI (1907), 176-177. See also, Washington to Boucher, May 4, 1772, in John C. Fitzpatrick, ed., Writings of George Washington (37 vols., Washington, 1931-1944), III, 81.
59. Bacon-Foster, pp. 117-123; Report of the Committee on Roads and Canals, April 17, 1834, p. 2; Report of the Committee on Roads and Canals, January 30, 1827, 19th Cong., 2d sess., House of Representatives, Report No. 90, Appendix 2, pp. 23-28. Copies of these estimates and proposals are filed among the Potomac Company records in the National Archives (Washington, D. C.).

CHAPTER THREE

Early National Period
(1775--1815)

The American Revolution did not exert an influence on the development of the Potomac Valley comparable to that appearing in the chronicles of the French and Indian War, or even during Pontiac's War. Nor did the region play so prominent a role in the Revolution as it had in the earlier hostilities. Indirectly, valley inhabitants cooperated in the measures taken prior to the war to resist undesirable British legislation and supplied the usual quota of troops.¹ The expedition of George Rogers Clark down the Ohio, while primarily designed to assure recognition of Virginia's vast claims in that region, also indirectly affected and benefited the inhabitants of the Potomac Valley.

The one area in which the valley could contribute directly to the war was in the related fields of Loyalists and Indian activities.² In 1775 patrols of Minute Men in Frederick County seized three Loyalists near Hagerstown while the latter were en route from Norfolk to Detroit to raise an army in the West. In 1778 militia from Washington and Montgomery Counties joined one of the three expeditions which brought an end to Indian and Tory attacks on the frontier. The only other taste of war which the valley inhabitants had came from the confinement of approximately fifteen hundred British prisoners at Frederick and Winchester until May, 1783.

After the slight interruption caused by the War of Independence, the inhabitants of the Potomac Valley and the States concerned were

again able to turn their undivided attention to the promotion of their special interests. Furthermore they were now free of the restraints hitherto exercised by the mother country. The Treaty of Paris ending the successful struggle for independence had confirmed the claims of the seaboard colonies to the western lands, at least as far as the Mississippi River. Indirectly it reaffirmed the rights of individuals and companies in this region under grants from the former colonies. In effect the peace treaty transferred the whole question of special privileges in the area from England to the state legislatures where they would be subject to the pressures of local politics. There was nothing to hinder the operation of these influences, which would affect the future development of the entire West. This fact is an important key to the history of internal improvements generally and the development of the Potomac route in particular, in the early national period.

The post-revolutionary picture in the Potomac Valley reveals many influences at work shaping its development. In common with the rest of the nation the Potomac Valley was experiencing the consequence of difficult post-war readjustments: depressed business conditions, financial uncertainties, and widespread migration of population. Under the pressure of these migrations the frontier moved steadily westward, as indicated in Maryland by the creation of the town of Cumberland in 1785 and the erection of Allegany County in 1789. The pre-war interest in the Potomac route to the West revived under the encouragement of representatives of the same families which had been active in the Ohio Company.

Among the promoters of the revived project to utilize the Potomac as a route to the West the foremost was George Washington, whose personal influence was a factor in itself. He had long been interested in the improvement of the Potomac and was completely convinced of the practicability and superiority of the route it provided.³ Before the war he had made several inspection trips to the West, had been associated with several activities of the Ohio Company, and had speculated in lands on the Monongahela. After his glorious role in the Revolution his influence in national affairs and particularly in Virginia and Maryland reached its zenith. Nothing these two States could do for him seemed too much. When Washington asserted his belief in the possibilities of the Potomac route, Virginia legislators promptly passed, in 1784, an act incorporating the Potomac Company and subscribing to 120 shares of its capital stock, fifty of which were placed in the hero's name.⁴ When Maryland, torn by internal dissention, hesitated to pass an act confirming the Virginia law a visit from Washington swept the Assembly off its feet. Maryland affirmed the charter and subscribed to fifty shares in the new company.⁵ Thus came into legal existence the company whose work was inherited by the Chesapeake and Ohio Canal, on whose abandoned canal bed the major portion of the proposed parkway would be built.

The Potomac Company was formally organized at a meeting of stockholders in May, 1785.⁶ According to the terms of its charter, the purpose of this company was the opening of the Potomac River to the highest point of permanent navigation. The minimum goal was the mouth of

Wills Creek, at which point a connection would be made with the improved Braddock Road, providing access to the Ohio Valley. In a short time 361 shares of stock, at £100 a share, were subscribed by interested individuals. This represented at all times a majority of the stock issued, notwithstanding Virginia's initial 120 shares and Maryland's later subscriptions bringing its total to 220 shares.⁷

An interesting side-light to the organization of the Potomac Company is the series of conferences held on the question of control of the water in the Potomac River and of navigation of its waters. The river definitely belonged to Maryland, a fact confirmed by an act of the Virginia Assembly in the late colonial period. Use of the water in it for purposes of supplying canals where needed might infringe the English common law riparian rights of propertyholders along the river. The levying of tolls on river traffic, a right sought by the company to recover the costs of its improvements, raised the question of control of navigation on interstate waterways. There was no provision in regard to this matter in the Articles of Confederation. Actually Maryland and Virginia could and did settle the particular point in question by their joint action. The general issue involved, however, provided the point of departure for which those who favored revision of the Articles were looking. There were many who desired the establishment of a stronger government in order to secure greater stability than that provided by thirteen relatively sovereign and independent States. Meetings at Mount Vernon and Annapolis mark a movement that culminated in a call for a general convention in Philadelphia in 1787 to consider amendment to the Articles of Confederation. It was in this meeting

that the present Federal Constitution was written.

The example of the Potomac Company as a state-sponsored internal improvement project seeking to develop a route for trade and migration to the West was quickly followed in other areas. Southern Virginia secured the incorporation of a company to improve the James River at the same time as the Potomac Company was chartered. Baltimore evinced renewed interest in the improvement of the turnpike to Frederick and Cumberland. Pennsylvania developed a veritable rash of internal improvement projects in Governor Mifflin's administrations (1790-99) including the Schuylkill and Susquehanna Navigation Company, the Lancaster Turnpike, and others. Subsequently Governor McKean (1799-1808) attempted to revive interest in internal improvements in his state. New York undertook both river and road improvement projects, including among others the Western Inland Lock Navigation Company and the Northern Inland Lock Navigation Company. Even New England caught the fever locally although it found itself at an almost insurmountable disadvantage in the competition for the western trade. In fact, with the return of prosperity in the late eighties and the improvement of finances in the nineties there developed an internal improvement boom.⁸ Thus access to the Potomac Company works through the proposed parkway would provide an entry into a part of our past widely shared by the Atlantic Coast States.

The accession, in 1801, of a national administration pledged to a philosophy of "the least government is the best government" with consequent emphasis on economy in government, limitation of central authority,

and the rights of States, brought only a reluctant decline of this boom. The States, however, soon exhausted their early enthusiasm and resources, and without definite federal assistance the first wave of internal improvement projects fell short of full realization in most cases. In this light Albert Gallatin's Report, in 1808, assumed a pivotal position in the history of transportation during the early national period. The report was an outgrowth of many years of discussion which preceded it.⁹ In it the Secretary of the Treasury proposed an integrated system of internal improvements, supported by the federal government, in which all sections would share. The plan failed to win adoption, and with its failure the possibility of a continuation of the turnpike and river improvement boom collapsed. Sporadic successes were realized in securing Congressional assistance for some tidewater canal construction, but the principal benefit realized was the construction of the National Road over the mountains (following Braddock's Road, in part) from the upper limit of the Potomac improvements at Cumberland to the Ohio River at Wheeling.

The experiences of the Potomac Company closely reflect the general course of the internal improvement program. In a sense it may be said to have led the way in this movement. When the federal government turned down the Gallatin Report, it retained one of the few phases that related to and benefited the Potomac route, *i.e.*, the National Road. Yet the failure of the government to contribute financially to the Potomac River improvement depressed and ultimately doomed that undertaking, just as it did other projects, for the States supporting the

Potomac Company had gone as far as they were willing to go at the time. Reduced principally to the level of a local improvement with national potentialities, the Potomac Company project remained nevertheless an important one. Further, its problems and fortunes reflect, for the most part, the same type of experiences which other similar undertakings encountered. Thus the chronicle of the Potomac Company has an interest in this summary as an episode in the development of the Potomac route in its relation to Congressional concern over internal improvements and as a typical case study in early transportation history.

From its many experiences it should be sufficient to consider only three aspects in this report: engineering, construction, and financial details. The first problem confronting the company was the selection of a skilled engineer to superintend the construction and operation of the works. An appeal published in the Philadelphia and Baltimore newspapers failed to bring a satisfactory response and local talent of doubtful quality was tried. The first chief engineer was James Rumsey of Bath (Berkeley Springs), Virginia, an innkeeper and inventor of sorts who had fascinated Washington with an experimental "walking boat" in 1784 on the upper Potomac, near the canal right of way. Rumsey was followed by a succession of a half dozen self-styled engineers. Fortunately George Gilpin, one of the directors, had some ability as an engineer.¹⁰

The work of the company actually fell into two categories: the clearing of boulders from the river bed and the cutting of canals

around the major falls. This was eventually carried out on both the Potomac and the Shenandoah, and work was undertaken on other tributaries.¹¹ By 1792 the three canals around the uppermost rapids in the Potomac, Houses', Payne's (Shenandoah), and Seneca Falls, had been completed.¹² Of these the old "government canal" at Harpers Ferry is still visible across the river from the Chesapeake and Ohio Canal. At Little Falls and Great Falls, the only ones which required locks, the work was much more difficult. The canal and wooden locks around Little Falls were completed in a hasty and impermanent fashion in 1795.¹³ These were later replaced and the works almost completely obliterated by the Chesapeake and Ohio Canal. At Great Falls the engineers discovered that the eastern end of the canal would have to be cut through solid rock. These works involved the company in serious financial difficulties and were not completed until 1802.¹⁴ The deep narrow locks and the curious chute which was blasted from solid rock over one hundred feet thick are still discernible at Great Falls, one terminus of the proposed parkway, bearing witness to the magnitude of the task undertaken and the perseverance of its promoters. The five falls in the Shenandoah near its junction with the Potomac at Harpers Ferry, which were the major obstacles to the navigation of the former, were passed by canals and locks by 1808.¹⁵ The company's work was now reduced to clearing the river beds. The lack of sufficient water for navigation at all seasons in the Potomac was never satisfactorily overcome by the Potomac Company.

The principal construction problem confronting the Potomac Company was the shortage of suitable laborers in the predominantly

agricultural region of the Potomac Valley. Again advertisements in Philadelphia, Baltimore, and Alexandria newspapers produced unsatisfactory results. Undertaking work on all five canals on the Potomac only intensified the labor problem. In desperation the company embarked on interesting but unsuccessful experiments with the use of indentured servants from ships in Philadelphia and Baltimore, and with negro slaves from the neighboring countryside.¹⁶

As the result of the unexpected construction problems financial difficulties beset the Potomac Company as early as 1797. Permission to collect tolls at Great Falls in return for transporting goods around the falls by wagon provided only temporary relief.¹⁷ By 1799, company affairs seem to have come to a standstill, and the undertaking was on the verge of failure. At this point Maryland came to the aid of the project with a substantial stock subscription.¹⁸ After the completion of the works at Great Falls the company fell into new financial troubles as income from tolls did not attain anticipated profitable levels. The directors were forced to seek loans from banks and private individuals to meet the expense of clearing the river bed and replacing the crumbling locks at Little Falls. Maryland again extended assistance in the form of a loan in 1814.¹⁹ Finally the company succumbed to the lure of a vast and unsuccessful lottery proposal authorized by the Maryland legislature.²⁰ By the end of the War of 1812 the Potomac Company was rapidly declining and soon became dormant.

Despite the misfortunes of the Potomac improvement project the

valley continued to grow and prosper in the decades following the Revolutionary War. Population in the more accessible counties of western Maryland increased rapidly up to 1800. So "crowded" had the country become in the opinion of some inhabitants that there are reports of the beginning of migration to Kentucky and the new West even before 1800. And we have the assurance of one writer that by the turn of the century Hagerstown and Williamsport were thriving commercial and industrial towns with many saw, grist, and woolen mills in the neighborhood.²¹ The relatively rapid expansion of the seventeen-nineties was punctuated by a brief flurry of excitement in 1794, accompanying the militia muster under President Washington at old Fort Cumberland during the Whiskey Rebellion.²²

In the first decade of the nineteenth century the expansion of the upper valley slowed perceptibly, then resumed its rapid pace after 1810. The demise of the Bank of the United States, in 1811, was the occasion for an increase in private banking locally as well as elsewhere in the nation. The first newspaper was established in Cumberland in 1812 and a second followed in 1814. A renewal of migration is noticed after the War of 1812, with Ohio, Indiana, Illinois, and Missouri being mentioned as the objectives of the westward trek. In the years following the war there is also more frequent reference to mills, foundries and other manufacturies along the upper Potomac.²³ Nevertheless, agriculture remained the principal pursuit of the valley.

The Potomac Company deliberately sought to encourage the agricultural development of the valley, and in so far as its works were

effective, it did assist in the transportation of the farmers' produce to markets over a relatively improved and therefore cheaper waterway. Trade on the Potomac remained seasonal at best, however, dependent upon spring and fall freshets. For the most part it was one-way traffic, few boatmen attempting the long and difficult trip upstream against the current.²⁴ A contemporary source described traffic on the river in the following words:

At this time a considerable amount of business was done on the Potomac River, in the way of transporting coal, flour, &c., by means of suitable boats. Coal was loaded on flat boats at Cumberland, and whenever the stage of water would permit they were floated down to Georgetown. ... When the trade was first established these flat boats were only capable of transporting 300 bushels of coal, but as the river became known, and experience was gained, their size was gradually increased until they were given a capacity of 1,500 bushels.

"Keel" boats were also built, sharp at either end, with keel and stem posts. Their greatest length was 70 feet, and their average width 10 feet, their freightage being from 100 to 125 barrels of flour.

These boats were manned by a crew of four: steersman, head oarsman and two side oarsmen. The boat was floated into the current, and when necessary was propelled by the side oarsman, by means of long sweep oars, the steersman and head oarsman being required to guide it through the difficult channel. The season for boating generally opened in February, and continued usually until the first of May. The boats occasionally ran during the fall freshets. The round trip (from Cumberland to Georgetown and return) occupied from twelve to eighteen days. The down trip occupied only three days, but the return was both laborious and painful, as most of the distance the boat was propelled by means of poles, which the man placed against their shoulders; and on their arrival in Cumberland, frequently their shoulders raw and sore.

This enterprise was attended with many difficulties and risks, and the wreck of a boat and the loss of its cargo was a common occurrence. The devious channel, hidden rocks, and frequent islands were serious obstacles. One of the most disastrous places on the river was

"Cumberland Falls," just where the dam now is. Many boats were lost here, and several men drowned. The Potomac Company had done something towards lessening the dangers by planting signal posts to mark the channel and had also erected stone walls as courses, some of which may yet be seen a short distance below Cumberland. Most of the flat boats taken below, loaded with coal, were not returned, but were broken up, at Georgetown, and the lumber sold.

About 1816 the Company reversed itself, perhaps under the influence of the new feeling of nationalism or the need for money, and began to encourage the development of mills and factories in the valley by the judicious disposal of waterpower. Legal difficulties, such as those encountered in the negotiations with John K. Smith for factory sites at Little Falls, prevented full operation of the new policy.²⁶

As for the other objectives of the company, the establishment of the Potomac route to the west, the hoped-for connection with western waters never materialized. And by 1800 the frontier in its advance westward was beginning to move beyond the immediate horizons of the Potomac Valley. In addition the straitened financial condition of the company and the continuing problem of maintaining the improving navigation in the Potomac River forced a curtailment of both interest and activity on the part of the promoters of the enterprise until, in 1815, the work was restricted almost entirely to the lower valley east of Harpers Ferry.

The War of 1812, which closes this particular period in the history of the valley, had less influence than the Revolution on the development of the upper Potomac. There were no battles west of Washington and the brief occupation of the Chesapeake Bay and the

National Capital in 1814 had no apparent effect on the life or economy of the valley beyond the excitement occasioned by President Madison's flight from Washington. Not even the records of trade through the Potomac Company works indicate any interruption or reduction of traffic on the river. There were fewer demands for troops than in the Revolutionary War, although some militia from western Maryland did participate in the battle of Bladensburg, August 24, 1814, and in the fighting around Baltimore in September, 1814. In addition there are suggestions of political division in western Maryland the support of the war similar to that leading to the revival of the Federalist party in New England during the conflict.²⁷

War experiences provided valuable lessons to citizens of the valley and of the nation itself. The lack of adequate means of transportation between the Atlantic coast and the trans-Allegheny region and therefore the weakness of internal lines of communication impressed itself upon the country and its leaders both as a military and an economic consideration. The absence of sufficient manufacturing and commercial facilities was also clearly demonstrated during the course of the conflict. The conclusion which these and other considerations impressed upon the citizens was the precarious basis of independence. The period following the war saw the rise of the West as an economic factor in the nation, which was attractive to investors and merchants in the East and which may partly explain the rediscovery of the West by the East. Capitalists and merchants of the Potomac Valley were as keenly aware of this incentive as were the

others and sought to reopen the Potomac route. The old Potomac Company was obviously unable to perform a leading role in this new era but by 1822 efforts to replace the Potomac Company with newer enterprises had not yet succeeded.

Footnotes to Chapter Three

1. Scharf, I, 123-129, 145-161; Cunz, p. 133. See also Charles A. Barker, The Background of the Revolution in Maryland (New Haven, 1940); Barker, "The Revolutionary Impulse in Maryland," Maryland Historical Magazine, XXXVI (1940), pp. 128ff; Esther M. Dole, Maryland During the American Revolution (Baltimore, 1941), pp. 25ff; Bernhard Steiner, Western Maryland in the Revolution (Baltimore, 1902), p. 21.
2. Scharf, I, 136-137.
3. Alexander Lane, "Government Acquires Historic Canal — to Become National Park," MS, National Capital Parks, File 1460 (Chesapeake and Ohio Canal), Section 2. "Some students of General Washington's life feel that his long belief in the feasibility of connecting the Monongahela and the Potomac hovered closely to an obsession. Private letters as well as existing public records tend to confirm this." See also Clark "Historical and Other Notes on the Chesapeake and Ohio Canal," a typewritten report dated March 12, 1930, in Informational Material in re Chesapeake and Ohio Canal, Records of the Rock Creek and Potomac Parkway Commission, (National Archives, Washington, D.C.); Stephenson and Dunn, II, 207-209, 211-212; Ambler, pp. 132-151; Grace L. Nute, "Washington and the Potomac," American Historical Review, XXVIII (1923), 497-520, 705-723; Warren Upham, "Washington's Canoe Trip down the Potomac," (1754), Records of the Past, IX, 74-79; John R. Alden, "Washington and the Pittsburgh Route, 1768," American Historical Review, XLIV (1939), 849-851 (Letter to John Blair, 1768); Pickell, *op. cit.*; Herbert B. Adams, Maryland's Influence in Founding a National Commonwealth (History of the Accession of Public Lands) (Baltimore, 1877). Appendix II, "Washington's Public Spirit in Opening a Channel of Trade between East and West," pp. 92-113; Archer B. Hulbert, Washington and the West, (New York, 1905).
On Washington's early trips to the West and his interest in western lands, see: Pickell, pp. 17-19 (1753-1754, 24-25 (1770, 1772, 1774), 35-37 (1784): Diaries I, 400-432; Stephenson and Dunn, II, 191-192; Ambler, *op. cit.*; Hulbert, *op. cit.*; Roy Bird Cook, Washington's Western Lands (Strasburg, Va., 1930); and H. B. Adams, *op. cit.*; Appendix I, "Washington's Land Speculations (The Washington-Crawford Letters Concerning Western Lands, pub. in Cincinnati, 1877)." pp. 72-92.
4. Washington to Benjamin Harrison, Governor of Virginia, cited in Pickell, pp. 38-39; Stanford, p. 6; Act of Virginia, passed October, 1784, Documents Relating to the Chesapeake and Ohio Canal, July 11, 1840, 26th Cong., 1st sess., Senate Document No. 610, pp. 85-86. Washington declined the gift and requested that the shares subscribed in his name be assigned to some public purpose such as the establishment of a national university. (Washington

4. (cont.) to the Governor of Virginia, Pickell, pp. 63-64, and Stephenson and Dunn, II, 202.) Virginia acceded to his request by an act passed in October, 1786, directing the shares to be assigned to such public object as Washington should designate. (Documents Relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 86-87.) On the alacrity and unanimity with which the Assembly followed the General's advice, see Pickell, p. 42.
5. Stephenson and Dunn, II, 197, 211; Bacon-Foster, p. 133; Pickell, pp. 43-46; Act of the General Assembly of Maryland, November Session, 1784; Documents Relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 101-110. See also the letter from Madison to Jefferson, January 9, 1785, Worthington C. Ford, ed., Writings of Washington (14 vols., New York, 1880-1893), X, 415n-418n. The meeting between the Virginia and Maryland Commissioners began a series of conferences which culminated in the Philadelphia convention to amend the Articles of Confederation, in which the new federal Constitution was written. Bacon-Foster, p. 142
6. Proceedings of the Stockholders of the Potomac Company (May 17, 1785), Letter Book A, p. 1. The minutes of the early meetings of the stockholders are recorded in a volume entitled "Letter Book A". The annual meetings were held in August, and will be cited as Annual Meeting (year). Special meetings of the stockholders sometimes occurred; they will be cited in Special Meeting (date). These proceedings as well as the Annual Reports, correspondence, Proceedings of President and Directors, etc., are all in manuscript form and are deposited in the National Archives, (Washington, D. C.)
7. Walter S. Sanderlin, The Great National Project. A History of the Chesapeake and Ohio Canal (The Johns Hopkins University Studies in Historical and Political Science, Series LXIV, No. 1, Baltimore, 1946), Appendix, Table VIII, p. 315.
8. Alvin F. Harlow, Old Towpaths, (New York, 1926), pp. 1-43; Seymour Dunbar, A History of Travel in America (4 vols., in 1, New York, 1937), chap. x, pp. 151-170; Archer B. Hulbert, Pioneer Roads, (2 vols., Historic Highways of America, vols. 11 and 12, Cleveland, 1904); James W. Livingood, The Philadelphia-Baltimore Trade Rivalry, 1780-1860 (Harrisburg, 1947), chap. ii, pp. 27-53; Balthasar H. Meyer and Caroline MacGill, eds., History of Transportation in the United States Before 1860 (Washington, 1917).
9. George Washington Ward, The Early Development of the Chesapeake and Ohio Canal Project (The Johns Hopkins University Studies in Historical and Political Science, Series XVII, Nos. 9, 10, 11 (Baltimore, 1899)). The page citations in this report, however, are to the manuscript copy of the thesis. Although the thesis itself is not paged, the numbering adopted runs consecutively

from the first page of the Introduction which has been taken as page one. Hence, this reference is Ward, pp. 23ff.

10. Proceedings of the President and Directors of the Potomac Company, Journal A, p. 4 (July 1, 1785), 5 (July 14, 1785), 20-27 (October 2, 3, 1786), 33 (June 2, 1788), 66-67 (January 4, 1796), 100-102 (May 2, 1797), 134-135 (June 6, 1798), 239 (May 26, 1802). Gilpin made a survey of the entire river and frequently acted as a supervisor. Annual Meeting (1790), Letter Book A, [15]; (1792), A, [20]. See also Report of the Committee of the District of Columbia to whom were Referred Sundry Memorials from the Inhabitants of Pennsylvania, Maryland, and Virginia, Praying the Aid of the Federal Government towards the Improvement of the Navigation of the river Potomac, May 3, 1833, 17th Cong., 1st sess., House of Representatives, Report No. 111, pp. 14-17. On Rumsey and his experimental boat, see: Stephenson and Dunn, II, 206; Bacon-Foster, p. 134; Stanford, p. 6; James T. Flexner, Steamboats Come True (New York, 1944), pp. 66ff. Washington was a passenger on the boat during a trial run, March 14, 1786.
11. The Shenandoah, Monocacy, Antietam, and Conogacheague all had some work done on them to improve navigation; the Cacapon and the South Branch of the Potomac were also considered, but nothing was accomplished. Annual Report (1806), Director's Journal A, 255-256; (1807), Director's Journal B, 7-8; (1812), B, 140; (1813) B, 176-177; (1814), B, 220; Proceedings of Directors, B, 116-117 (December 17, 1811), 151-153 (November 8, 1812); John Mason to the Secretary of the Treasury, January 20, 1808, Directors' Journal B, 22-26; Mason to Bernard Peyton, Secretary of the Virginia Board of Public Works, December 9, 1817, Directors' Journal B, 342.
12. Annual Report (1792), Letter Book A, [19].
13. Annual Report (1794), A, [26]; (1798), A, [32].
14. Annual Report (1802), A, 246; Bacon-Foster, p. 156. The works were considered an engineering feat of major proportions and were written up in European journals.
15. Annual Report (1806), A, 355-356; (1807), B, 7-8; Mason to the Secretary of the Treasury, January 20, 1808, Directors' Journal B, 22-23.
16. Proceedings of Directors, A, 10 (September 9, 1785), 11-12, (September 26, 1784), 14 (October 18, 1785), 42 (November 5, 1792), 66 (December 22, 1795), 85-86 (October 5, 1796), 207-208 (December 17, 1800); Thomas Johnson to Washington, September, 1785; Bacon-Foster, p. 161-163, 176; Stanford, p. 10; President and Directors to Josias Thompson, July 24, 1811, Directors' Journal B,

16. (cont.) 101. Mrs. Bacon-Foster reprints several notices from local newspapers reporting runaways, for example, Maryland Chronicle, February 22, June 21, July 10, 1786; Alexandria Gazette, January 1, 1786.
17. Annual Meeting (1797), Directors' Journal A, 113; (1798), 143-144; Report of the Directors to a Special Meeting (February 8, 1798), Directors' Journal A, 128; Act of the Maryland Assembly, November Session, 1797, Documents Relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 117-118.
18. Special Meeting (December 10, 1799), Directors' Journal A, 168; Documents Relating to the Chesapeake and Ohio Canal, July 11, 1840, p. 116.
19. Proceedings of Directors, B. 200-203 (February 16, 1814).
20. Ibid., p. 65 (March 6, 1810), 361 (May 16, 1818); Bacon-Foster p. 200. For a detailed account of the drawing, see the "Running Book" of the lottery, containing dates of drawings, number drawn, and prizes awarded, in the Potomac Company records. The net proceeds were \$486.03 instead of the \$300,000 anticipated; and legal suits growing out of the lottery dragged on for many years.
21. Scharf, II, 981, 1554. Washington County had a population of 15,822 in 1790 and 18,659 in 1800; Allegheny County attained levels of 4,809 in 1790 and 6,303 in 1800.
22. Lowdermilk, pp. 272-275.
23. Ibid., pp. 300-301, ^{303;} Scharf, II, 982n, 1218, 1554. The figures for Washington County were: 18,730 (1810) and 23,075 (1820); for Allegheny County: 6,909 (1810) and 8,654 (1820).
24. See the petition of Captain George Pointer, September 5, 1829, in Chesapeake and Ohio Canal Company records, National Archives (Washington, D. C.) and Washington Star, July 30, 1930 and October 6, 1931.
25. Lowdermilk, pp. 311-313.
26. Annual Report (1816), Directors' Journal B, 257-258; John K. Smith to President and Directors, December 3, 1916; Annual Meeting (December 3, 1816), B, 273-279. See also the extensive correspondence beginning November 15, 1819, ibid., pp. 394 ff. The dispute lasted into the early years of the canal company.
27. Scharf, I, 186-191; Lowdermilk, p. 295. Federalist "Friends of Peace" won in both Washington and Allegany counties.

CHAPTER FOUR

Canal Era
1815 - 1829

In many ways the United States may be said to have rediscovered itself in the period after 1815. Although political independence had been achieved by 1783, freedom from a spiritual dependence upon Europe did not come until many years later. This came more as the result of a growing consciousness of strength and destiny than as a consequence of the War of 1812. But the latter conflict played an important role in demonstrating to England and to the European world that the United States had indeed embarked upon an independent existence. The experience also brought to the country itself a more acute awareness of its own needs. The war, then was a period of forced maturation for the United States and its citizens.

In general, the United States turned to the fuller development of its potentialities after 1815. The experience of the war had indicated the need for a degree of industrialization sufficient to insure a source of supplies in wartime independent of foreign trade. The problem of public financing in wartime was still fresh in the minds of the nation's political leaders following the uncomfortable experiences of the years since the demise of 1811 of the original Bank of the United States. The difficulties of communication in a country without adequate internal transportation facilities, with the enemy fleet controlling the coastal water, provided perhaps the most widely recognized lesson of the recent conflict. Viewed in this light,

the American System of Henry Clay was a summary of the principal lessons of the War of 1812, as well as a throwback to the Hamiltonian system. The Tariff of 1916 and the chartering of the Second Bank of the United States in the same year realized two of the three major objectives of Clay's program to unite the sections behind a national program to benefit all. The third phase, federal aid for a systematic program of roads and canals, was held up pending the election of a more favorable president than the reticent James Monroe.

As has already been noted, a considerable migration to the lands west of the mountains occurred after 1815. In part this was the result of a spontaneous movement within the country. It was swollen, however, by large numbers of new arrivals from war-devastated Europe. The admission in rapid sequence of Indiana, Mississippi, Illinois, Alabama, and Missouri between 1816 and 1820 marks the westward course of the tide of humanity and gives some indication of the size of the movement. The coincidence of this westward migration and the new direction of the government policy, exemplified by the American System, is not entirely an accident. The filling up of the West after the War of 1812 made that region both a political force in Congress and an economically attractive market for Eastern merchants. The support of these interests, especially in the Clay-Adams wing of the Jeffersonian party, should not be discounted. The rise of the West placed particular emphasis on the need for an adequate system of internal transportation.

That many were aware of this need is beyond question. The principal obstacle was the constitutional scruples of the President. After 1815 advocates of internal improvements both within and outside of

Congress pressed upon first James Madison and later James Monroe the need for a federally sponsored systematic internal improvement program.¹ Among the leading advocates in Congress were Representatives Charles F. Mercer of Virginia and Andrew Stewart of Pennsylvania. The force of the "military necessity" and "national interest" arguments of these men and the pressure of public opinion which was caught in the newly found enthusiasm of the times soon made an impression upon President Monroe. By 1823 he had reconciled his understanding of the federal constitution with a program in which the United States would assist the construction of these projects provided the operation of the works was turned over to the states or to private companies after completion. In line with this reasoning the President took a fairly strong stand in favor of national aid to internal improvement companies in his annual message to Congress in 1823.²

While friends of internal improvements were trying to secure the aid of the general government, others sought similar assistance on a state level without awaiting the outcome of the struggle in Washington. They met with varying success, especially in the three areas of most active competition for the western trade -- New York, Pennsylvania, and the Potomac Valley states. As the years passed without a favorable decision from the National capital to indicate the successful outcome of the struggle there, the campaign for state support became more important. New York held the advantage in the new race for primacy, for it had been the earliest to commit itself heavily to the development of its route across the mountains. Nature also favored New York with a topographical advantage in the

lowest overall rise and fall of land to be overcome. On July 4, 1817, the Empire State undertook the construction of the Erie Canal the envy of all others.³ Pennsylvania revived some old projects and chartered some new ones, all small, which would when completed provide an impressive transportation system in the eastern part of the state. In the following decade, the Keystone State decided it had in the inclined railway a solution to the topographical problem presented by the massive mountain barrier, and undertook the famous Main Line of Public Works.⁴

In the Potomac Valley those interested in that historic route to the West encountered difficulties, peculiar to the local situation, which delayed the re-entry of the Potomac route in the competition for the western trade. There were two attempts, in 1812 and 1816, to charter companies to construct canals along the banks of the Potomac River.⁵ Both ultimately failed because of the resistance of the Potomac Company, which was seeking to protect its vested interest from the threat of the new undertakings, and because of the inactivity of the three governments concerned, Maryland, Virginia, and the Congress (for the District of Columbia), to agree on a specific plan or a method of financing.

The unique situation confronting proponents of an artificial waterway via the Potomac Valley was the position of the federal government in the District of Columbia at the head of tidewater, the logical terminus for such an improvement. Any effective proposal would therefore require the cooperation of the Congress. But it was difficult to secure the recognition of an acceptable distinction between aid to a particular project and the general problem of the constitutionality

of any federal aid to internal improvements within the States. The argument that some projects were national in scope, however true it might be in this case, had more influence on a decision in the general question.⁶

In 1816 a significant step was taken by Virginia which influenced the course of affairs in both the James River and the Potomac River Valleys. This was the passage of an act creating the Virginia Board of Public Works and calling for the establishment of definite system of internal improvements. In the process of bringing some order into the state's existing system of roads and improved waterways, the Board discovered that despite the expenditure of \$729,000 the Potomac Company had failed to fulfill the requirement of its charter that it provide navigation for boats carrying fifty barrels of flour in the driest seasons. The Board sponsored, with the cooperation of Maryland and the tardy and reluctant consent of the Potomac Company, two surveys of the valley in 1820 and 1822. The report of the Maryland and Virginia engineers recommended the abandonment of the Potomac Company works and the construction of an artificial waterway (thirty feet wide and three feet deep, costing \$1,574,000) to replace the system of improved river navigation.⁷

It is interesting to note the shift from improved river navigation to the use of a canal recommended in this report as well as in the two proposals of 1812 and 1816. The change contemplated in the development of the Potomac route reflected a trend underway in the nation generally since the first internal improvements boom of the last decade

of the preceding century. The Gallatin report of 1808 indicates one stage in this trend and anticipates a continuation of it. Although Pennsylvania in chartering revivals of projects first suggested in the 1790s clung momentarily to the old idea of simply improving upon natural or existing routes, the shift to artificial lines of communication was fairly generally adopted by 1815. Even the city of Baltimore became apprehensive over the ability of its turnpike to Cumberland to compete with the new artificial trade routes.

The explanation behind the change lies partly in the growth of the country and partly in the technological developments. In the former case the trend was away from casual trade to regular and dependable transportation as the nation's economy became more complex, especially with the rise of domestic industry and commerce. In the latter instance, the development of improved water cement, the kyanizing process for treating timbers used in water, the macadamizing process of mixing crushed rock and an adhesive substance to provide an all-weather surface for roads, and the application of steampower and the products of the improvements in the machine industry to railroads and ships made possible a veritable revolution in both land and water transportation.

In the United States this revolution was accompanied for the most part by a continuation of the shift from public highways to privately-controlled transportation routes. This was in contrast to both the European trend and the later American practice, but was similar to that which occurred in England at that time. It was

probably the result of the wide-spread feeling, from the common heritage, of a desire to limit the scope of activity of government to the least possible area consistent with security and welfare. The private control of these enterprises should not obscure the large financial contributions from public treasuries, federal, state, and local, which were necessary and which made possible most of the undertakings. Throughout these general considerations it should be remembered that the experiences of the Potomac Company and the Chesapeake and Ohio Canal Company are typical of the history of transportation in the United States. The preservation of the physical evidences of these projects and the access to them which a parkway would provide would be of historical value to the country as a whole.

Promoters of the Potomac route promptly turned to ways and means of putting the engineers' recommendations into effect. The Virginia Assembly passed an act incorporating the Potomac Canal Company in February, 1823. Maryland, however, failed to confirm the act, as required by its terms, despite widespread support for the project.⁸ Popular enthusiasm had been increasing since the earliest proposal to replace the dormant Potomac Company. One observer in 1819,⁹

The projected establishment of slack water navigation on the Potomac river between Tidewater and Cumberland, led to the most extravagant expectations of commercial progress in Cumberland, and owners of lots bordering on the river expected to realize fortunes in the sale of their property.... The failure of the project rendered the speculation unprofitable.

The District cities were also active in the agitation for the

incorporation of the Potomac Canal Company. They deputed "agents to solicit and advance the plan with the two legislatures [Maryland and Virginia]." ¹⁰ In 1823 interest in the proposal revived following the defeat in the Maryland legislature. In August of that year, a meeting of the citizens of Loudon County, Virginia, Representative Mercer's home district, formally endorsed a call for an internal improvements convention, and many counties appointed delegates to the meeting.

Friends of the Potomac canal project assembled at Washington in November, 1823, to consider an even grander proposal for a canal all the way to the Ohio River at Pittsburgh. ¹¹ The success of the convention can best be indicated by the course of events in the years immediately following. Acting upon the recommendation of President Monroe in December, 1823, Congress provided \$30,000 for a detailed survey of the entire route. In January, 1824, the Virginia Assembly passed an act incorporating the Chesapeake and Ohio Canal Company, which was confirmed by the Maryland legislature in January, 1825. The preliminary report of the United States Board of Engineers in February, 1825, concurred in the opinion that the canal was practicable from an engineering standpoint (considering primarily location of the waterway and adequacy of water supply.) Shortly thereafter Congress added its consent to the Virginia act in a bill approved by President Monroe, March 3, 1825. Thus came into legal existence the company whose property the federal government

acquired in 1938 upon which the proposed parkway would be built. In February, 1826, Pennsylvania confirmed the charter, with reservations concerning the part to be constructed in that state.¹²

The final report by the Board, of Engineers, in October, 1826, staggered proponents of the project with an estimate of approximately \$22,000,000 for a canal of the dimensions proposed by the United States, i.e., forty-eight feet wide and six feet deep.¹³ The Engineers' estimate was the occasion for the reassembling in Washington of the stunned supporters of the project, who had proposed a canal forty feet wide and four feet deep costing between four and five million dollars. The purpose of this convention was to examine and criticize, if possible, the Engineers' estimate and to cause a new survey to be made to ascertain the true cost of the work on the enlarged dimensions. A comparison with actual expenditures on the Erie Canal revealed that the allowances for masonry, walling, excavation and especially labor costs were exceedingly generous. Another survey of the proposed route in 1827 by two engineers experienced in work on the Erie Canal, James Geddes and Nathan Roberts, resulted in an estimate of \$4,500,000 for a canal as far as Cumberland.¹⁴

Encouraged by these developments, the promoters opened subscription books in October, 1827.¹⁵ Congress authorized a federal subscription of \$1,000,000 to the stock of the canal company.¹⁶ Congress further permitted the three cities of the District of Columbia to increase their indebtedness in order to subscribe \$1,500,000.¹⁷ Maryland added \$500,000 to the growing number of pledges, and private individuals, principally residents of the District cities, contributed \$607,400.¹⁸ In all \$3,600,000 in pledges were received.

The Chesapeake and Ohio Canal Company was formally organized in June, 1828, with Representative Charles F. Mercer as its first President.¹⁹ Construction got underway on July 4, 1828, with gala ground breaking ceremonies above Little Falls in which the President of the United States, John Quincy Adams, at the head of an assemblage of foreign, national and local dignitaries, wielded the spade.²⁰ The Potomac Company formally conveyed its rights in the Potomac Valley to the new enterprise in August, 1828.²¹

Enthusiasm for the project was general throughout the valley. The news of the Congressional subscription authorization elicited the wildest outburst. The Mayor of Washington hoisted a flag atop City Hall, and cannon saluted the event in Washington and Georgetown. There was a great illumination at Cumberland and a festive banquet at which U. S. Representative Andrew Stewart, one of the original proponents of the project, was the guest of honor. Leesburg, the home of Charles F. Mercer and the seat of Loudon County, Virginia, gave its most famous citizen a banquet. Old Town, Maryland, and Martinsburg, Virginia, were also reported to be highly pleased.²²

In the meantime, the leading citizens of Baltimore --- merchants, lawyers, and civic leaders --- were busy with their own plans. At the time that the Potomac Company was chartered city leaders had opposed State support for the Potomac improvement, which would benefit its intrastate rival, Georgetown.²³ The revival of the projected improvement of the Potomac in the 1820s again aroused the Baltimore merchants. The dilemma which faced the city, and to that extent

the State, in the early years of the nineteenth century was the problem of establishing an effective route to the West through a region relatively lacking in water at a time of distinct competitive advantage of water over land transportation (approximately eight to one in 1822).²⁴ Lacking an immediate answer to the overall problem, Baltimore interests resorted to obstruction tactics in the Maryland Assembly and successfully prevented approval of the Potomac Canal Company charter. In 1824 and 1825 friends of the enlarged project for a Chesapeake and Ohio Canal exerted great pressure on the legislature and with the help of representatives from the counties of western Maryland secured approval of the Virginia law chartering the new enterprise. No longer, it seemed, could the question of ways and means to divert trade from the Potomac route be avoided.

Maryland and Baltimore favored the construction of a Maryland canal from a point in the Potomac Valley to the monumental city, and insisted on adequate provision in the Chesapeake and Ohio charter for such a waterway.²⁶ Surveyors of the land between Baltimore and the Potomac Valley reported that the only practicable route for the canal would be via the Anacostia River, to the east of Georgetown.²⁷

Baltimore officials called a meeting of citizens, on February 12 and 19, 1827, to take some action in the crisis which, they feared, threatened the commercial future if not the very existence of the city. Those present endorsed a project proposed by leading citizens, the construction of a rail road from Baltimore to the Ohio. To accomplish this novel and daring venture, the assemblage approved the organization of the Baltimore and Ohio Rail Road Company.²⁸ The

railroad as a means of long distance transportation was still in an experimental stage in England and was almost unknown in America. Thus the project was distinctly a gamble, and the immensity of the risk was an indication of the desperation felt by Baltimore merchants.²⁹

Nevertheless the promoters of the railroad petitioned the legislature to pass a law incorporating the necessary company to carry out the project. The Assembly promptly responded, February 28, 1827, and the company came into legal existence. Books were immediately opened to receive subscriptions for its authorized capital of \$1,500,000. Stockholders quickly organized the company, April 23, 1827, and the directors rushed plans for commencing construction. On July 4, 1828, the same day that work on the Chesapeake and Ohio Canal was started, Charles Carroll of Carrollton, the only surviving signer of the Declaration of Independence, laid the cornerstone (!) of the Baltimore and Ohio Railroad.³⁰

Thus the Potomac Valley, which, keeping pace with the nation, continued to grow and which was becoming more diversified in the years following the War of 1812, was promised two internal improvements in the near future, with which to overtake the Erie Canal (completed in 1825) and the Pennsylvania Main Line of Public Works (begun in 1826). It would receive the benefits of better facilities for both water and land travel and would, in fact, become the site of a test between these two competing means of transportation. On the outcome of this trial would depend to a considerable extent the future course of the competitors in America and, in part, the role of the Potomac Valley in the following decades. Contrary to expectations, the rivalry of

these two works proved to be a decisive disadvantage, for the long and bitter struggle between the two retarded and hurt the development of the valley, enabling other areas to gain an advantage which was never overcome. The victory of the canal over the railroad in the struggle for the right of way on the Maryland bank of the river largely committed that area to a dependence on the canal for the next fifty years. In so far as canals were unable to compete effectively with railroads the economic development of the Potomac Valley suffered as a consequence.

Footnotes to Chapter Four

1. Ward, pp. 15-16, 19, 20-21; Report of the Committee on Roads and Canals, January 30, 1827, pp. 5-6, 9; Report of the Committee of the District of Columbia, May 3, 1922, pp. 2-3, 5. The arguments used included the disposal of surplus revenue, military necessity, and the national scope of certain projects.
2. James D. Richardson, ed., A Compilation of the Messages and Papers of the Presidents (10 vols., Washington, 1896), II, 216: Report of the Committee on Roads and Canals, January 30, 1827, Appendix 3, p. 36. See also, Answer of the Chesapeake and Ohio Canal Company vs. Baltimore and Ohio Railroad Company, Maryland Reports, 4 Gill and Johnson 24.
3. Harlow, pp. 51ff; Dunbar, pp. 778-783; Hulbert, The Great American Canals (2 vols., Historic Highways of America, vols. 13 and 14, Cleveland, 1904), II, 104ff. See also, Noble E. Whitford, History of the Canal System of New York State (2 vols., New York, 1906).
4. T. B. Klein, The Canals of Pennsylvania, in Annual Report of the Secretary of Internal Affairs (1899-1900), No. 9 pp. lxxiii-lxxxix; Harlow, pp. 92-103; Dunbar, pp. 787ff; Hulbert, Great American Canals, I, 169ff. See also Livingood, Philadelphia-Baltimore Trade Rivalry; and Chester L. Jones, The Economic History of the Anthracite-Tidewater Canals (University of Pennsylvania Series in Political Economy and Public Law, No. 22, Philadelphia, 1908).
5. Proceedings of Directors, B. 158 (December 29, 1812), 267-268 (November 13, 1816). In combatting the second proposal, the Potomac Company enlisted the services of Charles F. Mercer, later President of the Chesapeake and Ohio Canal Company, to help defeat the act of incorporation in the Virginia Assembly. Mason to Mercer, December 16, 1816, Directors' Journal B, 303-308.
6. Ward, p. 19
7. Ibid, pp. 12 36, 40-46; Report of the Committee on Roads and Canals, January 30, 1827, Appendix 3, pp. 33ff., Appendix 12, p. 60; Proceedings of Directors, B. 340 (December 8, 1817); Peyton to President and Directors, November 8, 1817, and Mason to Peyton, December 8, 1817, ibid., pp. 342-350; Annual Meeting (1819), Directors' Journal B, 382; Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 19-20; Report of the Engineer of Virginia in re a Canal to the Ohio, Potomac Company Correspondence, 1820.
8. Annual Report (1823), Directors' Journal C, 14-15; Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 21-22; Report of the Committee on Roads and Canals, April 17, 1834, p.4.

9. Lowdermilk, p. 304. See also Annual Report (1823), Directors' Journal C, 15.
10. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 21. See also the proposals of Abner Lacock, Great National Object: Proposed connection of the Eastern & Western Waters by a Communication through the Potomac Country (Washington, 1822), a series of letters reprinted from the Washington National Intelligencer, and the memorials from inhabitants of the District and neighboring states in the Report of the Committee of the District of Columbia, May 3, 1822.
11. Journal of the Chesapeake and Ohio Canal Convention, 1823 and 1826 (Washington, 1827), pp. 1-4; Memorial of the Central Committee, Report of the Committee on Roads and Canals, January 2 1828, 20th Cong., 1st sess. House of Representatives, Report No. 47, pp. 7-10, 16-23; Report of the Committee on Roads and Canals, April 17, 1834, p. 4; ibid., Appendix A, pp. 67-68; Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 22. Present at the meeting were such well known national and local persons as Albert Gallatin, John Mason, Charles F. Mercer, Governor Joseph Kent, Bushrod and George C. Washington, George, Peter, and Frisby Tilghman. At an adjourned session of the convention, in 1826, Henry Clay, George Washington Parke Custis, Thaddeus Stevens, Andrew Stewart, Philip E. Thomas and Joseph W. Patterson (both later associated with the Baltimore and Ohio Railroad) also attended.
12. Report of the Committee on Roads and Canals, January 30, 1827, Appendix 3, p. 37 and Appendix 15, pp. 70-72, 75. See also Act of the General Assembly of Virginia, Documents Relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 1-12; Act of the General Assembly of Maryland, ibid., pp. 12-13; Act of Congress approved March 3, 1825, ibid., p. 13; Act of Pennsylvania, February 9, 1826, ibid., pp. 31-34; Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 24-26. The charter authorized the canal company to accept subscriptions for the purpose of financing the construction of an artificial waterway from tide-water on the Potomac in the District of Columbia to the highest point of permanent navigation on the Ohio at Pittsburgh via the shortest practicable route. The charter stipulated that the eastern section of the canal must be completed before the western section could be started. To enable the company to accomplish its purpose, the act gave it the power to condemn and hold land in fee simple when used for canal purposes and granted it the right to use the water of the rivers for purposes of navigation. Furthermore, the company was to be forever free from taxation. It must, however, complete and put into use at least one hundred miles of canal within five years and must complete the entire project in twelve years. The dimensions of the

waterway were to be at least forty feet wide and four feet deep (twenty-eight feet wide at the bottom). To permit the officers of the company to carry on their work with the least possible hindrance the use of injunctions to stop work was specifically prohibited. Two important powers which were left in doubt by the charter, the right to raise money by loans based on the pledge of canal property and revenues and the right to sell surplus water from the canal, were added later.

13. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 26; Report of the Committee on Roads and Canals, January 30, 1827, Appendix 15, pp. 69, 75. The full report is printed in Message of the President of the United States, transmitting a Report from the Secretary of War..., December 7, 1826, 19th Cong., 2d sess., House of Representatives, Document No. 10. The detailed estimates were: \$8,177,081.05 for the eastern section, \$10,028,122.86 for the middle section, and \$4,170,223.78 for the western section, making a total of \$22,375,427.69.
14. Report of the Committee on Roads and Canals, January 30, 1827. Appendix 15, pp. 82-87, 89-97; Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 26-27. Harlow (p. 45) says that Geddes was a lawyer by training and could "by no means be called an engineer."
15. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 28-29.
16. Washington National Intelligencer, May 27, 1828; John Quincy Adams, Memoirs (ed. by Charles F. Adams, 12 vols., Philadelphia, 1874-1877), VIII, 6. See also Wilhelmus B. Bryan, A History of the National Capital (2 vols., New York, 1916), II, 111.
17. Report of the Committee on Roads and Canals on the Memorial of Washington, Georgetown, and Alexandria to enlarge the powers of the corporate authorities..., January 30, 1828, 20th Cong., 1st sess., House of Representatives, Report No. 112, pp. 1-2. The debts of the District cities were thereby doubled and tripled. Bryan, II, 110-111.
18. Act of the General Assembly of Maryland, passed December session, 1827, Documents relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 24-26; Special Report on the Completion of the Canal (February, 1851), Proceedings of Stockholders of the Chesapeake and Ohio Canal Company, Journal D, 403. The records of the Chesapeake and Ohio Canal Company are in manuscript form and are deposited in the National Archives, Washington, D. C.
19. Proceedings of a Special Meeting of the Chesapeake and Ohio Canal Company (June 20, 1828), Journal A, 1-3.
20. Washington National Intelligencer, July 7, 1828; J. Q. Adams, Memoirs, VIII, 48-50.

21. Proceedings of Directors, A, 43-44 (August 25, 1828). Inasmuch as there are no further references to the Potomac Company records, the same short form will be used in citing Chesapeake and Ohio Canal Company manuscripts, as above.
22. Washington National Intelligencer, May 27, 1828; Adams, Memoirs, VIII, 6; Bryan, II, 111.
23. Stephenson and Dunn, II, 197, 211; Bacon-Foster, p. 133. See also the letter from Madison to Jefferson in Ford, ed., Writings of Washington, X, 415n-418n.
24. Report of the Committee of the District of Columbia, May 3, 1822, p. 4, and Appendix G. See also Abner Lacock, esp. pp. 5-6; Reizenstein, The Economic History of the Baltimore and Ohio Railroad, 1827-1853, (Johns Hopkins University Studies in Historical and Political Science, Series XV, Nos. vii and viii, Baltimore, 1897), pp. 9-11.
25. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 21-22; Report of the Committee on Roads and Canals, April 17, 1834, p. 4. The District cities were especially active, sending "agents to solicit and advance the plan with the two legislatures."
26. Walter S. Sanderlin, "The Maryland Canal Project -- An Episode in the History of Maryland's Internal Improvements," Maryland Historical Magazine, Vol. 41, No. 1, (March, 1946), esp. pp. 55-56.
27. Letter of the Secretary of War, J. Barbour, transmitting a Report of the Engineer on the Survey of a Route for the Proposed Canal to Connect the Chesapeake and Ohio Canal with Baltimore, January 11, 1828, 20th Congress, 1st sess., House of Representatives, Documents, Vol. II, No. 58, pp. 6-7, 8.
28. Reizenstein, pp. 12-13; Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 33-34.
29. The uncertainty and misgivings with which Baltimore viewed the railroad project were reflected in the interest with which it followed the progress of a second survey of possible routes for a canal to link the Chesapeake and Ohio with the Monumental City. The new survey was conducted by United States Engineer William Howard, in 1827. After examining the field books of the earlier survey, Mr. Howard concentrated his attention on a route from the Potomac via the Anacostia River which he found to be practicable, at a cost of \$2,980,815.40, excluding payments for land. Letter of the Secretary of War, January 11, 1828, pp. 6-7, 8ff.
30. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 32-33; Bill of Complaint, ibid., pp. 7-8; Dunbar, pp. 943-945; Edward Hungerford, The Story of the Baltimore and Ohio Railroad (2 vols., New York, 1928), I, 29-31.

CHAPTER FIVE

Era of Construction
(1820 - 1850)

The two decades following the inauguration of the construction of the Chesapeake and Ohio Canal and the Baltimore and Ohio Railroad were momentous ones in the history of the Potomac Valley. To the rival transportation agencies involved it was a time of decision: which could outstrip the other, secure a competitive advantage, and become established. To the valley, its inhabitants, and their hopes, the progress of the two works chronicled the course of the latest efforts to reestablish the primacy of the Potomac route to the West. To the nation, the challenge to the New York and Pennsylvania leaders in the race for the Western trade could possibly have far reaching significance. Unfortunately, both public works were more concerned with the defeat of the competitor than with the vast potentialities, which they themselves envisioned, for the Potomac route.

The story of the construction of these works, particularly of the Chesapeake and Ohio Canal, is of more than historical interest in these pages. The answer to many pertinent questions concerning the present parkway project can be found in the records of these enterprises. A brief notice of the principal experiences of the canal company especially seems warranted. The location and acquisition of the right of way, now in the possession of the federal government, explains the present route for the proposed roadway. The historical episodes connected with the construction and operation of the canal in part justify the planning of a highway providing access to this

relatively undisturbed segment of our past. The relation of the canal to state and national developments gives the route a particular significance. And the role of the waterway and the railway in the growth of the valley deserves attention as background information for the current proposal. Finally the story of the decline of the canal mule as an effective competitor for the iron horse provides the transition from the past to the actual situation which exists today.

Both canal and railroad companies found themselves principally occupied at first with the location of their works and the organization of construction. After carefully considering land acquisition, engineering and construction factors, the canal company decided to locate its waterway along the north bank of the Potomac in Maryland.¹ The Baltimore and Ohio Railroad Company had been organized in such a hurry that the final decision concerning the route to be followed did not become apparent until after the enterprise got under way. Then the railroad company adopted a line from Baltimore through Frederick to the Point of Rocks in the Potomac Valley.² Confident in the security of the prior right of location in the Potomac Valley, inherited from the Potomac Company, the canal directors proceeded in a more leisurely fashion to secure the necessary land titles. The railroad, moving more aggressively, had, in the meantime, sent its agents far up the valley securing land rights from the inhabitants at many points, and particularly at the narrow gorge above the Point of Rocks.³

The property needs of the two enterprises were in conflict at many places in the valley. Realizing the threat to its proposed waterway, the Chesapeake and Ohio sought and obtained in the court of

Washington County in 1828 an injunction against the activities of the Baltimore and Ohio in the valley.⁴ The latter retaliated in the same with a series of three injunctions in the Court of Chancery at Annapolis restraining the construction of the waterway above Point of Rocks.⁵ For approximately four years thereafter the interests of the area which both enterprises were designed to promote were subordinated and all but lost in the bitter struggle over legal rights between the companies. In the meantime the construction of both works was so limited that neither was of material value to the greater part of the valley. After a long delay during which the railroad advanced across the State to the Potomac while the canal's westward progress was halted at Seneca, the Chancery Court finally concluded its investigations of the legal issues involved and reached a decision. It made permanent the injunctions against the canal company.⁶ The latter immediately appealed the decision to the Maryland Court of Appeals, seeking a prompt reversal. After denying a motion on behalf of the railroad company for a further delay the superior court ruled in favor of the canal company in January, 1832.⁷

Both improvement projects encountered three other major obstacles which served to frustrate their hopes for rapid completion and successful competition with the New York and Pennsylvania transportation systems. Each experienced engineering difficulties in the planning and construction of its respective works. The recruiting of an adequate labor force, especially in competition with each other, was a constant problem to both railroad and canal companies. Recurrent

illness and epidemics in the valley during construction seriously aggravated this difficulty. Finally the combined efforts of legal, engineering, and labor difficulties, and the consequent delays, resulted in a continuing increase in costs for both works. This trend brought on recurrent financial crises which beset the construction of the canal and railroad. The solution of these crises brought the State of Maryland into a dominant position in the affairs of the improvement projects. Thus the way was opened for the pressures of local politics to play a role in the opening of the Potomac route to the West.

Both companies had grand designs for their respective improvements. Both thought of their works as having permanent significance both locally and nationally. Each therefore set out with the idea of massive undertakings to last for centuries and sufficient to anticipate future needs. To the railroad, which was at best a novelty in the United States on the scale planned for the Baltimore and Ohio, a thirty foot road bed providing room for two tracks and anticipated passing tracks as well, was indispensable. The canal project grew from the thirty feet wide and three feet deep dimensions recommended by the Virginia Board of Public Works in 1822 to forty feet wide and four feet deep adopted by the Chesapeake and Ohio Canal Convention in 1823, to forty-eight feet wide and five feet deep proposed by the United States Board of Engineers, to sixty feet wide and six feet deep authorized by the Board of Directors of the canal company — all before a spade of dirt had been turned!⁸

To supervise the construction of these model improvements, both railroad and canal companies sought the best engineers available. For the Baltimore and Ohio this was rather difficult because of the novelty of railroads as a means of transportation in America.⁹ The Chesapeake and Ohio, on the other hand, secured the services of engineers experienced in the construction of northern canals.¹⁰ Both enterprises sought additional help from European publications and experience. And both found it necessary to rely in part upon local and inexperienced apprentices.¹¹

The experiences of the canal company in the construction of its work are of interest as representative of the vicissitudes of other internal improvement projects and as background for the proposed parkway. There was too often widespread confusion in the direction of the work resulting in large part from continual interference from above and inexperience on the lower levels.¹² Lumber, building rock, and lime for cement were scarce in some sections of the valley and often quite expensive.¹³ Excavation frequently revealed unexpected hardpan, slate, or gravel which made the work more difficult and costly.¹⁴ There were many difficulties encountered in the securing of land titles for the right of way. Land costs were frequently above estimates and at times were excessively high.¹⁵

A second problem which required a solution before rapid progress could be made in construction was the maintenance of an adequate laboring force. In a predominantly agricultural area, such as the Potomac Valley, the potential supply of workers was normally limited. Yet it

was difficult to attract men from other areas because of the unhealthy reputation of the region, and the demand for construction crews elsewhere. The consequence of this scarcity was that labor costs were unexpectedly high and the average ability of the workers apparently rather low. Added to these considerations was the competition between railroad and canal, with local farmers at harvest time, and among the contractors themselves as the result of undertaking so much construction at one time.¹⁶

Mounting wages proved inadequate to overcome the scarcity of workers in the valley. In desperation the companies turned to other devices to relieve the shortage. The Chesapeake and Ohio adopted the colonial practice of using indentured servants. Contract laborers, primarily Irish, were imported from the British Isles, in 1829 and 1830, and assigned to various contractors on the line of the canal.¹⁷ The experiment met with varying success, and attempts to enforce the terms of the contracts were generally unsuccessful in the hostile atmosphere of the Jacksonian era and the city of Baltimore.¹⁸ Statistics of employment on the Chesapeake and Ohio Canal indicate a substantial increase late in 1829, but even these figures fail to prove the success of the experiment, for there was a suspension of work on the Pennsylvania Main Line of Public Works which might have caused a migration to the Potomac Valley. The canal directors apparently believed the results were not commensurate with the effort, for after considering briefly the use of slaves they dropped all measures to secure workers for their contractors.¹⁹

The presence of a large body of laborers in the Potomac Valley brought up other matters to occupy the attention of the railroad and canal directors. Perhaps these can best be considered as phases of the age-old problem of morale, including such diverse considerations as communications, vacations, and home life.²⁰ The principal problem was that of diversion or recreation. In the absence of other sources of amusement drinking became almost the sole outlet for the workers. In order to reduce delays in construction the directors sought unsuccessfully to enforce a sort of prohibition in the area near the sites of construction.²¹

Related to the question of maintaining construction crews in the Potomac Valley was the reputation of the area as an unhealthy region. There was a continuing problem of protecting the health of the work gangs. Repeated reference is made to the "sickly season" in the Potomac Valley, generally coming in late August and September at the time of the change of seasons, and to its effect on the scarcity and wages of labor.²² In 1832 a cholera epidemic of major proportions seriously aggravated the health problem for the internal improvement projects. Despite all efforts to cope with the crisis and allay fears, workers fled from the affected areas and work halted.²³ A recurrence of the outbreak of 1833 on a minor level brought a renewal of the panic.²⁴ As late as 1848 and 1849 the "sickly season" in the valley continued to influence the work on the canal.²⁵

In the middle thirties the construction of the public works in the Potomac Valley was marked by a series of labor disturbances

accompanied by violence at times. At first the troubles were largely restricted to fights between Irish factions among the canal workers during the idle winter season. These groups, the Corkonians and the Longfords, clashed near Williamsport in January, 1834,²⁶ and again in the first two months of 1835,²⁷ and near Clear Spring in January, 1836.²⁸ In the latter year violence occurred for the first time during the working months. The cause of these later disturbances seems to have been largely economic. Competition for the available jobs and for higher wages found expression in the driving off of rivals and the creation of a scarcity of labor. Again the Irish appear to have taken the aggressive, in April, 1836. In May and June, 1837, the Paw Paw Tunnel was the site of new disturbances, which were repeated in February, 1838. On January 1, 1838, Old Town was the scene of violence.²⁹ In May, 1837, the workers threatened to undo their own work unless they received overdue back pay, and the citizens of Washington County openly sympathized with them.³⁰ In July and August the canal company went over the heads of contractors and adopted strong measures to end the disturbances, dismissing over one hundred men and instituting legal prosecutions.³¹ A renewal of violence at Little Orleans in August and September, 1839, and again in November of the same year brought similar harsh treatment, including the burning of shanties.³² The labor troubles did not end until the depression beginning in 1839 weakened the workers' ability to resist and eventually brought construction itself to an end.

The consequences of the legal controversy, the engineering difficulties, and the labor problems were delay and additional expenses

for both works. The delay itself contributed to the higher cost of construction because of the general inflationary trend in the country, especially in the thirties when most of the work was undertaken. Costs mounted from the very beginning and continued to soar throughout the construction period. Estimates proved to be too low in almost every detail.³³ Land costs, excavation, banking, and masonry expenses, prices of materials (such as provisions, lime, lumber, and building rock) and higher wages all increased costs above engineers' estimates, which were themselves often in error because of inadequate information or experience.

The construction of the canal was thus marked by a series of upward revisions in engineers' estimates and contracts. There were many such changes in the first years including one general increase of 25 per cent in 1829.³⁴ In 1834 an engineer had estimated the cost of the twenty-seven miles of canal from Dam No. 5 to Cacapon at \$663,676. Upon the basis of the cost of work actually done another engineer raised this estimate to \$1,022,534 in 1835. A second revision, in June, 1836, brought the figure to \$2,427,497, almost four times the original estimate.³⁵ As the work moved up the valley toward Cumberland the ruggedness of the country and the scarcity of good building stone again made themselves felt.³⁶ Land costs continued very high, ranging at times from two and a half to twenty-five times the estimated figures, as the local juries exacted full satisfaction for their neighbors. At one time the company considered shifting the waterway to the south bank of the Potomac to escape the excessive land damages.³⁷ Wages reached \$1.20 a day (compared to \$10 a month in 1828).³⁸

As a result of these circumstances, the insistence on perfection, and the decision to resort to a tunnel at the Paw Paw bends of the Potomac River, further revisions were made in contractors' prices. The new series of raises included additional assistance on the twenty-seven miles below the Cacapon, and a flat thirty per cent increase in estimates for the work above that stream, plus individual raises all along the line.³⁹

The constantly rising cost of construction forced the internal improvement companies into repeated financial crises.⁴⁰ Both railroad and canal began work without sufficient funds to complete their tasks even at the lowest reputable estimates. The Chesapeake and Ohio failed to receive anticipated aid from Virginia, and the District cities soon found themselves unable to meet the calls for payment of their large subscriptions. As a result, the canal company was in financial straits as early as 1832, and all work soon stopped.⁴¹

Obviously lacking adequate resources to complete the projected connection of Eastern and Western waters, both railroad and canal companies turned again to their creators for help. Congress, under the influence of the Jacksonian philosophy, refused further aid.⁴² Pennsylvania, by this time deeply interested and financially involved in its own line of public works, also turned a deaf ear to the Chesapeake and Ohio's pleas. After a long delay, Virginia made its first subscription to the canal company, but limited the sum of \$250,000 and attached some strings to that.⁴³ The future of both works therefore rested with the State of Maryland. The latter demanded, as the price of its support, the joint construction of canal and railroad

in the Potomac Valley at least to Harpers Ferry.⁴⁴ Securing this the State extended repeated aid to both enterprises, in the progress of which it was directly concerned, eventually virtually underwriting the construction of the canal to Cumberland. The continuing support of the Chesapeake and Ohio by Maryland resulted in the acquisition of a controlling share of the canal stock permitting the State to control the company policies and affairs.

In the financial straits of the early thirties, Maryland subscribed \$125,000 in 1834 and loaned another \$2,000,000 in 1835.⁴⁵ Bank loans in 1834 in anticipation of the second Maryland grant and the first instance of canal scrip issue in 1835 helped to bring the company out of this crisis.⁴⁶ In 1836, Maryland attempted to put all internal improvement companies in the State on a firm footing through an appropriation of \$8,000,000 of which the Baltimore and Ohio and Chesapeake and Ohio each received \$3,000,000.⁴⁷ Due to the tightness of the international money market in 1837 and the years immediately following, the companies were unable to dispose of the State bonds (the form Maryland aid invariably took) at the premium required by the law, or even at par.⁴⁸ Thus the large subscription was not fully effective and did not prevent the rise of a new crisis in railroad and canal finances. The Baltimore and Ohio being in a slightly stronger position financially and having the advantage of full use of its line as far as completed was not as seriously affected as the canal company.⁴⁹ The latter hypothecated the bonds at levels well below par, in return for bank loans, incurring the wrath of State leaders for so doing.⁵⁰ Both railroad and canal resorted to the issuance of paper money to

relieve the currency famine in the valley in the late thirties.⁵¹

The efforts to continue construction of the canal by these means failed, however, and the whole structure crumbled in 1841 and 1842. Work again came to a halt on the canal in 1842, the year in which the Baltimore and Ohio reached Cumberland.⁵²

The financial condition of the Chesapeake and Ohio in 1842 was deplorable. An estimate in that year fixed \$1,545,000 as the sum required to finish the canal to Cumberland; yet the directors publicly acknowledged debts of \$1,196,400 above all means.⁵³ Further progress was impossible without additional help, but in the straitened financial circumstances of the State further aid from that source was unlikely. State leaders were hostile towards the canal company for its disposal of the bonds authorized by the Act of 1836, and with the completion of the railroad to Cumberland many legislators saw little need to extend the canal. Thus several years passed before the means were provided to resume work on the waterway. In the meantime the railroad, being in a stronger position, was able to continue the construction of its line toward the Ohio River. In 1845, the legislature finally passed an act authorizing the issuance of \$1,700,000 in canal bonds to complete the unfinished portion of the canal above the Cacapon River.⁵⁴ After securing guaranties of trade, as required by the act, the company negotiated a new contract in 1847.⁵⁵ Despite a brief recurrence of engineering, labor, health, and financial troubles, the canal was completed to Cumberland and opened in 1850.⁵⁶ By that time all talk of an extension of the waterway to the Ohio River had died. Instead the hoped-for connection was realized a few years later by the completion of the Baltimore and Ohio Railroad.

Footnotes to Chapter Five

1. Proceedings of Directors, A, 8 (June 26, 1830 [1828]).
2. Reizenstein, pp. 20-21; "Proceedings of the Meeting of Baltimore Citizens," quoted in Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 32-33. See also Memorial of the Chesapeake and Ohio Canal Company, February 23, 1829, 20th Cong., 2d sess., House of Representatives, Document No. 127, p. 3.
3. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 35-36; 3d Annual Report of the Chesapeake and Ohio Canal Company (1831), Proceedings of Stockholders, A, 166; 1st Annual Report of the Board of Engineers, 2d Annual Report of the Baltimore and Ohio Railroad Company (1828), Appendix, pp. 3-4.
4. Answer of the Chesapeake and Ohio Canal Company, 4 Gill and Johnson 36; 1st Annual Report of the Chesapeake and Ohio Canal Company (1829), Proceedings of Stockholders, A, 55; 2d Annual Report (1830), p. 9; 3d Annual Report of the Baltimore and Ohio Railroad Company (1829), p. 9.
5. 4 Gill and Johnson 14-15; Proceedings of Directors, A, 8 (June 26, 1830 [1828]). See also 2d Annual Report (1830), p. 9.
6. Chesapeake and Ohio Canal Company vs Baltimore and Ohio Railroad Company, 4 Gill and Johnson 71; 3d Annual Report (1831), Proceedings of Stockholders, A, p. 139.
7. Opinions of the court, 4 Gill and Johnson 71-164, 164-226. The vote was three to two, with one justice absent. See also, Niles' Register, XLII, No. 24 (August 11, 1832), 419; Proceedings of Directors, C, 48 (January 7, 1832); Special Meeting of Stockholders (April 28, 1832), Proceedings of Stockholders, A, 196; 4th Annual Report (1832), Proceedings of Stockholders, A, 200; W. Jones to Mercer, December 2, 1831; Magruder to Wirt, December 10, 1831; Wirt to Mercer, December 25, 1831.
8. Report of the Committee on Roads and Canals, January 30, 1827, Appendix 3, pp. 35, 37; Documents relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 1-13; Special Report on the Completion of the Canal (February, 1851), in Proceedings of Stockholders, D, 318; 1st Annual Report (1829), ibid., A, 40, 45; Second Annual Report, (1830), p. 7. "If, in its plan, the Board have erred, it has arisen from their inability to forget, that a work destined to be the great central thoroughfare of so many States, and the firmest bond of their happy union, should be commensurate with its great end, and fulfill the wishes of the Government, Cities, and People, who have impressed upon it this high character."

9. Hungerford, I, 31-32.
10. Proceedings of Directors, A, 114-115 (November 22, 1828); 1st Annual Report (1829), Proceedings of Stockholders, A, 33; Documents relating to the Chesapeake and Ohio Canal, July 11, 1840, pp. 126-127.
11. Mercer to Bryant, August 27, 1828, Letter Book A, 12; Mercer to Roberts, October 4, 1828, *ibid.*, p. 30; Mercer to Fairfax, December 22, 1828; 1st Annual Report (1829), Proceedings of Stockholders, A, 48; Hungerford, I, 112-113.
12. See for example Wright to Mercer, February 9, 24, 1830; Van Slyke to Mercer, February 24, 1830; "Rules and Regulations for the Engineer Department," in Proceedings of Directors, A, 107, 109-110 (November 22, 1828).
13. 1st Annual Report (1829), Proceedings of Stockholders, A, 39, 52; Wright to Mercer, February 21, 1830; McFarland to Mercer, November 5, 1832; Purcell to President and Directors, May 26, 1835; McFarland to Bender, January 2, 1836; Fiske to President and Directors, May 27, 1839; Reizenstein, p. 23; Hungerford, I, 116.
14. 1st Annual Report (1829), Proceedings of Stockholders, A, 38; 2d Annual Report (1830), p. 5; Bender to President and Directors, August 30, 1837; Reizenstein, p. 23.
15. Hurd to Mercer, January 26, 1829; Carroll to Mercer, February 26, 1829, 1st Annual Report (1829), *loc. cit.*, pp. 41-42; Gruger to President and Directors, August 3, 1832; Mercer to Ingle, August 8, 1832; B. Price to Ingle, August 25, 1832; Price to Mercer, November 5, 1832; Price to Ingle, June 10, 1834. Apparently the railroad encountered fewer difficulties in land acquisition than the canal. See Reizenstein, pp. 21-22.
16. 1st Annual Report (1829), *loc. cit.*, p. 52; 2d Annual Report (1830), pp. 5-6; Reizenstein, p. 23; Hungerford, I, 118-120.
17. Mercer to Thomas P. Cope, November 18, 1828, Letter Book A, 40-41; Mercer to James Barbour, November 18, 1828, *ibid.*, p. 42; 1st Annual Report (1829), *loc. cit.*, p. 55.
18. Proceedings of Directors, A, 367-368, (October 6, 1829); 369 (October 7, 1829), quoting a letter from R. Jones; 376-377 (October 13, 1829); 379 (October 21, 1829); 389 (November 7, 1829); R. Jones to President and Directors, 1829; Ingle to M. S. Wines; October 3, 1829, Letter Book A, 112-113; John Litle, Trustee for the Poor of Georgetown, to President and Directors, October 13, 1829, inclosing the report of John Brigum, Overseer of the Poor, October 10, 1829; Edward Watts to Ingle, October 23, 1829;

- Wirt to Ingle, October 28, 1829, November 4, 6, 1829; Ingle to Janney, October 26, 1829, Letter Book A, 122-123; Boteler and Reynolds to Ingle, November 5, 1829; Ingle to Wirt, November 7, 1829, Letter Book A, 127; Ingle to Boteler and Reynolds, November 19, 1829, *ibid.*, p. 134; Ingle to Glenn, January 28, 1830, *ibid.*, p. 162; John G. Whitwell, Trustee of the Poor of Washington, to Mercer, March 9, 1830, inclosing the report of John McNeerhany, Intendant, Washington Asylum.
19. Proceedings of Directors, A, 310 (July 15, 1829); 353-354 (September 25, 1829); Ingle to Thomas Cuthbert, December 12, 1829, Letter Book A, 145-146; 2d Annual Meeting (June 12, 1830), 2d Annual Report (1830), p. 28.
 20. John McLean to Mercer, October 3, 1828; Mercer to the Postmaster General of the United States, May 29, 1829, Letter Book A, 74-75; A. Nelson to Mercer, September 28, 1829; C. K. Gardner to Mercer, September 29, 1829; Peter Owens to Board of Directors, December 23, 1829; S. R. Hobbie to Mercer, February 19, 1830.
 21. Watts to President and Directors, December 9, 1829; Mercer to Ingle, January 23, 1832; Cruger to President and Directors, July 7, 1832; Proceedings of Directors, C, 185-186 (July 11, 1832).
 22. Report of the Committee on Roads and Canals, April 17, 1834, Appendix U, p. 237; Interview with Departments of Health officials, Washington, D. C. Officials of the latter department believe that the illnesses described were probably of various origins coinciding in occurrence. Water-borne diseases such as typhoid and paratyphoid may have been the most prevalent. Insect-borne fevers undoubtedly accounted for many more. Dysentery from several causes and possible milk-borne diseases seem best to fit the other symptoms described. On top of these were all the other human illnesses which, when occurring in the sickly season, were attributed to the river. The occurrence of the water-borne and pest-borne diseases in late August and September coincided with the mosquito season in the Potomac Valley and the peak of the warm water period in the stream (at which time water-borne diseases are most potent).
 23. Proceedings of Directors, C, 212 (August 31, 1832, 214 (September 8, 1832); Boteler to Ingle, September 4, 1832; B. Price to Ingle, September 5, 1832; Charles M. Rush to President and Directors, August 5, 1833 (reviewing the epidemic of 1832).
 24. Purcell to Eaton, June 24, 1832 [1833]; Andrew Stewart to Ingle, July 10, 1833; O. H. Williams, W. Price, E. Beatty to Purcell, July 31, 1833; Purcell to President and Directors, August 1, 1833.

25. 21st Annual Report (1849), Proceedings of Stockholders, D. 160.
26. Niles' Register, XLV, No. 22 (January 25, 1834), 336; ibid., No. 23 (February 1, 1834), 383, ibid., No. 24 (February 8, 1834), 399; Thomas J. C. Williams, History of Washington County... (2 vols., Hagerstown [?], 1906), I, 223-224; Purcell to Ingle, January 23, 1834; Purcell to President and Director, January 29, 1834; Williams-port Banner, quoted in Niles' Register, XLV, No. 23 (February 1, 1834), 282-383.
27. Hagerstown Torchlight, quoted in Niles' Register, XLVII, No. 25 (February 21, 1835), 429; Proceedings of Directors, D, 234 (February 9, 1835), 256-257 (February 25, 1835).
28. Niles Register, XLIX, No. 20 (January 16, 1836), 337.
29. G. M. and R. W. Watkins to President and Directors, February 15, 1837; Fisk to Washington, February 15, 1838; Fisk to Bender, May 15, 1838; Fisk to President and Directors, June 23, 1838; Lowdermilk, p. 342.
30. Williams, I, 233; W. Price to Washington, May 11, 1838; O. H. Williams to Washington, May 16, 1838; William H. Fitzhugh to Williams, May 16, 1838 (two letters); Williams to Washington, May 17, 18, 1838; Fisk to Ingle, May 19, 1838; Thomas Fillebrown, Jr. to Ingle, May 19, 1838; Williams to Washington, May 24, 1838.
31. Washington to Fisk, June 28, 1833, Letter Book D, 365-366; Fisk to President and Directors, July 3, 1838; Proceedings of Directors, E. 466 (July 12, 1838). See also the copy of a dismissal notice signed by Charles B. Fisk, dated August 1, 1838, filed in Letters Received, Canal Papers.
32. Hagerstown Torchlight and Cumberland Civilian quoted in Niles' Register, LVII, No. 3, (September 14, 1839), 37-38; Baltimore Sun, September 4, 1839; Fisk to President and Directors, October 31, 1839; Lowdermilk, p. 346; Williams, I, 233.
33. Proceedings of Directors, A, 205 (April 22, 1829); 1st Annual Report, (1829), Proceedings of Stockholders, A, 38-39, 52; 2d Annual Report (1830), p. 5; 4th Annual Report (1833), Proceedings of Stockholders, A, 221-222; Bracket and Wines to President and Directors, January 20, 1829; Kavanaugh & Co. to President and Directors, March 27, 1829; W. W. Fenlon to President and Directors, January 19, 1830; Wright to Mercer, February 9, 21 (two letters), March 25, 1830. By 1832 the rate of wages was almost double that prevailing in 1828.
34. 1st Annual Report, (1829), Proceedings of Stockholders, A, 38-39.

35. 8th Annual Report (1836), pp. 3-4.
36. Proceedings of Directors, C, 334-335 (May 4, 1833); Purcell to President and Directors, May 26, 1835; McFarland to Bender, January 2, 1836; Fisk to President and Directors, May 27, 1839.
37. G. M. and R. W. Watkins to President and Directors, February 15, 1837; Fisk to Bender, August 3, 1837.
38. Bender to President and Directors, May 31, 1836; W. Price to Ingle, November 8, 1833.
39. Proceedings of Directors, E. 126-127 (August 20, 1836), 129 (August 23, 1836); Fisk to Bender, August 22, 1836; Ingle to Henderson, January 4, 1837; Letter Book D, 24; Ingle to Bender, February 9, 1837; Report of the Committee of Directors, February 4, 1837; Fisk to Bender, August 3, 1837; 10th Annual Report (1838), Appendix 3, pp. 25ff.
40. Reizenstein, pp. 33, 38-39, 41-42, 43, 47, 48-49, 50-51.
41. Rush to Mercer, July 15, October 7, November 13, 1829; Mercer to Ingle, December 29, 1829; Proceedings of Directors, C, 174 (June 23, 1832), 236-237 (November 17, 1832), 240, 243-244 (November 23, 1832); W. S. Ringgold to Ingle, June 18, 1832; Mercer to Ingle, October 8, 25 (two letters), 26, 31, 1832. See also the correspondence between Rush and the Barings, the Crommelins, and the corporate authorities of the District cities, filed in two folio cartons entitled "Washington, Georgetown, and Alexandria -- Holland Loan", in the Manuscripts Division of the Library of Congress (Washington, D. C.).
42. Report of the Committee on Internal Improvement, to which were referred Sundry Petitions, Praying for an Appropriation to the Chesapeake and Ohio Canal Company, to be expended on the Western side of the Mountains, March 8, 1830, 21st Cong., 1st sess., House of Representatives, Report No. 280, p. 1.
43. Proceedings of Directors, C. 282-283 (February 6, 1833); Report on the Completion of the Canal (1851), loc. cit., p. 236.
44. Proceedings of Directors, C, 312 (April 2, 1833); Mercer to Ingle, March 31, 1833; Laws and Resolutions Relating to the Chesapeake and Ohio Canal (Washington, 1855), pp. 42-48. See 5th Annual Report (1833), Appendix, p. 20.
45. Proceedings of Directors, D, 265 (March 20, 1835); Washington to Ingle, March 1, 1835; A. Stewart to Ingle, March 6, 1835; Alexander Nesbit to Washington, April 8, 1835.
46. Niles' Register, XLVI, No. 9 (April 26, 1834), 133; ibid., No. 10 (May 3, 1834) p. 149, Proceedings of Directors, D, 73-74 (April 11, 1834), 91 (May 16, 1834). The legality of the scrip was challenged, but the company's counsel upheld the issue. (Proceedings of Directors,

- D, 75 [April 14, 1834], 76 [April 18, 1834]. See also Ingle to R. H. Henderson, July 28, 1834, Letter Book B, 277; Ingle to Boteler and Reynolds, August 26, 1834, *ibid.*, p. 299; Washington to Ingle, September 14, 15, 16, 1834; Proceedings of Directors, D, 159 (September 18, 1834); Washington to the President of the Bank of the United States, December 17, 1834, Letter Book B, 366-367; Report to Special Meeting (April 22, 1835), Proceedings of Stockholders, A, 368.
47. Laws and Resolutions Relating to the Chesapeake and Ohio Canal, pp. 55-63; A Short History of the Public Debt of Maryland (Baltimore, 1844), pp. 40-41; Reizenstein, pp. 38-39.
48. Reizenstein, pp. 46-47; Baltimore Sun, April 6, 7, 1839; Washington to Peabody, April 20, 1839; Special Meeting (May 11, 1839), Proceedings of Stockholders, B, 188-189; Special Report on the Completion of the Canal, *loc. cit.*, p. 356. Maryland added a subscription of \$1,375,000 to the canal stock to make up for the failure to secure the anticipated 20% premium and to bring the amount of the grant into line with the latest revised estimate of the canal engineer. Washington to Ingle, February 5, 1838.
49. Reizenstein, pp. 48-49. The railroad company was hard-pressed briefly.
50. "Report of the Committee on Ways and Means in reference to the Chesapeake and Ohio Canal Company, March 14, 1839," A Short History of the Public Debt of Maryland, Appendix, Document P, pp. 76-78; Baltimore Sun, January 9, 1839.
51. Proceedings of Directors, E, 268 (June 7, 1837); 298-299 (August 3, 1837), 317 (September 22, 1837), 426 (May 30, 1838), 459 (July 16, 1838), F, 108 (September 15, 1839), 150-151 (January 15, 1840), 233-234 (June 17, 1840); Shriver to Ingle, June 29, July 12, 1837; Washington to Ingle, August 13, 1837; Thomas to Pinckney, November 1, 1839, Letter Book E, 388; Lowdermilk, pp. 344, 350. The Baltimore and Ohio had \$515,000 of scrip in circulation by 1840. Reizenstein, p. 47.
52. 12th Annual Report (1840), p. 3; 13th Annual Report (1841), Appendix, p. 27; Proceedings of Directors, F, 297 (March 16, 1841); F, 377-378 (August 7, 1841), 381 (September 16, 1841), 433 (March 16, 1842, Baltimore American, September 11, 1841; Fisk to President and Directors, December 1, 1842; Lowdermilk, p. 351. Work had halted on the railroad earlier, and resumed in Spring, 1840 (Reizenstein, pp. 43 and 47).

53. Niles' Register, LXI, No. 22 (January 29, 1842), 352; Fisk to President and Directors, December 1, 1842; 16th Annual Report (1844), p. 5.
54. Niles' Register, LXVIII, No. 1 (March 8, 1845), 16; ibid., No. 2 (March 15, 1845), 23-24; "Report of the Joint Committee of Both Branches, Proceedings of the Baltimore City Council, May, 1845," A Short History of the Public Debt of Maryland, p. 84.
55. Proceedings of Directors, G, 317-318 (September 23, 1845), 320-321 (September 24, 1845), 322-323 (September 25, 1845), 353-354 (January 5, 1846); 20th Annual Report (1848), pp. 7-8.
56. Cumberland Civilian, reprinted in Proceedings of Stockholders, D, 390-395.

CHAPTER SIX

Effects on the Valley

The effect of these improvement projects on the everyday affairs and the historical development of the Potomac Valley is of greatest importance. It can be traced both directly and indirectly. In many aspects the impact was immediate; in other instances it was somewhat slower. Some effects were transitory, others have had a more permanent influence on the life of the valley. For the purposes of analysis in this summary, it seems best to describe the development of the valley in its relation to the canal and the railroad under five general topics: 1. the westward progress of the railway and waterway; 2. the actual construction of the works; 3. the enlargement of the projects through the addition of branches; 4. the operation of the works in the early years; 5. the demonstrable effects on valley towns.

Under the conditions described in the preceding section, the canal and the railroad were gradually extended up the Potomac Valley to Cumberland and beyond. Prior to 1832 both works were confined to the area east of the Catoctin Mountains by the existence of injunctions prohibiting land acquisition above that point.¹ By 1831, however, the waterway had been completed as far west as Seneca, approximately twenty-two miles above Washington.² The railroad reached Frederick by December, 1831, and Point of Rocks by April, 1832.³ Thus at the time of the settlement of the legal controversy both projects had about completed their works below Catoctin, a distance of

about forty-eight miles from the District of Columbia. After the canal company confessed its inability to take advantage of its legal victory in the right-of-way controversy the joint construction of the two transportation lines through the narrow passes of the river to the mouth of the Shenandoah River was undertaken, and Harpers Ferry was reached in 1834.⁴

Above the Ferry the two projects followed separate paths. The railroad abandoned the Maryland side of the valley and pursued a more direct course through the rugged and sparsely-settled terrain of western Virginia, free of the competition with the canal for right of way, to a point just below Cumberland. Only for brief intervals did it return to the Potomac Valley prior to recrossing the river into Maryland. The canal followed the winding river, remaining entirely within the valley and on the Maryland side of the stream. It (and therefore the proposed parkway) thus follows a more picturesque, but at the same time a more difficult and dangerous route. Inasmuch as work on the canal above Harpers Ferry was in progress even before the completion of the joint construction above Catoclin, the section west to Dam No. 4, eighty-six miles from Washington, was opened in the same year (1834). By slack-water navigation in the pool formed by the Dam, Williamsport could be reached, a total distance of about one hundred miles (the charter requirement within five years of the inauguration of construction) from tidewater. In 1839 the waterway had been completed as far as the mouth of the Cacapon River and by the time of the suspension of work in 1832 the canal was open as far

as Dam No. 6, a total distance of approximately one hundred thirty-five miles in all. In addition a considerable amount of excavation had been accomplished on the remaining fifty miles to Cumberland.⁵

In the meantime, the Baltimore and Ohio had pushed its railroad rapidly westward, paying little or no heed to one of its original sponsors, the State of Maryland, or to the needs and wishes of the citizens of western Maryland. The route chosen by the Baltimore promoters of the railroad in their race for the Cumberland coal trade and the Ohio Valley did carry the tracks close to the Potomac River on the Virginia side opposite Hancock, but this provided little consolation to the inhabitants on the northern side of the river. Hagerstown and Williamsport were completely ignored, although the former was eventually connected with the main line by a spur track. In this manner, the Baltimore and Ohio arrived at Cumberland in November, 1842, and continued westward. The canal was formally opened as far as Cumberland, after a delay to secure the necessary financial resources, in October, 1850. In less than three years from that date, however, the Baltimore and Ohio completed the connection of its eastern and western sections at Cumberland and opened its railroad all the way to the Ohio River.⁶

The Potomac Valley reflected the influence of the westward progress of the Baltimore and Ohio Railroad and the Chesapeake and Ohio Canal at almost every stage of construction. The small farmers and other property holders benefited in many ways. Those fortunate enough to own land in the paths chosen by canal and railroad profited

immediately from the sale of their property to the internal improvement companies.⁷ The local citizens also benefited from the increase in the value of the lands not required by the waterway and railway.⁸ This effect extended far beyond the immediate neighborhood of the new transportation facilities, and may have been the most widely-shared benefit of their construction. The cause of the increase in land values was the advantages, which these commercial arteries brought, of cheap and easy access to the principal markets for their products and the major sources of their necessities.

Another effect on the valley was the immigration of many persons seeking employment on the internal improvement projects. These people brought with them their families, their customs and their beliefs — sometimes quite alien to the valley. The Catholic Irish apparently were particularly disturbing to the Protestant German and Scotch Irish local communities, more so than the relatively fewer Dutch, German, and English immigrants.⁹ The presence of large numbers of persons in crowded and filthy temporary quarters also brought health problems to the valley. Minor epidemics among the Irish workers were probably not unusual, and there were two major scares in 1832 and 1833 over the spread of cholera from the workers to the local inhabitants. The panic is best indicated by excerpts from letters to the canal directors in 1832.¹⁰

If the Board but imagine the panic produced by a mans [*sic*] turning black and dying in twenty four hours in the very room where his comrades are to sleep or to dine they will readily conceive the utility of separating the sick, dying and dead from the living.

Before this letter reaches Washington, the whole line of canal from the point of rocks to WmsPort [sic] will be abandoned by the Contractors and Laborers -- The Cholera has appeared amongst them, and has proved fatal in almost every case, There has been upwards of 30 deaths nearly opposite to us since friday last, and the poor Exiles of Erin are flying in every direction ... it is candidly my opinion, that by the last of this week you will not have a working man on the whole line.

...

They have since been suffering great mortality west of Harpers Ferry, & I fear the work is by this time suspended. The poor creatures, after seeing a few sudden & awful deaths amongst their friends, straggled off in all directions through the country; but for very many of them the panic came too late. They are dying in all parts of Washington County at the distance of 5 to 15 miles from the river. I myself saw numbers of them in carts & on foot making their way towards Pennsylvania.

...

Humanity is outraged by some of the scenes presented; men deserted by their friends or comrades, have been left to die in the fields, the highways, or in the neighboring barns & stables: in some instances, as I have been told; when the disease has attacked them; the invalid has been enticed from the shandee [shanty] & left to die under the shade of some tree.

Excited by the sufferings of the miserable victims of this disease; the citizens of this place [Sharpsburg] have ministered to their wants, and sought to sooth their dying moments; but unfortunately for the cause of humanity, nearly every person who has been with the dead bodies or has assisted in burying them have paid the forfeit with their lives: and now it is scarsely [sic] possible to get the dead buried.

In the summer of 1833, there was another outbreak of the sickness on a less serious scale. This time it struck first farther up the river, near Williamsport. Again the symptoms of panic and threatened dispersal of the workers appeared. The unrest spread to the neighboring village of Hagerstown because so many of the Irish workers

were brought there for burial in the Catholic cemetery. A town meeting was held at which civic leaders expressed fear for the health and trade of the community. The town, the company, and the local priest took steps to provide other cemeteries closer to the line. In this way the time lost from work during the solemnity and revelry of a funeral was reduced and the threat to the safety of the village removed.¹¹

In addition, the presence of so many rough and tumble, unassimilated laborers in a limited area raised the question of the maintenance of order. Drunken brawls accompanying all night drinking bouts disturbed the valley.¹² The clashes between the Irish factions in the winter months of 1833-34, 1835, and 1835-36 terrified citizens in the neighborhood of Williamsport and Clear Spring.¹³ The later disputes between the workers and the canal company also brought the inhabitants of the area into the difficult positions of militia, arbiters, and innocent victims.¹⁴

The inhabitants of the valley frequently were able to take an active part in the progress of the work. They found a ready market, relatively free of shipping costs and widespread competition, for their surplus food and drink. Lumber, the principal value of which previously had been as a local building product or fuel now found a more profitable use in construction. Rock, which like lumber had limited local use, now received a good price as ballast and building stone, or, in the case of limestone, as a valuable ingredient in water cement.

The last important way in which the valley was influenced by

the construction of the railroad and the canal was in financial affairs. Directly, the valley prospered from the existence of a sizable payroll, most of which was spent in the immediate neighborhood. In fact, the optimism of business circles in the valley rose and fell with the employment and payroll of the internal improvement companies. The suspension of work was invariably the cause of gloom and depression. In 1836, for example¹⁵

...there seemed to be a prospect of the completion of the Canal, and in consequence thereof real estate advanced in price, the population increased, and many new buildings were erected.

In January, 1836, it was announced that the appropriation for the Canal had been exhausted, and work was stopped, whereupon a panic occurred, and town lots were offered at insignificant prices.

The sufficiency or scarcity of money in the valley was also related in part to the level of activity on the transportation projects. During the progress of their works both railroad and canal companies resorted to the issuance of their own paper money at one time or another. The latter first used scrip in 1834 to enable work to continue until the anticipated returns from the sale of Maryland bonds could be realized.¹⁶ The first experience was uneventful, for the proceeds of the bond sale were more than sufficient to redeem the notes. In fact, it was quite popular, for it meant the avoidance of another work stoppage.

In the currency famine following the financial panic of 1837 both railroad and canal had occasion to resume the issuance of paper money. The anticipation of the proceeds from the sale of additional Maryland bonds again provided the necessary excuse for the action.

And once more the decision was, at first, a popular one. However, from the limited issue of notes of small denominations only (which filled a gap in the local monetary picture) the two companies proceeded to large-scale emissions of notes. As the months passed, the failure of expected sales of the State bonds to materialize forced the enterprises to this enlargement of what had been a temporary expedient. At the same time the unfavorable condition of the market which was indicated by the lack of sales made the security behind the notes the subject of doubt. Discounting of notes became frequent; even the Baltimore and Ohio's notes were so treated as late as 1842, on the eve of its completion to Cumberland.¹⁷

Indirectly, the valley was affected by the impact of the heavy cost of the railroad and canal projects on the finances and credit of the State and of local banks. Taxes, property values, the condition of local currency, and the state of business health itself were all dependent in part on the State and upon the larger banks in Baltimore and the eastern part of the State.

Actually, the canal was not "complete" when it reached Cumberland, any more than the railroad had been. Unlike its rival, however, the Chesapeake and Ohio was unable to extend its waterway over the mountains to the Ohio. Nevertheless much work had been done in surveying the route, securing land titles, and making detailed plans for the proposed middle and western sections of the canal.¹⁸ Nor did the project die immediately, for it was revived in the 1870's, shortly after the turn of the century, and as recently as the preceding decade.¹⁹

In addition to the ambitious mountain-climbing and tunnelling western section of the main line, the Chesapeake and Ohio project also expanded to include several branches at its eastern end. Proposals for feeder canals at several points on the upper Potomac failed of realization, as did the Maryland canal project. But the Washington canal, to the Eastern Branch, and the Alexandria Canal, with its impressive aqueduct across the Potomac, were completed and put in operation for many years.²⁰ Similarly branch railroads were extended from the Baltimore and Ohio to Hagerstown, to Winchester and the valley of Virginia and later from Cumberland to the coal fields. The effect of these branches was to knit the valley more closely together and to expand the benefits of the main line works.

The operation of this new transportation network completed the revolution in the life of the valley begun by the Ohio and Potomac Companies and the National Pike and advanced during the period of the construction of the railroad and the canal. The essentially agricultural pattern of life was modified to accommodate an expanded commercial, mining, and a limited industrial development. The construction of a third trade channel, the Western Maryland Railway, in the latter part of the nineteenth century and the improvement of the eastern extension of the old Pike have strengthened rather than modified the influence of the Chesapeake and Ohio and Baltimore and Ohio.

The principal influence of the latter two transportation systems, in their operation, was as a basis for all trade and communication in the valley. As has been noted, both canal and railroad

were the objects of several branches intended to act as feeders or distributors. In addition the local road networks in some areas were keyed to the two main lines.²¹ There was a marked shift of trade from a north-south route following the natural paths provided by the valleys to an east-west direction based upon the new internal improvements. This was accompanied by a decline in the prominence of the numerous ferries across the Potomac. For a while both agencies were interested in local as well as through trade, but the railroad gradually concentrated on the latter. After the demise of the canal the small farmers and business men of the region were thrown entirely upon the highway system for the transportation of their products.

The operation of railroad and canal brought a new type of inhabitant to the valley, even as the period of construction had. The canallers -- lock-keepers, maintenance crews, and boatmen -- who lived by, on, and sometimes in the canal were the most pronounced of the new type. Their life was a hard one, irregular and unpredictable, and their habits fitted their way of living.²² Highly individualistic, yet definitely feeling themselves to be a group apart, the canallers usually shunned the towns, for it cost too much to buy provisions and they felt out of place. Even while wintering along the line they had their own settlements on the fringes of the towns or often quite far from them. At all times they were the cause of uneasiness on almost every count among the farmers and townfolk. Yet the purchasing power they brought into the valley economy and the services they performed made them an indispensable part of its existence, however grudgingly this fact might be conceded.

To the basic agricultural existence of the Potomac Valley the waterway and railway offered, in the early days, the stimulus of a cheap and easier access to the markets of the District cities and Baltimore. An indication of the immediate impact on the agriculture of the valley is the simple notation that upon the completion of the canal as far as Seneca the shipping costs (to Washington) for a barrel of flour fell from one dollar to thirty to fifty cents, and eventually to seven cents.²³ The flour trade via the canal soared to 151,966 barrels in 1842 and exceeded 200,000 barrels in each of six consecutive years beginning in 1848, until the railroad began virtually to monopolize the trade. The shipment of wheat and corn also boomed. The former averaged over 300,000 bushels a year before the Civil War and increasing to between 400,000 and 700,000 bushels a year after the war. The corn trade, irregularly higher after the Civil War, averaged 150,000 to 200,000 bushels annually.²⁴

In addition to the stimulus to agricultural production the canal and railroad promoted mining and manufacturing in an attempt to develop other sources of trade.²⁵ The Chesapeake and Ohio dispensed water power to various mills and factories in the District of Columbia and at other points in the valley. A Maryland restriction against the use of water power to grind flour in the valley (to protect Baltimore millers from competition) hindered full realization of the program to encourage industrial development, at least until the 1870's. The undependable source of power which surplus water from the canal provided was another deterrent to widespread appreciable success. Georgetown and Weverton were the best examples of this policy in

operation, although Williamsport and, independently of the canal, Harpers Ferry also experienced some expansion of industrial activities. The Cumberland coal fields provided the greatest opportunity for the railroad and canal to promote the economic diversification of the valley. Both were acutely aware of the commercial promise of the mining areas and for over half a century vigorously exploited the trade. Between 1842 the opening of the Baltimore and Ohio Railroad in 1873, the peak of shipments from the Cumberland mines, the total coal trade over both routes rose from 1708 tons to 2,674,101 tons.²⁶ Indeed it is not an exaggeration to state that the prosperity of these two transportation agencies depended to a large extent upon the coal trade from this region.

The very existence of these works, especially of the canal, provided many related activities which supported countless families on the valley. Shipbuilding and repair became quite a profitable occupation, more than once arousing the wrathful indignation of the canal directors. Shipping lines were also an important source of profit from the canal.²⁷ Many others made a reasonable comfortable living from the operation of feed stores along the waterway, supplying the everfaithful canal mules. The railroad provided fewer opportunities for profitable sidelines, but warehouse owners fared equally well from the trade and transfer business of both railway and waterway.²⁸ In fact the transfer business was unquestionably the principal related benefit from the existence of the transportation lines.

Probably the only direct advantage to the citizens of the valley from the construction of two improvement projects in the region

was the limited competition which developed. There were three or four focal points of the rivalry which were of sufficient importance to merit notice. In the earliest days the struggle for the lion's share of the valley trade at Catoctin was noted. Even after the two works had extended themselves up the river, the spot remained an important transfer point and a place to which they competed for business. The rivalry over the Shenandoah wheat and flour trade at Harpers Ferry occupied a considerable period in the forties.²⁹ Later on, in the seventies, the canal directors made a determined effort to wrench control of the flour trade of the upper Potomac Valley away from the railroad. Again there was a short rate war from which the local farmers profited.³⁰ Beginning in the late forties and continuing until the bankruptcy of the canal gave control of it to its rival, the two agencies competed briskly for the Cumberland coal trade.³¹ As a result of technical improvements and competition the railroad reduced the charges for transporting coal to the $\frac{1}{4}$ ¢ per ton per mile rate set by the canal; and for one brief period both dropped below that mark, although apparently not profitably.³²

Perhaps the best way to demonstrate the impact of the railroad and canal upon the Potomac Valley would be to examine the effect upon the towns of the area.³³ As the two transportation agencies moved up the river an increasing number of villages experienced the impact they brought with them. In some cases the influence was largely transient, lasting only for a brief interval. Several towns flourished to a greater or lesser extent as long as the canal was in regular operation. At least one, Cumberland, took on apparently a permanent position of importance in the life of the valley.

Georgetown, already a flourishing port, benefited from the flour and coal trade and from the water power supplied by the canal.³⁴ On the other hand Great Falls failed to develop industrially or commercially, Seneca boomed briefly on the basis of its timber resources and famous quarries and the river traffic attracted to the canal.³⁵ Catoctin blossomed next under the joint impact of Baltimore and Ohio and Chesapeake and Ohio, becoming an important exchange point for a short interval.³⁶ Above Catoctin, Weverton, and to a lesser extent Brunswick and Knoxville, expanded commercially and industrially on the basis of water power and transportation facilities of the canal and railroad.³⁷ Nearby Harpers Ferry, long an entrepot for the trade of the Potomac and Shenandoah Valleys, gained additional prominence after 1834. Above Harpers Ferry, Shepherdstown flourished briefly as the site of lime mills supplying the canal contractors.³⁸ Williamsport underwent an expansion of economic activity beginning in 1835, similar to that experienced by Weverton, becoming eventually the outstanding canal town along the route of the Chesapeake and Ohio.³⁹ Hancock, on the other hand, failed to develop the anticipated exchange between the canal and the turnpike to the West.

The town of Cumberland at the mouth of the Wills Creek is perhaps the greatest accomplishment of the Potomac Trade route. Founded by the Ohio Company in 1749, it served as a natural center for the business and commerce of the upper valley and for the transmontane trade. Despite several reversals in fortunes, the Queen City of the Alleghenies served successively the Ohio and Potomac Companies, and then impatiently awaited the arrival of the Baltimore and Ohio

Railroad and the Chesapeake and Ohio Canal.⁴⁰

On November 1, 1842, the railroad was finally completed and opened as far as Cumberland.

and the wonderful locomotive made its first appearance here. No other event has ever transpired in the history of the place which created so much pleasurable excitement. Business was entirely suspended, and men, women and children gathered about the terminus of the road to witness the arrival of the trains. From the mountain tops, and valley, throughout the adjoining country, the people came in crowds, and the town was in a fever of excitement for many days.

The opening of this road proved the inauguration of a new era in the history of the town. This was made the point of exchange for passengers and merchandize between the East and West. Hotels were erected for the accommodation of travelers, and large ware houses, along the railroad tracks, for the storing of goods which were to be transhipped from cars to wagons for the West, and from wagons to cars for the East. The facilities thus furnished for rapid transportation induced many persons to make the journey across the mountains, and the stage companies were compelled to build new coaches and to erect large stables. Every morning and evening upon the arrival of the cars long lines of stages drew up in front of the hotels. Inside they carried nine passengers, and outside one on the seat with the driver. In the "boot" and on the roof was placed the baggage. When all were loaded, at a given signal, a dozen whips would crack, a dozen four-horse teams would take the road, and dash through the streets at a brisk trot, which would be kept up until Frostburg was reached, in less than two hours. Here horses were exchanged, and up the mountain grade they went,...

In a little while after the completion of the railroad to Cumberland, the National Road became a thoroughfare such as the country has never before or since seen, for a like distance. On every mile of the road were to be seen stages, carriages, and heavy freight wagons, carrying tons of merchandize piled up under their canvas-covered bows, drawn by six powerful horses. In addition to these, great droves of cattle, hogs, sheep, &c., were daily on the road. Taverns were to be found every few miles, with jolly landlords, who knew all the teamsters, drivers and guards. Those were "good old times," and the "pike boys" still living look back to them with many a sigh of regret.⁴¹

On October 10, 1850, the Chesapeake and Ohio Canal was formally opened to through navigation to Washington, D. C. Again the city

experienced greater prosperity based on the increased trade and transfer business developed by the canal and from the related activities associated with the waterway. The boom proved to be short-lived in its extreme form, however, for on January 10, 1853,

The Baltimore and Ohio Railroad was opened for travel between Cumberland and Wheeling,... The effect was soon felt in Cumberland, as most of the stage lines were taken off, and the great business of transferring merchandise at this point largely diminished.⁴²

Thereafter the city settled down to a robust prosperity based primarily on the coal trade. By the time the coal fields had been exhausted and the canal had become a magnificent ruin, the town had developed an independent and permanent basis of economic prosperity.

These contemporary descriptions are borne out by the available statistics on population and property values.⁴³ The city of Cumberland grew from 1,162 inhabitants in 1830 to 2,384 in 1840, 6,105 in 1850, and 7,300 in 1860. Allegany and Washington Counties as a whole expanded, in part from the impetus provided by the expanded transportation facilities and related activities available. The former rose from 25,268 in 1830 to 28,850 in 1840 and 30,848 in 1850. The latter boomed from 10,609 in 1830 to 15,690 in 1840, 22,769 in 1850, and 28,348 in 1860. Estimates of property values available for Cumberland, in 1820 and 1860, show an increase from \$931,118 to \$2,124,400. Population figures for the post-Civil War years indicate an acceleration of this rate of growth. The population of Cumberland reached 8,056 in 1870, while that of Allegany County jumped to 38,538 in 1870 and 43,802 in 1880. In addition a new county (Garrett) created from Allegany between 1870 and 1880 had 12,175 inhabitants in the latter

year. Washington County also expanded, although it did not keep pace with its western neighbor. There were 34,712 persons residing in the county in 1870 and 38,561 in 1880.

Of the towns mentioned as receiving a definite stimulus from the operation of the canal or the railroad only one has apparently achieved a permanent status as a result of these influences. Cumberland has survived and prospered as the second largest city in the State. Communities such as Weverton, Brunswick, and Williamsport which drew so heavily from the canal for their support declined with the fortunes and, in the end, the existence of that waterway. Catoctin, Harpers Ferry, and Hancock, which were primarily exchange points in the valley trade, declined as through traffic replaced local business, or survived on a lower level of economic activity and importance. In most recent years highways and railroads have developed other centers of local distribution away from the river, replacing to a considerable extent the economic basis of the old towns.

Footnotes to Chapter Six

1. 2d Annual Report (1830), p. 9; 4 Gill and Johnson 14-15, 36; 3d Annual Report of the Baltimore and Ohio Railroad Company (1829), p. 9.
2. Proceedings of Directors, B, 194 (October 4, 1830); Niles' Register XL, No. 6 (April 9, 1831), 91.
3. Hungerford, I, 116-117.
4. Niles' Register, XLVI, No. 8 (April 19, 1834), 119. For the terms of the compromise see Reizenstein, pp. 29-31.
5. 6th Annual Report (1834), p. 4; 11th Annual Report (1839), p. 9; President to Governor of Maryland, January 8, 1842, 14th Annual Report (1842), Appendix A, p. 12.
6. Cumberland Civilian, [n.d.], reprinted in Proceedings of Stockholders, D, 390-395; Lowdermilk, pp. 351, 376; Reizenstein, pp. 50, 71; Hungerford, I, 210-211; 264-265.
7. See, for example, Bender to President and Directors, May 31, 1836.
8. Property values in Cumberland rose sharply, from \$931,118 in 1842 to \$2,124,400 in 1850. Lowdermilk, pp. 351, 388.
9. The numerous deaths during the cholera epidemic of 1833 revealed the inadequacy of cemetery facilities for Catholic (Irish) in the valley. "Resolutions of a Public Meeting in Hagerstown, July 27, 1833." Handbill in O. H. Williams, W. Price, E. Beatty to Purcell, July 31, 1833; Purcell to President and Directors, August 1, 1833.
10. Mercer to Ingle, September 3; Boteler to Ingle, September 4; B. Price to Ingle, September 5; Purcell to President and Directors, September 11, 1832. See also W. Price to [Ingle], September 18, 1832.
11. Purcell to Eaton, June 24, 1842 [1833]; Andrew Stewart to Ingle, July 10, 1833.
12. Cruger to President and Directors, July 7, 1832; Lowdermilk, p. 342.
13. Niles Register, XLV, No. 22 (January 25, 1834), 336; ibid., No. 23 (February 1, 1834), 382-383; Purcell to Ingle, January 23, 1834; Eaton to Jamney, Smith, Gunton, January 31, 1834; Purcell to President and Directors, January 29, 1834; Thomas J. C. Williams, History of Washington County, Maryland, I, 223-224; Hagerstown

- Torchlight quoted in Niles' Register, XLVII, No. 25 (February 21, 1835), 429; ibid., XLIX, No. 20 (January 16, 1836).
14. W. Price to Washington, May 11, 1838; O. H. Williams to Washington, May 16, 1838; William H. Fitzhugh to Williams, May 16, 1838; (two letters); Williams to Washington, May 17, 18, 1838; Fisk to Ingle, May 19, 1838; Thomas Fillebrown, Jr. to Ingle, May 19, 1839; Williams to Washington, May 24, 1848.
 15. Lowdermilk, pp. 338-339; Niles' Register, XLIX, No. 25 (February 20, 1836), 426; ibid., LXII, No. 4 (March 26, 1842), 52. According to Niles' Register the effect of the work stoppage in 1836 on business at Cumberland was immediate. It "caused a very considerable panic in Cumberland. Two hours after the arrival of the news, the price of produce came down at least 10 per cent. Business still continues to be dull, our principal streets presenting an unusual barrenness; the merchant is idle; the mechanic slow in the transaction of his business; the speculator is cut to the quick..."
 16. Proceedings of Directors, D, 408 (September 30, 1835).
 17. Shriver to Ingle, June 29, July 12, 1837; Washington to Ingle, August 13, 1837; Ingle to Underwood, Bald, and Company, August 9, 1837, Letter Book D, 191-192; Proceedings of Directors, E, 268 (June 7, 1837), 298-299 (August 3, 1837), 317 (September 22, 1837), 426 (May 30, 1838); Lowdermilk, p. 350. Yet stage company shiplasters still circulated at face value.
 18. Stewart to President and Directors, September 29, 1828, May 27, July 18, 1829; 1st Annual Report (1829), loc. cit., pp. 48-49; Proceedings of Directors, A, 336 (August 26, 1829). See also Communication from William Archer, Esq. to the Stockholders of the Chesapeake and Ohio Canal, on the Subject of the Location of the Tunnel Through the Allegany Mountain (Washington, 1835), pp. 3-4; and Roberts' Report of 1829 (on the location of the western section), in Letters Received.
 19. Proceedings of Directors, M, 121 (August 8, 1873); 45th Annual Report (1873), p. 18; 46th Annual Report (1874), pp. 19-20; Letter of the Secretary of War on the Extension of the Chesapeake and Ohio Canal, April 14, 1874, 43d Cong., 1st sess., House of Representatives, Executive Document No. 208, pp. 5, 7-9; Letter of the Secretary of War, transmitting the report of Engineer Merrill on the Chesapeake and Ohio extension, March 2, 1876, 44th Cong., 1st sess., House of Representatives, Executive Document No. 137, pp. 2, 26, 31, 47th Annual Report (1875), p. 19; Washington Star, July 17, 1927, October 25, 1929, May 4, 1930, September 30, 1934. The cost was estimated at \$219,000,000 in 1930 and \$242,000,000 in 1934.

20. 1st Annual Report (1829), loc. cit., p. 53; 3d Annual Report (1831), ibid., pp. 132, 136; 3d Annual Meeting (1831), ibid., pp. 190-191; Proceedings of Directors, B, 267 (March 23, 1831); 384-385 (June 10, 1831), C, 35 (December 2, 1831); Frederick Examiner, quoted in Niles' Register, XXXVI, No. 19 (July 4, 1829), 302; Niles' Register, XXXVIII, No. 4 (March 20, 1830), 69; R. Potts to Ingle, November 29, 1828; Charles A. Stewart to President and Directors, February 10, 1832. See also Walter S. Sanderlin, "Maryland Canal Project," Maryland Historical Magazine, and The Great National Project, pp. 171-182.
21. Washington Star, June 10, 1889.
22. Sanderlin, pp. 185-187, 269-270, based upon Canal Records and Correspondence, and upon interviews with George Nicolson, General Manager of the Chesapeake and Ohio Canal, 1890-1938; "Charley" Egan, and Harvey Mayhew of Cumberland — former boatmen; Frank Lee Carl, newspaper correspondent and local historian, of Cumberland; and Edward Oswalk, Clerk of the Circuit Court in Washington County, Hagerstown.
23. A. Lee to Mercer, January 13, 1831; Niles' Register, XL, No. 6 (April 9, 1831), 91, 95.
24. See below, Appendix, Table __.
25. Reizenstein, pp. 72-75; Sanderlin, pp. 198-202. See also Maryland Laws, 1832, ch. 291, passed March 22, 1833; 46th Annual Report (1874), p. 19.
26. Statistics of the Cumberland Coal Trade, broadside filed in Canal Papers.
27. 47th Annual Report (1875), p. 18. See also C.O. Hammond to Gorman, November 21, 1877, and the Baltimore Sun, January 28, 1878.
28. Lowdermilk, pp. 351-352; Proceedings of Directors, M, 291 (March 14, 1877), N, 56 (September 17, 1878); Testimony of A.P. Gorman before U.S. Commissioner G. Morris Bond (Baltimore, 1880), in D.K. Stewart vs. the Chesapeake and Ohio Canal Company, U.S. Circuit Court for the District of Columbia, pp. 22, 28; testimony of Henry Winship, Report of the Joint Standing Committee...in the Chesapeake and Ohio Canal Investigation (Annapolis, 1880), p. 162.
29. Frederick Times, quoted in Niles' Register, XLV, No. 13 (November 23, 1833), 190; Elgin to Ingle, December 23, 1841; Maccubbin to Turner, November 6, 1844. See also Reizenstein, pp. 82-83.

30. Proceedings of Directors, M, 255 (April 18, 1876), 258 (May 17, 1876); Cockrell and Engle to Gorman, January 26, March 9, 1877.
31. McLane to Coale, September 17, 1843, May 7, 1845; Proceedings of Directors, G, 97-100 (September 14, 1843), 115 (September 21, 1843), (May 21, 1845); Special Report to 15th Annual Meeting (November 16, 1843), Proceedings of Stockholders, C, 192-193, 195-228; Coale to Ward, March 14, 1844, Letter Book G, 139; Coale to McLane, May 9, 1845, *ibid.*, p. 260
32. Monthly Report of the President, Proceedings of Directors, M, 293-294 (April 10, 1877). Canal tolls were reduced to 22¢ a ton from Cumberland to Georgetown while railroad rates were \$1.81 per ton for all charges from Cumberland to Baltimore, and possibly less. Proceedings of Directors, N, 4 (August 21, 1877); 50th Annual Report (1878), p. 6.
33. See Reizenstein, pp. 76-77; Sanderlin, pp. 164-167.
34. Proceedings of Directors, G, 406-407 (April 16, 1844), H, 252-257 (April 18, 1849), I, 159 (April 6, 1855), K, 166-167 (April 5, 1860).
35. Proceedings of Directors, B, 382-383 (June 10, 1831). The Board renamed the site of Great Falls "Crommelin" in honor of a Dutch banking family which had provided financial help to the company in its early days. Seneca was rechristened "Rushville" in honor of Richard Rush, former U.S. Secretary of the Treasury who had also helped the company in its financial negotiations.
36. Frederick Times, quoted in Niles' Register, XLV, No. 13 (November 23, 1833), 199. "The Point of Rocks is now the point of attraction and really presents, as we are told, an animating scene. Rail road cars and canal boats constantly arriving, interchanging passengers and cargoes and then departing -- the bustle and confusion of a little village suddenly arisen, as it were out of the earth and actually doing the business of a commercial emporium -- its inhabitants hardly yet acquainted with each other, and very often outnumbered by the transient strangers who throng thither in pursuit of business and pleasure -- the very novelty itself, of two great public enterprises so long at war with each other, just going into harmonious operation upon the spot which may be called the battleground..." See also 6th Annual Report of the Baltimore and Ohio Railroad Company (1832), p. 4.
37. Proceedings of Directors, K, 490 (May 10, 1866); George Rothbury, Agent, Henderson Steel and Wire Manufacturing Company, to Coale, October 17, 1850; C. P. Manning to President and Directors, April 12, 1866.

38. Henry Boteler to Mercer, January 14 and 22, 1828, in Report of the Committee on Roads and Canals, February 11, 1828, 20th Cong., 1st sess., House of Representatives, Report No. 141, Appendix 4, pp. 38-39; McFarland to Ingle, May 29, 1829; McFarland to Leckie, July 23, 1829; Ingle to Boteler and Reynolds, April 22, 1830, Letter Book A, 205.
39. Cruger and Purcell to President and Directors, July 4, 1832; Washington to Colston, January 31, 1835, Letter Book B, 400; Williamsport Banner, April 11, 1835, quoted in Niles' Register, XLVIII, No. 8 (April 25, 1835), 135. See also Williamsport Banner, April 4, 1835, quoted in ibid., XLVIII, No. 6 (April 11, 1835), 89; and Niles' Register, XLVIII, No. 8 (April 25, 1835), 134-135. "It was a glorious sight to see' the numerous boats as they lay in the basin by night, each illuminated by a glowing coal fire, which cast 'a long level rule' of light across the water; and the silence of night was not unpleasantly interrupted by the cries of the hoarse boatmen, as they were disturbed from their moorings by new arrivals, and driven to closer contact with their neighbors."
40. Hagerstown Herald and Torch Light, quoted in Lowdermilk, pp. 334-335; see also, ibid., pp. 339, 341, 344; Niles' Register, XLIX, No. 25 (February 20, 1836), 426; ibid., LXII, No. 4 (March 26, 1842), 52.
41. Lowdermilk, pp. 351-352.
42. Ibid., p. 376,
43. Ibid., pp. 349, 351, 371, 388, 492; Scharf, II, 1554.

CHAPTER SEVEN

The War Years
(1850 - 1865)

In many ways the Civil War years constitute a critical period in the history of the Potomac Valley. This is especially true for the competing transportation agencies in the region. As a result of the war, the life of the valley was profoundly affected: citizens were disturbed and endangered by the conflict, business was disrupted and property destroyed or damaged, normal pursuits were swept away or fundamentally altered. Worse yet for the future of the valley, while violence and confusion permeated the Potomac route, historic competitors to the north of the battle zone flourished and expanded, and thus entrenched themselves in a dominant position in the western trade.

For the Chesapeake and Ohio Canal, the war years hold a special significance. Combined with the failure of the waterway to complete the contemplated connection of eastern and western waters, the wartime experiences all but assured the eventual collapse of the canal as a transportation agency. At the same time, the stirring historical events which occurred in and near the Potomac Valley provide one of the most persuasive arguments for the utilization of the canal route and property to provide an access to this interesting and popular phase of the nation's past.

The pattern of canal fortunes had been set, to a considerable extent, in the brief period of operation before the war. In these

pre-war experiences can be seen most of the conditions which explain the inability of the waterway to survive in the competition for trade. These include: the use of the waterway as an object of political patronage to the detriment of the canal as a transportation agency; the discouraging failure to develop a large amount of through trade, independent of coal; the bitter rivalry with the Baltimore and Ohio Railroad for the little business the valley itself afforded; the recurrence of destructive floods; and the consequent precarious financial condition of the canal company.

As early as 1833 political considerations had exerted an influence in the direction of canal affairs. In that year the company replaced its first president, Representative Charles F. Mercer, of Virginia, in an endeavor to gain much needed federal financial aid. The new president, John Eaton, was a friend of President Andrew Jackson and the husband of Peggy Eaton, the cause celebre of the cabinet shake-up during the first Jackson administration.¹ When it became apparent that Jacksonian hostility would not be overcome by Eaton's appointment, the company again shifted officers in 1834. This time, with an eye to possible assistance from the Old Line State, the stockholders elected a Marylander, George C. Washington.² During the latter's five year tenure substantial Maryland aid gave that State a controlling interest in the company and set the stage for the close association of company affairs and State politics. In 1839 a political revolution in the State was reflected in sweeping changes in company offices.³ Another shift in party fortunes in 1841 restored

most of the former incumbents.⁴ After a relatively stable period during the 'forties the spoils returned during the confusion of politics in the State during the 'fifties'. Large-scale turnovers of employees occurred in 1852, 1855, 1856, 1858, 1860, and 1862.⁵

The second part of the pattern, the failure of the canal to develop any considerable through trade to supplement the business which the valley provided, is clearly demonstrated by the available statistics on canal trade, which indicate a dependence upon the local agricultural products. A corollary to this reliance upon local business is the heavy proportion of total commerce represented by the coal trade. In fact, the latter soon became almost the sole profitable business for the waterway. In so far as it was undesirable for the canal to depend upon a single commodity, the decline of the Chesapeake and Ohio to the level of a coal canal, underway even before the Civil War, boded ill for the future.⁶

A third fact which was apparent even before the war was the bitter rivalry which existed with the Baltimore and Ohio Railroad, particularly over the coal and flour trade.⁷ Both the railroad and the canal, as well as the Potomac route itself, suffered as a result of this early and continuing competition. The experience of the Potomac Valley is in sharp contrast to the New York and Pennsylvania routes in this regard. In the latter instances canals were relatively free of the competition of railroads until firmly established (in New York) or superseded by railroads (in Pennsylvania).

Floods in the 1850's added what was almost the final straw. In so doing they anticipated the decisive role they were to play in

the 'seventies and 'eighties. Freshets in 1843, 1846, and 1847⁸ should have provided ample warning of the vulnerability of the low-lying waterway on the bank of the Potomac, but the canal officials seemed unable to make adequate preparations for the increasingly higher crests that swept down the valley. Extensive destruction, as well as interruption to trade, occurred in 1852, 1855, and 1857, all but wrecking the company financially. Canal records for the years following tell a story of heavy debts,⁹ non-payment of employees, omission of interest payment on bonds, and issuance of toll certificates in anticipation of future revenue.¹⁰ It was in this weakened condition, physically, financially and spiritually that the Civil War era found the canal.

The approach of war found the inhabitants of the valley agitated, confused, and divided in their sentiments. The citizens of western Maryland and Virginia, living in a border area between two regions with contrasting modes of life, were keenly aware of the impending national crisis both before and after the election of 1860. The principal effect on the valley was the creation of wide differences of opinions on the many issues involved. These embraced all combinations of attitudes on such questions as: property rights and human rights in slavery; sectionalism and states rights; secession and the Union; war and peace. These differences of opinion found expression in many mass meetings at key towns in the area. Inasmuch as western Maryland, West Virginia, and even the Shenandoah Valley were indifferent, if not hostile, to slavery these meetings reflected primarily Unionist sympathies. Unionist strength obviously outnumbered and

eventually overwhelmed secessionist feeling in western Maryland and West Virginia. Thus the area to which the proposed Potomac Parkway would provide access is especially significant historically as one of the regions in which the conflict of traditions in the Civil War was most sharply present and clearly indicated.

The principal impact of the war itself was the derangement it caused, in all its aspects, to the life of the valley. The military campaigns, the presence of troops, the fluctuations of wartime demands, all exerted a particular influence on business -- both in the towns and on the farm. On an entirely different level, the conflict had a direct personal impact on many families and individuals on both sides of the Potomac. Of course, the valley, as the scene of invasions, raids, skirmishes and battles, was immediately affected by the military phases of the conflict.

Early in 1861 there were many mass meetings in the Potomac Valley towns, such as Cumberland, Hancock, Hagerstown, Frederick, Rockville, etc. A second flurry of gatherings occurred after the attack on Fort Sumter. In general the citizens avoided extremes in expression of their sentiments; there were few Unconditional Unionists or immediate secessionists. After the commencement of hostilities, however, the conflict of sympathies became more bitter as the sides were drawn.¹¹ The presence of Federal troops gave the Unionists added weight and that group gradually emerged as the dominant force on the northern side of the river, and to a surprising extent on the southern side in the upper reaches of the valley. The most vocal pro-

Southern elements, e.g., Colonel Bradley Johnson, of Frederick, fled to Virginia and joined the Confederacy. Others were arrested and detained by federal troops, as in the case of the Maryland legislators meeting at Frederick. The more passive ones remained silent, until the Rebel invasions of Maryland evoked optimistic responses from them which brought quick retaliation following Confederate withdrawals.

The outbreak of war had a most depressing effect upon the interests of western Maryland and the city of Cumberland.

Her great thoroughfare, the Baltimore and Ohio Railroad, was interrupted and her Canal closed. Trade from Virginia was withdrawn. Every industry was stopped or curtailed; stores were closed and marked "for rent;" real estate sank rapidly in value. Merchants without customers slept at their counters, or sat at the doors of their places of business. Tradesmen and laborers, out of employment, lounged idly about the streets. The railroad workshops were silent and operations in the mining regions almost entirely ceased. Then commenced a deep, painful feeling of insecurity and an undefined dread of the horrors of war. Panic makers multiplied and infested society, startling rumors were constantly floating about of secret plots and dark conspiracies against the peace of the community and private individuals.¹²

Railroad and canal experiences reflected the depressed conditions in the valley during the early months of the War. Later a degree of prosperity, based on wartime demands, replaced the uncertainty, anxiety, and gloom of 1861 and 1862. The recovery of the coal industry, carrying with it the basis of railroad and canal prosperity, is the best example of the improvement of business in the Potomac region. Valley cities became communication centers, supply depots, hospital bases, and administrative headquarters for troops stationed along the canal and the railroad from Catoclin west.

On the combat side, the valley was the scene of innumerable skirmishes especially in the early years of the war. Engagements are recorded in 1861 at or near Patterson's Creek, Shepherdstown, McCoy's Ferry, Lemon's Ferry, Harpers Ferry, Maryland Heights, London Heights, Martinsburg, Romney, Balls Bluff, Hancock, and at many points along the Baltimore and Ohio Railroad and the Chesapeake and Ohio Canal.¹³ These were repeated in early 1862 in the region from Romney to Harpers Ferry.¹⁴ Other skirmishes occurred in connection with the full scale military operations in the valley. In 1862, for example, Harpers Ferry was captured during the Antietam campaign.¹⁵ Cumberland surrendered (along with Hagerstown and Frederick) in 1863, during the Gettysburg thrust.¹⁶ More skirmishes accompanied Early's raid in July 1864.¹⁷ And in February, 1865, the Confederates captured two Federal generals in a daring raid on Cumberland.¹⁸

At least five major campaigns touched, crossed, or entirely concerned the Potomac Valley, and therefore are of interest in parkway considerations. General McClellan's West Virginia operations in 1861 advanced along the Baltimore and Ohio Railroad to Cumberland.¹⁹ Jackson's valley campaign in the spring of 1862 swept the Union troops out of the Shenandoah Valley, culminating in a feint at Harpers Ferry as a covering action for the transfer of the main body of his army to Richmond for participation in the Seven Days' Battles.²⁰ Following the Union defeat at the Second Battle of Bull Run in August, 1862, General Lee invaded Maryland and the Union in force for the first time, crossing the Potomac at several points east of the Blue Ridge Mountains and occupying

Frederick and Hagerstown while Jackson captured Harpers Ferry.²¹ He finally chose, as the place to accept battle with General McClennan, a site between Antietam Creek and the canal and river. The Confederate retreat after this clash provided the opportunity for President Lincoln to issue the famous Emancipation Proclamation. On the second invasion of the North, Lee crossed the Potomac west of the Blue Ridge near Shepherdstown.²² For several days he rested his troops in Maryland, during the retreat from Gettysburg while he waited for the rain-swollen river to fall.²³ He succeeded in effecting the crossing on the night before the Union forces were prepared to resume battle. Early's raid on Washington, in July 1864, is the best illustration of the potential threat which the Potomac and Shenandoah Valleys represented to the Union throughout the Civil War.²⁴

The Baltimore and Ohio and the Chesapeake and Ohio were directly or indirectly involved in every encounter. Confederate troops sought continually to halt traffic on both transportation lines. The first year of the conflict was the most successful as far as actual interruption to trade. There was no through traffic on the railroad from June 14, 1861 to March 29, 1862, from May 25 to June 15, 1862, and from September 5 to September 22, 1862.²⁵ Canal trade fell to negligible proportions from May to September, 1861, and recovered only slightly before the end of navigation for the year. There were interruptions of varying duration in each of the war years.²⁶

Confederate raiders wrought whatever physical damage was required to achieve their goal of disrupting transportation. The

railroad was especially vulnerable, passing for many miles through northern Virginia between Harpers Ferry and Cumberland. Bridges were burned, tracks torn up and destroyed, rolling stock carried off or destroyed, shops and machinery wrecked. In all the Baltimore and Ohio claimed (and received from the United States government after the war) \$3,000,000 in damages.²⁷ The destruction of the canal included banks cut, masonry (locks, culverts, aqueducts) undermined, boats burned, and mules and horses driven away. There were also several attempts to destroy the river dams which supplied the waterway.²⁸

Both railroad and canal suffered from minor annoyances during the war. Both experienced some embarrassment from the suspicion of disloyalty among the employees.²⁹ Each was somewhat pressed for workers by the effect of the draft, although in western Maryland there were usually enough volunteers for each call to avoid conscripting men.³⁰ Military occupation brought many petty grievances to transportation officials.³¹ And the war brought no relief from the ravages of floods in the Potomac Valley.³²

Notwithstanding these tribulations both carriers performed valuable services for the federal government during the struggle. Together they provided a convenient and vital communication system between east and west, immediately behind the battle zones. Both lines performed yeoman services in the transportation of men, food, and supplies for the Union.³³ This was especially true of the priceless coal which the government so jealously hoarded. The organizations

which both companies represented were useful in many lesser ways in the conduct of official business in the upper Potomac Valley. This more pleasant side of the story must not be overlooked in the account of the vicissitudes of railroad and canal during the war.

Footnotes of Chapter Seven

1. 5th Annual Meeting (1833), Proceedings of Stockholders, A, 313; Niles' Register, XLIV, No. 17 (June 22, 1833), 270-271. A Jacksonian attempt to oust President Mercer in 1832 had failed. Boteler to Mercer, July 28, 1832.
2. 6th Annual Meeting (1834), Proceedings of Stockholders, A, 356-358.
3. 11th Annual Meeting (1839), ibid., B, 193-195; Washington to Peabody, March 5, 1839, Letter Book E, 194; Special Report on the Completion of the Canal, loc. cit., p. 356.
4. Proceedings of Directors, F, 301-302 (April 13, 1841), 308 (April 14, 1841), 315 (April 29, 1841); Fisk to President and Directors, April 29, 1841, Letter Book F, 262-264.
5. Proceedings of Directors, H, 537-541 (July 15, 1852), 550-551 (September 30, 1852), 556 (October 1, 1852); I, 181 (June 30, 1855), 277-282 (June 27, 1856); K, 1-10 (March 30-31, 1858), 14-16 (April 15-16, 1858), 19 (May 5, 1858), 183-184 (May 16, 1860), 192-193 (June 2, 1860), 272-275 (February 12, 1862).
6. See below, Appendix, Table __.
7. See above, pp. __.
8. Fisk to Coale, September 17, Ingle to Coale, September 18, 1843; Fisk to Coale, and Elgin to Coale, July 8, 1846; Elgin to Coale, October 8, 9, 11, Stone to Coale, October 8, 10, 12, 1847.
9. 24th Annual Report (1852), pp. 3-4; 25th Annual Report (1853), p. 3; 28th Annual Report (1856), pp. 3-4; 29th Annual Report (1857), pp. 9, 11-13.
10. Proceedings of Directors, H, 398 (January 8, 1851), 532 (June 24, 1852), I, 124 (November 8, 1854), 132 (December 16, 1854); K, 80-81 (January 6, 1859), 152-153 (January 6, 1860); 24th Annual Report (1852), pp. 9-10; 25th Annual Report (1853), pp. 5-6; 27th Annual Report (1855), pp. 9, 12; 33d Annual Report (1861), pp. 5-6; 34th Annual Report (1862), Appendix G, p. 16. The debts that were officially recognized amounted to \$1,653,382.92. See also Application of Hunter, Harris & Co. to the Chesapeake and Ohio Canal Company for relief /August, 1853/.
11. Scharf, I, 194-200, 203-209, 212; Lowdermilk, pp. 389-393, 397-400, 408.

12. Rev. A. J. Weddell, Unwritten Chapters of the War, quoted in Lowdermilk, pp. 396-397.
13. William Wood, Captains of the Civil War (Allen Johnson, ed., Chronicles of America, vol. 31, New Haven, 1921), pp. 17-25, 37-39; James K. Hosmer, The Appeal to Arms, 1861-1863 (A. B. Hart, ed., The American Nation, vol. 20, New York, 1907), pp. 54-55, 73-74; Edward A. Pollard, The First Year of the War (Richmond, 1862), pp. 80-83, 178-182; Douglas S. Freeman, Lee's Lieutenants (3 vols. New York, 1942), I, 9-10, 111; Robert S. Henry, The Story of the Confederacy (New York, 1943), p. 19; Scharf, I, 212-216; Lowdermilk, pp. 400, 404. See also The War of the Rebellion; ... Official Records of the Union and Confederate Armies (128 vols., Washington, 1880-1901), 2, pp. 867ff, and Thomas L. Livermore, Numbers and Losses in the Civil War in America, 1861-1865 (New York, 1901), p. 71. War of the Rebellion... cited hereinafter as O. R.
14. Freeman, I, 123-124; Henry, p. 31; Scharf, I, 217-220.
15. Freeman, II, 193-202; Henry, pp. 181-190; Edward A. Pollard, The Second Year of the War (New York, 1865), pp. 127-128; Scharf, I, 227-228; Lowdermilk, p. 407.
16. Henry, pp. 271-285; Scharf, I, 268-273; Lowdermilk, pp. 409-412.
17. Henry, pp. 397-398; Scharf, I, 285-294.
18. Lowdermilk, pp. 420-422; Scharf, I, 296-297.
19. Pollard, First Year, pp. 83-88, 178; Wood, p. 35; Henry, pp. 46-48. On the military phases of the Civil War see also Battles and Leaders of the Civil War (4 vols., New York, [1887-1888]).
20. Freeman, I, 303ff; Hosmer, pp. 143-152; Henry, pp. 141-145; Wood, pp. 210-213; Scharf, I, 220-223. See also O. R., 12.
21. Freeman, II, 153-225; Pollard, Second Year, pp. 129ff; Hosmer, pp. 188-198; Henry, pp. 181-190; James Longstreet, From Manassas to Appomattox (Philadelphia, 1903), pp. 199-267; Scharf, I, 227-256; Wood, pp. 243-246; Lowdermilk, p. 407. See also O.R., 18, 19; Livermore, p. 92.
22. Freeman, III, 73-202; Hosmer, pp. 285-304; Wood, pp. 288-305; Henry, pp. 271-285; Longstreet, pp. 334-410, esp. pp. 334-345b; Scharf, I, 268-273. See also O. R., 27; Livermore, p. 102; Comte de Paris, The Battle of Gettysburg (Philadelphia, 1886), pp. 30-88 et seq.

23. Longstreet, pp. 426-430; Wood, p. 305; Henry, p. 386; Scharf, I, 279-280.
24. Freeman, III, 557-568; James K. Hosmer, The Outcome of the Civil War, 1863-1865 A. B. Hart, ed., (The American Nation, vol. 21, New York, 1907), pp. 103-104, 186-187; Henry, pp. 397-398; Wood, p. 356; Scharf, I, pp. 285-294. See also the editorial in the Washington National Intelligencer, July 15, 1864; and Ulysses S. Grant, Personal Memoirs of U. S. Grant (2 vols., New York, 1885-1886), II, 196-197.
25. Hungerford, Baltimore and Ohio Railroad, II, 3. For a detailed account of the Baltimore and Ohio in the Civil War see Festus P. Summers, The Baltimore and Ohio in the Civil War (New York, 1939).
26. 33d Annual Report (1861), Appendix, C, p. 14; 34th Annual Report (1862), Appendix B, p. 9; 35th Annual Report (1863), Appendix B, p. 8; 36th Annual Report (1864), Appendix B, p. 10; 37th Annual Report (1865), Appendix B, p. 10. See also Walter S. Sanderlin "The Vicissitudes of the Chesapeake and Ohio Canal during the Civil War," Journal of Southern History, XI, No. 1 (February, 1945); Lowdermilk, pp. 400, 407, 412; Scharf, I, 217-218, 253, 262; and the Washington Star August 22, September 13, 1864.
27. Hungerford, II, 8-20; Scharf, I, 214, 217, 218; Lowdermilk, pp. 400, 404, 407, 412.
28. Baltimore American, June 11, 1861; Washington Star, June 11, 1861, June 14, 1861; September 26, 1862; A. Spates to Ringgold, June 13, 1861; Stake to Spates, June 26, July 6, 1861; Spates to Ringgold, August 13, 1861; Smith to Ringgold, October 23, 1861; G. Spates to Ringgold, September 13, October 6, November 26, 1862; Masters to Ringgold, September 22, 1862; A. Spates to Ringgold, October 6, 1862; Hassett to Ringgold, October 14, 1862; Lowe to Ringgold, June 20, 1863; G. Spates to President and Directors, June 30, 1863; Masters to Ringgold, July 19, 1863; Miller to Ringgold, July 22, 1863; Greene to Ringgold, July 25, 1863; Masters to President and Directors, August 4, 1863; A. Spates to Ringgold, July 5, 1864; G. Spates to Ringgold, July 16, 1864; Masters to Ringgold, July 18, 1864; Miller to Ringgold, July 18, 1864; Benton to Ringgold, July 20, 1864; Lowe to Ringgold, July 25, 1864; G. Spates to President and Directors, July 25, 1864. See also the purported copy of Confederate orders for the destruction of Dam No. 6, dated October 20, 1861, in an anonymous pamphlet, To the People of Maryland: The Canal and its Management Vindicated (n.d.)

29. Hungerford, I, 350-351, II, 19; L. J. Brengle to Ringgold, January 1, 1861, September 15, 1863; Captain R. C. Bomford to Directors, August 28, 1862; Fred Fickey, Jr. to Ringgold, September 1, 3, 1863; Greene to Ringgold, January 25, 1864; Proceedings of Directors, K, 361 (December 17, 1863); Baltimore American, September 3, 1863, January 25, 1864; Washington Star, September 2, 1863. See also Walter S. Sanderlin, "A House Divided...", Maryland Historical Magazine, vol. XLII, No. 3 (September, 1947).
30. Ringgold to Stanton, August 21, 1862, Letter Book M, p. 56; White to Board of Directors, April 10, 1863; G. Spates to Directors, October 30, 1864; Hungerford, II, 16-17; Lowdermilk, pp. 407-415, 419.
31. Washington Star, May 2, 24, December 5, 16, 23, 1862, July 15, 1863; Wolfe to Ringgold, March 10, 1862; Greene to Ringgold, April 11, 26, 1862; Ringgold to Greene, March 24, April 16, 1862, Letter Book M, 31, 36; Godey to Ringgold, January 10, 1868; Proceedings of Directors, L, 56 (October 23, 1867). See also Diary of Gideon Wells (3 vols., Boston, 1911), I, 61ff, esp. 66-67; War Department Order No. 44, April 21, 1862, in O. R., Series I, Vol. 12, Part iii, p. 97; and War Department Circular, October 24, 1862, confirming Order No. 44, filed in Letters Received, Canal Papers, December, 1863; Jacob Miller to President and Directors, May 1, 1863; G. Spates to President and Directors, November 30, 1864; Hungerford, II, 4-5.
32. Baltimore American, April 16, 19, June 11, 1861; Washington Star, April 17, 1861; Embry and Son to Dellinger, April 26, 1862; Greene to Ringgold, April 29, 1862; Masters to Ringgold, April 13, 1864; Hungerford, II, 20-24.
33. Baltimore American, May 27, 30, 1861; Washington National Intelligencer, March 10, 1862; Washington Star, September 12, 1862; A. Spates to Ringgold, December 1, 1862; Proceedings of Directors, K, 315 (December 11, 1862); Hungerford, II, ch. iii.

CHAPTER EIGHT

Prosperity and Decline
(1865 - 1924)

The valley and its rival transportation agencies emerged from the Civil War with an uncertain future. In the last years of the conflict a degree of commercial prosperity emerged, based largely upon the abnormal wartime demand -- particularly for coal. On the strength of this expanded trade both railroad and canal enjoyed a degree of financial profit hitherto unknown to either.¹ On the other hand, post-war economic readjustments, e. g., the decline in coal prices and freight rates, had a sobering effect on both companies. And part of the apparent rise in monetary fortunes had been due to the postponement of much needed repairs and improvements. As a consequence of this neglect, both works were in a somewhat delapidated physical condition in 1865.² This adversely affected the competitive position of the two carriers, at a time in which the northern rivals were stronger than ever.³ The Pennsylvania Railroad had made great strides in both the coal and the general east-west transportation business, between 1861 and 1865.⁴ In New York, the Erie Canal prospered richly on the strength of its improved services.⁵ The Erie Railroad had expanded into Ohio during the war, by means of the Atlantic and Great Western Railroad, thus posing a major threat to the Baltimore and Ohio.⁶ Finally, the New York Central was in the process of formation as the result of Vanderbilt's consolidation of several short line railroads.⁷ The low grade route

of the New York Central gave it a considerable competitive advantage over all other railroads.

If these developments were not enough to render uncertain the future of the Potomac route, the revival of political influence involved seemed to invite disaster. The Baltimore and Ohio, under its famous president, John W. Garrett, sought energetically to free itself from political domination and to become instead an influence in politics. The Chesapeake and Ohio experienced several more shifts in personnel as the result of party changes in Maryland, but it too achieved a degree of stability under its foremost executive, Arthur P. Gorman.⁸

After a momentary set-back immediately following the war, the commercial prosperity of the two transportation agencies continued, rising to even higher levels. On the strength of this encouraging trend, the Baltimore and Ohio began to restore and expand its railroad.⁹ The Chesapeake and Ohio, under Presidents William C. Clarke and A. P. Gorman, pushed the reconstruction of its waterway and began to consider ways of improving its competitive position. By 1874 the canal had regained its original dimensions, and plans were underway to improve its services by facilitating traffic at the Paw Paw tunnel, macadamizing the towpath, and restoring full use of the eastern terminus in Georgetown.¹⁰

Trade continued prosperous until the middle seventies. It is interesting to note, however, that the principal basis for the enlarged business of both railroad and waterway continued to be the

Cumberland coal trade.¹¹ As long as the latter commanded a large market among eastern shippers and industries all would be well. Both lines attempted to expedite the trade — in competition with each other and in an effort to establish a strong position in the struggle with Pennsylvania interests. Attempts to exploit additional sources of trade in the Potomac region were unsuccessful. The area did not develop a large-scale industrial establishment, possibly because of the delays encountered throughout the nineteenth century, which gave the Pennsylvania and New York regions a head start.

Yet the impressive monetary profits of the canal, year after year, caused not a little concern. Proponents of water transportation revived the proposal to extend the Chesapeake and Ohio to the Ohio and to enlarge it.¹² The Baltimore and Ohio combatted this argument as vigorously as possible. After several years of investigation the project lapsed, as the depression following the panic of 1873 affected canal fortunes. The improved financial condition of the waterway encouraged its directors to consider extending the canal to the Savage River in the heart of the Cumberland coal region.¹³ In this manner they proposed to establish with their own resources a direct route to the coal fields. The depression ended all talk on this project, also.

In 1873, the nation experienced a sharp and dramatic financial panic. The panic gradually deepened into a long and severe depression as business retrenched in the face of widespread uncertainty about the immediate future. The industrial depression in turn

communicated itself to the commercial world. The effects of the depressed state of business were soon felt in the Potomac Valley -- especially in the Cumberland coal trade. The railroad experienced the decline first, but by 1876, it affected the Chesapeake and Ohio, thus marking the beginning of the end for that waterway as a competitor for the trade of the Potomac Valley.¹⁴

As the depression deepened and persisted there was increased competition among carriers for the remaining business, necessitating reductions in rates and economies in operation. Reductions in charges brought a decline in revenue which eliminated profits, caused a suspension of payments on back interest, and placed the companies in a precarious financial position. Economies in operation entailed either costly improvements, which declining revenues could not support to any considerable extent, or reductions in wages and personnel. Attempts to effect the latter brought on labor disputes and some violence, both of which hurt the limited business of the transportation agencies.

Both the Baltimore and Ohio and the Chesapeake and Ohio engaged in rate wars, with each other and with other coal carriers (especially the Pennsylvania Railroad), at intervals from 1876 to 1890.¹⁵ Each sought to improve its services in order to better its competitive position. The canal company under A. P. Gorman, for example, attempted to eliminate the middle man by securing control of terminal facilities and boating lines, sought an independent connection with the coal fields, encouraged the use of steamboats

on the waterway, expedited shipping and transfer all along the line and especially in Georgetown (by means of an alternate set of outlet locks), and began to lengthen locks in order to increase the tonnage capacity of boats navigating the canal.¹⁶ Finally, both the coal companies and the transportation agencies reduced expenses by discharging employees and cutting wages.¹⁷ This action, resorted to at an earlier date by the mines and the railroad than by the canal, led to labor disputes which caused several interruptions to trade. Besides the famous railroad strike of 1877, which affected the Baltimore and Ohio particularly, there were strikes on the Cumberland and Pennsylvania Railroad in 1874, among the boatmen on the Chesapeake and Ohio in the same year, and again in 1877, in the coal fields in 1879, among the boatmen in 1880, and an especially long work stoppage by the miners in 1882.¹⁸

On November 24, 1877, in the midst of the depression, a devastating flood swept down the Potomac Valley destroying the property of farmers, merchants, railroad, and canal. The latter, in fact, was almost a total wreck.¹⁹ In the straitened financial circumstances of the company, the depressed state of business, and the tight condition of the money market, the flood of 1877 might well have been the final blow to the waterway, but for the energy and influence of its president, A. P. Gorman.

President Gorman undertook the work of repair immediately. By April 15, 1878, the work was completed and the canal in operation

(only one month later than usual) but at a cost of almost a quarter of a million dollars, four-fifths of which came from loans.²⁰ To restore company finances, Mr. Gorman appealed successfully to the Maryland Legislature for assistance.²¹ The recourse to political intervention was not new for the canal under President Gorman; the Legislature had intervened to improve the competitive position of the canal during the rate wars in 1876, and it interposed again in 1878.²²

The waterway survived only seven years after Senator Gorman's retirement from active supervision of company affairs in 1882. The story is the same: relative stagnation of business and trade; rate wars; reduced revenues; economies in operation; strikes;²³ and in 1886, three disastrous floods in a little over a month.²⁴ Predictions of impending failure became common and a struggle was already developing for the ownership of the bonds which would determine control in the event of bankruptcy.²⁵ Always in the background was the figure of Senator Gorman, retaining contact through the Democratic Party in Maryland with the company that provided his springboard into a national political career.

Between May 30 and June 1, 1889, a titanic flood swept down the Potomac Valley wreaking widespread havoc with its unprecedented crest, and leaving the canal a ruin. Preliminary reports estimated the damage to the waterway at from \$500,000 to \$1,000,000. During succeeding months the entire valley, and a good part of the population of Maryland, speculated over the future of the Chesapeake

and Ohio. An admission by the canal company that it was bankrupt and was unable to raise funds to repair the waterway merely ended one phase of speculation and ushered in another.²⁶

The petition of the Baltimore and Ohio Railroad Company, filed in December, 1889, in the Circuit Court of Washington County (Maryland), for the appointment of receivers under the mortgage of 1844 answered many questions.²⁷ The railroad company possessed a majority of both the bonds secured by the mortgage of 1844 on the revenues of the canal and those under the mortgage of 1878 on the property of the canal. Therefore, the fate of the Chesapeake and Ohio now rested in the hands of its old rival. In January, 1890, the Baltimore and Ohio filed a petition for the sale of the Chesapeake and Ohio under the mortgage of 1878, perhaps in order to forestall other bondholders.²⁸ The railroad directors apparently weighed the advantages and disadvantages of restoring and operating the canal under the mortgage of 1844 and the risk of the sale of the waterway to a competitor under the mortgage of 1878. They decided to press the December petition, and Judge Alvey accepted their claim that the canal could be restored and operated profitably.²⁹

Under court supervision the receivers completed the repairs and reopened the canal by September, 1891. The total cost was \$430,746.43. At no time after 1890 did the canal attract a large or profitable amount of trade.³⁰ Little or no effort was made to compete seriously for the declining Cumberland coal trade or the local business of the valley. The decline of the Chesapeake and Ohio, which had proceeded without break since 1875 continued unabated. Its existence was, therefore,

largely an artificial one, for the purposes of the railroad company.

The only obstacle to the complete collapse of the canal enterprise was the interest and support of the receivers, the Baltimore and Ohio Railroad Company. And this interest was, as has been noted, largely negative: to prevent the acquisition of the canal property and right-of-way by a competing railroad. This necessitated some involved negotiations, for the court order required the canal to show a profit sufficient to repay the receivership costs, repair bills, and other obligations.³¹ Since this was possible, if at all, only at the expense of competition with the Baltimore and Ohio for the available trade, the receivers decided to use an intermediary corporation to enable the canal to show a book profit without sacrificing rail traffic or rates. The Chesapeake and Ohio Transportation Company, controlled by the Baltimore and Ohio, entered into a contract with the receivers, representing the same railroad company, in 1894.³² In return for the latter's guarantee to keep the waterway in a navigable condition, the transportation company agreed to provide whatever boats were necessary to carry the trade offered and to guarantee the canal company an annual profit of \$100,000. The court ratified the contract over the protest of the State, and extended until 1901 the time limit before the order for the sale of the canal would become effective.³³ With the annual "profits" the receivers proceeded to pay the costs of receivership, the loans for the restoration of the waterway, and the bonds of 1878, in the sequence established by the court. In 1901, the court again extended

the time limit four years, until December 31, 1905.³⁴ In 1905 it approved a revised contract between the receivers and the transportation company by which the latter agreed merely to guarantee the canal company against loss.³⁵ Thereafter, the time was automatically extended each year upon evidence that the canal was not operating at a loss.

To supply and operate the coals for the Transportation Company, the receivers, representing the Baltimore and Ohio, joined with the Consolidation Coal Company, controlled by the Baltimore and Ohio, to form the Canal Towing Company, in 1902. The Consolidation Coal Company, supplied over ninety-nine per cent of the coal trade on the Chesapeake and Ohio (which was practically all the business the canal had).³⁶ The former transported the coal to its own wharf at the canal basin in Cumberland via the Cumberland and Pennsylvania Railroad, also controlled by the Baltimore and Ohio. Thus, in effect, the trade on the waterway in the receivership period was limited primarily to that supplied by Baltimore and Ohio interests for consumption in the local market. The domination of canal affairs by its erstwhile rival was complete.

The disintegration of the canal's business proceeded rapidly after 1905. The coal trade declined steadily throughout the first quarter of the century. A brief revival during the World War, based upon government purchases for the Indianhead proving grounds, had no lasting effect on canal prosperity.³⁷ The rise of oil and gas as competitors with coal in the District of Columbia, the filling up

of the Potomac to the detriment of the coasting trade from Washington and Alexandria, and the gradual exhaustion of the most profitable veins in the Cumberland coal fields at the same time that rich new fields were being opened in West Virginia beyond the reach of the canal -- all these factors had an influence on the decay of the economic foundations of the Chesapeake and Ohio.

Some canal properties, such as the Rock Creek mole, were sold to the Baltimore and Ohio and the Western Maryland railroads under court approval.³⁸ The proceeds were used to pay the principal and interest of the 1878 bonds, now almost entirely controlled by the Baltimore and Ohio. In December, 1904, the State of Maryland disposed of its holdings (over \$7,000,000) in the bonds and stock of the Chesapeake and Ohio Canal Company to Fairfax S. Landstreet, a Vice-President of the Western Maryland Railway Company.³⁹ The price was \$155,000. When the Gould properties went into receivership in 1907 these properties eventually fell to the Baltimore and Ohio.⁴⁰ About this time the Pennsylvania Railroad began to sell its holdings in Baltimore and Ohio stock, apparently fearing a forced sale under less favorable conditions by Interstate Commerce Commission order.⁴¹ Thus the tangled legal and financial picture gradually became clarified and took on the cast which it had in the 'thirties.

On March 29, 1924, a new flood crest threatened the Potomac Valley. A brief cold snap on March 30 halted the rise of the river at a level below the crest of 1889, averting a major disaster. Some

destruction occurred along the canal in the upper valley and at the more exposed points, but much of the waterway escaped serious damage.⁴² The incident provided an opportunity, however, for the railroad to relieve itself of the expense of operating the canal. The receivers made no effort to restore the canal beyond the Georgetown level. They authorized enough repairs to protect what was left of the waterway and to enable them to assert that the canal could quickly be put into navigable condition if sufficient business were offered to warrant the effort.⁴³ The canal was left a magnificent wreck, but technically a going concern in which the water rents received from the Georgetown factories paid the expenses of the minimum operating staff. The court accepted the position of the receivers, and ruled that the canal had not forfeited its rights by non-operation, but that the "other" aspect of its business, the maintenance of a waterway for purposes of navigation was merely suspended in the absence of remunerative trade.⁴⁴ Both the receivers and the court continued to maintain the position that the canal was not abandoned, and could easily and quickly be put into navigable condition, after the dams and feeders had filled up, locks and lockhouses had deteriorated into a hopelessly unusable condition, and saplings two, three, and four inches in diameter had grown in the trunk, destroying the puddling and often obscuring the canal itself.

Footnotes to Chapter Eight

1. Sanderlin, pp. 221-222; Hungerford, II, 64-65.
2. Manning to President and Directors, May 31, 1866; Hungerford, II, ch. iv.
3. Emerson D. Fite, Social and Industrial Conditions in the North during the Civil War (New York, 1930), p. 42ff.
4. Howard W. Scotter, The Growth and Development of the Pennsylvania Railroad Company, (Philadelphia, 1927), pp. 58-61, 114; Commercial and Financial Chronicle, December 23, 1865, February 24, March 10, June 9, 1866; Fite, p. 44n.
5. "Ship Canals and Railroads," Hunt's Merchants' Magazine, XLIX (1863), 13; Report on the Internal Commerce of the United States, 1879, p. 109; Commercial Bulletin, Boston, February 22, 1862; New York Tribune, May 22, 1863; Report of the Auditor on the Tolls, Trade, and Tonnage of the Canals of New York, 1864; Fite, pp. 46n, 50.
6. Fite, pp. 54-57; Railroad Record, June 23, 1864, March 31, April 13, and June 1, 1865; American Railroad Journal, November 28, 1863; Commercial and Financial Chronicle, August 5, 1865. See also Edward H. Mott, Between the Ocean and the Lake: The Story of the Erie, (New York, 1900).
7. Fite, pp. 46ff, 58. See also Edward Hungerford, II, 38-39; and idem., Men and Iron, The History of the New York Central (New York, 1938).
8. Hungerford, Baltimore and Ohio, II, 63, 80; Walter S. Sanderlin, "Arthur P. Gorman and the Chesapeake and Ohio Canal: An Episode in the Rise of a Political Boss," Journal of Southern History, XIII (1947), 323-337.
9. Hungerford, II, 24-25, 64, 66-72, 99ff.
10. Proceedings of Directors, L. 439 (September 12, 1871); M, 19-24 (May 10, 1872); 44-47 (August 14, 1872), 80-81 (December 12, 1872), 133 (December 4, 1873), 154-155 (April 15, 1874), 163 (June 16, 1874); Report for the year 1870 (February, 1871), pp. 7-9; Report of the President, 43d Annual Meeting (December 29, 1871 and January 4, 1872), Proceedings of Stockholders, E, 187-188, 198-199, ibid. (April 23, 1872), pp. 215-222; 46th Annual Report, (1874), pp. 11-12; 47th Annual Report (1875), pp. 8-9.
11. See below, Appendix, Table __; and Statistics of the Cumberland Coal Trade, a broadside filed among canal company papers in the National Archives.

12. Proceedings of Directors, M, 121 (August 8, 1873); 45th Annual Report (1873), p. 18; 46th Annual Report (1874), pp. 19-20; Letter of the Secretary of War on the Extension of the Chesapeake and Ohio Canal, April 14, 1874, 43d Cong., 1st sess., House of Representatives, Executive Document No. 208; Letter of the Secretary of War transmitting report of Engineer Merrill on the Chesapeake and Ohio Canal extension, March 2, 1876, 44th Cong., 1st sess., House of Representatives, Executive Document No. 137.
13. 47th Annual Report (1875), p. 19.
14. Statistics of the Cumberland Coal Trade; Hungerford, II, 121ff. See below, Appendix, Table ___.
15. 48th Annual Report (1876), p. 10; Proceedings of Directors, M, 293-294 (April 10, 1877), N, 4 (August 21, 1877); 50th Annual Report (1878), p. 6; 51st Annual Report (1879), p. 11; Hungerford, II, 121, 127-129.
16. Proceedings of Directors, M, 283 (December 12, 1876); 286-287 (January 11, 1877), 293 (February 13, 1877); N, 99-100 (February 18, 1880), 112 (July 20, 1880); 47th Annual Report (1875), pp. 16-19; 48th Annual Report (1876), p. 8; 49th Annual Report (1877), pp. 9-10; 52nd Annual Report (1880), pp. 12-12; Special Meeting of the Stockholders (March 21, 1882), Proceedings of the Stockholders, E, 353-355.
17. Hungerford, II, 132-134; Proceedings of Directors, M, 94 (February 13, 1873), 102 (March 11, 1873), 173 (August 7, 1874), 176-177 (September 10, 1874), 210-211 (April 6, 1875). See especially the Report of the Committee on the Boatmen's petition, ibid., M, 180-185 (September 17, 1874).
18. Hungerford, II, 134ff; Proceedings of Directors, M, 173 (August 7, 1874), 176-177 (September 10, 1874); N, 4 (August 21, 1877), 117-118 (September 22, 1880); 50th Annual Report (1878), pp. 3, 6; 52nd Annual Report (1880), p. 4; 54th Annual Report (1882), p. 9; 55th Annual Report (1883), p. 8.
19. There is a full report of the damage to the canal in Proceedings of Directors, N, 11-13 (December 12, 1877). See also 50th Annual Report (1878), pp. 9-10; and the Baltimore Sun, November 26, 29, 1877.
20. Proceedings of Directors, N, 14, 17-20 (December 12, 1877-April 10, 1878); 50th Annual Report (1878), p. 10; 52d Annual Report (1880), p. 8.

21. Act of Maryland Assembly, 1878, ch. 58, approved February 27, 1878; printed also as an appendix to the 50th Annual Report (1878).
22. 49th Annual Report (1877), p. 3; Proceedings of Directors, M, 296 (May 10, 1877); N, 101-102 (April 14, 1880).
23. Proceedings of Directors, N, 189-190 (August 31, 1882), 214 (May 10, 1883), 246 (February 14, 1884), 267-268 (June 20, 1884), 274 (July 24, 1884), 276 (August 21, 1884); Gambrill to L. Smith, May 14, 1884, ibid., pp. 257-258; ibid., 328 (March 9, 1886); 57th Annual Report (1885), pp. 5-6, 9-10; 58th Annual Report (1886), pp. 6-7. See below, Appendix, Tables __ and __.
24. Proceedings of Directors, N, 329-331 (April 22, 1886); 59th Annual Report (1887) pp. 5-6. See also the report of Superintendents Biser and Milvaney, ibid., Appendix A, pp. 15ff, Appendix B, p. 23ff.
25. Washington Star, June 6, 1889.
26. Hagerstown Mail, April 5, 12, 19, 26, June 7, 14, July 12, 19, August 2, 1889; Cumberland Evening Times, May 30, June 1, 5, 11, 15, 17, 21, 22, 1889; Washington Star, June 1, 3, 4, 5, 6, 10, 12, 1889; Frederick Examiner, June 5, 1889. There is a full report of the damage in the Special Report of the President and Directors, June 13, 1889, to the 61st Annual Meeting, in George S. Brown, et al. vs. the Chesapeake and Ohio Canal Company, Circuit Court for Washington County (Md.), Equity No. 4191, pp. 6-9 (cited hereinafter as Canal Cases).
27. George S. Brown, etc., No. 4191, Canal Cases. The bill of complaint was filed December 31, 1889.
28. George S. Brown, etc., No. 4198, Canal Cases. The bill of complaint was filed January 31, 1890. Simultaneously similar bills of complaint were filed in the Supreme Court of the District of Columbia, No. 12240 Equity, Docket 30. Maryland petitioned for the sale of the canal as did other bondholders under the 1878 mortgage and President Gambrill of the canal company. George S. Brown, etc., Nos. 4191 and 4198, pp. 31-32, 34, 38-39, 69, 81.
29. Opinions of the Court, George S. Brown, etc., Nos. 4191 and 4198 pp. 80-89, 211, 217, 226; 2d Report of Receivers, June 9, 1890, ibid., pp. 111-133; 4th Report of District Receivers, ibid., pp. 180-181, 198.
30. Report of Trustees, January 30, 1894, in Chesapeake and Ohio Canal Company vs the Western Maryland Railway Company, January 18, 1904; Maryland Court of Appeals, pp. 109-112. See below, Appendix, Table __.

31. George S. Brown, etc., Nos. 4191 and 4198, pp. 226, Canal Cases.
32. Report of Trustees, January 30, 1894, loc. cit., pp. 114-116; the contract was dated January 30, 1894, and went into effect January 1, 1896. Report of the Trustees, April 6, 1901, ibid., p. 129.
33. Answer of the State of Maryland, February 15, 1894, ibid., pp. 117-120; Opinion of the Court, February 15, 1894, ibid., p. 121. The State of Maryland appealed the decision on July 30, 1894, but the Court of Appeals affirmed the decision of the lower court, June 17, 1896 (State vs. Cowen, et al.). Ibid., pp. 121-122, 129.
34. Report of the Trustees, April 6, 1901, ibid., pp. 129-130. The State of Maryland objected, on the grounds that its interest would in effect be destroyed if the canal were not sold, but the court ruled in favor of the Trustees, April 29, 1901. The state appealed the decision, May 4, 1901, but the order of the lower court was affirmed January 15, 1902. Ibid., pp. 133-136.
35. Report and Petition of the Trustees, December 13, 1905, and Court decree, December 27, 1905, MS Canal Cases.
36. Information on the operation of the Canal Towage Company was obtained in an interview with George Nicholson, former engineer and general superintendent, in 1944, and from the letter books of the company in the National Archives. See also Washington Star, July 11, 1905; Statistics of the Coal Trade, 1909-1924, Canal Papers (Receivership); "Summary of the History and Present Status of the Chesapeake and Ohio Canal," Park and Planning Commission, File 500-10 (George Washington Memorial Parkway) Section 2, in Department of the Interior. The Trustees argued in 1924 that it was inadvisable to repair the canal for other than the coal trade. Report of the Trustees for 1922, 1923, 1924, filed February 6, 1925, Canal Cases.
37. Statistics of the Coal Trade, 1909-1924, Canal Papers, Washington Star, April 21, 1921.
38. See for example Auditor's Report No. 3, ratified by the court order of November 19, 1910, Canal Cases, and the detailed negotiations involving the extension of the Western Maryland Railway as part of Mr. George Gould's plan of railroad empire. Report of the Committee on Interstate Commerce on Railroad Combination in the Eastern Region, February 6, 1940, 76th Cong., 3d sess., Senate, Report No. 1182, Part 1 (Before 1920), chaps. 3 and 4, esp. pp. 18, 22-24, 36-37, 58-59, and Appendix 3, pp. 85-91; Chesapeake and Ohio Canal Company vs. Western Maryland.

- Railway Company, pp. 140-149, 157-159, 172-173, 315-317, 320-325, 341-346.
39. Chesapeake and Ohio Canal Company vs. Western Maryland Railway Company, pp. 326-328.
 40. Deed, dated July 29, 1907, filed in Washington County Liber 126, Folio 209, records the transfer of stock to the Continental Trust Company of Baltimore. See also Auditor's 10th Report, August 9, 1941, Canal Cases.
 41. Report on Railroad Combination in the Eastern Region, I, 65-66, and Appendix 3, pp. 85-91; Hungerford, II, 240-242.
 42. Washington Star, March 29, 30, 31, April 1, 2, 1924; Hagerstown Mail, March 29, 31, 1924; Hagerstown Morning Herald, April 1, 3, 1924.
 43. Report of the Trustees for 1922, 1923, and 1924, and for 1925, and 1926, filed February 6, 1925, and May 6, 1927, respectively, Canal Cases.
 44. United States of America vs. the Chesapeake and Ohio Canal Company, Supreme Court of the District of Columbia, in Equity, Spring term, 1935. The court chose to adopt the decision in Canton Company vs. the Baltimore and Ohio Railroad Company that abandonment is a matter of intention, not appearance.

CHAPTER NINE

Revival of Federal Interest
(1924—1949)

The suspension of navigation on the canal in 1924 revived speculation as to the future of the waterway. There were some indications which supported the thesis that the canal would be reopened when sufficient trade was offered to make the move worthwhile.¹ Representatives of the Baltimore and Ohio held this position and made no effort to conceal it.² Years passed, however, without a resumption of trade on the waterway. The celebration of the canal centennial in 1928 was the occasion for a considerable revival of interest in the past and the future of the old ditch.³ This sentiment in turn merged with interest aroused by the celebration of the Washington bicentennial in 1932. Articles and speeches rediscovered Washington's interest in the predecessor of the Chesapeake and Ohio, the Potomac Company.⁴ Out of these two events came a call for the revival of the proposed connection with the western waters. Indeed, enthusiasm reached the point at which estimates were made of the probable cost. The figures suggested in 1934, \$188,000,000 to \$242,000,000, put an effective damper on the whole question.⁵

Inevitably speculation turned to possible federal interest in utilizing the canal right-of-way. Fish and wild-life enthusiasts saw the waterway as a natural fish and game sanctuary.⁶ Enthusiastic motorists professed to see in the right-of-way a natural

site for a highway.⁷ Neither of these proposals was new -- the wild-life preserve and transportation proposals are the pattern of almost all ideas as to what use to make of the waterway.

Actually federal interest in the canal is as old as the project itself. It is apparent at every period in the history of the Potomac transportation route: the Potomac Company, the Gallatin Report of 1808, the origin of the canal project in the post-1815 period, the Chesapeake and Ohio Canal Company, the Jackson era, the Civil War, the proposed connection with the Ohio in the 1870's, the World War, and in recent years. Federal interest has been turned to every phase of the project: general concern with internal transportation, political aspects, financial commitments, and matters relating to the District of Columbia. Federal interest has been concerned with the Potomac improvement both directly -- stock ownership, surveys, supervision, war, postal service -- and indirectly -- transportation and communication, employment, local money condition, power utilization, and water supply.

The nature of federal interest is clearly indicated in the foregoing summaries; basically it resolves itself into four major categories. As far as national affairs are concerned federal government was primarily interested in the proposed east-west transportation line via the central route serving the nation's capital. Financially Congress was involved through appeals for aid from both the Potomac Company and the Chesapeake and Ohio, through appropriations for surveys of the proposed waterway, and through the authorization of a

stock subscription in the canal company in 1828. Politically the relations of the United States and the canal provide an insight into governmental role in the realm of private business in the nineteenth century, as well as an episode in the age-old problem of political patronage. These three fields of activity are especially noticeable in the 1820's and in the Jacksonian era. All recur from time to time, however. In the latter half of the nineteenth century and in the twentieth, Congress has turned its attention to canal affairs locally as the legislature for the District of Columbia.⁸ Questions of water supply, potential electric power from the Falls of the Potomac,⁹ and the physical development of the city itself¹⁰ have brought the federal government into contact with the canal company on many occasions since 1850.

Since the apparent decline of the canal in the 1880's there has been speculation about federal acquisition of the waterway. The earliest proposals looked toward the eventual completion of the canal to Pittsburgh. This was a continuation of the sporadic interest in the project, last revived in the 1870's. Almost coincidental with this proposal was the suggestion that the waterway be used as the basis of a park system. Both of these ideas have been repeated in one form or another ever since they first were advanced. Shortly after the turn of the century, for example, army engineers made a brief survey of canal possibilities in the Potomac Valley. With the advent of the automobile age a new theme was added to the proposals for federal use of the failing waterway, namely, as the route of a super-highway or parkway.

The suspension of navigation in 1924 ushered in a period of renewed and intensified speculation as to the possible sale of the magnificent ruin to the United States. Voices were raised in support of all three projects -- restoration, park development, and highway. The attitude of the Baltimore and Ohio, which owned the waterway, was very clearly indicated by the trustees and, presumably, was echoed in the words of the general manager of the canal. It can be summarized as follows: the canal was not abandoned (abandonment is a matter of intention); navigation was merely suspended in the absence of offers of profitable trade; the canal was not wrecked beyond repair; on the contrary it could be put back into operation with no extraordinary trouble, expense, or delay.

The general manager, Mr. Nicholson, asserted that

the Chesapeake and Ohio Canal was in condition to be opened for transportation purposes at any time, not admitting that any part of the canal channel was filled with weeds or debris or has its banks washed out in any way to interfere with its prompt resumption of business. ... the only reason the canal transportation had not been resumed was that they had not yet arranged for sufficient transportation of coal to warrant resumption of business.¹¹

Canal attorneys took the position that

the Trustees from time to time have restored the breaks in the Canal at a very large cost so as to prevent the possibility of such serious washouts as might lead to the abandonment of the Canal. While the appearance of the Canal might lead an uninformed observer to think that it is in very bad condition, this is not a fact. The Canal could be restored without a much larger expenditure than the amount which is required each spring to remove the bars which have formed during the winter.¹²

In view of these "facts" if the government wish to talk terms, the Baltimore and Ohio would listen. But the railroad needed certain

pieces of canal property, especially around the Point of Rocks and would not include them in any discussions.¹³

The advent of the Roosevelt administration in 1933 served to continue interest in United States acquisition of the waterway, from the standpoint of public works projects and the development of conservation and recreation facilities. Shortly after 1933 the government brought suit against the canal company to prove that it had forfeited its charter rights. The purpose of this move was to assist federal officials in the acquisition of canal property near the mouth of Rock Creek in order to complete the Rock Creek and Potomac Parkway project. The twentieth section of the charter states: "And if, after the completion of the said canal and locks, the president and directors shall fail to keep the same in repair for twelve months at any time, then, in like manner, the interest of the company in the navigation and tolls shall cease, and their charter be forfeited." The Court upheld an earlier opinion, however, that abandonment is a question of intention and that therefore the canal company had not forfeited its charter.¹⁴

In the meantime governmental agencies had explored the question of the acquisition of the waterway. Early discussions among themselves and with the Baltimore and Ohio in 1934 had concerned the section between Rock Creek and the Point of Rocks. Inasmuch as the railroad reserved the land in the narrow passes of the river at the latter spot there seemed to be little inclination to bid for the disjointed segment above the reserved sections. The cost

of the lower section of the waterway was estimated at between \$1,250,000 and \$1,500,000.¹⁵ Only gradually did the idea of purchasing the entire canal and restoring it as a national park and a historic shrine gain widespread acceptance.¹⁶ The defeat of the government's suit in 1936 to prove that the canal had forfeited its charter deprived the United States of a strong bargaining position.¹⁷

At this point a new development altered the picture. The Baltimore and Ohio, hard hit by the depression in the 'thirties, applied to the Reconstruction Finance Corporation in December, 1937, for an addition loan. For collateral the railroad company produced along with other security the title to the Chesapeake and Ohio Canal. On February 1, 1938, the credentials officially changed hands. The railroad indicated it might be willing to dispose of the entire canal for \$2,500,000 or \$3,000,000, in order to reduce its \$80,000,000 debt to the Reconstruction Finance Corporation.¹⁸ After several months of negotiation the transfer was finally agreed upon for approximately \$2,000,000, and the waterway formally changed hands in September, 1938.¹⁹ After one hundred and ten years the United States again found itself in control of the canal.

The acquisition of the Chesapeake and Ohio by the federal government produced another period of speculation. The announced intention, at the time of the federal transfer of possession, was the restoration of the waterway as a scenic natural recreation area.²⁰ Fish and wild-life enthusiasts urged, however, that the property be

used as a game refuge.²¹ Others advocated the construction of a scenic highway on the canal right-of-way.²² In the end the restoration proposal won out. The government thereupon undertook to reconstruct the twenty-two miles of waterway below Dam No. 2 at Seneca. Army engineers planned the rebuilding of the banks so as to avoid serious flood damage by allowing for breaks, if the strain became too great, at less dangerous and more easily repaired spots.²³

The dedication of the canal as a public park was celebrated on Washington's Birthday, 1939, with appropriate ceremonies in which the leading participant was Mutt, a thirty-eight year old canal mule. In August, 1940, the canal was opened as far as Seneca.²⁴ As of old, the river rose to meet the challenge. In September it tested the scientifically reconstructed canal during a minor flood that caused some damage. Engineers quickly made the necessary repairs. In 1942, the Potomac rose again and smashed the canal back into the wrecked condition in which the government had found it. Due to wartime conditions nothing further was done to restore the waterway except the necessary repair of the Georgetown level. Here perpetual water leases obligate the government as the successor to the canal company to keep up the waterway below the Little Falls dam as a mill race as long as the lessors continue to demand water power from the canal.²⁵

During the wartime suspension of the restoration work, time was found for a reconsideration of the whole question. The heavy cost of repairs in view of the recurring flood damage militated against

adherence to the restoration project. Thus there was an opening for the consideration of alternate proposals. One of these embraced a new idea, the construction of a series of dams in the Potomac Valley for flood control and power purposes, *i. e.*, a sort of Potomac Valley Authority. The cost of this plan, the controversial nature of public power, and above all the large areas of fertile lands in the relatively flat areas of the valley which would be inundated by the dams provided strong arguments against this proposal. A second alternative was the revival of the parkway project, linked with the George Washington Memorial Parkway already advancing up the Virginia side of the river from Mount Vernon, with the Great Falls of the Potomac as the authorized objective.

It was at this point that the Eightieth Congress directed the present investigation to be made. Engineers have examined the route as to its physical feasibility and cost. In another section there is a more detailed account of historical sites and points of interest along the proposed parkway. This summary of the history of the canal which the government now owns and of the Potomac route in general is intended to supply information on the background of the property acquired in 1938, the rich and significant history of the valley itself, and the points of contact and interest involving the federal government in the past.

Footnotes to Chapter Nine

1. Washington Star, August 10 (premature announcement from Hagerstown of canal abandonment), November 20, 1924 (quoting a Hagerstown dispatch reporting the Canal Towing Company officials had assured a local coal shipper that the canal would be repaired during the winter); August 14, 1927 (expressing "hope" that the waterway would resume operations).
2. Ibid., November 20, 1924; Office memorandum, Fred G. Coldren, Secretary, Park and Planning Commission, November, 1926 — Account of a meeting with Mr. George Nicholson, General Manager of the Chesapeake and Ohio Canal, Park and Planning Commission, File 500-10, (George Washington Memorial Parkway), Section 1. Cited hereinafter as GWMP, File 500-10.
3. Washington Star, April 28, May 27, June 1, 1928; Washington Post, May 27, 1928.
4. Capt. John W. Davis, "Washington and the Potowmack Company," D.A. R. Magazine, October, 1929, pp. 601-609; R.L.B., "Chesapeake and Ohio Canal, Its History and Origin," Georgetown News, 1933; Washington Star, February 28, 1927 (Justice Department discovers connection between Washington and the Potomac Company while examining old deeds); October 25, 1929 (Administrative Board of American Engineering Council favors reconstruction of Potomac Canal for Washington Bicentennial); January 7, May 4, 1930; Christian Science Monitor, September 26, 1930.
5. Washington Star, September 30, 1934.
6. The idea of converting the canal into a wild life sanctuary persisted as late as 1938. See Charles J. Smith to the Directors, National Park Service, February 7, 1938, National Capital Parks, File 1460 (Chesapeake and Ohio Canal), Section 1. Cited hereinafter as NCP, File 1460.
7. GWMP, File 500-10, Section 1. See also Grace DeWolf, in Washington Times, June 25, 1922; Blanche C. Howlett, "Great Boulevard from Capital May Follow Old Canal Course," Washington Star, May 15, 1925; ibid., August 6, 1926, July 17, 1927; Washington Post, August 8, 1926.
8. Proceedings of Directors, H, 568 (December 9, 1852), M, 85 (January 7, 1873). James G. Berret to Major E. I. Lydecker, May 4, 1883; Berret to President and Directors, May 10, 1883; Proceedings of Directors, N, 212-214 (May 10, 1883).

9. The original agreement between the trustees and the Great Falls Power Company, dated May 19, 1901, was filed among the canal papers to Hagerstown. The federal government revived the project in 1921, at which time the cost was estimated at \$44,000,000. See the memorandum from Settle to Delano, June 6, 1936, p. 8, NPC, File 1460, Section 1. See also the opinion of Chief Justice Holt concerning title to the property at Great Falls, in *Chesapeake and Ohio Canal Company vs. Great Falls Power Company*, Circuit Court for Fairfax County (Virginia), Special Court of Appeals, October 1, 1925.
10. Notes on a conference between J. G. Langdon and George Nicholson, January 15, 1915, "Informational Material in re the Chesapeake and Ohio Canal," MS, Records of the Rock Creek and Potomac Parkway Commission (National Archives). The government was still trying to reach some agreements with the trustees in 1929. U.S. Grant III to R. Walton Moore, February 15, 1929, GWMP File 500-10, Section 1. *Washington Star*, July 17, 1927.
11. Office memorandum, Fred G. Coldren, Secretary, Park and Planning Commission, November, 1926, p. 2, GWMP File 500-10, Section 1.
12. Settle to Delano, June 6, 1936, p. 5, NCP File 1460, Section 1.
13. Memorandum of Fred G. Coldren, November, 1926, p. 2, GWMP File 500-10, Section 1.
14. *United States of America vs. Chesapeake and Ohio Canal Company*, Supreme Court of the District of Columbia, in Equity, Spring term, 1935. The court followed the decision in *Canton Company vs. the Baltimore and Ohio Railroad Company*, that abandonment is a matter of intention, not appearance; *Washington Times*, January 4, 1936.
15. F. A. Delano to the Secretary of the Interior, December 26, 1934, referring to a recent conference with President Willard of the Baltimore and Ohio, GWMP File 500-10, Section 1. See also A. B. Cammerer to Frank C. Wright, May 2, 1938, GWMP File 500-10, Section 2.
16. On the development of the idea of buying the entire canal, see the brief history of federal interest in the project, in "Memorandum on the Chesapeake and Ohio Canal Company," GWMP File 500-10, Section 2.
17. T. S. Settle to Delano, April 2, 1936, GWMP File 500-10, Section 1; *United States of America vs. Chesapeake and Ohio Canal Company*, Supreme Court of the District of Columbia, in Equity, Spring Term, 1935.

18. Memorandum from Settle to Delano, December 29, 1937, GWMP File 500-10, Section 2; Frank C. Wright to Harold L. Ickes, February 1, 1938, ibid.. The debt of the Baltimore and Ohio to the Reconstruction Finance Corporation on December 29, 1937, was \$79,842,923. The additional loan, secured in February, 1938, was for \$8,233,000. See the memorandum from Settle to Delano December 29, 1937, in ibid.
19. Contract of sale, Trustees of the Chesapeake and Ohio Canal Company to the United States of America, August 6, 1938, ibid.; press release, August 12, 1938, NCP File 1460, Section 1. See also T. S. Settle to Delano, September 22, 1938, GWMP File 500-10, Section 2; press release, September 26, 1938, NCP File 1460, Section 1; Washington News, March 24, 1938; Washington Post, March 25, 1938; Washington Star, April 24, 1938; Washington Times, September 9, 1938; Washington Post, September 11, 28, 1938.
20. Washington Times, February 5, 1937; Washington News, March 24, 1938; Washington Post, March 25, 1938; Washington Star, April 24, 1938. The National Resources Committee estimated the cost of restoration to be at least \$9,000,000.
21. Charles J. Smith to the Director, National Park Service, February 7, 1938, NCP File 1460, Section 1.
22. Washington Star, September 16, December 9, 1934, March 22, 1936; Washington Times, January 4, 1936; Washington Post, January 23, 1936, March 25, 1938; Washington News, March 24, 1938.
23. Contract reservations of lands at Point of Rocks, deemed essential by the Baltimore and Ohio, endangered the restoration proposal somewhat. Memorandum, Finch to Finnan, February 21, 1939, NCP File 1460, Section 1; Description of parcels reserved by the Baltimore and Ohio, GWMP File 500-10, Section 2. See also Finch to Finnan, February 21, 1939, ibid.; Hartz to Demaray, July 2, 1940, Hartz to Ickes, September 14, 1940, Hartz to Demaray, January 14, 1941, GWMP File 500-10, Section 3.
24. Memorandum from Demaray to the Secretary of the Interior, January 27, 1939; memorandum to Miss Ryan, February 24, 1939, NCP File 1460, Section 1; Press release, August 9, 1940, ibid.
25. Opinion of Mr. Nicholson; memorandum of Fred G. Coldren, November, 1926, GWMP File 500-10, Section 1.

TABLE IV
Chesapeake and Ohio Canal Trade
1828-1924

Year	Tonnage	Coal	Flour	Wheat	Lumber	Corn	Tolls
From June, 1828, to October 31, 1830--Potomac Company works							\$ 33,281.26
From November 1, 1830, to December 31, 1830--Potomac Company works							142.61
1830 (November 1 to December 31)--Chesapeake and Ohio canal							2,044.36
1831							32,992.66
1832							24,976.02
1833							16,663.49
1834							20,131.62
1835							26,568.15
1836							28,769.33
1837							26,702.49
1838							34,958.55
1839							47,865.94
1840							43,808.02
1841							57,012.29
1842		111,293 bu.	151,966 bbls.	214,569 bu.	916,184 bd. ft.	59,199 bu.	56,005.80
1843		2,108 tons	156,242 bbls.	142,785 bu.	500,000 bd. ft.	167,326 bu.	44,540.51
1844		4,871 tons	172,796 bbls.	199,620 bu.	1,000,000 bd. ft.	173,023 bu.	52,674.24
1845		2,376 tons	170,464 bbls.	299,607 bu.	508,083 bd. ft.	126,799 bu.	51,810.70
1846	60,147	1,952 tons	234,539 bbls.	264,115 bu.	2,851,541 bd. ft.	30,005 bu.	53,357.24
1847	60,440	2,170 tons	176,789 bbls.	235,212 bu.	1,583,600 bd. ft.	238,216 bu.	52,440.35
1848	86,436	3,284 tons	217,112 bbls.	220,025 bu.	2,080,600 bd. ft.	144,103 bu.	54,146.21
1849	102,041	5,224 tons	236,620 bbls.	240,073 bu.	1,560,956 bd. ft.	244,281 bu.	61,823.17
1850	101,950	7,956 tons	27,120 tons	5,318 tons	2,765 tons	1,726 tons	64,442.02
1851	203,893	82,690 tons	25,761 tons	6,861 tons	2,736 tons	5,783 tons	110,504.43
1852	167,595	63,289 tons	26,755 tons	9,805 tons	2,640 tons	4,755 tons	92,248.90
1853	270,705	151,959 tons	25,602 tons	9,966 tons	3,606 tons	8,327 tons	145,100.54
1854	235,923	145,319 tons	15,643 tons	5,417 tons	2,588 tons	2,618 tons	119,306.03
1855	283,252	188,029 tons	14,240 tons	6,986 tons	3,051 tons	628 tons	138,675.84
1856	287,836	205,568 tons	14,853 tons	9,017 tons	3,209 tons	6,893 tons	153,051.56
1857	196,525	123,536 tons	10,967 tons	3,750 tons	1,847 tons	5,592 tons	94,802.37
1858		254,684 tons					171,085.97
1859	359,716	300,743 tons	12,106 tons	5,531 tons	4,931 tons	2,810 tons	189,134.57
1860	344,532	283,249 tons	11,087 tons	5,452 tons	2,593 tons	3,048 tons	182,343.86
1861	144,814	119,893 tons	7,067 tons	4,286 tons	1,994 tons	1,941 tons	70,566.99
1862	126,793	94,819 tons	7,340 tons	6,640 tons	1,693 tons	1,027 tons	63,985.85
1863	265,847	229,416 tons	8,566 tons	9,014 tons	1,403 tons	1,789 tons	154,928.26
1864	290,772	260,368 tons	5,962 tons	6,168 tons	1,248 tons	1,914 tons	225,897.34
1865	372,335	340,736 tons	5,383 tons	5,700 tons	1,216 tons	775 tons	346,165.47

TABLE IV Continued

Year	Coal Tonnage	Tolls
1914	171,062 tons	\$42,236.97
1915	173,997 tons	41,271.46
1916	158,036 tons	38,956.77
1917	151,667 tons	40,545.74
1918	138,087 tons	71,404.43
1919	133,529 tons	47,346.95
1920	127,871 tons	62,102.38
1921	66,477 tons	42,017.33
1922	3,435.18
1923	56,404 tons	31,899.32
1924	1,215.60

*No figures on tonnage are available from 1894 to 1908. Tolls given are after deduction for rebates.
 Sources: Annual Reports, Reports of Trustees, and Ledgers.

TABLE V
Receipts and Expenditures
1845-1936

Year	Receipts (All Sources)	Expenditures (Excluding Interest on 1844 Bonds)
1845	\$ 76,767.74	\$ 50,830.35
1846	59,351.98	60,670.65
1847	93,569.73	96,557.95
1848	57,366.13	69,770.28
1849	65,438.13	97,024.46
1850	88,310.00	160,124.46
1851	153,829.63	241,794.71 (includes \$119,956.54 interest)
1852	176,770.86	323,659.28 (includes 132,133.01 interest)
1853	150,091.30	108,082.71
1854	124,109.08	120,945.89
1855	143,182.87	252,587.10 (includes 146,502.25 interest)
1856	158,233.48	231,716.73 (includes 140,520.87 interest)
1857	99,590.69	265,872.24 (includes 143,892.61 interest)
1858
1859	198,328.43	242,689.88
1860	191,890.20	329,620.15 (includes 153,760.68 interest)
1861	75,741.90	256,207.82 (includes 154,002.19 interest)
1862	72,624.95	231,711.68 (includes 154,349.57 interest)
1863	163,024.10	250,208.82 (includes 155,808.49 interest)
1864	234,699.30	257,732.09 (includes 144,973.00 interest)
1865	359,734.56	307,547.56 (includes 146,375.77 interest)
1866	366,846.86	222,288.56 (ordinary expenditures only)
1867	385,034.83	210,772.98 (ordinary expenditures only)
1868	287,563.99	275,263.60
1869	383,694.10	263,170.94
1870	357,349.52	248,749.19
1871	495,554.03	212,006.96
1872	478,273.62	222,855.13
1873	507,660.52	277,015.38 (includes 56,814.76 improvements)
1874	517,412.22	227,204.63
1875	473,218.40	256,370.04 (includes 37,326.86 improvements)
1876	304,121.20	236,976.80 (includes 42,357.90 improvements)
1877	201,303.27	279,484.81
1878	289,013.17	395,722.87
1879	233,567.57	296,808.39 (ordinary expenditures only)
1880	372,616.07	287,084.78
1881	305,096.82	262,491.26
1882	169,802.67	212,167.93
1883	329,527.07	260,964.30
1884	151,316.40	202,536.12
1885	135,929.06	184,667.10
1886	94,138.19	223,414.99
1887	129,206.82	174,294.52
1888	129,469.87	126,769.90

TABLE V — Continued

Year	Receipts	Expenditures
1889	\$ 29,918.17	\$ 73,562.28
1891-92	140,746.17	568,763.65
1893	147,414.51	124,949.21
1894	150,926.34	117,292.80
1895	138,602.29	112,085.65
1896	121,444.93	117,423.47
1897	81,565.43	124,703.54
1898	71,563.43	87,599.89
1899	63,619.39	94,235.84
1900	86,728.08	98,303.41
1901	97,973.60	97,680.92
1902	83,977.69	120,544.14
1903	97,110.19	124,041.23
1904	93,618.89	117,181.89
1905	87,435.95	104,208.92
1906	74,855.86	113,936.09
1907	80,661.42	100,165.53
1908	77,767.93	119,516.96
1909	76,359.24	107,613.22
1910	69,371.79	108,222.71
1911	59,161.59	108,422.73
1912	57,575.58	100,433.62
1913	57,787.36	101,853.49
1914	58,404.22	114,698.25
1915	57,334.54	104,447.03
1916	55,793.77	109,270.64
1917	58,125.10	104,219.35
1918	89,287.11	136,152.18
1919	66,087.42	156,797.57
1920	81,935.97	174,746.02
1921	63,924.52	162,843.03
1922	25,674.58	120,197.45
1923	60,604.08	132,372.23
1924	31,338.30	146,592.14
1925	30,814.95	39,361.40
1926	31,724.53	63,864.08
1927	34,033.46	42,991.33
1928	36,888.86	43,982.97
1929	33,891.21	51,538.11
1930	41,692.39	46,425.81
1931	37,190.44	37,845.10
1932	40,138.07	34,756.71
1933	42,559.26	31,042.49
1934	35,233.90	54,189.06
1935	24,977.71	28,333.83

Source: Annual Reports and Reports of Trustees.