A Tunnel for the Southern Trade?

John J. Weisert

In the middle of the nineteenth century, some citizens of the Ohio Falls area proposed to channel commerce between Indiana and Kentucky through a tunnel under the river. Like many other unrealized projects of a hundred years ago, the imaginative boldness of the idea does its propounders a certain credit. And having projected the tunnel, the planners further proposed to carry it under Louisville to emerge somewhere south of Prather Street, where connections could be made with the southern railroad lines then under construction or in the planning stage.

The instigator of the scheme was the Fort Wayne and Southern Railroad, which had been chartered in 1849 to run south from Fort Wayne, Indiana. By 1852 William J. Holman, later president of the road, published a brochure of thirty-two pages dealing with the right of way between Fort Wayne and Muncie and another of sixteen pages discussing an experimental survey between those two towns. As events were to prove, this was the only part of the road which was nearly completed by the original company. At the time, however, it was held to be merely the first step, for almost directly south of Muncie was the more attractive goal of Jeffersonville, a point within tantalizing reach of still more lucrative southern markets. Within two years plans were unveiled which envisaged not only completion of the road to Jeffersonville, but also the extension under rock and earth that was to emerge on the far side of the Gateway to the South.

The first step in the undertaking was to obtain permission of Kentucky authorities. This was done on March 6, 1852.

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1 Local Laws of Indiana, 1848-1849, pp. 348-355.

2 Fort Wayne and Southern Railroad, Charter and By-Laws . . . to Which is Appended the Report of an Experimental Survey of Said Road Between Fort Wayne and Muncie (Bluffton, Indiana, 1852). This pamphlet was called to the attention of the author by Caroline Dunn, librarian of the William Henry Smith Memorial Library, Indianapolis. William J. Holman, Report of an Experimental Survey of that Part of the Fort Wayne and Southern Railroad Between Fort Wayne and Muncie, to Which is Appended the Charter of Incorporation with a General Act Amendatory of Corporations Therein Named (Indianapolis, 1852) is in the Indiana University Library.
1854, when the general assembly of the commonwealth, with the approval of the governor, granted permission to extend the road "through, into, over and under so much of the Territory of the Commonwealth of Kentucky as may be necessary to form a convenient connection with the Louisville and Nashville Rail Road and the proposed Louisville and Memphis Rail Road, at some suitable point at or near the southern limit of the City of Louisville." Permission was contingent, of course, upon the consent of the common council of the city, which was given in a resolution passed by the board of aldermen at their meeting of May 25, with an attractive clause exempting the road from all future taxation because of its contribution to the city's progress, but with the proviso that the resolution would not be effective unless the tunnel was put under contract and work actually commenced within two years of that date. Two days later the general council passed a similar resolution.  

By the end of June, details of the project had been embodied in a pamphlet of forty-eight pages entitled in part Exhibit of Condition, Resources, and Prospective Business . . . Together with Cost by Contract and Estimate of Main Line, and Tunnel under the Ohio River at Louisville (Indianapolis, 1854). On June 29, 1854, the Louisville Daily Courier published the report of H. R. Weeks, an engineer of Muncie, to the president of the Fort Wayne and Southern in which the plans and estimated costs of the work were set forth. The accompanying editorial comment was enthusiastic, as was that of the Louisville Anzeiger on the next day, June 30, which repeated the plan in detail for its German-speaking subscribers.

At the meeting of the Louisville board of aldermen on Thursday, August 10, Alderman Thomas Shanks moved the adoption of a resolution setting up a joint committee from the board of aldermen and the board of common council, which was to confer with Holman and report back to the

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4 Journal of the Louisville Board of Aldermen, 1853-1854, p. 261. This journal is available at the Office of the Board of Aldermen, City Hall, Louisville, Kentucky. The resolution of the general council is reproduced in Fort Wayne and Southern Railroad, Exhibit of Condition, Resources, and Prospective Business: Together with Cost by Contract and Estimate of Main Line and Tunnel under the Ohio River at Louisville, Kentucky, and Jeffersonville, Indiana (New York, 1855), 26.
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general council “whether any, and if any, what aid should be extended to said Company for the purpose of constructing a tunnel under the Falls for the purpose of passing Railway trains.”

Thus the press encouraged the plan, and official support was not lacking. Public reaction is harder to document. The area was undergoing one of its recurrent financial crises at this time; nevertheless by December 1, a local member of the approximately seventy-five stock agents of the road was reported to have obtained more than $10,000 in subscriptions in the city, and an individual in Clark County, Indiana, more than $8,000.

Little additional propaganda was put forth until the middle of November, when Joseph A. Wright, then governor of Indiana, was scheduled to address a meeting of friends of the tunnel at the Merchants’ Exchange in Louisville. This event took place on November 16, and the *Louisville Daily Journal* reported next morning that it was “large and highly respectable.” Preceding Governor Wright’s speech, Holman addressed the group on the topic of the tunnel. The governor then spoke “in a happy vein of mingled argument and exhortation.” His chief theme was that the citizens of Louisville had allowed too many opportunities for the improvement of the town to slip by and they had better not let this one pass also. In a flurry of enthusiasm, eleven hundred dollars’ worth of stock was subscribed at the end of the speech.

Before the announcement of the names of the special stock agents for Louisville was made, the *Louisville Daily Journal* pointed out an additional advantage that would accrue from the undertaking: the work would supply sufficient gravel to surface all the streets. Optimistically, the paper concluded: “It is possible that the materials to be excavated . . . will be more than sufficient to pay for the taking of them out. It is known that one immense bed of river gravel underlies the entire city.” After this hint of additional advantages, newly appointed stock agents for the city were identified by the same newspaper on December 2 as John C. Beeman for the first and second wards; Colonel William

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*Journal of the Louisville Board of Aldermen, 1853-1854*, p. 387.
Duerson for the third and fourth wards; Richard Ronald for the fifth and sixth wards; Robert Wintersmith for the seventh ward; and Samuel Parker for the eighth.

Now the fund-raising was to begin in earnest. But the doubled effort only called forth redoubled resistance. On December 14, the *Louisville Times* published an article signed “Tunnel,” which again glowingly described the advantages of such a work, together with an editorial endorsement. This drew an answer within forty-eight hours in the form of a letter to the editors of the *Louisville Daily Journal*. Over the signature “Bridge,” the author denounced with much heat and sarcasm the earlier communication and demonstrated to his own satisfaction the inevitability of a bridge at the Falls.

Two weeks of uneasy silence on the subject followed, during which the Fort Wayne and Southern played one of its remaining trumps, the observation that if the road could be built from Jeffersonville to North Vernon, it could connect with the Ohio and Mississippi there, thus giving passengers and freight a three-hour trip to Cincinnati “without change of cars.” Early in the new year, on January 4, 1855, “Tunnel Junior” entered the lists against “Bridge.” With as much heat and somewhat more fancy he demonstrated in the *Louisville Daily Journal* of that date the superiority of the tunnel. “Bridge” took up the challenge on January 6. Indeed, by heading his communication “Bridge or Tunnel, No. 1” the editors of the *Louisville Daily Journal* indicated that more was to come. But here the issue grew confused, for it is apparent in the letter that “Bridge” was not only convinced of the sole correct method for trains to pass from the Indiana to the Kentucky shore of the river, but he was also strongly partisan in a local argument then raging on the southern shore of the Ohio. The question was whether work on the Louisville and Nashville should be continued as planned, or whether efforts should be diverted to a Louisville and Memphis air-line road. What had been a field for newspaper polemics from this date became a three-cornered argument, until by January 18 and the pub-

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*Ibid.*, December 16, 1854. “Bridge” quotes with scorn portions of the article by “Tunnel” and the accompanying editorial support, which had appeared in the *Louisville Times* of December 14. The original is not available.

lication of "Bridge or Tunnel, No. 5" the tunnel disappeared completely from the picture.

Events now began to move toward a denouement. The funds did not come in, whether because of the eloquence of "Bridge," the continuing financial stringency, or rival business interests. On April 7 a warrant was obtained against John Zulauf, president of the Jeffersonville Railroad, which ran from that terminus to Edinburg and thence to Indianapolis over the tracks of the Madison and Indianapolis Railroad. The Fort Wayne and Southern charged Zulauf with having circulated in financial circles of New York City false statements which hindered the floating of a loan in that market. Damages of $50,000 were asked, and the case was entered on the circuit court docket.10

Two days later a delay in the general movement occurred when on April 9 the president and board of directors of the Fort Wayne railroad met with the city council of Jeffersonville and obtained a subscription of $200,000 in the bonds of the Indiana town. Holman spoke brave words on this occasion about the completion of the northern division from Fort Wayne to Muncie and the southern division from Jeffersonville to North Vernon, but the latter section was only partially graded by his company.11

Alarmed, or at least suspicious by this time, the Louisville board of aldermen appointed another committee of three to "inquire into the present condition" of the Fort Wayne and Southern and to report on the "propriety and expediency" of the city's contributing its funds.12 The report must have been unfavorable, for no official support was forthcoming. The Louisville and Nashville remained the prime object of concern of the city fathers, since the difficulties besetting that road were quite sufficient to engage all of their attention.13

The bonds of Jeffersonville were sold at a rate of seventy-five cents on the dollar, and intimations of "other financial arrangements... of a character highly favorable" were published in the *Louisville Daily Journal* of June 23. Two days

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10 Cases in the Circuit Court, Jefferson County Courthouse, Louisville, Kentucky (Case No. 4475).
12 *Journal of the Louisville Board of Aldermen*, 1855, p. 240.
later the paper carried a letter from the president of the Ohio and Mississippi Railroad Company, setting forth the golden future which he foresaw for the territory to be served by the Fort Wayne and Southern. For the present, however, he could only “wish our condition was such as would warrant us in extending aid . . . in a more tangible shape, but we have our troubles and can do little else than express our confidence in your road and earnest wishes for your success.”

As a final gesture the Fort Wayne and Southern had printed in New York City an enlarged version of its booklet on “condition, resources, and prospective business” which included this unctuous epistle.

But the punishment for daring to plan too boldly was at hand. The Fort Wayne and Southern was forced into bankruptcy by the autumn of 1855, and its suit against Zulauf was dismissed on November 24. The vision of a tunnel faded. Even talk of a bridge died out, not to be resumed seriously until 1867. The railroad began a typically tortuous financial history until its eventual absorption into the present Nickel Plate system. Work on the southern division was ultimately completed by the Ohio and Mississippi Railroad, today a part of the Baltimore and Ohio.

15 Fort Wayne and Southern Railroad, Exhibit of Condition, Resources, and Prospective Business: Together with Cost by Contract and Estimate of Main Line and Tunnel under the Ohio River at Louisville, Kentucky, and Jeffersonville, Indiana (New York, 1855), 15.
16 Cases in the Circuit Court, Jefferson County Courthouse, Louisville, Kentucky (Case No. 4475); First Annual Report of the Louisville Bridge Company, 1867 (Louisville, 1868); Taylor Hampton, The Nickel Plate Road (Cleveland, 1947), 268 and passim; History of the Ohio Falls Cities, II, 346.