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WESTERN NORTH CAROLINA RAILROAD.

What of the Proposition to Sell?

Discussion of the Project by the Board of Directors—What the Proposition Really Is—No Extra Session of the Legislature.

Raleigh Observer Reporter.

The board of directors of the Western North Carolina Railroad, which had been specially called to meet in this city to consider the proposition of Mr. W. J. Best to purchase that road, assembled in the treasurer's office at the capitol Tuesday afternoon. The following members of the board were present; President J. W. Wilson; T. F. Davidson, Jno. S. Henderson, Thad. Bryson, J. I. Scates, Sewal Brown, W. T. Dortch, V. V. Richardson, W. P. Roberts, R. H. Battle, Jr., A. M. Powell. The entire committee was thus present save Mr. Shober.

Major Wilson was chairman of the meeting and called it to order. Messrs. C. M. Cook and William Johnson, of the State board of internal improvements, were invited to participate in the meeting.

A communication was read from Gov. Jarvis transmitting the proposition for the purchase of the road, and asking the board to make any suggestions as to the propriety and expediency of convening the General Assembly in special session.

The proposition, which is in the form of a draft of a bill to be submitted to the Legislature, was then read *in extenso*. The amendments and additions to and changes of the former proposition were noted.

Mr. Best's proposition is, in brief, to protect the \$850,000 of mortgage bonds now out; to issue to the State \$550,000 of mortgage bonds in payment for the amount expended by the State since the sale of road, for the support of convicts, purchase of iron and interest on the \$850,000 bonds; will deposit with the State treasurer \$300,000, which, in case he fails to comply with his proposition, shall be forfeited to the State and may then be used to defray the expenses of the session of the Legislature; this \$300,000 to become a perpetual deposit to meet the interest on the bonds now out; Mr. Best to put a mortgage on the road, not to exceed \$15,000 per mile, interest not to be due until the line to Paint Rock is completed; the amount expended on this line not to exceed \$850,000; and this amount to remain untouched until the entire line is completed to Ducktown; to complete the Paint Rock line by July, 1881, and the Ducktown line by July, 1885.

A discussion of the proposition ensued. In response to inquiries, President Wilson stated that though no proposition other than this to complete the entire road with both its Paint Rock and Ducktown branches, had been made, he had no doubt that numbers of other corporations would avail themselves of the opportunity to complete the Paint Rock portion of the line if certain conditions were allowed, such as the issue of mortgage bonds. He said, further, that there is now on hand sufficient iron to build the road to Swannanoa bridge, two miles from Asheville. He also said that a number of Tennessee capitalists had expressed a willingness to complete the road from Asheville to Paint Rock.

Mr. W. T. Dortch made remarks to some length upon the proposition. He inquired if the parties who desired to purchase the road can, by mortgaging it for \$15,000 per mile, as they propose, build the entire line, why it is that the State of North Carolina cannot do it? We are to have nothing in the way of a controlling power. If we furnish, as we are to be required to do, 500 convicts, ought we not to have an interest in the management? What necessity is there for haste in the matter of the sale? The longer the delay the better. When the road is finished to Paint Rock it can be sold for \$3,000,000. Yet it is proposed to sell it now for \$550,000 in bonds which are worthless and subject to a mortgage of \$1,800,000. He did not wish to be a slave to capitalists, nor did he desire the State to give up its interest in any of its roads. The iron, rolling stock, etc. of the road were now worth a million dollars. Reject the proposition. Put the whole force of convicts on the Paint Rock division, and it can be graded in eighteen months, and as cheaply as any road in central North Carolina. Eighteen miles down the French Broad are already graded. He favored building both branches, but thought that the one to Paint Rock should be completed first, and then that to Ducktown. The treasurer says he cannot give any more money this year. Never mind that. Let us wait until the Legislature meets next winter, and ask that body to give us power to mortgage the road and raise funds. He did not propose to impose any further tax upon the people, and this plan would avoid it. The road must be completed to Paint Rock, for it will not pay if only stops at Asheville. He thought it singular that just as the great work of getting through the Blue Ridge was completed these capitalists should come here and make such offers. It was because they saw the immense importance of the line. Another thing to be considered was the regulation of freights if these parties purchase the road. Who will regulate them? The Legislature cannot do so. Once the capitalists get the road they have the people in their power. The completion of this line will give us a great bulk of

freights from the West, which now goes North. If this road be sold, next will follow the sale of the North Carolina and Atlantic and North Carolina roads. The people will then say they have expended millions on the roads from the coast to the mountains, and then after all, they have been sold, and the debt still left. The State will not be hurt by delay in this matter, for the road will be as valuable next year as now. In less than twenty years the line of railways will pay the expense of the state government. The bonds are due in 1890, but we need not pay them then. We can raise more money by mortgage to pay them. Mr. Dortch said he could think of but two objects of the capitalists in the proposed purchase. One was to secure the road and the great trade from the West over the road. The other was to control the road in the interest of Northern roads. For one of these two reasons the offer was certainly made. He said that it was officially stated that \$300,000 had been deposited here to meet the expenses of the extra session of the Legislature. This, he thought, was an outrage to North Carolina. He would scorn to take pay as a legislator save from his State.

Col. Wm. Johnston was asked to make some remarks. He agreed in many points with Mr. Dortch. The western connection is all that is needed to make the North Carolina system complete. Two hundred thousand dollars in bonds would complete the road to Paint Rock. It will facilitate and guarantee the construction of the Paint Rock branch. Every road, save one, that has gone through the Appalachian range, has been found a profitable enterprise. This is the most important proposition ever put before the people. The importance of this outlet and inlet of trade can hardly be realized. If outside corporations secure our roads, they will have a taxing power greater than the General Assembly and without any redress. They have the immense power to levy such rates as they may choose, not only now but for all time. Corporations are beginning to rule the country. It is a good time to pause and consider before disposing of valuable property. What guarantee is there that the bonds will not be put up any day and sold? There is everything to be gained by postponement. It will take the trade of an immense section of country. The pork and wheat producing West is thrown by its means in direct communication with our cotton and naval stores regions. We have the shortest route to the great West. He opposed the calling of the Legislature and recommended that Mr. Best submit the proposition to the next General Assembly.

Mr. Cooke, who was called on, said that besides the value of the road when completed, the means of completing it should be discussed. He thought the great trouble to be apprehended was that when the road reached Asheville the people would demand that it stop there, on account of the heavy taxation that its completion would require. The aggregate public sentiment of the State, he feared, would not appreciate the importance of the connection, and would not, he also thought, allow the completion of the Ducktown branch. He doubted if the next Legislature would stop the building of the road at Asheville. This has been insisted upon through the press, and in some sections of the State it has been endorsed by public sentiment. It is a pity that this is so. He did not believe that it could get support to be built to Paint Rock without the support of the men on the Ducktown route. It cannot be built to Paint Rock without building it to Ducktown. He thought there were guarantees in the proposition by Mr. Best in the fulfillment of the contract. There is no man who has been over the road but will agree that we have just begun the work on this great enterprise. There is much work to be done so expensive a character to make the road safe.

Major Wilson said the people up in his country, if it was left with them to say, would say stop the work. The North Carolina system is an idle name. The interest in the roads has passed into other hands. The interest in all save the Western North Carolina is held by other corporations. Mr. Dortch says that the State can build the road as well as these parties. Mr. Best's friends advance the money and take up the bonds. This is what Mr. Best says. I do not know his financial ability. We have an \$850,000 mortgage on the road from Salisbury to Asheville. Then there are \$550,000 of a statutory lien. There are 45 miles to iron to Paint Rock at a cost of \$350,000. Then add \$200,000 more to build it, and you have a total of \$1,800,000. It will take \$5,000,000, at the lowest estimate, to build by contracting labor the road to Ducktown. As to using the earnings of the Paint Rock branch to complete the other branch, it will take thirty years to do it, putting the earnings at one hundred thousand dollars. If the State would come forward and build the road, it would be well, but it will be so many years before this can be done that I am desirous to see the road completed by the capitalists. If they build the Ducktown branch it will, I believe, be the most valuable. He said he heard of no one coming in proposing to build to Ducktown. They are disposed to build to Paint Rock. He favored the proposition in the interest of the State and the

people of the West. He advised that the matter be submitted to the next Legislature. He also said: The proposition, as I understand it, relieves the taxpayers of \$170,000 per annum for twenty years, and guarantees the completion of the Paint Rock line in twelve months and the Ducktown line in four years, and secures to the State the money paid out since its sale. This being the case, I shall certainly favor the proposition, and thus remove all sectional differences between the east and west.

The following resolution was then submitted: That the board of directors of the Western North Carolina Railroad, having deliberately considered the proposition of W. J. Best for the purchase of the Western North Carolina Railroad, and being unable to come to a unanimous sentiment so desirable, and without an expression of sentiment from the people of the State, respectfully declining any action upon it, and request Mr. Best and his associates and other parties interested to submit their propositions to the next General Assembly of the State of North Carolina, and respectfully decline to recommend to his Excellency the Governor to assemble the Legislature to consider the proposition in special term.

Mr. Bryson said that he had hoped that the proposition would be such as the board would accept. He would much rather that the State could build the road than any corporation. His hope had for the road, and were watching for it. Now they were to be cut off from the rest of the State. If Mr. Best's proposition would build the road, he favored it. If the State would build it he favored that. He could not agree to put the convicts on one line alone. The road to Ducktown was the original line. The convict force was intended to be divided equally. This satisfied the people on both lines. All the members voted for this and supported it. I cannot now vote to cut off my country when I have been laboring for years for the completion of the road. Once cut off, the fear is that we will never be reinstated. I don't know whether it is wise or unwise to accept this proposition, but if Mr. Best will build the road, I am in favor of accepting it.

Mr. Davidson said that Mr. Bryson had expressed his views. He had assumed that Mr. Best's proposition was one made in good faith and to be carried out. He looked at it solely with a view to the completion of the road. We must not estimate the cost of the road by the face value of the bonds originally issued in aid of the road. I take it for granted that if this proposition is rejected, the fate of the western extension is sealed. I take it for granted that no man here thinks he can get another cent of direct appropriation or another convict for this road, if we go on at all we must do so upon what we now have. I do not believe we can lay a foot of iron beyond the Swannanoa bridge, two miles from Asheville, until after the Legislature meets. If you adopt Mr. Dortch's plan and mortgage the road, a year will elapse before you can realize. After you get to Paint Rock, how will you get to Ducktown? Will any one ask the Legislature to mortgage the line from Salisbury to Paint Rock to complete to Ducktown? It can't be built under this system, without further appropriations. West of the Ridge I have seen but one man who does not favor the sale. So much for public sentiment.

The adoption of this plan relieves the State of \$170,000 direct taxation, which is rather over 12 cent on the \$100. The North Carolina "system" is but a food collection. It is a thing of the dead past. It may be that we will get a better proposition. When the Legislature meets Mr. Best doesn't know whether they will accept his proposition. Hence his desire to urge it now. The people of the mountains have aided in the construction of the other roads in the State, and now you say wait! It is equivalent to saying, death, death. If we finish the road under the mortgage plan, can we tell whether the profits will be equal to the interest on the bonds? Sooner or later the interest of the State will be gone, as it has gone in the Wilmington, Charlotte and Rutherford, and is now going in the North Carolina, and Atlantic and North Carolina roads. Mr. Dortch thinks the title to the Western North Carolina Railroad is not good. This is on account of a judgment debt of over \$50,000. The only thing they could enforce would be the payment of this sum. We can take a new line. I am told that by a new survey we can save one-third of the cost to Ducktown.

Col. Johnston asked why did not Mr. Best give the names of the men associated with him?

Mr. Cooke said the Governor had been given the names, and knew the parties. Major Wilson said that one of the parties was Mr. Strout, of the Shoe and Leather Bank, of New York.

Treasurer Worth was called upon for a few remarks. He said it was his thorough belief that the people were tired of appropriating money to build railroads and support convicts. No legislature will ever make such appropriations again. The people are determined the convicts shall support themselves. He said public sentiment was in favor of the sale of the road; the State cannot build the road; it is not

able to do it. He said he knew enough of Mr. Best to say that he was able to do what he promised, and was a reliable man. He said the Legislature made appropriations without levying specific taxes to meet them. This accounted for the depleted condition of the treasury. The reduction in the levy was greater than the increase in the assessment; and that, in consequence, there would not be sufficient funds in the treasury to meet the various specific appropriations, and barely sufficient to run the machinery of the government, keep up schools and pay the interest on the public debt. Taking into consideration the amounts appropriated to the Cape Fear and Yadkin Valley and Western North Carolina Railroads, the levy falls nearly \$240,000 short of meeting the appropriations.

Mr. Henderson said he was sure that if we did not accept the proposition we were ruined. There is now really a deficiency in the treasury. These appropriations cannot be continued. Then, too, the time may come when there will be a default in the payment of interest on bonds, and then the whole mortgage will be foreclosed and the holders of mortgage bonds will take the road. The iron alone for the road from Asheville to Paint Rock will cost \$360,000.

Remarks, partly of a conversational character, were made by several other gentlemen.

A resolution was then offered by Mr. Battle, that a committee of three be appointed to examine into the proposition of Mr. Best and report this morning. This failed to pass.

The board of directors of the Western North Carolina Railroad met again at the treasurer's office Wednesday morning. All the members were present, as on the day before, save Mr. F. E. Shober.

Soon after the board had assembled his Excellency Governor Jarvis came in and requested to be allowed to make a statement. His Excellency said he desired to make some remarks in reference to a statement made by Mr. Dortch on Tuesday, and reported in yesterday's issue of the *Observer*. Mr. Dortch was reported as saying that "it was officially stated that \$300,000 had been deposited here to meet the expenses of the extra session of the Legislature. This he thought, was an outrage to North Carolina. He would scorn to take pay as a legislator save from his State."

The Governor said that either the reporter had done Mr. Dortch an injustice, or the latter had done him (Governor Jarvis) an unintentional injustice in his remarks. He was as careful of the honor of North Carolina as any man. If such a proposition as was suggested had been made by any man he would have listened to it, for he would have deemed it a species of bribery. On the 13th of January, after Mr. Best had filed his proposition which was on January 10th, he wrote Mr. Best: "To call the Legislature together is a grave responsibility, and to justify myself in so doing I must have a substantial, tangible guarantee which can be reached in this State; and for this purpose I shall require that you deposit in the Citizens' National Bank in this city, \$300,000 to be held by the bank for the following purposes, and subject to the following conditions, namely: First, if the Legislature declines to adopt your proposition, the deposit to be immediately subject to your order. Second, if the Legislature does adopt your proposition and you fail to close the contract, or purchase, as agreed upon the Treasurer of the State shall apply the deposit to the payment of the expenses of the session of the Legislature. Third, if the proposition is adopted and closed according to agreement, the deposit to remain as a further security for the payment of the interest on the \$850,000 mortgage bonds, now outstanding and which you agree to pay, until the said bonds are paid and cancelled."

The Governor further said: "The reason I requested the deposit was because after the Legislature had passed the proposition, Mr. Best might then have refused to enter into the contract and left us without security, with the expense of the Legislature for nothing, and I require it as a further security for the payment of the interest which the State has guaranteed. This was the purpose of requiring the deposit. I think Mr. Dortch will so declare when he understands the facts as they are."

[The reporter was entirely correct in his report of Mr. Dortch's remarks.]

The Governor then withdrew and the consideration of the proposition of Mr. Best was resumed.

Mr. R. H. Battle, Jr., spoke to the proposition. He said that he had apprehended that there would be a little difference of opinion in the board as to whether the Legislature should be called together. He thought, however, that the question was not without difficulties. We are now called upon to decide what we ought to do. Four weeks ago we met at here to receive a proposition from Mr. Best, I think we acted wisely in declining to favorably consider the proposition that time for several reasons. Mr. Best has repeated the proposition with some amendments. The Governor has considered it carefully and suggested amendments

guarding the interest of the State. The questions for us to consider are, first, whether this bid will remain open until the next Legislature meets. Of this we have no assurance. Then the question arises, if we are not certain that this proposition may be repeated, should we not give the Legislature an opportunity to say what is to be done with the property of which that body alone has control, and about which that body alone has a right to act? We are not called on to decide. We stand merely in the relation of advisers. I have come to the conclusion that my duty is to vote to give the Legislature an opportunity to decide upon the matter. Only \$20,000, the amount required to pay the expenses of the special session, is at stake on one side, and this great interest on the other. If any one at the session of the Legislature offers a better bid, it can then be accepted, for the Legislature has a perfect right to reject this proposition and accept others. We must take into consideration the wishes of the people of the State. So, inasmuch as we do not act decisively, but only to let the Legislature decide, we ought, with such amendments as we think should be inserted to guard the State's interests, submit the proposition to the Governor and advise him to call the Legislature.

Mr. Dortch said that twelve months would make but little difference. The members of the next Legislature would come here instructed by their constituents, while the present members would not be.

Major Wilson said that Mr. Shober (who is a member of the board of directors) had in Washington authorized him to state that he favored the proposition.

Mr. Henderson offered the following resolution, which was intended as a substitute for the resolution offered by Mr. Wilson:

Resolved, That we recommend to his Excellency the Governor to convene the Legislature to consider the proposition of Mr. Best and associates for the purchase of the Western North Carolina Railroad; that we suggest that the draft of the bill which has been submitted to us by the Governor shall be amended in some material particulars to more perfectly protect the interests of the State.

On this resolution the yeas and nays were called by Mr. Dortch.

Mr. Bryson said that several very essential amendments should be made.

The following was the vote: Yeas—Bryson, Henderson, Battle, Davidson and Wilson—5. Nays—Dortch, Brown, Powell, Roberts, Richardson and Scates—6. So the motion was lost.

Mr. Davidson then offered the following resolution:

Resolved, That while in the opinion of a majority of this board it is inadvisable to call the Legislature together to consider the proposition of Mr. Best and his associates, we here and now reiterate our determination to use all the means at our command to press the work to completion to Paint Rock and Ducktown.

Mr. Davidson said that the news of this action would carry consternation among his people, who were those in North Carolina most interested in obtaining the completion of the road, and he would be glad to carry back with him some re-assurances on this subject. He took it for granted that this would end the question of Mr. Best's proposition.

Mr. Bryson said that his people were willing to wait for the road to be built under the present law, if they were not afraid that the Legislature would cut them off by stopping the work.

Mr. Dortch said that it was his firm impression that the plan of building to Paint Rock and then building the Ducktown branch would be carried out. He wanted an outlet. He wished the people to see that something was done. He was purely unselfish in the matter, and he acted only as a North Carolinian.

Mr. Bryson replied that his people would fear that the Ducktown branch of the line was to be cut off.

Mr. Davidson said that the matter of the division of the work on both lines had been for twenty years a bone of contention and had been adjusted in the present way, which is that the force of convicts should be divided.

Mr. Scates said he was not willing to agree to part of the resolution—that the State should keep the road in the possession of the State. That depended on circumstances, and a proposition might be offered which would be advisable to accept. We have simply expressed the opinion that the true interests of the State would not be subserved by calling the Legislature together in special session at this time. Of course, we would use all the means in our power to complete the road. These means are given in the act of Assembly. We would be false to our trust if we did not use them. His idea was that delay would enable us better to know the wishes of the people with regard to the disposition of their own property, and would also give a better chance for competition in bids. The resolution might be construed as asking the Legislature to add to the amount now appropriated and the means now furnished.

Gov. Roberts took the same view as Mr. Scates. He was unalterably opposed to the sale of the road. The matter could

be left open for the Legislature to consider.

The resolution offered by Mr. Davidson was then adopted.

Mr. Scates then offered the following resolution:

Resolved, That this board does not deem it necessary to the true interests of the State of North Carolina, or its western portion, that the question of the sale of the Western North Carolina Railroad should be considered in special session of the General Assembly; but on the contrary believe that these interests will be best subserved by referring such question and all propositions to purchase to the next regular session in January, 1881, when the wishes of the people will be better known, and the chances for competition much increased.

On the passage of this yeas and nays were called, with the following result: Yeas—Dortch, Powell, Brown, Roberts, Richardson and Scates. Nays—Bryson, Henderson, Battle, Davidson and Wilson.

The board then proceeded to the consideration of other matters.

Self-Reliance.

There is no element in a man's character that contributes more to his success in life than confidence or self-reliance in his own ability. A faint-hearted man is unstable, and will never excel. Faith, in the endeavor to will and to execute, is as important in a successful business career as is the keystone to the arch.

A man possessed of a bold, daring, resolute will, may be modest in revealing his powers, but will be determined in performing what he conceives to be right. To men with this never-dying faith there is no such word as defeat, and when obstacles present themselves in their path, it only results in their putting forth a greater effort to accomplish their purpose. Toil, trial, disaster, gloom and danger may environ and threaten to overthrow the most cherished plans; yet, over and above all hindrances the heroic soul will triumph and win fame and honor. The discouragement that retard the irresolute only discover the weak places to the brave, and strengthening these, they renew the conflict with increased vigor. Timidity creates cowards, and never wins success. It is strong and abiding faith in one's own ability to perform that overcomes difficulties which others thought could not be surmounted.

In all the pursuits of life we find that those who achieve honor and distinction are strong and self-reliant in their own powers, exercise faith in their own ability, and carry out plans conceived in their own brain. Morse had faith in telegraphing wires, and Field in sub-marine cables, and today, in consequence thereof, the lightning is harnessed to convey the news of the world in every part of the habitable globe within the compass of a few hours. Two young men in 1862 commenced a banking business in Wall street, New York, a small office. They had faith in their own ability and also that of the United States to pay its great war debt. To-day they are the leading bankers in government securities on this continent, their daily sales running into the millions, and their name and credit take high rank in all the financial centres of the world. Not many years ago Edison occupied an humble position as a telegraph operator; to-day his name and fame are world-wide as associated with some of the grandest discoveries of ancient or modern times. Astor, Stewart, and Vanderbilt furnish examples in the large fortunes they created as to what well directed energy and determination can accomplish in business pursuits, while the eventful life of the late Judge Tacker is another striking illustration of the high position that can be attained by reliance and perseverance in the individual man, backed by a liberal endowment of common-sense. In the ever-widening paths of commerce and the ever-increasing monetary circles, there opens up before the young men of the nation rare opportunities to win wealth and fortune. In agricultural, mining, industrial and mercantile pursuits like avenues to attain distinction are presented. But fortune will not come by chance nor distinction by hazard; both must be won by strong heroic endeavor. Backbone is vital in achievement of lofty aims, and nerve and grit are essential requisites in the battle of life. A man to triumph, must have faith in his enterprise and reliance in his ability.

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