

even listed before 1860, and among these, leading roads such as the Pennsylvania and the Baltimore & Ohio, do not appear.”⁹

Later, these big financiers bought up lines and began to treat them as speculative instruments, with very unwholesome results.

Pennsylvania built the state-owned Philadelphia & Columbia and some other lines, to connect with the thousands of miles of state canals. The gigantic Pennsylvania Railroad Co. was jointly owned by private investors and the city of Philadelphia. The state built the Main Line, then sold it after completion to the Pennsylvania Railroad Co. The Philadelphia & Reading (“Reading Railroad”) was about one-quarter owned by the Bank of the United States, whose president, Nicholas Biddle, was also the fiscal manager for the Reading.

9. George Rogers Taylor, *The Transportation Revolution, 1815-1860* (New York: Rinehart & Co. 1951), p. 100.

Biddle used every possible resource of the Bank of the United States to develop American railroads and canals. It is often said that “the British” or “the Rothschilds” built America’s railroads. This is simply untrue. The fact is that, by 1853, largely through the marketing of state bonds and other railroad securities by the Bank of the United States, 26% of American railroad bonds outstanding had come to be foreign-owned; railroad stocks, valued at nearly twice the figure for bonds, were only 3% foreign-owned. As time went on, however, the Morgans, Rothschilds, and other British Crown-linked financiers came to hold a dominant interest in American railroads. Ultimately, this financial power was used to loot the existing lines, rather than to develop them.

The state of Georgia built the Western and Atlantic Railroad, completed from Atlanta (the railroad terminus city, which was named for the railroad) to Chattanooga, Tennessee in 1851. Virtually no private capital was available, so the state owned and managed the line until the Civil War.

Army-engineered rail construction projects

The following were among the railroad projects carried out under the General Survey Act of 1824.

| <i>Year begun</i> | <i>Route or company</i> |
|-------------------|---|
| 1827 | Baltimore & Ohio (Baltimore to Wheeling, now W.V.) |
| 1828 | Hudson, New York, to Berkshire County, Mass. Ithaca to Owego, New York Ithaca to Catskill, New York Lake Cayuga in New York, to Susquehanna River Tennessee River to Savannah River, and Tennessee River to Altamaha River (to make choice between canal and railroad) |
| 1829 | Catskill to Canajoharie, New York Charleston and Hamburg (South Carolina) (In 1830 this railroad ran the first practical locomotive in the United States.) |
| 1830 | Baltimore and Susquehanna (Md. and Pa.) New Jersey Railroad Company |
| 1831 | Paterson and Hudson (N.J.) (The line’s first two locomotives were named <i>The McNeill</i> and <i>The Whistler</i> .) Winchester to Harpers Ferry, Va. Ohio Canal at Akron to the Hudson River at Jersey City |

| <i>Year begun</i> | <i>Route or company</i> |
|-------------------|--|
| 1832 | Boston and Providence, (Mass. and R.I.) Providence and Stonington (R.I. and Conn.) New London, Conn. to Providence, R.I. New London, Conn. to Worcester, Mass. Potomac Creek to Fredericksburg, Va. New York, N.Y. to Lake Erie. St. Francisville, La. to Woodville, Miss. Williamsport, Pa. to Elmira, N.Y. Mad River to Lake Erie (Ohio) Ohio River to Lake Erie (Ohio) |
| 1833 | Across southern Vermont Pearl River to Yazoo River (Mississippi) (canal or railroad) |
| 1834 | Across the isthmus of Michigan Memphis, Tenn. to the Atlantic Ocean Fredericksburg, Va. to the Ohio River |
| 1835 | Taunton and New Bedford (Mass.) Long Island Railroad (New York) Portland, Maine to Quebec, Canada Boston, Mass. to Whitehall, N.Y. Detroit to Pontiac, Mich. Pensacola, Fla. to Columbus, Ga. Four surveys in Indiana One or two others in New England states |
| 1836 | Projects in Maine, Massachusetts, Rhode Island, Connecticut, New York, Maryland, North Carolina, and Missouri, and from Charleston, South Carolina, to Cincinnati, Ohio |

Source: Forest G. Hill, *Roads, Rails & Waterways*