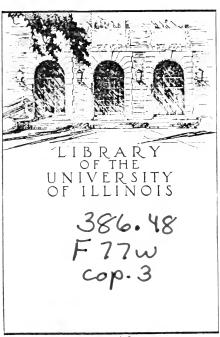
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THE WASH-ERIE OWNAL



Minois Ristorical Survey









F17W THE WABASH-ERIE CANAL

The newly settled lands in western New York, Ohio, and Indiana included much choice agricultural land. After the forests were cleared this virgin soil produced abundant crops. The only natural highways of commerce were the Great Lakes and the Ohio River. Agricultural areas not adjacent to these waters were without access to the markets of the East where products of forest and farm were marketable. The new settlers, in spite of the lush production of the new lands, could see little promise for this western country until arteries of commerce existed for the transit of their goods to market and for the shipment of the coveted eastern manufactured goods to the settlers on the western frontier. Before the building of the steam railroads the hopes of the western settlers lay in the construction of water canals. An object lesson for them was the canal system built in England beginning about 1760 to facilitate the shipment of coal from the newly-opened coal mines to the markets. Many settlers on the western frontier had observed these barge canals in operation, and they saw therein the solution of their own transportation problem.

In Indiana, a comprehensive network of canals was projected to be constructed at state expense. The earliest of these, the Wabash-Erie Canal, was to be a cooperative enterprise with the State of Ohio; an agreement was concluded between these two states in 1829. The Canal was to extend from Lake Erie along the Maumee and Wabash Rivers to the Ohio River. Indiana sold state lands and borrowed \$200,000. In 1832 excava-

tion of the Canal was begun. In 1834 the government allotted 29, 528.78 acres of land in Indiana for canal purposes. Meanwhile, Ohio delayed building from the state line eastward for a few years, but eventually finished her portion of the Canal in 1843. The State of Indiana, with a total wealth of no more than \$80,000,000, appropriated \$13,000,000 to complete the Wabash -Erie Canal and other canals of the network as well as certain turnpikes. These lavish appropriations were in part dissipated by incompetence, mismanagement and worse. The panic of 1837 and the ensuing business depression, as well as construction factors, greatly disturbed the enterprise. Partly as a consequence of these operations, in 1840 Indiana was on the verge of bankruptcy; soon afterwards the state bonds issued to finance the transportation system were repudiated. This circumstance had a far-reaching influence upon Indiana government; the new Indiana Constitution, framed in 1851, expressly forbade the State to issue bonds for any purpose and required that sufficient funds be provided to defray costs before any improvement program was undertaken.

The Erie Canal in New York, built between 1817 and 1825, connected Buffalo with Albany some 300 miles eastward and provided access to New York City and to ocean-going ships. It was financially successful and vastly benefited the interior of western New York. A comprehensive program of canal building followed in Pennsylvania, Ohio, Delaware, and eventually in Indiana. Some canals were built as state enterprises, others as private enterprises. None were so successful in their operations as the Erie Canal.

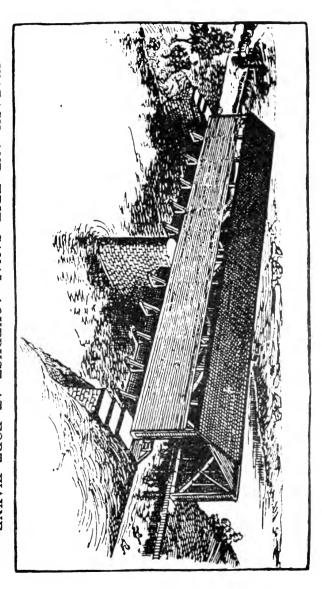
By 1841 the Wabash-Erie Canal was in operation between Fort Wayne and Logansport. In 1853 the Canal was completed southwestward from Fort Wayne to the Ohio River. By that time its need had vanished because railroad building had begun. Thereafter, the Canal was utilized, if at all, for local transportation. However, during the period between 1832 and 1853, the Wabash-Erie Canal contributed increasingly to the prosperity of the Maumee Valley and the Upper Wabash Valley. It furnished to the inhabitants of those areas their only means of transportation to and from the markets of the East.

Jesse Lynch Williams of Fort Wayne, born in 1807, became the chief engineer of the Canal in 1832. For forty years thereafter he was active in the history of public works in Fort Wayne and the West. The first contract for canal construction in this area was awarded to William Rockhill, a public-spirited man, who had migrated to Fort Wayne from New Jersey. He had entered a large trace of land (now known as the Rockhill Additions) in the western portion of the present city. His most notable early venture was the building of the Rockhill House, which once stood on the present site of St. Joseph Hospital. Jesse Vermilyea was another prominent canal contractor; he had moved from his native New York in the early 1820's to Fort Wayne, where he had accumulated a fortune in farming and trading with the Indians. Vermilyea, like others of these early contractors, was a man of ability and public spirit, as is evidenced by the fact that he was an original director of the Fort Wayne Branch Bank. Contracts awarded to him were for canal construction on the summit section. In his later

life he conducted the famous Vermilyea House on the Canal about fourteen miles southwest of Fort Wayne.

The first ground was broken for the Canal at Fort Wayne on February 22, 1832. Washington's birthday anniversary was selected because the Father of his Country was regarded as the progenitor of all of the western canal schemes. Fort Wayne, then a village of 300 souls, turned out for the event at a mass meeting held at the Masonic Hall. Henry Rudisill presided; David Colerick served as secretary. Hugh Hanna was marshall, and the people, headed by two musicians, marched to Bloomingdale. Here Judge Charles W. Ewing delivered a thrilling address. Judge Hanna and Captain Murray of Huntington each threwout a spadeful of earth. A parade then formed and marched back to town. That evening there was a spectacular parade and a monster bonfire; the windows of business buildings and homes glowed with lighted candles. Louis Peltier furnished a beautifully illuminated float representing a canal boat.

Little progress in construction was made during the first year. Local interest, however, ran high, and meetings were held along the line to promote the rapid building of the Canal. Committees worked to secure legislative action for additional surveys. The scarcity of good building material in Allen County for the locks and waterways proved the greatest obstacle. By 1834 work had progressed rapidly and on May 1, 1834, a contract was let for the aqueduct across St. Mary's River at Fort Wayne. A small part of the Canal near Fort Wayne was completed, and the first canal boat was launched. To celebrate the progress thus made, the entire popu-



UNIVERSITY

WABASH AND ERIE CANAL AQUEDUCT AT FORT WAYNE.

presented and 1916 to Louis S. Erie canal crossed the drawing made C. Schroeder. Ellis Kaiser, now of Springfield, Mis-Mary's river in the town of railroad bridges.

Old Aqueduct carrying the waters of the Wabash-Erie Canal across the

St. Mary's River. (From Griswold's Pictorial History of Fort Wayne.)

lation of Fort Wayne was conveyed on a specially constructed barge to a point now identifiable with old Robison Park for a celebration. The first 32 mile section from Fort Wayne to Huntington was opened on July 4, 1835. In the meantime, it had become necessary to make another loan of \$400,000 to continue the construction.

The dam across the St. Joseph River near the site of Robison Park was one of the important "works" on the Canal; its building was an enormous undertaking for that time, for the only power available was that of men working with hand tools, horses, and mules. The wheelbarrow was the chief tool for moving earth. The purpose of this dam was the creation of a lake to impound a water supply for the summit section. Water was introduced into the main line by means of a feeder canal.

The dam, begun in 1832, was not finished until 1834; floods repeatedly delayed its construction. When completed, the dam was a huge mass of forest trees, sand, and gravel; it rose 17 feet above the river bed and was 230 feet long between abutments. These abutments were 25 feet high, 20 feet wide, and 110 feet long. The total cost for construction of this dam was \$15,397.

The aqueduct bridge conveying the canal waters over the St. Mary's River was located between the present West Main Street and the Nickel Plate Railroad bridges. It was 204 feet in length with a flume 17 1/2 feet in width and 6 feet in depth; 4 1/2 feet of water (500 tons) flowed through at a rate of 5 miles per hour. The structure was built of live oak, handhewn timbers, and was held together with hand-forged iron bolts; the flume



West Main Street bridge. (Courtesy Allen County-Fort Wayne Historical A view of the Old Aqueduct showing its location in respect to the present

Society.)

was constructed of elm. The aqueduct was razed in 1883 when its flow of water was insufficient to operate the mill of its leaseholder, C. Tresselt & Sons.

Memories of the aqueduct have been kept alive by a group of men who had swum in this aqueduct in their youth. In 1912 they banded together to form a club known as the Old Aqueduct Club. Three-hundred and seventy-nine men were listed as charter members; although it is believed some 530 boys had swum in the aqueduct. Membership required a birth date preceding 1872, certain residence limitations, and of course, swimming in the old aqueduct. The monument, erected on the south side of West Main Street, near the east bank of the St. Mary's River in Orff Park, was dedicated July 16, 1927; it commemorates the boys who swam in the aqueduct and is inscribed with the names of the charter members of the Old Aqueduct Club.

To commemorate the further progress of construction another fete took place in Fort Wayne on July 4, 1836. This was indeed a glorious event. Thirty-three young belles represented the thirty-three states of the Union. There was a great parade in which all the populace participated. The leading address was made by Hugh McCulloch, later Secretary of the Treasury under three Presidents. The packet "Indiana", operated by Asa Fairfield, then made the voyage from Fort Wayne to Huntington bearing many distinguished citizens. The select passenger list included Samuel Hanna, Allen Hamilton, Francis Comparet, William Rockhill, David Colerick, Samuel Edsall, W. G. Ewing, and W. S. Edsall. A writer of that day ob-



The Old Aqueduct Memorial

served that there was "Dancing on board and drinking good whiskey--even getting funny." A ball was given in the evening at the tavern of Zenas Henderson.

Maumee Bay in 1843. In that year freight and passenger traffic was scheduled and conveyed from there to Lafayette. The Canal was formally dedicated on July 4, 1843. This date fell on Tuesday, but early guests began arriving in Fort Wayne on Saturday. By Sunday night the taverns were full. On Monday morning canal boats began to arrive and continued to land passengers throughout the night. A reception committee met each boat and conducted the guests to the homes where they were to stay during their visit. The Toledo Guards arrived Monday night. Senator Lewis Cass, a former military governor of Fort Wayne, later a leading Michigan citizen and destined to be the Democratic candidate for President of the United States in 1848, delivered the leading address on July 4, 1843. He was entertained at the mansion of Allen Hamilton.

Senator Cass arrived in Fort Wayne at 6 o'clock in the morning on an incoming canal boat from Toledo. The Senator, disembarking, courte-ously acknowledged the ovation of the crowd assembled to greet him. In doing so, he stepped up the gangplank, lost his footing, and tumbled into the turbid canal waters. This unfortunate episode became a joke on a nation-wide scale and is said to have contributed to his defeat in his campaign for the Presidency in 1848.

At sunrise a cannon, captured from a British ship on the occasion

of Commodore Perry's victory on Lake Erie in 1813, was fired to greet the visitors. This cannon is now mounted in Hayden Park. The events of this historic day culminated in a banquet on the evening of July 4. Several United States Senators and governors were present.

The practical difficulties encountered in building the Canal can be appreciated when one considers that the excavation of the Canal was done by pick, shovel, and wheelbarrow, without any modern labor-saving construction machinery. The sparse settlement of the area resulted in a labor shortage which the native farmers could not alleviate, for they were compelled to spend their energy cultivating their farms for two-thirds of the time that the weather permitted canal work. The only solution was to import laborers. Accordingly, agents were sent to New York State where it was rumored there was an abundance of workmen. These agents were instructed to offer wages of thirteen dollars per month and to advance passage money. Under this arrangement hundreds of German and Irish laboring men were employed.

An advertisement published in the Indiana Journal of August 4, 1832, reads:

We wish to employ laborers on the Wabash and Erie Canal, twelve miles west of Fort Wayne.

The situation is healthy and dry.

We will pay \$10 per month for sober and industrious men.

Wages offered for labor in this advertisement is in accord with other prices of the time. An estimate of costs as given by the canal commissioners in their report for 1830 follows: Labor at \$8.00 per month, flour at \$4.00 per barrel, and bacon at five cents per pound. Total costs estimates for canal construction were based on figures far too low. The commissioners failed to anticipate that the scarcity of labor would increase its cost and that the increased demand for provisions would also increase costs.

Labor camps and food supplies had to be provided for the newly-recruited labor force. Movement of equipment was a time-consuming task. The low, swampy ground west of Fort Wayne, with standing water most of the time, led to the belief that malaria was prevalent. Fear of the disease impelled many men to leave the camps, and absenteeism posed a serious problem.

Most of the Irish laborers were previously employed on the construction of canal projects in Pennsylvania, where bitter feelings between two factions, one known as "Corkonians" or "Corkers" and the other as "Fardowns," had broken out.

During the following year there were numerous individual and factional rows between the two groups. Antagonistic groups were often employed in different areas to prevent friction. It was not until August, 1835, that the disputes reached a point of serious trouble. In midmonth the two embattled factions gathered near the Canal at Lagro, armed with spades, pick-axes, clubs, knives and every other form of weapon available. Their

brawling shocked even the Miami Indians in the neighborhood.

The battle between the two factions raged for several days; finally, it was necessary to call on military authorities at Fort Wayne and Lafayette to send troops to halt the rioting. David Burr parleyed the Ir.sh, who had located in two good positions, until the militia arrived from Fort Wayne and Huntington.

More than 200 rioters were arrested by the soldiers and brought to Wabash, where they were kept under guard. Some of the minor leaders were tried in court there and found guilty. The real leaders, who had been charged with persistently causing trouble, were taken to Indianapolis for trial under military escort with Captain Elias Murray in charge of the detail.

"The only way to get the prisoners to Indianapolis," said an old historical account, "was on foot through the woods. They set forth, the route being down the Wabash to Logansport and thence to Indianapolis. At Logansport it was necessary to wade the river. The prisoners refused to wade, declaring they would die first. Captain Murray simply told his soldiers to fix bayonets and charge. The charge was made and the prisoners rushed through the water to the opposite bank. The line then was formed with the prisoners in front and the journey to Indianapolis completed without further incident." A majority of the ring leaders were given prison sentences.

As the Canal crept steadily down the Wabash Valley from Fort Wayne to the mouth of the Tippecanoe, which was the head of navigation of the

Wabash, a long line of barrack-like huts for the workers gradually moved westward.

The havoc wrought in the ranks of the Irish workers by malaria and cholera almost beggars description. It has been said that one Irishman died from disease on this project for each six feet of canal built.

Whiskey seemed to be the one specific remedy for these deadly maladies and a Scotch "jigger boss" purveyed "redeye" to each gang of workmen. He carried a bucket of the libation and a tin cup. The worker exercised his own judgment as to the size and frequence of the dosage. In after years it was remarked to a former "jigger boss" that the workmen must have been drunk all of the time. He replied: "You wouldn't expect them to work on the Canal if they were sober, would you?"

Many of these Irish canal workers settled in the communities along the Canal. Many of their descendants live today in Fort Wayne, Roanoke, Huntington, Lagro and Wabash.

The canal project brought a new industry to Fort Wayne--canal boat building. During these early years of the Canal, many packets and freight boats slipped down the ways. The first boat constructed in Fort Wayne was the "Indiana", built in 1834 by F. P. Tinkham. Canal boat building is a lost art. Very little remains of these old boats other than tradition and an occasional picture.

The State of Ohio did not proceed as rapidly with the work of construction as did Indiana because of the scarcity of money and the sparse settlement of northwest Ohio. This delay was the cause of much impatience

in Indiana because the Ohio extension was needed if the Canal was to fulfill its function. Construction in Ohio, however, was under way in 1837. Two thousand workers were paid in Michigan wildcat currency. The financial crash of 1837 made it impossible to redeem these bills for five months. This caused work stoppages. Other difficulties were the high cost of labor, illnesses, and the high cost of building materials and provisions. From Defiance westward there was a scarcity of stone for the building of locks. Wood was substituted. So heavy were expenses that almost all the credit and resources of Northwest Ohio were exhausted in the enterprise. Even so, in 1843 the contractors still were unpaid to the extent of \$500,000.

By 1845 the United States government was able to use the Wabash-Erie Canal with the connective canal southward to transport soldiers to Cincinnati for service in the Mexican War. Commissioned officers were carried on packets and non-commissioned officers and privates on freight boats. Until 1856 these canals were recognized as part of the great national military highway between New York and New Orleans.

In 1838 the Canal earned from tolls only \$1,398--scarcely enough to pay the salary of one canal commissioner. On the completion of the Ohio extension to Toledo, tolls then jumped in 1843 to \$60,000 for Indiana and \$35,000 for Ohio. In 1844 a disastrous flood closed it for two months.

For a brief period beginning in 1844, the Wabash-Erie Canal provided a fast packet service between Toledo and Fort Wayne, and after 1849 as far south as Lafayette. This service, operating on schedule, carried

passengers and daily mail to the communities along the Canal.

Regular lines of boats started operation on the Canal and ran on definite schedules. In March, 1848, the following advertisement was published:

"DOYLE AND DICKEY'S DAILY PACKET LINE.

This line of new and splendid packet boats will start from Lafayette on Monday March 27, 1848 at 10 o'clock a.m. arriving at Fort Wayne at 6 p.m. going east. The line at present consists of four boats. On the first of May there will be an addition of three new packets, forming a daily line between Covington, Indiana, and Toledo, Ohio."

The "Ohio," "Indiana," "Illinois," and "Missouri "were the names of these boats. Another interesting notice appeared at the same time. It offered service to Cincinnati in the following terms:

FAST SAILING NIAGARA HAS LARGE, WELL FURNISHED CABINS AND STATE ROOMS

OFFERS GREATER INDUCEMENTS TO THE TRAVELLING PUBLIC THAN ANY OTHER LINE BOAT ON THIS CANAL

In 1856 the Canal was open from Toledo to Evansville--a total distance of 452 miles; it was then the longest artificial waterway in the United States. After 1860 the section of the Canal south of Terre Haute was

no longer used. In 1875 the last portion open to operation was in the neighborhood of Lafayette, and it was discontinued in that year. That part of the Canal between Fort Wayne and New Haven was used as late as 1878 for the transportation of firewood into Fort Wayne.

The period 1847 to 1856 may be regarded as the heyday of the Canal.

Until 1853 there was a steady increase in the income from tolls and water rents and a decreasing annual average cost of repairs and maintenance.

The tolls and rents reached \$193,400.18 in 1852--the highest amount received from this source. After that date the income steadily decreased.

The packet or express passenger fares approximated 3 cents per mile. The fare from Fort Wayne to Toledo (104 miles) was \$3.25, to Lafayette (104 miles) was \$3.75, and to Cincinnati (221 miles) was \$6.75. The larger and better-class packets were brought from the Erie Canal and carried as many as sixty passengers.

Contemporary advertisements boast of the best accommodations: staterooms, single beds, and unsurpassed comforts. First-classpassenger sleeping berths were arranged in two rows, one above the other; and some could be folded into a small space when not in use. Captains always took great pride in their boats; they felt a personal interest in the safety of their passengers and cargoes of freight. A number of Fort Wayne streets were named for captains of the canal boat era. Ballast for the boats was usually stone. Old tombstones in country cemeteries in the area were transported here in that manner.

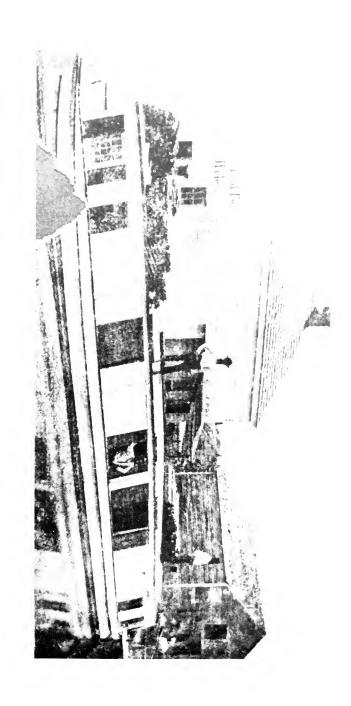
The number of horses or mules, from two to six, employed in

drawing the packet depended upon its size. The animals traveled at a trot, the driver riding on the left rear steed, and a pace of two to eight miles per hour was maintained. Sometimes relay horses were carried on the freight boats, but usually the horses were stationed at regular or convenient posts about ten miles apart. Bears frequently emerged from the fringe of the woods east of Fort Wayne, frightened the mules and added to the woes of the drivers.

As a packet approached a landing one of the crew sounded a tin horn. Villagers flocked to the Canal to see the passengers and to pick up news and rumors from neighboring or distant communities. One company, Doyle's Packet Line, operated fifteen boats and owned three hundred and fifty tow horses. The boats were drawn by a 3 inch hemp rope 150 to 250 feet long. A typical packet crew comprised the following: captain, steward (who enjoyed all of the profits of the bar), pantryman, cook, chambermaid, two cabin boys and two steersmen. The showboat "Dixie Boys Minstrel" brought entertainment to residents along the Indiana portion of the Canal. It seated 100 persons and several performances were given each evening. The admission was only 25 cents.

In the three years following the completion of the Canal between Fort Wayne and Huntington, five new counties were organized: Whitley, Adams, Wells, Wabash, and Howard. In 1851 there were in operation on the Canal nine flouring mills, eight sawmills, two oil mills, and one iron blowery and forge.

Long trains of wagons, waiting by the hour at Fort Wayne for their



ing near the stern. (Used by permission of Clifford B. Ward.) Clifford B. Ward, editor of the News-Sentinel. Capt. Ward is shown stand-Canal boat owned and operated by Capt. William H. Ward, grandfather of

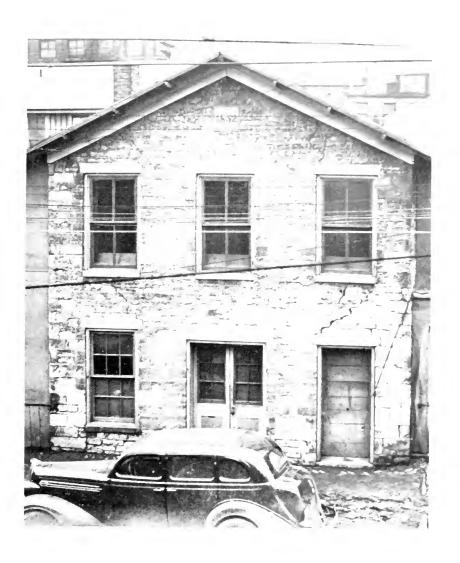
turn to unload farm products into canal boats, were a common sight. Large storehouses were erected in Fort Wayne to house farm and factory products during the frozen season pending resumption of canal traffic.

One of Fort Wayne's historic buildings associated with canal days still endures in the yellow stone edifice, located on Superior Street between Calhoun and Clinton Streets. This year marks the centennial of the building, for it was erected in 1852 on Water Street (since renamed Superior Street) and fronted on the old Canal. It is believed that the old structure probably served as a canal office and depot in its early days.

Several very fine residences were built in Fort Wayne during canal days. Travelers remarked on the beautiful sight of the brilliantly lighted windows of these homes greeting them as they entered town. Both the Hanna Homestead on East Lewis Street and the McCulloch residence on West Superior Street were imposing structures situated in spacious grounds.

The town itself was not of an imposing character. At best, it would have to be described as straggling and unkept. Muddy streets were the rule in wet weather. The shops were unattractive, for they were housed in dark, dingy rooms with doors protected by board awnings. Court House Square did not include a single imposing building until nearly the end of canal days.

Fort Wayne's citizens in the days of the Canal were much like the people of other towns of the day. The newspapers published accounts of parties, balls, musicales, weddings, visitors, swindlers, thefts, murders, and a variety of other items. There were lavish, expensive parties indi-



Stone building on East Superior Street, thought to have been a canal depot or office.

cating personal pride and social ambition. On the other extreme, there were drunken brawls indicating the presence of rowdyism and debauchery. Fort Wayne was pictured as a town of fine linens and laces as well as rags and calico.

A busy commerce sprang up along the canal front from Calhoun to Lafayette Street. Dealers in all kinds of merchandise were constantly announcing their wares. The dock was constructed along the south bank of the Canal and served as a fashionable promenade as well as a dock. Buildings were constructed facing this dock, and even today a water-front appearance is discernible from the north. "Not until the day of the rail-roads did commerce begin to forsake the old water way, and then the city passed forever from an interesting era that people love to chat about."

A list of articles and amounts of produce that were handled at the Fort Wayne station during the year 1848 indicates something of the nature of this commerce. The list is given in full:

Miles of boats run463, 575	Barrels of lime6, 752
Miles of passengers1, 357, 364	Barrels of pork
Barrels of flour	Pounds of lard3, 332, 101
Bushels of wheat957, 395	Pounds of bacon 2, 293, 471
Bushels of corn	Pounds of live hogs56,870
Bushels of oats 67, 389	Pounds of beef and tallow 16, 188
Bushels of rye904	Lbs. of hair and bristles75, 145
Bushels of barley 2,638	Lbs. of deer and coon skin38,377

Bushels of seeds14,300 Lb	os. of feathers9, 157	
Bushels of beans	os. of wool	
Bushels of mineral coal28,300 Lb	os. of cranberries 534, 055	
Barrels of whiskey5,977 Lb	os. of merchandise8, 583, 048	
Barrels of salt75, 878 Lb	es. of sugar, molasses. 1, 387, 892	
Barrels of fish	os. of coffee 1, 575, 642	
Barrels of oil	os. of tobacco 586, 139	
Lbs. of white lead, etc 565, 740 Lb	os. of iron nails 3,446,072	
Lbs. of furniture1, 196, 942 Lb	os. of agr. implements99, 241	
Lbs. of wood ware 108,397 Lb	s. marble mill stones 634, 987	
Lbs. of butter 174,852 Lb	os. of cheese134,031	
Lbs. of hides45,999 Lb	os. of pearl pot ashes481,817	
Lbs. of staves, hoops, and poles		
Cords of wood	erches of stone 14,607	
Feet of lumber 3, 323, 015 Nu	nmber of laths103, 000	
Thousands of shingles 6,569 Fe	et of timber 34, 322	
Number of posts and rails	11, 015	
Kegs of beer	s. of stoneware 101,787	
Lbs. of leather 247, 304 Lb	es. of misc 3,668,848	
Lbs. of beeswax 46,443 Lb	es. of saleratus	
The total tonnage for the year was only 157 831, which does not		

The total tonnage for the year was only 157, 831, which does not seem large for this day. However, the population in 1850 was only about 10,000.

On the Maumee River between Fort Wayne and Toledo was a series

of overlapping "dream" towns whose bursting booms punctuated the panic of 1837 when oats sold for 10 cents per bushel, chickens at 50 cents a dozen and fat cattle at \$10 to \$12 a head. Normal conditions were not restored until 1841.

Certain defects in the Canal as a means of transportation turned the tide of opinion against it. The season of navigation was limited to less than eight months. Storms and floods interfered still further, and interruptions varying from a fortnight to two months were common events. Thus, products of farm and factory were too often forced to lie for weeks tied up in shallow water or stopped by a broken embankment. The Canal had in the first place stimulated enterprises, and now, growing stronger, these demanded better facilities. As a result, dissatisfaction with the Canal increased because of its inability to cope with business needs. The newspapers abounded in complaints of this character and with items describing "boats which scraped through" and "boats aground." In 1847 Mr. Butler, president of the Board of Trustees of the Wabash-Erie Canal, estimated that the income of the Canal would increase each year until it equalled \$500,000 and would maintain that annual figure for future years. The extent of the error is best shown by the fact that in 1847, when the prophets believed that the income would equal a half million dollars, the actual receipts were \$7, 179, 61.

As it became apparent that the Canal was failing to meet the business demands of the Wabash Valley, capitalists from the East began construction of the Wabash Railroad, paralleling the Canal. The new railroad was com-

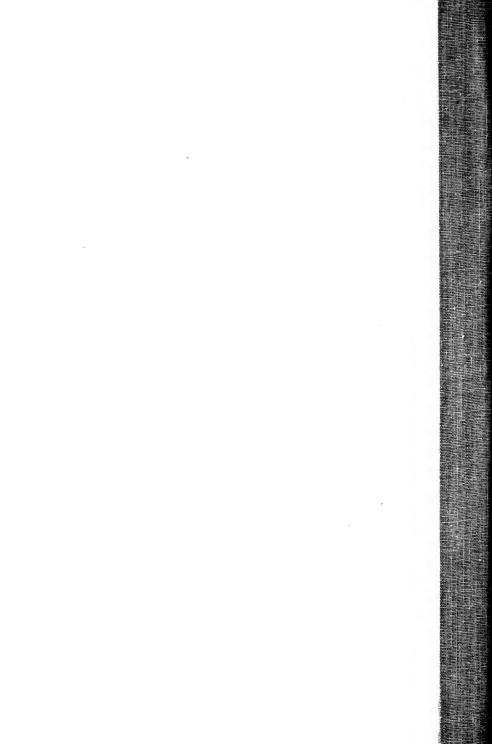
pleted from Toledo to Lafayette via Fort Wayne in June, 1856. Soon thereafter, all passenger traffic on the Canal ceased, and the railroad even absorbed a major portion of the freight business. The Wabash Railroad dealt the death blow to the Wabash-Erie Canal.

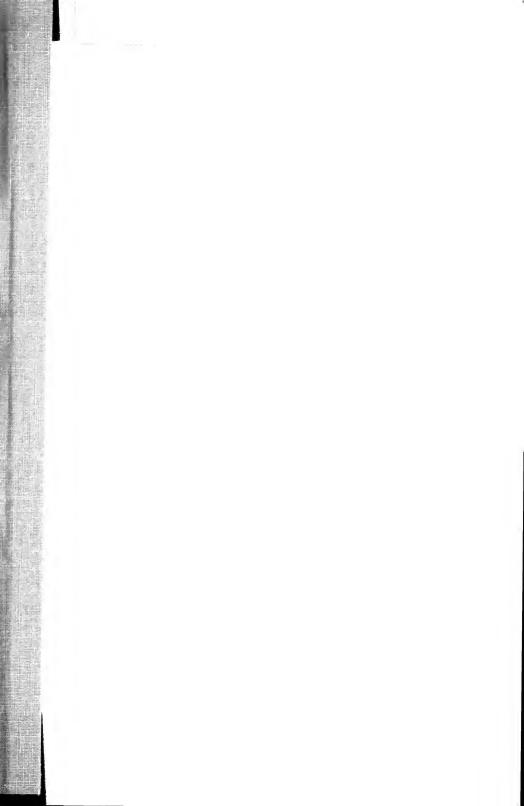
After the Civil War an attempt was made by holders of Indiana bonds, issued between 1832 and 1842, to finance the completion of the Canal, in order to secure the payment of these old obligations. Public sentiment in the State was so aroused that a constitutional amendment to the State Constitution was ratified in 1873 forbidding any recognition of Indiana's liability for payment of canal bonds.

Thereafter, bondholders brought suit to sell the canal right-of-way in partial settlement of claims. The court so decreed, and it was sold in sections. The section from the Ohio boundary through Fort Wayne to the lower locks at Lagro in Wabash County was sold to William Fleming of Fort Wayne for \$44,500. After the sale of the right-of-way and feeder canal to Mr. Fleming, the Canal figured much in some hot municipal political fights in Fort Wayne. One of these contests occurred in 1881 when the owners of the feeder canal sought to sell it to the city to be used as a means of conveying the city water supply. In 1881 the canal right-of-way was bought by the New York and Pennsylvamia Railroad. The last canal boat afloat within Fort Wayne settled in sticky mud, as the water was drained from the Canal in 1882 to permit the filling of the channel to provide a roadbed for the ties and rails. The railroad paid \$137,000 for the property.









UNIVERSITY OF ILLINOIS-URBANA 386.48F77W C003 THE WABASH-ERIE CANAL; FORT WAYNE

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