

Quest Club Presentation

Indiana's Canals: Impact on Growth and Commerce

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Since the very birth of our country, its leaders saw the Appalachian Mountains as a barrier to the country's stability and growth. The mountain range prevented the exchange of goods from what was seen as the abundant west and the rapidly developing east. Finding a way to connect east to west at a northern point was top of mind for ambitious, growth-oriented first-generation Americans.

The idea of connecting the eastern part of the young country to the west may have come first from George Washington. There was a fear that other nations, such as Britain or France, would be able to claim much of the interior of North America. Washington proposed a canal that would provide reliable transportation into the continent, thereby helping to unite frontier America with the settled states. He was unsuccessful at bringing his vision to reality, but Washington's ideas had important consequences for our state.

To understand the saga of canals in Indiana, it's necessary to look at the phenomena created by the success of the Erie Canal. The impact that the Erie Canal had for New York and the east infected the fledgling US with what's become known as "canal mania" in the late 1820s.

The citizens of New York, especially, believed that connecting "the west" through their state, particularly to their harbor in New York City, would change the trajectory of their economic growth.

During President Thomas Jefferson's tenure, the ideas continued to gain support. However, when petitioned by the state of New York for federal funds to build a canal from the Hudson River to Lake Erie, Jefferson refused to support the canal. "It is a splendid project," he responded, "and may be executed a century hence." Jefferson was certain that building such a waterway would bankrupt New York and possibly the entire country.

But De Witt Clinton, mayor of New York City, believed that such a canal was crucial to the advancement of his city. Fighting for New York to be perceived as advanced and cosmopolitan as Boston and Philadelphia and wanting to establish New York as the preeminent harbor port, Clinton threw all his political weight behind the project and instituted a Canal Fund.

Momentum for connecting to the interior of the country increased during the early second decade of the century. The War of 1812 had brought to light how the lack of infrastructure, the lack of ability to move people and goods, was affecting the country's security, economy, and stability. Surveys continued, engineers were trained in England and Holland (at this time, there were no formal engineering schools in the US), and the

federal government was pushed to partially finance the canal. The plans were stalled when President Jefferson's successor, James Madison, vetoed a bill that would provide federal funding for internal improvements, particularly the proposed New York canal.

Clinton moved ahead without federal support. The Madison veto strengthened the state's sense of resolution and independence, and by April of 1817, a state canal bill was passed, guaranteeing funds for the completion of the project. On July 4, 1817, ground was broken at Utica, New York and construction began simultaneously to the east and west.

The idea of a canal was beautiful in its simplicity and the young nation paid close attention to what was happening in New York. A dirt ditch about 40 feet wide at the top and 4 feet deep (this was determined to be the depth needed to provide buoyancy for a full-loaded canal boat). The Erie Canal is often called "American's First School of Engineering". The builders and planners were, in essence, men educated in other disciplines making educated guesses and correcting as they went. And at the same time, they were growing a skilled labor force – men who learned how to build the complicated aqueducts, to blast through the Niagara Escarpment, to design the series of locks needed to raise the water level between the Hudson River and Lake Erie.

The last piece of work was completed on the Erie Canal in October 1825 and DeWitt Clinton, now Governor of New York, traveled the canal with great fanfare, bringing a container of fresh water from Lake Erie and pouring it into the saltwater of the Atlantic Ocean, the wedding of the waters.

The canal pushed New York state to the status of Empire, made New York City the commercial hub of the country, by-passing Philadelphia and Boston, and elevated New York to the banking capital of the country, thanks to the influx of canal-related capital.

The completion of the canal and the successful first year of operation in 1826 further fueled the interest from other states. Ohio and Maryland were also boasting successful canal projects. While New York had accumulated considerable debt to build the canal, its success replenished the state's coffers and significantly supported the state's budget in a remarkable way, adding to the attractiveness of the projects to onlookers.

Indiana came a bit late to the canal game, but watching New York's success made man-made waterways seem like an answer to many of the young state's challenges.

Moving goods and people throughout the Indiana, particularly trying to get them to larger markets in the east was daunting. Roads at the time were dirt or corduroy (logs

laid side by side) or, later, plank roads. Travel was precarious and complicated by Indiana's dense forests, swamp land and volatile weather. It's no wonder Hoosiers could see the possibilities – and the great hopes – of canals.

Canals promised to replace pack animals, carts and wagons. The difference in the economy could be incredible. To move one ton of material over early Indiana roads required eight mules, plus a team of human workers to care for the animals. By canal, one mule and one person could move thirty tons.

Indiana's main exports were agricultural products and Indiana farmers were competing with fertile Ohio farms that were producing the same products – corn, pork, and dairy – that they hoped to sell to the growing nation. To improve the state's economy – and their own personal financial situations – Indiana residents were eager for efficient and effective transportation to move their surplus as quickly and cheaply as their neighbors to the east.

In an act passed on March 2, 1827, the federal government offered land to Indiana for the purpose of building a grand canal. The 1827 act granted land equal to two- and one-half sections on each side of the canal route to the State, with the assumption that the State could resell the land to support canal construction.

The grant required that construction begin within five years, that it be completed within twenty, and all canal use by the federal government would be free forever. Several sessions of the Indiana legislature met, discussed, and then postponed action on the canal.

Indiana's Governor at the time, James B. Ray, believed that the state would receive greater benefit from railroad construction projects. But railroads were still relatively new, and their value was not yet evident. Ray requested the state legislature create a committee to explore building new railroads. But the canal supporters remained firm and unrelenting.

Eventually, the Indiana legislature formally accepted the federal land grant in January 1828. The legislature elected three canal commissioners: Samuel Hanna of Fort Wayne, Robert John of Franklin County and David Burr of Jackson County.

For years, Indiana had lagged behind other states in terms of internal improvements, but now the young state had a bona fide act authorizing a canal and a bona fide board of commissioners to build it. But no money. Tax revenue for the previous year had

amounted to \$33,000 statewide, just barely enough to run the government. Calculations continued on financing, expected revenues, and how to get the project off the ground.

Meanwhile, stories of the success of the Erie Canal streamed in. That Canal was producing revenues in excess of \$1 million annually, stimulating growth all along the route, and changing the economic landscape of New York.

In the 1831-32 legislature, with the original five-year deadline to start construction looming, the conflict between supporters and detractors fired up. Though heated and contentious, on January 9, 1832, a canal act established a board of fund commissioners empowered to borrow \$200,000 for constructing a canal and to receive funds from land sales. Beyond this initial permission to borrow, these commissioners were only authorized to let contracts that did not to exceed funds on hand or expected.

The passing of this act triggered widespread celebrations in Indianapolis, Fort Wayne, and Logansport and all along the proposed canal route. Almost immediately, the speculations about coming prosperity gave birth to growth in communities throughout Indiana.

Fund commissioners went to New York and negotiated a \$100,000 loan so that work could begin, but sale of the lands granted for the canal fell significantly below predictions. While some of the early budgets had very optimistic estimates that the land lining the canal route would sell for \$10 an acre, sales actually ranged between \$4 and \$1.25.

Early in February 1832, anticipating a tide of immigration into the region around the canal route, the Indiana legislature under Governor Noah Noble approved an act to establish the new counties of Huntington, Wabash, and Miami.

Then, on February 22, 1832, eight days before the federal deadline, the townspeople of Fort Wayne, the settlement at the highest point (the summit) of the canal route, celebrated with a military band (actually just two musicians), national colors flying from buildings, and a great deal of oratory. Fort Wayne was a town of about only 300 people at the time, but with all the enthusiasm they could muster they marked the day when the dream of the canal began to become a reality. However, contracts had not been let, no laborers were ready to dig, and no efforts had been made by the fund commissioners to raise the remainder of the authorized money.

Real construction didn't begin until the summer of that year and while many explanations were given for the delay, including the scarcity of good building material in Allen County, Canal Commissioner David Burr probably put his finger on the pulse of the problem – the lack of an adequate labor supply for such an undertaking.

Agents for the Wabash and Erie Canal were sent to New York, Pennsylvania and Ohio where they recruited among the Irish and to a lesser extent among German immigrants. Attractive to many of these immigrants was the offer from the canal's trustees to sell parcels of land to canal workers at favorable rates. Many immigrants arrived in the US lacking resources needed to move west, and signing up as laborers, even with liens against their wages for transportation to Indiana, provided a way to move toward prosperity.

Advertisements that ran regularly in eastern newspapers promised \$10 per month for canal workers. As competition for laborers grew more intense and Indiana's communities became impatient with the Wabash-Erie canal's slow progress, wages increased to \$13 a month, sometimes higher, and included food, drink, and lodging. The demand for provisions and services for workers benefitted merchants in settlements like Fort Wayne and spurred growth in trade.

One example is the whiskey trade. Whiskey, which had been a principal item for Indian trade and diminished in importance after tribes were moved off the land and regional Indian agencies closed, regained a foothold as an important commodity, even though much effort was made to keep the canal zones alcohol-free. James Chute, the Presbyterian minister in Fort Wayne, used all his spiritual and political influence to secure an agreement that early canal contracts would contain a provision prohibiting any workmen on the Fort Wayne section from drinking distilled spirits while working on the canal. Violation would cause the contractor (William Rockhill in this instance) to lose his contract.

But given the conditions under which canal workers were laboring, it's no surprise that these clauses could not be enforced. Irish workers were accustomed to whiskey and many workers, locals and immigrants, believed whiskey would help prevent the dreaded diseases, like cholera and malaria, and even prevent snake bites.

The spirits trade grew as most canal crews came to include "jigger bosses", men who moved up and down the lines of men digging the canal, routinely passing out jiggers of whiskey at regular, and often frequent, intervals.

Many other staple, but less controversial, products enjoyed a surge of trade as well.

Among German immigrants, coming to Indiana was particularly appealing. Many of the Germans were talented farmers and they knew that Indiana's soil was fertile, evidenced by the rich forest growth. Realizing that the completed canal would provide a way to transport the surplus crops that fertile soil would yield made Indiana even more attractive and working on the canal was a means to an end. Many brought their families with the idea of making permanent homes when they found a suitable location.

In 1833, with labor costs running high, the canal fund was running out of money. In addition, the interest on the original \$100,000 loan had to be paid. And with a year of work under their belts, the canal commissioners could really only say that five miles of the canal was completed, three miles almost completed, and thirty-two miles under contract. The commissions reported that for there to be any value in the completed part, those thirty-two miles should be finished at an estimated cost of \$350,000.

Commissioners estimated that the lands yet to be sold had a value of \$800,000, so suggested that the legislature could safely authorize a loan of \$400,000. They also suggested that the amount of loans able to be sought should be separated from estimated cost of land sales or from expected funds. The releasing of these restrictions opened the door for unrestrained borrowing and would have dire consequences.

This particular session of the 1834 legislature went even further – they ordered more canal surveys, including one down the Whitewater River, established a state bank with ten branches, and authorized canal commissioners to seek out loans of \$1.3 million.

In 1834, Indiana was an 18-year old state, with 4/5 of its population located in the lower half of the state, mostly in the southern river valley that had already been settled during the territorial days. The northern part of the state, north of Marion County was rich in nature – the characteristics that began drawing immigrants as the canal work got underway – but life was difficult and the settlements drab and raw.

As the canal promised growth and prosperity, new counties were formed all along the Wabash and below Fort Wayne, which had by now about 1000 residents, the outposts of Huntington, Wabash, Peru, Logansport, Delphi, Lafayette, Attica, and Covington sprang up, with smaller settlements popping up at the sites of locks. Still served by only archaic roads, goods brought in were expensive and it was nearly impossible to make a profit from goods being sent out.

As sections of the canal were opened, mules and horses treading along the canal's towpath pulled boats loaded with freight or passengers at a rate of four to eight miles an hour. Those needing to stretch their legs would sometimes disembark at one of the canal's locks and catch up with the vessel at its next stop.

The ease of constructing a personal canal boat meant anyone could take advantage of the canal and making one's way west via canal proved appealing to the pioneer mentality. Even a partially constructed canal invigorated the state's commerce and population and led to significant growth in Peru, Lafayette, Terre Haute and other cities along its route. Many of these towns grew even before the canal reached them, anticipating the prosperity to come.

Annual revenue in the state of Indiana from taxes was now about \$35,000 per year. But the state and its legislators were impatient and eager for the Wabash-Erie Canal to take off. And not just that project, but projects around the state. These folks wanted to MOVE.

When Indiana's legislature gathered in 1836, the intent of the members was only to continue funding the Wabash and Erie Canal and bring it to completion, but many members were opposed to the appropriations because their own constituencies, located in settlements bypassed by the canal, felt the spending wouldn't benefit them directly. Indiana communities all saw the canal as a harbinger of growth and prosperity, and all wanted some part of some canal - or other improvement - to pass through their territory. For politicians, fighting for a piece of the internal improvement pie became a political necessity and with these pressures, internal improvement plans grew far beyond the original vision. The Indiana Mammoth Internal Improvements Act of 1836 turned out to be mammoth, indeed.

- To appease the population living along the Ohio River, the bill called for the Vincennes Trace to be paved so it could be used year-round.
- A Lafayette Turnpike was also approved as well as paving the Michigan Road (to gain support of representatives in the far north of the state).
- To appease the railroad enthusiasts, two lines were approved that would connect Lawrenceburg to Indianapolis and Madison to Lafayette.
- The Whitewater Valley was the most populous part of the state and to gain support from their representatives, funding was added for a canal to be built in the Valley.
- To gain support from the central part of the state and to connect Indianapolis to the new canals, a Central Canal was also funded.
- Funding was granted to continue the Wabash-Erie Canal to Terre Haute.

The new bill proposed borrowing another \$10 million on top of the \$2 million that had already been borrowed for the Wabash Erie Canal and other improvement projects. This would be added to the \$3 million or so that had built up from land sales.

Looking back, the optimism that surrounded borrowing so much money, when the state's regular revenue, primarily from property taxes, was still less than \$65,000 a year, was rather astounding. In fact, the amount of the debt would exceed all the monies that had been received through taxes in the entire history of the state. The sum was equal to more than one-sixth of all the wealth in the state at the time of the bill's passage. But the success of the eastern canals fueled the belief that great prosperity would follow improvements and bring the state revenues that would make it possible to quickly repay all debts.

Even with some reservations still being strongly voiced, the bill passed, with canals receiving the majority of the funds from the bill, primarily because legislators believed canals could be built from local materials which would boost local economies.

The bill was signed into law by Whig Governor Noah Noble and is considered by many as the greatest debacles in the history of the state.

But the passage of the bill caused great celebration from the press and citizenry alike. If some newspapers wondered about the wisdom of such spending, they kept quiet for the most part. Throughout all parts of the young state, the press used phrases such as "dawning of a new era in this history of our legislature", "taking a noble stand for the cause of improvements", and rhetoric such as "these days must be portentous of great results, which will ere long place Indiana among the brightest stars in the firmament of our widely extended and happy Republic." There were banquets, toasts and orations in all parts of the state. Improvement enthusiasm – particularly canal mania – was at flood tide.

One of the great mistakes during the enactment of the Mammoth Internal Improvement Act was that all the projects were attempted at once. The various projects competed for funds and more importantly for labor, which significantly raised labor costs. While this did mean that growth was happening in many parts of the state, it also meant that funds were being drained down much more quickly than anticipated. The bill had not included enough funds to complete all projects as it was expected that projects would start making money even before they were completely finished and would self-fund the last phases of construction.

By then Whig politician David Wallace was governor and he did make a brief attempt to force the commission to build one route at a time to conserve funds and avoid what was already seen as a possibility for state insolvency. But once again, regionalism came into play and the General assembly could not agree on which line should be completed first.

So work pushed forward.

The Wabash-Erie Canal had received the lion's share of the cash. To this point, the canal had cost a bit over a million dollars and total income from land sales was just over half a million, but only \$179,000 of this was in cash. This shows, again, the error of early supporters who had calculated that land sales along the canal route should bring in enough to cover the costs of building the canal. Even considering this, the Wabash-Erie would to be, in fact, the most successful of the canal projects and towns grew exponentially along the route.

As water finally flowed toward the town of Wabash in the spring of 1837, crowds gathered, and another round of celebrations commenced. To all the communities along the route, prosperity was thought to be close behind. Trade had increased, canal workers were spending their small salaries in the towns, and some families were choosing to settle permanently.

During the harvest season, the Canal was an ideal means of transportation for extra crops and livestock. Before the canal opened, it was not uncommon that farmers received only 10 cents a bushel for wheat or 45 cents a bushel if it could somehow be transported to Michigan City. With canal transport, farmers earned a dollar per bushel. Likewise, the cost of imported goods dropped as transportation improved. In a short time, salt plummeted from 10 dollars a barrel to four dollars. As the canal continued to reach more and more farming centers, farmers began to see their dreams of ready markets realized.

In a 1912 study of the economic effect of the canal, Elbert Jay Benton cites two examples of trade at these canal centers in early 1840s where wagons waited

“for their turns to unload the products of their farms, bound to the eastern markets. Four hundred wagons unloading in Lafayette during a single day . . . were counted by one of the pioneers. Another, speaking of the business at Wabash, says it was a common occurrence to see as many as four or five hundred teams in that place in a single day unloading grain to the canal.”

This profitable trade was passed on to local merchants as farmers had more income to purchase goods. As prices on imported goods dropped because of lowered transportation costs, families could choose to purchase more household items, rather than make everything, and all types of trade flourished.

Nearing the end of 1837, 82 ½ miles were navigable and boats began making regular trips over a sixty-two mile stretch between Fort Wayne and La Fountain's Creek. The Canal reached Logansport in 1838 and Delphi in 1840. An article from Cass County historical records declared, "The whole town turned out to see the first boat come in on the 'raging canal' drawn by three mules -- made 5 or 6 miles per hour."

Industry grew up along the canal route as well – flour and sawmills, tanneries, distilleries, and canal boat construction – and provided financial growth for the towns as well as individual citizens.

To appreciate the Wabash-Erie Canal's impact on the population, consider that when the Canal construction first began, Indiana had a population of 350,000. By 1840, it had 988,000.

In 1835, Indiana counties bordering the Wabash-Erie Canal route boasted 12,000 inhabitants and in 1850, 150,000. Just in the three years following the opening of the Canal from Fort Wayne to Huntington, five new counties were created along its route.

Another main recipient of funds from the Mammoth Act, The Central Canal, running through Indianapolis, was a major failure, from the standpoint of providing great connections to the rest of the state. Only a few miles of the canal were actually dug, from Broad Ripple to the Port Royal Bluffs. This was hard work. All of the land north of what is now 10th Street in Indianapolis to the west edge of Broad Ripple was uninhabited and heavily forested. Land had to be cleared, stumps removed, and shovels and picks used to excavate the route about 6 feet deep and 60 feet wide. 750 men, mostly Irish and German, worked in the forests and swamps. It's been estimated that up to 1 in 6 workers died working on this stretch of canal. Labor rates were increased to \$20 per month and included seven 1 ½ ounce jiggers of whisky per day.

Construction on the Central Canal continued through 1837 and the fall of 1838 by which time the credit of the state was almost exhausted. The canal was completed and watered from Broad Ripple into and through the city of Indianapolis but as the available money ran out, further contracts were rescinded and construction stopped.

But even with only partial completion the Central Canal became an important component in Indianapolis' growth and in the commerce of the city. As the canal section opened, woolen mills, cotton mills, paper mills and sawmills were erected along the route to take advantage of the waterpower. For many years, the major industries of Indianapolis were centered around this economical source of power. Over time, maintaining the canal against the growth of grass and the breaking away of the canal banks lessened the effectiveness of the canal both as a power supply and certainly for navigation.

But the Central Canal continued to draw people and industry, even with less than perfect usability. Early on, the recreational value of having such a waterway could be seen. One canal boat, or packet, the "Silver Bell" made regular runs, transporting some wood, but mostly providing excursions for people. The boat was painted silver and hung with silver bells. Silver-gray mules wearing silver harnesses pulled the boat at an average speed of 8 miles per hour. A trip on the Silver Bell was considered the height of the good life in early Indianapolis.

In the next decades, the canal, under the subsequent ownership of the private companies, was used to provide power for turbines for pumping water into the water mains of the city and to provide high-pressured public fire protection. The canal changed hands and uses evolved, but it was never entirely profitable for any of its stewards.

The other independent canal project that was part of the Mammoth Internal Improvement Act was the building of the Whitewater Canal in the southeastern part of Indiana. The design, based on an early plan that preceded the Wabash-Erie plan, called for a canal seventy-six miles long near Hagerstown and following the river valley through Connersville, Brookville and into Harrison, Ohio, then back into Indiana to finish at Lawrenceburg. This was a steep, challenging route and required the crossing of the Whitewater River via an aqueduct at Laurel as well as several other streams of lesser size. Because of the steep grade the plan for the canal required 56 locks and seven dams.

Ground was broken for the Whitewater Canal on September 13, 1836. The first boat arrived in Brookville from Lawrenceburg on June 8, 1839. Because of the state's looming budget problems, construction was suspended in August 1839 not to be resumed until 1842.

In 1842 the state of Indiana transferred its ownership in the canal to the White Water Valley Canal Company which was required to complete the canal to Cambridge City in five years. By 1843 boats were arriving in Laurel. 1845 saw the canal operating into

Connersville. From Cambridge City to Hagerstown the Canal was built by the Hagerstown Canal Company and was finished in 1847.

While all of these canal projects had bright spots of optimism, just as they were beginning to show promise, the Panic of late 1837 set in. This financial downturn was the final nail in the coffin for the projects of the Improvement Act and for Indiana's solvency.

Proponents of the projects were correct in assuming that finished canals and roads would raise land prices (it's estimated that the projects ultimately fed a 400% increase in land values throughout the state). But the unforgiving laws of economic reality came to bear on every project included in the overly optimistic vision. As the Panic worsened, the interest payments on the debts that had been accumulating continued to mature. In 1839, the state was sitting on huge debt with an interest payment of almost half a million coming due. Like dominoes, plans failed, creditors called in loans, investors failed to deliver cash, and the mammoth project came to a close.

Late in the summer of 1839, the board of improvements ordered that construction on all public works, with the exception of the Wabash-Erie Canal, and a handful of unfinished structures on the Whitewater Canal come to a halt.

In Paul Fatout's book *Indiana Canals*, the author writes that the effect was "like that of a five o'clock whistle. Quitting time: the shovel left thrust into the bank of an unfinished ditch, the wheelbarrow on the plank, half-hewn timber lying helter-skelter, rock and earth piled in fields, fences torn down, the terrain cluttered with the raw confusion of construction jobs, as if tomorrow were another workday. For the state system it was not ever another workday anywhere except on the Wabash and Erie Canal."

At the time 140 miles of canal had been built for \$8 million and another \$1.5 million had been spent on 70 miles of railroad and turnpike. The state was left with almost \$15 million in debt and only a trickle of tax revenue.

The failure of the Mammoth Internal Improvement project led to the decline and disappearance of the Whig party, blamed by the public for the debacle. A Democratic majority had already come into power in the statehouse and in 1841, Democrat James Whitcomb won the governorship and began negotiations to end the state's financial crisis.

An emissary was sent to New York to negotiate with the state's creditors and in the end, majority ownership of the Wabash-Erie canal was given to creditors for a 50% reduction

in the debt. After all debt negotiations, the state still owed \$4.5 million but the crisis was over. Even with the significant reduction in the debt, payment on it was still over half of the state budget, but the population of the state was growing rapidly, thanks in no small part to the very projects it couldn't pay for, and tax revenues were rising quickly.

The Central Canal outside of Indianapolis was abandoned as a total loss, the expense to finish it too great and the area past Indianapolis was found to be unsuitable for a canal. The Whitewater Canal had about one fifth of the line completed and although it was never finished, the completed part remained in use until the late 1840s when a large portion collapsed.

The Wabash-Erie Canal was finally completed in 1848 and continued to operate for thirty-two years. Its peak revenues, \$193,400, were experienced in 1852, at the same time that railroads were gaining presence and market share. The cost of upkeep and the competition from the railroad eventually led to the demise of the canal in the 1870s.

But even with this failure, the early benefits that were projected by canal advocates did manifest themselves. Growth occurred at an unprecedented rate within the state. Indiana had begun to establish itself as an agricultural powerhouse as the cost of shipping goods drastically decreased. Small settlements had grown into trade centers with tradesmen, craftsmen, and merchants of all types.

A young banking industry had been strengthened in many communities. Both the religious and political sensibilities in Indiana had broadened due to the influx of European immigrants, such as German Lutherans, and citizens from the northern states, bringing a firm anti-slavery stance to the young state formerly most influenced by settlers from southern states. And those governing Indiana had learned some hard lessons.

In the wake of the internal improvement fiasco, the 1851 revision of the Indiana Constitution included a provision that prohibited the state from going into debt. The atmosphere might be best described by a quote from constitutional convention delegate, John Petit: "I am for restriction. A burnt child dreads the fire – and this State has been most dreadfully burned in this regard. What is the position of Indiana today . . . She has no name except for an almost abandoned public faith and ruined public credit. She has walked to the brink of repudiation and lasting disgrace." It would be interesting to explore how this conservative business stance and the caution that resulted from canal investment failure have contributed to a business environment that still hampers Indiana's ability to attract certain industries and progressive business.

But remnants of the great canal dreams remain. In Metamora, I traveled a short section of the Whitewater Canal on the Ben Franklin III, a replica of an early canal boat pulled by Jourdan and Joey, a gentle pair of draft horses, through the Duck Creek Aqueduct, the only surviving covered wood. aqueduct in the country. The main street of this strange little village is a combination of historic buildings, flea market kiosks, and an ice cream shop that boasts a Guinness World Record collection of cookie-jars. In 1945, the General Assembly created a state memorial site here. Today, the Whitewater Canal State Historic Site is in the Indiana State Museum and Historic Sites division of the Department of Natural Resources.

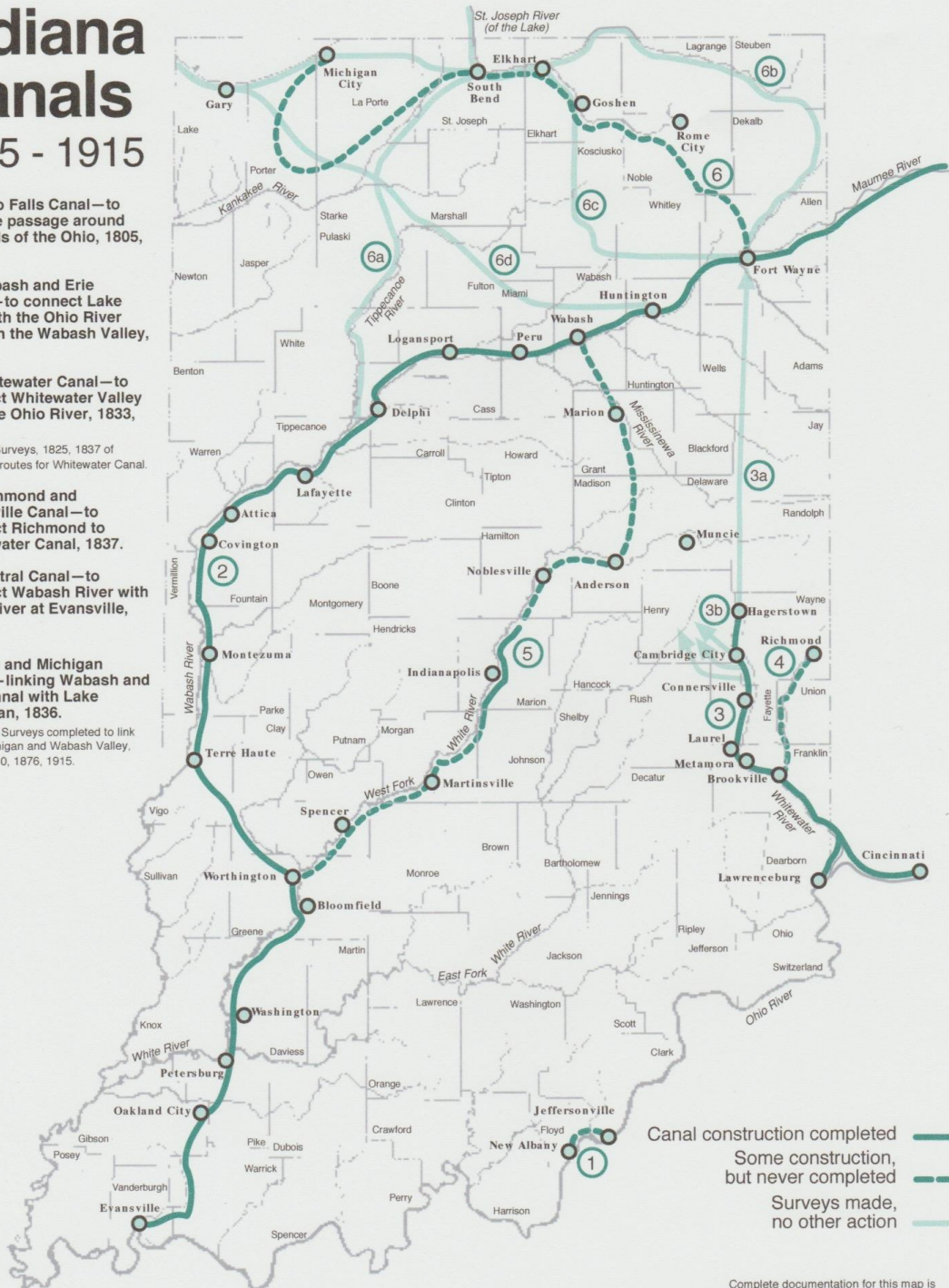
In Delphi, relocated buildings create a canal-era village sitting on the bank of a beautifully restored section of the Wabash-Erie Canal and boasts a quite remarkable canal museum, voted the Best New Volunteer Driven Museum in America in 2006.

And in Indianapolis, the defunct Central Canal now serves as a center piece for urban development, with high end condos, restaurants, businesses, museums and cultural centers growing up along its smooth concrete banks. When I visited the Canal Walk, amidst millennials on bicycles, young families walking their golden doodles, and seniors on a stroll, I wondered what those early canal enthusiasts, arguing in the general assembly or riding on boats like the Silver Bell, with so many hopes for intricately connected man-made waterways, would think of how Indiana's canal story has ended.

Indiana Canals

1805 - 1915

- 1 Ohio Falls Canal—to provide passage around the Falls of the Ohio, 1805, 1816.
- 2 Wabash and Erie Canal—to connect Lake Erie with the Ohio River through the Wabash Valley, 1827.
- 3 Whitewater Canal—to connect Whitewater Valley with the Ohio River, 1833, 1836.
- 3a, 3b Surveys, 1825, 1837 of proposed routes for Whitewater Canal.
- 4 Richmond and Brookville Canal—to connect Richmond to Whitewater Canal, 1837.
- 5 Central Canal—to connect Wabash River with Ohio River at Evansville, 1836.
- 6 Erie and Michigan Canal—linking Wabash and Erie Canal with Lake Michigan, 1836.
- 6a, 6b, 6c, 6d Surveys completed to link Lake Michigan and Wabash Valley, 1829, 1830, 1876, 1915.



Canal construction completed ———
 Some construction, but never completed - - -
 Surveys made, no other action ———

Complete documentation for this map is available from the Indiana Historical Bureau.

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