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## Major Campbell Wallace: Southern railroad leader

William Lester Ketchersid  
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Stanley J. Folmabee, Major Professor

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Accepted for the Council:

Carolyn R. Hodges

Vice Provost and Dean of the Graduate School

(Original signatures are on file with official student records.)

August 4, 1966

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W. J. Fisher

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W. P. King

Accepted for the Council:

Hilton A. Smith  
Dean of the Graduate School

**MAJOR CAMPBELL WALLACE: SOUTHERN RAILROAD LEADER**

---

**A Thesis**

**Presented to**

**the Graduate Council of**

**The University of Tennessee**

---

**In Partial Fulfillment**

**of the Requirements for the Degree**

**Master of Arts**

---

**by**

**William Lester Ketchersid**

**August 1966**

## PREFACE

Major Campbell Wallace distinguished himself as a railroad leader in Tennessee and Georgia during the middle years of the nineteenth century. From 1853 until 1863 he occupied the presidency of the East Tennessee and Georgia Railroad Company and from 1866 until 1868 was superintendent of the Western and Atlantic Railroad. During his years on the East Tennessee and Georgia, he was able to place that road on a firm financial basis, as well as to direct efficiently the expansion of that road. In Georgia, under his effective administration, the war-devastated Western and Atlantic was restored to first class operating condition; furthermore, the line paid many of its debts. During his three terms (1879-1890) on the Georgia Railroad Commission, Wallace was active defending individual rights over corporate rights; moreover, he was a guiding hand in the organization and construction of two Alabama railroads. Thus, the basic purpose of this study is to determine the influence of Major Wallace in the development of railroad enterprise throughout the South in the nineteenth century.

In assessing Wallace's achievements, the majority of material was taken from the Campbell Wallace Papers in Special Collections

in the University of Tennessee Library, which is the only primary source that covers his entire life. Of course, additional primary sources such as newspapers, census returns, and legislative journals were consulted. The writer is fully aware that many of these sources are not very reliable; however, since they are the only ones available, it has been necessary to utilize them. Several of the sources, especially the Atlanta Constitution, are rather eulogistic in their descriptions of Wallace's activities; thus, the writer has experienced real difficulty in attempting to present a critical study. Yet, when possible, more dependable materials such as the Acts of Tennessee, census returns, and the official reports of the various railroads were consulted.

The writer has introduced the thesis with a brief history of the railroad movement in Tennessee and has proceeded to discuss the events that led to the establishment of the East Tennessee and Georgia Railroad Company. A second chapter deals with Major Wallace's contributions to the East Tennessee and Georgia and a third with his career on the Western and Atlantic. Finally, there is a fourth chapter that briefly sketches Wallace's later life and a fifth that contains some concluding comments. Because of the lack of sources, Wallace's early and later life are treated only slightly; therefore, it is perhaps fortunate that these years were less important to his career.

The writer acknowledges his indebtedness to Professor Stanley J. Folmsbee for suggesting the topic and for his patient direction and assistance in the preparation of this thesis. He also wishes to express his sincere gratitude to Professors Ralph W. Haskins and Daniel W. Hollis for their helpful suggestions and valuable criticism.

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## CHAPTER I

### MAJOR WALLACE AND THE ORIGIN OF THE EAST TENNESSEE AND GEORGIA RAILROAD

#### I. WALLACE'S RISE TO PROMINENCE

Campbell Wallace, the son of Mr. and Mrs. Jesse Wallace, was born in Sevier County, Tennessee, on December 7, 1806. Jesse Wallace, whose father was a soldier in the American Revolution and one of East Tennessee's first magistrates, was of Scotch Presbyterian ancestry. His ancestors had lived in the famous Waxhaw settlement in North Carolina.<sup>1</sup> In Wallace's early youth, his parents moved to Maryville, where he lived until he was fourteen. While still a lad, he attended Issac Anderson's Seminary, the present-day Maryville College. As far as can be determined, this experience was the extent of the boy's formal education. In 1820, young Wallace, only fourteen, journeyed to Knoxville where he began working in the dry goods store of Charles McClung.<sup>2</sup> His father, anxious to see Wallace become a success, wanted him to try his hand in business for a short time. Thus, after

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<sup>1</sup>Atlanta Constitution, May 4, 1895.

<sup>2</sup>Stanley J. Folmsbee and Thomas C. Schrodt, "Sut Lovingood's Hark from the Tombs Story," The Livingood Papers. Edited by Ben McClary (University of Tennessee Press, Knoxville, 1964), 35-36.

three years of faithful service, he left Mr. McClung and returned to his father's home.

In 1834, Wallace returned to Knoxville with the hope of once again obtaining employment with Charles McClung. As a result of his former service to the firm, he had little difficulty obtaining a junior partnership. This partnership, effected in 1837, was with two sons of Charles McClung, Matthew and Hugh L. McClung. The business that these three controlled was the first wholesale house established in Knoxville, Tennessee.<sup>3</sup> Meanwhile, Major Wallace, as many of his friends already called him, had married on May 31, 1831, Susan Elizabeth Lyons of Roane County. Several children were born as a result of this marriage, but the only one who obtained any measurable prominence was Charles Barclay Wallace, who was born on September 20, 1836.<sup>4</sup> He will be mentioned in greater detail in a later chapter.

The wholesale house, which specialized in the distribution of dry goods, was called McClung, Wallace and Company; it transacted a lively business throughout the entire East Tennessee area, especially since it

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<sup>3</sup>Official Souvenir and History of Knoxville (n. n., n. p., 1941), 11.

<sup>4</sup>From a notebook compiled by Margaret Wallace Neal, 1927, in the possession of Campbell Wallace, Jr., of Knoxville, Tennessee. Wallace never served in the armed forces; his friends merely nicknamed him "Major."

allowed an extensive number of purchased on credit.<sup>5</sup> When Hugh L. McClung died in 1842, Wallace bought out his interest in the concern and established the Campbell Wallace Company, which was located at the corner of Gay and Main Streets in Knoxville.<sup>6</sup> Evidently the company remained a dry goods store, since in October of 1849 there was an advertisement in Brownlow's Knoxville Whig which indicated that Wallace wished to sell grain, cigars, yarns, cement, cotton, tobacco, and rifles. From the receipts of the establishment, it is certain that the company sold goods throughout the Knoxville area; there are records of purchases made by persons as far south as Meigs and Roane Counties.<sup>7</sup> His reputation as a businessman must have grown because in 1846 Wallace served as legal adviser to Sam Wallace and E. Alexander, two Knoxville merchants, for the handsome fee of one thousand dollars.<sup>8</sup>

The Major's business success evidently brought prestige, because he was reputedly named a trustee of the Knoxville Female Academy,

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<sup>5</sup>Receipts of McClung, Wallace, and Company, 1841-42, The Campbell Wallace Papers (1840-53), MSS. in Special Collections, University of Tennessee Library, Knoxville.

<sup>6</sup>Folmsbee and Schrodt, op. cit., 36.

<sup>7</sup>Knoxville Whig, October 27, 1849; McClung, Wallace and Company Receipts, 1841-42, Wallace Papers (1840-53).

<sup>8</sup>Article of agreement among Sam Wallace, E. Alexander, and Campbell Wallace, October 6, 1846, Wallace Papers (1840-53).

East Tennessee College, and of the Tennessee School for the Deaf.<sup>9</sup> However, his name is not found in the various legislative acts designating trustees of the three institutions. All evidence points to the fact that he was in rather sound financial shape, since there are records indicating that he owned several slaves, as well as a large amount of land in Walker County, Georgia, and in Knox and Roane Counties in Tennessee. Moreover, the original returns of the Eighth Census of the United States valued his real estate at \$46,000 and his personal estate at \$40,000.<sup>10</sup>

## II. ORIGIN OF THE EAST TENNESSEE AND GEORGIA RAILROAD

Since Wallace's career as a Knoxville businessman has been discussed, there should follow a discussion of his activities on the East Tennessee and Georgia Railroad, the line of which he was president from 1863 to 1863. In order to place events in their proper perspective,

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<sup>9</sup>Folmsbee and Schrodt, op. cit., 35-36. According to Stanley J. Folmsbee, East Tennessee University, 1841-1879 (University of Tennessee Press, Knoxville, 1959), 50, citing Acts of Tennessee, Wallace was appointed trustee of East Tennessee University in 1865.

<sup>10</sup>Agreement of purchase between C. Wallace and James W. Nelson, February 2, 1854; agreement of purchase between C. Wallace and Sarah Thompson, February 4, 1852; and an indenture of the state of Georgia, November 25, 1865, Wallace Papers (1840-53); Eighth Census of the United States, Original Returns (on microfilm, University of Tennessee Library).

there follows a brief history of the development of the railroad from its predecessor, the Hiwassee Railroad Company. The remainder of Chapter I will be devoted, therefore, to a discussion of the birth of rail-roading in Tennessee, the founding of the Hiwassee Railroad Company, and the evolution of the East Tennessee and Georgia Railroad Company from the Hiwassee. After this is done, the narrative will turn to the accomplishments of Major Wallace during his term as president of the East Tennessee and Georgia Railroad Company.

Aroused by the news of railroad enterprises in the Eastern states, the people of Tennessee, in the 1830's, began to toy with the possibility of rail connections with other areas of the country. They had seen how the steamboat had facilitated water transportation; thus, they were certain that cross-country difficulties would rapidly disappear if railroads were developed in the state. Quite naturally, such sentiment arose first in East Tennessee, instead of in Middle and West Tennessee, since the eastern area of the state had always been isolated by mountains from the rest of the state and the nation. Thus, leaders in the region saw a chance to make great strides in establishing efficient communication with outside areas.<sup>11</sup>

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<sup>11</sup>Stanley J. Folmsbee, Sectionalism and Internal Improvements in Tennessee, 1796-1845 (The East Tennessee Historical Society, Knoxville, 1939), 84.

In the early 1830's, because of the efforts of East Tennesseans, such as Dr. J. G. M. Ramsey of Knoxville, there were various attempts to establish railroad companies in the eastern section of Tennessee. Already, there were schemes of rail connections with Virginia, North Carolina, South Carolina, and Georgia;<sup>12</sup> however, none of these plans materialized. Yet, excitement intensified during the first two months of 1836, when the Cincinnati and Charleston Railroad Company was incorporated in South Carolina, North Carolina, Tennessee, and Kentucky, with the design of connecting the cities of Cincinnati and Charleston. In the same year, the Cincinnati and Charleston Company agreed to build a branch to Louisville, and the name of the company was changed to the Louisville, Cincinnati, and Charleston Railroad Company. To arouse interest in carrying forward this mammoth undertaking, a convention was held in Knoxville on July 4, 1836, with Robert Y. Hayne of South Carolina as its president. A committee appointed by the convention recommended that a main line of the railroad be constructed from southwestern North Carolina, then along the valley of the French Broad River to Knoxville, and on through Cumberland Gap into the state of Kentucky, and across the state to the

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<sup>12</sup>Ibid., 85-91.

Ohio River opposite Cincinnati.<sup>13</sup>

This plan satisfied most East Tennesseans; however, some delegates from Georgia, who had hoped that a Georgia route would be used as the main line for the Louisville, Cincinnati, and Charleston, were distressed at the decision of the convention. Learning of their dissatisfaction, some McMinn County delegates informed the Georgia delegates of the existence of a Hiwassee Railroad Company charter, which had been granted by Tennessee in January of 1836 for the purpose of building a railroad from Knoxville to the Georgia line, with the hope of eventually connecting the road with some extension of the South Carolina Railroad. Upon hearing of this charter, a group of Georgia railroad enthusiasts held a convention at Macon and decided to construct several railroads. One was to extend from Augusta, on the Savannah River opposite the terminus of the South Carolina Railroad leading to Charleston, to the site of Atlanta. Another, to be called the Western and Atlantic, of which Wallace was eventually to become superintendent, was to be built from Atlanta to Ross's Landing on the Tennessee River, near the site of Chattanooga. In turn, the Georgians expected the Hiwassee

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<sup>13</sup>Ibid., 131-32. The actual phraseology was along the French Broad and Holston Rivers to Knoxville, because at that time the portion of the present Tennessee between the mouths of the French Broad and the Little Tennessee was called the Holston.

Railroad Company to construct a line from Knoxville to a junction of the Western and Atlantic near Dalton, Georgia.<sup>14</sup>

In the meantime, as soon as the Knoxville group had dispersed, promoters of the Hiwassee Railroad began to solicit subscriptions for stock for the proposed line. After obtaining the aid of six McMinn County railroad advocates, to the amount of \$400,000, organization was completed; and in April of 1837 a board of directors was chosen with Solomon D. Jacobs named as president of the company.<sup>15</sup> In the same year, construction began near Athens, which is thought to have been the first railroad building in Tennessee.<sup>16</sup> Unfortunately, the Hiwassee Railroad Company had been unable to collect enough of the private subscriptions to qualify for state aid under a Tennessee law of 1836. Thus, conditions looked rather unpromising for the road.<sup>17</sup> However, in 1838 the Tennessee General Assembly passed the "Bank and Internal Improvement Act," which increased the amount of state subscriptions to the stock

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<sup>14</sup>Stanley J. Folmsbee, Robert E. Corlew, and Enoch L. Mitchell, History of Tennessee (Lewis Historical Publishing Company, Inc., New York, 1960), I, 362-83. Even more details can be found in Folmsbee, Sectionalism and Internal Improvements, 132-33.

<sup>15</sup>Ibid., 133-34.

<sup>16</sup>Folmsbee, Corlew, and Mitchell, op. cit., 384-86.

<sup>17</sup>Folmsbee, op. cit., 156-57.



of railroad and turnpike companies from one-third to one-half. The amount allocated to East Tennessee was limited to \$1,300,000, which was to be divided equally between the Hiwassee and the Louisville, Cincinnati, and Charleston railroad companies.<sup>18</sup> This time the Hiwassee Company was able to qualify for state bonds, which were to be issued in proportion to the amounts of individual subscriptions collected, and the \$375,000 in bonds it received prevented an early bankruptcy. Nevertheless, in 1842 the company failed because of lack of funds, after it had made some strides toward building a railroad, having graded nearly sixty miles of right-of-way and having built a bridge over the Hiwassee River.<sup>19</sup>

Meanwhile, in 1839, there had been an effort of the Louisville, Cincinnati, and Charleston railroad to consolidate with the Hiwassee road. It was the desire of several East Tennesseans to persuade the two companies to combine in a united effort to construct a railroad line to Knoxville. At this point, Major Wallace entered the scene. He was named to mediate between the two companies; however, the plan for union failed, and with this failure fell the two railroads and the

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<sup>18</sup>Acts of Tennessee, 1837-38, pp. 164-65.

<sup>19</sup>Folmsbee, Corlew, and Mitchell, loc. cit.

sought-after rail connection to Knoxville.<sup>20</sup> No details are known of Wallace's activities on the committee; nevertheless, it is ironic that he was to be a guiding hand in the construction of a railroad along the same route which he had hoped to save in 1839.

Despite the adverse economic conditions of the late 1830's and early 1840's, interest in railroad building revived in the late forties largely because of the construction of railroads in most of Tennessee's neighboring states, especially Georgia. As the Western and Atlantic line to Chattanooga from Atlanta, which was already connected by rail with Charleston and Savannah, moved rapidly toward completion in 1848 and 1849, East Tennesseans' enthusiasm for railroad construction began to rise.<sup>21</sup> Thereupon, in 1847, the Hiwassee Company was reorganized; directors were elected and T. Nixon Van Dyke was chosen president. As president, Van Dyke initiated a campaign to restore public confidence in the company. He realized that much of the outstanding debt must be paid, and he accomplished this feat by persuading the company's creditors to accept one-half of the amount due them in stock of the company and the other half in bonds. Thus, during 1847 the road's debt was slashed from

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<sup>20</sup>Folmsbee, op. cit., 194-95.

<sup>21</sup>Folmsbee, Corlew, and Mitchell, op. cit., 388-89.

\$235,327.34 to \$42,053.95.<sup>22</sup>

Late in 1847, the new Hiwassee directors sent a memorial to the General Assembly asking for a revision of the company's charter so as to change the name of the company to the East Tennessee and Georgia Railroad Company and to extend the time for the road's completion until 1860.<sup>23</sup> On February 4, 1848, the General Assembly amended the charter as desired by the directors; also, the amending act further provided that the governor should be permitted to endorse the company's bonds up to the amount of \$350,000. Very important, also, was the provision authorizing the company to connect its railroad with the Western and Atlantic at Dalton, Georgia, if the Georgia legislature would approve the connection.<sup>24</sup>

With a sound company and with permission from the state of Georgia, the East Tennessee and Georgia Railroad Company was able

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<sup>22</sup>J. W. Holland, "The East Tennessee and Georgia Railroad, 1836-1860," East Tennessee Historical Society's Publications, No. 3 (1931), 99-100.

<sup>23</sup>Memorial of the Hiwassee Railroad Company, signed by Thomas C. Lyon, T. Nixon Van Dyke, and G. M. Hazen in Senate Journal, 1847-53, Appendix, 401-405.

<sup>24</sup>Acts of Tennessee, 1847-48, pp. 272-74. The \$350,000 in state aid was changed in 1850 to a loan of state bonds to that amount. Senate Journal, 1849-50, 132-35.

to begin work on its line at Dalton on January 1, 1851. By August 9, 1853, there were eighty-two miles of the East Tennessee and Georgia Railroad in operation from Loudon, Tennessee, to Dalton, Georgia.<sup>25</sup> Such was the status of the East Tennessee and Georgia Railroad Company when Major Wallace became president in 1853; and he was left with the task of completing the railroad to Knoxville.

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<sup>25</sup>Houston Johnson, Western and Atlantic Railroad of the State of Georgia (Stein Printing Company, Atlanta, 1932), 38-39.

## CHAPTER II

### ADMINISTRATOR OF THE EAST TENNESSEE AND GEORGIA RAILROAD

#### I. EXPANSION OF THE LINE

In the annual report of the president of the East Tennessee and Georgia Railroad for the year 1852, Thomas H. Callaway described the condition of the railroad:

The earnings, though small, have come fully up to the expectations of the Directors and show conclusively that the road will, in the future, be able to take care of the interest on State debt of \$350,000 and the bonds issued by the Company, and besides have a handsome sum, either to apply to the extension of the Road to Knoxville or to pay on the floating debt of the Company.<sup>1</sup>

According to the report, railroad construction had progressed so rapidly since work had started at Dalton, Georgia, on January 1, 1851, that by April 6, 1852, the line was completed as far north as Sweetwater. Under the able administration of President Callaway, the road was completed by May 10, 1852, to Philadelphia and by September to Loudon. It appears that as soon as the railroad was completed to Loudon, business

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<sup>1</sup>Annual Report (1852) of the East Tennessee and Georgia Railroad, Edited by President Thomas H. Callaway in the Athens Post, February 25, 1853.

experienced a definite increase because farmers and merchants could then ship products to Loudon, and from there these products could be carried by steamer<sup>2</sup> up the Tennessee River to Knoxville and to other points in upper East Tennessee. The annual report further indicates that the remainder of the road to Knoxville was under contract by the end of 1852, even though construction had not yet begun on that section.

The engineer's estimated cost of the extension to Knoxville was approximately \$544,000, with funds for construction to come from the following sources:

Loans from the State for the Tennessee River Bridge at Loudon	\$100,000
Loans from the State for iron and other equipment	\$240,000
Stock subscribed by residents living along the proposed route	\$156,000
Funds still needed	<u>\$ 48,000</u>
Grand Total	\$544,000

In order to obtain this needed amount, the president indicated that the officials of the company were contemplating calling in 25 per cent of the subscription money each year, since that was the legal rate provided for by the company's charter. With such a step in view, Callaway felt that

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<sup>2</sup>Ibid.

the road could be finished to Knoxville in early 1855.<sup>3</sup>

The net earnings of the railroad from January 1, 1852, until November 30, 1852, were \$57,925.54; and the operating expenses for the same period were \$35,921.82. Thus, the net profit for the year was \$22,004.72. This amount, compared to the projected cost of the road from Dalton to Knoxville, \$1,966,634.25, seems meager indeed.<sup>4</sup> Therefore, it can be clearly seen that by the end of 1853, although the railroad was able to pay part of its own way, its position would remain so unstable that only able administration could enable the company to stand entirely on its own strength.

Major Wallace succeeded Callaway as president in September, 1853;<sup>5</sup> and he introduced his annual report for 1853 with a statement praising his predecessor for the excellent service he had rendered:

With the last of September your former worthy and efficient President Thos. H. Callaway, impelled by private interests, so pressing as to deny [sic] him the pleasure of serving you longer, tendered his resignation, which was with much regret and reluctance accepted--at the same time your present executive

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<sup>3</sup>Ibid.

<sup>4</sup>Ibid.

<sup>5</sup>Annual Report (1853) of the East Tennessee and Georgia Railroad. Edited by President Campbell Wallace in the Athens Post, January 6, 1854.

officer was elected for the unexpired term and entered at once upon the discharge of the duties of his office.<sup>6</sup>

Wallace proved to be an able administrator during his first six months with the road. Profits for 1853 were \$51, 158. 22, a figure more than double that of the previous year. In fact, the road yielded a return of 3 1/2 per cent on the cost of construction;<sup>7</sup> in addition, the stock value of the company rose to such an extent that on January 2, 1854, the stockholders adopted a resolution instructing President Wallace to declare semi-annual dividends.<sup>8</sup> Besides all these advances, the railroad had recently contracted with several copper miners in lower East Tennessee to haul forty tons of copper daily over the line; and the prospects for additional shipments appeared excellent.<sup>9</sup>

During 1853 some additional progress had been made on the construction of the road between Loudon and Knoxville. M. B. Prichard, the chief engineer for the East Tennessee and Georgia, corresponded frequently with Major Wallace concerning matters of construction;

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<sup>6</sup>Ibid.

<sup>7</sup>Ibid.

<sup>8</sup>The East Tennessee and Georgia Railroad Company Stockholder's Report (January 2, 1854) in the Athens Post, January 6, 1854.

<sup>9</sup>Annual Report of the East Tennessee and Georgia Railroad (1853).



however, most of his letters are concerned with technical matters,<sup>10</sup> which prove of little interest to the historian. More precisely, Wallace related in his annual report that work was progressing north of the Tennessee River, as well as on the bridge across that river at Loudon. As for the prospects of completion of the road to Knoxville, Wallace commented:

This, to some extent is speculative ground and in a report like this should be cautiously entered, but relying on the estimates and expectations of the Chief Engineer, who is more competent than all others to determine, we may confidently assert that the Road will be finished to Knoxville during the present year, provided always, that the stockholders furnish promptly the means.

Wallace noted further that the charter for constructing a branch line from Cleveland to Chattanooga was in the hands of the company; moreover, he advocated that measures be taken to allow construction on that portion of the East Tennessee and Georgia.<sup>11</sup> The charter which the East Tennessee and Georgia Company possessed was the old charter of the Chattanooga, Harrison, Georgetown, and Charleston Railroad Company, allowing that company to build a railroad from Chattanooga to Cleveland.<sup>12</sup>

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<sup>10</sup>M. B. Prichard to Campbell Wallace, December 6, 1853, Wallace Papers (1840-53).

<sup>11</sup>Annual Report of the East Tennessee and Georgia Railroad (1853).

<sup>12</sup>J. W. Holland, "The East Tennessee and Georgia Railroad, 1836-60," East Tennessee Historical Society's Publications, No. 3 (1931), 103.

Because of the difficulties of contracting for the job, the construction of the branch line was delayed for about a year and a half.<sup>13</sup>

During 1853-54, there developed intensive competition between the East Tennessee and Georgia Railroad Company and the Tennessee River Mining, Manufacturing, and Transportation Company, to such an extent that on December 28, 1853, James Williams, head of the latter, wrote Wallace requesting that the railroad deal fairly with the river interests.<sup>14</sup> Soon after his letter from Williams, Wallace publicly replied to the river advocates in the columns of the Athens Post, stating that the East Tennessee and Georgia could operate as cheaply as the steamboat companies; moreover, he indicated that the railroad would ship products by rail to Loudon and then transport the products by steamer to points north of Loudon.<sup>15</sup> Furthermore, the Major indicated that the road would remain honest in its dealings with Williams' company. At any rate, the Major's policies were successful, as is indicated by the following resolution of the company's stockholders:

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<sup>13</sup>M. B. Prichard to Campbell Wallace, September 26, 1856, Wallace Papers (May, 1855-1860).

<sup>14</sup>James Williams to Campbell Wallace, December 28, 1853, Wallace Papers (1840-1853).

<sup>15</sup>Athens Post, February 17, 1854.

Resolved, That a semi-annual dividend of three dollars per share on paid stock be now declared to the third Monday of July, 1854, which the President and Secretary are hereby authorized and directed to pay the stockholders, both State and individual, in Scrip, convertible into capital stocks.<sup>16</sup>

The rapid growth led the company to consider seriously expansion, employing the Chattanooga, Harrison, Georgetown, and Charleston Railroad charter which the line possessed. This effort nearly emerged into reality in April, 1854, when L. C. Garland of the North Eastern and South Western Alabama Railroad Company wrote Wallace requesting the East Tennessee and Georgia to consider a possible connection of the two railroads at either Cleveland or Chattanooga.<sup>17</sup> As a result of this communication, Major Wallace instructed his chief engineer, M. B. Prichard, to negotiate with a certain Broughton Construction Company about building a line from Chattanooga to Cleveland. Unfortunately, an agreement was not concluded at this time; and the road to Chattanooga for the moment passed from the scene.<sup>18</sup> Nevertheless, in August, 1854, negotiations were initiated with John D. Gray of Opelika, Georgia, about the possibility of building the branch to Chattanooga.

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<sup>16</sup>Ibid., August 4, 1854.

<sup>17</sup>L. C. Garland to Campbell Wallace, April 7, 1854, Wallace Papers (1854).

<sup>18</sup>M. B. Prichard to Campbell Wallace, April 23, 1854, Wallace Papers (1854).

Gray had already established himself among railroad builders, having done much of the work on the Western and Atlantic line. Thus, his services were desired by the East Tennessee and Georgia.<sup>19</sup> These negotiations, however, continued until 1856 before they proved successful.

Probably one factor in encouraging the East Tennessee and Georgia to reach an agreement with Gray was the resolution adopted by the Nashville and Chattanooga Railroad Company on December 13, 1854:

Resolved that in case the East Tennessee and Georgia Railroad Company fail to prosecute immediately the construction of a railway to connect the Southeastern end of the Nashville and Chattanooga Railroad directly with the road of said company, then, as soon as such probable failure is ascertained, the Board of Directors of this company are hereby authorized and requested to unite with any other organized Rail Road Company and provide for the early construction of a railway from Chattanooga to an intersection with the East Tennessee and Georgia Railroad at such point as will in their opinion best promote the interest of this company. . . .<sup>20</sup>

Whether this move was a major factor, an agreement was reached between Wallace's line and Gray in September, 1856, thus enabling construction of the branch line to begin.<sup>21</sup>

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<sup>19</sup>Athens Post, August 16, 1854.

<sup>20</sup>Copy of Resolution of Stockholder's meeting of the Nashville and Chattanooga Railroad Company, December 13, 1854, Wallace Papers (September, 1854-April, 1855).

<sup>21</sup>M. B. Prichard to Campbell Wallace, September 26, 1856, Wallace Papers (May, 1855-1860).

The annual report for 1854 indicated that the cost for transportation and maintenance of the railroad had dropped from 45 per cent of the earnings to 36 1/2 per cent. Wallace was amazed that this feat was accomplished during a year of economic depression in East Tennessee. At the same time, the net profits for 1854 were \$79,301.74, compared with approximately \$51,000 for the previous year.<sup>22</sup> Work was also proceeding well on the construction of the road from Loudon to Knoxville. In regard to this progress, M. B. Prichard wrote Wallace in December, 1854: "It is certainly our best chance to get the road to Knoxville by April."<sup>23</sup> Though Prichard was overly optimistic, trains were running to Concord by the middle of May, 1855.<sup>24</sup> Soon, the line was completed to Knoxville, and in June, 1855, the first train arrived in that East Tennessee town. On July 4 a large celebration was held in Knoxville applauding the East Tennessee and Georgia officials for their success in completing the railroad to that city.<sup>25</sup> William G. Browlow, editor

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<sup>22</sup>Annual Report of the East Tennessee and Georgia Railroad. Edited by President Campbell Wallace in the Athens Post, January 5, 1855.

<sup>23</sup>M. B. Prichard to Campbell Wallace, December 5, 1854, Wallace Papers (1854).

<sup>24</sup>Athens Post, May 11, 1855.

<sup>25</sup>Knoxville Whig, May 26, 1855.

of the famous Knoxville Whig, again praised the East Tennessee and Georgia Railroad Company for its fine efforts, which had resulted in the completion of Tennessee's second railroad. In a special edition on December 25, 1855, Brownlow states: "So much has our Railroad enhanced the value of lands in East Tennessee, that we consider the Road does not owe the stockholder one dollar of dividends upon a fair and just settlement."<sup>26</sup> Moreover, the "branch" (which later became the main line) from Cleveland to Chattanooga was completed in 1858, and it connected Chattanooga, Atlanta, Nashville, and Knoxville, the four major cities in the central South.

Thus, these events from 1853 to 1858 reflect the primary accomplishments of the railroad during Major Wallace's early years as president of the East Tennessee and Georgia. Certainly, during this period, the road remained on a firm financial basis despite the large sums that were constantly being spent. At any rate, by 1858, with the completion of the East Tennessee and Virginia Railroad from Knoxville

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<sup>26</sup>Special Christmas edition of the Knoxville Whig, December 25, 1855. Brownlow spoke of the railroad only in general terms, furnishing no specific evidence of how it affected land values. In August, 1855, however, following the completion of the East Tennessee and Georgia, as well as the Nashville and Chattanooga, 150,000 bushels of wheat were shipped over the Western and Atlantic, some of it for Northern markets. Stanley J. Folmsbee, Robert E. Corlew, and Enoch L. Mitchell, History of Tennessee (Lewis Historical Publishing Company, Inc., New York, 1960), I, 394 n., citing Nashville Republican Banner, August 25, September 12, 1855.

to Bristol, East Tennesseans could travel easily by railroad to such cities as Atlanta, Washington, Philadelphia, and New York.<sup>27</sup> Little more of significance happened to the East Tennessee and Georgia until the coming of the Civil War in the 1860's. During that period of acute national disturbance, the road was used by both the Union and the Confederacy.

## II. THE ROAD, AN AID TO THE CONFEDERACY

In August, 1861, the East Tennessee and Georgia was described as follows by the Athens Post:

Notwithstanding the disturbed state of the country and the general depression of business, the management of the road will show a very gratifying result for the working year just ended--the increase in net earnings, as we learn to \$66,000. As this paper was among the earliest and earnest advocates for the construction of the line, it affords us more than ordinary pleasure to see the prophecies of its opponents failing one after another before the untiring energy and skill of the officers at its head and the constantly increasing resources of the country it traverses.<sup>28</sup>

The railroad was functioning well and would be able to perform a vital service for the Confederacy during the impending conflict.

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<sup>27</sup>Stanley J. Folmsbee and Thomas C. Schrodt, "Sut Lovingood's Hark from the Tombs Story," The Lovingood Papers. Edited by Ben McClary (University of Tennessee Press, Knoxville, 1964), 35-36.

<sup>28</sup>Editorial in the Athens Post, August 30, 1861.

Exactly to what extent the East Tennessee and Georgia aided the Confederacy in transportation of supplies and troops is uncertain, since few records can be found relating to the war in East Tennessee. However, it is certain that Wallace was a Confederate supporter, although his views on either secession or the war are not known.<sup>29</sup> The annual report indicated that by June, 1861, the Confederate States had paid the railroad ninety-seven thousand dollars for the transportation of troops, munitions, and arms. As the editor of the Athens Post stated, the railroad was a "national necessity" for the Confederacy.<sup>30</sup> At a meeting of the stockholders in September, 1861, a resolution submitted by Dr. J. G. M. Ramsey calling for additional aid to the Confederacy through the transportation of troops and supplies was adopted. In addition, Dr. Ramsey requested that the stockholders thank Major Wallace and R. C. Jackson (secretary of the railroad) for their liberal services to the Confederacy.<sup>31</sup>

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<sup>29</sup>James B. Campbell, "East Tennessee During the Federal Occupation, 1863-65," East Tennessee Historical Society's Publications, No. 19 (1946), 67.

<sup>30</sup>Athens Post, August 30, 1861.

<sup>31</sup>Report of the East Tennessee and Georgia Railroad Stockholder's Convention (September, 1861), in the Athens Post, September 13, 1861.



The road operated as an effective force for the Confederates well through 1863, except for a short time in the fall of 1861 when a group of Union supporters burned several railroad bridges in East Tennessee. A plan was devised to destroy nine railroad bridges in the East Tennessee area, thus cutting the supply line to the Army of Northern Virginia. In this episode, which occurred on the night of November 8, 1861, the East Tennessee and Georgia bridge over the Hiwassee River was destroyed.<sup>32</sup> Strangely, there is no mention of this event in Major Wallace's papers. Aside from this interruption, the road operated efficiently for the Confederacy. General J. C. Vaughn and other Confederate leaders referred to the East Tennessee and Georgia Railroad as a major route for transportation of troops and supplies.<sup>33</sup>

### III. WALLACE AND THE FEDERAL OCCUPATION OF EAST TENNESSEE

With the advance of General William Rosecrans into the Chattanooga area, East Tennesseans surely realized that Knoxville

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<sup>32</sup>D. G. Seymour, Divided Loyalties (The University of Tennessee Press, Knoxville, 1963), 32.

<sup>33</sup>General J. C. Vaughn to Jefferson Davis, October 23, 1863, War of the Rebellion, Official Records of the Union and Confederate Armies (Government Printing Office, Washington, 1890), Series I, XXXI, 581, 596.

would soon be captured. Thus, with this in mind and with the knowledge that General Ambrose Burnside was advancing from the North, Major Wallace submitted his resignation to the stockholders on July 15, 1863, with the date of its effectiveness left undetermined.<sup>34</sup> It seems, actually, that he remained in charge until early December. By early September, 1863, General Burnside had entered the city of Knoxville,<sup>35</sup> thus posing a major threat to the East Tennessee and Georgia Railroad. Inasmuch as most of the road's officials were Confederate supporters, they felt it wise to remove themselves from Knoxville before Burnside's troops arrived. As a director of the East Tennessee and Georgia Railroad, Dr. J. G. M. Ramsey received word from a high official of the company, presumably in August, that the workshops and offices of the railroad were to be moved south of either the Little Tennessee River or the Hiwassee.<sup>36</sup> Therefore, it is likely that Major Wallace directed the

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<sup>34</sup>Report of Campbell Wallace to Stockholders of the East Tennessee and Georgia Railroad, July 15, 1863, Wallace Papers (1861-64).

<sup>35</sup>Harold S. Fink, "The East Tennessee Campaign and the Battle of Knoxville in 1863," East Tennessee Historical Society's Publications, No. 29 (1957), 54.

<sup>36</sup>William B. Hesseltine (ed.), Dr. J. G. M. Ramsey, Autobiography and Letters (Tennessee Historical Commission, Nashville, 1954), 114.

operations of the East Tennessee and Georgia from some place in lower East Tennessee from August until December, 1863.

Had Burnside not been in Knoxville in early September, 1863, and had the remainder of the East Tennessee and Georgia been free from Federal control, perhaps General James Longstreet would have been able to join Braxton Bragg's forces in Georgia sooner than he did. If Longstreet had been with Bragg during both days of the Battle of Chickamauga, the Confederate victory might have been much greater and more lasting. Instead, Longstreet had to come from Virginia via a route through the Carolinas, a distance at least twice as great as the short route through Knoxville.<sup>37</sup> However, the railroad was a tremendous help in transporting General Longstreet's troops from the vicinity of Chattanooga to Sweetwater when he was sent by General Bragg to attempt to drive Burnside out of Knoxville.<sup>38</sup> In fact, Major Wallace accompanied Longstreet part of the way to Knoxville.<sup>39</sup>

By December, 1863, the Federals were in control of most of East Tennessee; thus, Major Wallace and some other railroad officials

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<sup>37</sup>E. P. Alexander, Military Memoirs of a Confederate (Indiana University Press, Bloomington, 1962), 448-49.

<sup>38</sup>Fink, op. cit., 88-89.

<sup>39</sup>Jesse Burt, "East Tennessee, Lincoln, and Sherman," East Tennessee Historical Society's Publications, No. 35 (1963), 63.

decided, in the interest of their personal safety, to leave East Tennessee.<sup>40</sup> Parson Brownlow had termed Wallace a militant Confederate who could never again reside in East Tennessee and who should be shot on sight. All these factors, plus the fact that H. L. Owen, President of the East Tennessee and Virginia Railroad, had asked him to come to Bristol with a crew of men to help restore the line to Knoxville, caused Wallace to leave East Tennessee in early December, 1863.<sup>41</sup> N. J. Bell, a conductor on the East Tennessee and Georgia Railroad, described part of the journey, which took the group through upper East Tennessee, Virginia, and the Carolinas to Augusta, Georgia: "We found the East Tennessee and Virginia road torn all to pieces. Bridges and trestles burned, and iron rails twisted around trees all along the line."<sup>42</sup> It was necessary for the group to leave Tennessee by way of upper East Tennessee and the Carolinas because Federal troops controlled the railroad line leading directly into Georgia. Actually, General O. O. Howard had destroyed sections of the East

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<sup>40</sup>N. J. Bell, Railroad Recollections for over Thirty-Eight Years (The Franklin Printing and Publishing Company, Atlanta, 1896), 25-26.

<sup>41</sup>General James Longstreet to H. L. Owen, December 2, 1863, War of the Rebellion, 777.

<sup>42</sup>Bell, op. cit., 26.

Tennessee and Georgia between Cleveland and Dalton, as well as parts of the Western and Atlantic in northern Georgia.<sup>43</sup>

What Major Wallace did after reaching Georgia and for the remainder of the war period is unknown.<sup>44</sup> Later, this capable administrator was able to resume his railroad career. It was necessary, however, for him to change the location of his railroad activity to Georgia.

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<sup>43</sup>Burt, loc. cit.

<sup>44</sup>Although there is no specific evidence as to what Wallace was doing from 1864 to 1866, it appears from his papers that he was in Augusta, Georgia.

## CHAPTER III

### SUPERINTENDENT OF THE WESTERN AND ATLANTIC RAILROAD

Sometime after he left Tennessee for a period of residence in Augusta, Major Wallace decided to move to Bartow County in northern Georgia; however, before he went to that county to purchase a farm, he stopped in Atlanta for a short stay. While there, in January of 1866, he received from Governor Charles I. Jenkins, who had heard of Wallace's fine job on the East Tennessee and Georgia road, an offer of the superintendency of the Western and Atlantic line.<sup>1</sup> This offer was made after President Johnson had pardoned Wallace for his Confederate activities. After much hesitation, because he was tired from the rigorous demands of the war, Wallace accepted the position in March, 1866.<sup>2</sup>

The Western and Atlantic Railroad, opened in 1850, was one of the most strategic roads in the South, since it connected the growing

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<sup>1</sup>Atlanta Constitution, May 4, 1895. The Western and Atlantic was owned by the state of Georgia.

<sup>2</sup>Wallace Papers (July, 1866-April, 1867); John F. Stover, Railroads of the South, 1865-1900 (The University of North Carolina Press, Chapel Hill, 1955), 51. Information from a filing card in the Georgia State Archives indicates the exact date of Wallace's acceptance was March 19, 1866.

rail centers of Atlanta and Chattanooga.<sup>3</sup> During the Civil War, General Sherman had captured the road from Chattanooga to Atlanta, and he maintained it as his supply route during his Atlanta campaign. Before Sherman left Atlanta in November, 1864, his troops destroyed the railroad most of the way back to Chattanooga. Thus, in 1864, the Western and Atlantic Railroad was in a state of utter disrepair.<sup>4</sup>

United States military authorities crudely rebuilt the road and operated it from April until September 25, 1865, when the line was returned to the state of Georgia.<sup>5</sup> On that date, the railroad came fully under Georgia's control; therefore, in his annual report to Provisional Governor James Johnson on December 5, 1865, Colonel Robert Baugh, the acting superintendent of the railroad, reported that the gross earnings from September 25 to November 11, 1865, were \$170,793.38 and the expenses were \$50,074.51, leaving a net profit of \$120,718.87. However, he reported that the rolling stock of the line was scattered all over the South and that the bridges and tracks were in immediate need of

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<sup>3</sup>John F. Stover, Railroads of the South, 1865-1900 (The University of North Carolina Press, Chapel Hill, 1955), 10.

<sup>4</sup>Ibid., 43.

<sup>5</sup>Ibid., 51.

repair.<sup>6</sup> A more complete view of the condition of the Western and Atlantic was presented by the newly elected governor of Georgia, Charles I. Jenkins, in his inaugural address:

The Western and Atlantic Railroad has been restored to the State Authorities in a dilapidated condition; its tracks and bridges hastily and insufficiently repaired for temporary use; many of the buildings appurtenant to it, and especially to its successful operation destroyed, and the rolling stock reduced far below the exigencies of the service.<sup>7</sup>

Immediately after undertaking his duties as superintendent of the Western and Atlantic, Wallace embarked on the awesome task of returning the road to first class operating condition as well as curbing its increasing debt. In fact, the records of the road for July, 1866, indicated that it owed the United States \$452,969.66.<sup>8</sup> The debt was the actual purchase price which the state was required to pay the government for the return of the Western and Atlantic and its rolling stock. In addition, the road had accumulated many debts because of the purchase of new equipment necessitated by the ravages of war.<sup>9</sup> There is some

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<sup>6</sup>Georgia Senate Journal, 1865-66, 40.

<sup>7</sup>Ibid., 16.

<sup>8</sup>Receipt from the United States to the Western and Atlantic Railroad Company, July 31, 1866, Wallace Papers (July, 1866-April, 1867).

<sup>9</sup>Charles Jenkins to Campbell Wallace, July 20, 1866, Wallace Papers (July, 1866-April, 1867).



indication that Major Wallace had requested Governor Jenkins to journey to Washington in late 1866 to seek a reduction in the amount the road owed the Federal government; however, it appears that any attempt to have the debts lowered failed and that the railroad company was held responsible for the amount cited previously.<sup>10</sup> In order for the state to pay this sum, the General Assembly, on March 12, 1866, authorized a bond issue to the amount of \$484,152.25 to restore the railroad to normal operation. This legislative act aided the road immensely in its recovery; moreover, with Wallace's efficient management, the heavy earnings were used to return the line to first class operating condition. For example, the Augusta Chronicle and Sentinel, referring to the amount cited above, reported that during Wallace's administration, over \$400,000 had been spent on returning the road to normal condition.<sup>12</sup> One of the improvements made during the Major's administration was the addition of sleeping car service;<sup>13</sup> another was the

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<sup>10</sup>Ibid.

<sup>11</sup>Georgia Laws, 1866, 18.

<sup>12</sup>James H. Johnston, Western and Atlantic Railroad of the State of Georgia (Stein Printing Company, Atlanta, 1932), 105.

<sup>13</sup>Article of Agreement between Robert H. Ramsay and Campbell Wallace, Supt. of Western and Atlantic Railroad Company, April 2, 1866, Wallace Papers (1865-June, 1866).

mutual construction on the part of the Western and Atlantic and the East Tennessee and Georgia of a depot at Chattanooga.<sup>14</sup> Over all, the road was operated at a profit, because from 1865 until 1868, the "operating ratio stayed below 72 per cent and the road was easily earning an annual net revenue for the state of from \$300,000 to \$400,000."<sup>15</sup>

At most times, Wallace endeavored to act fairly toward the people of Georgia and toward the numerous employees of the Western and Atlantic. On November 8, 1867, when Wallace found it necessary to reduce the number of employees on the road because of a decrease in business, he stated his policy in the following terms: "My plan has been all the time, to retain men with families, suspending young men and others as could best support themselves."<sup>16</sup> When the 1868 election for governor and members of Congress was nearing, Wallace was notified by the Major-General of the Southern region to caution his employees from speaking out on political issues. The message he delivered indicates that he tried to act fairly toward his employees:

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<sup>14</sup>Joseph E. Brown to Campbell Wallace, April 6, 1868, Wallace Papers (1868-July).

<sup>15</sup>Stover, op. cit., 83.

<sup>16</sup>Notice to Employees of the Western and Atlantic Railroad Company, November 8, 1867, Wallace Papers (May, 1867-December, 1867).

While it is neither desired or [ sic ] expected of the Major-General Commanding, and the Provisional Governor, that the privilege of expressing opinions or preferences relative to political matters should be denied the Officers and Employees of this Road, they nevertheless require that all connected with this road in any capacity whatever, shall abstain from becoming active partisans in the present contest for the office of Governor, Members of Congress, etc.

I am glad to be able to say that this order is not the result of anything exceptional in your conduct, but is simply precautionary in this time of political excitement; and I take this occasion to repeat that I have heretofore personally urged on all connected with this Road, that while you think for yourselves, speak your own sentiments, and vote in accordance with your own convictions, you rigidly abstain from all excited and unprofitable discussions in Offices, Shops, on the Cars, or elsewhere. Continue to be faithful in the discharge of your duties, and quiet, courteous, and gentlemanly in your intercourse with others.<sup>17</sup>

Wallace had gained a widespread reputation during his days as manager of the Western and Atlantic for being extremely efficient; therefore, his services were eagerly sought by many Southern railroad owners. In November, 1866, R. C. Jackson, superintendent of the East Tennessee and Georgia Railroad, wrote Wallace that Sam Tate, superintendent of the Memphis and Charleston Railroad (which ran from Memphis to Chattanooga) had tried to persuade him to induce Wallace to accept a position on that line. Tate's reasons, as relayed to Jackson, were that:

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<sup>17</sup>Notice to the Employees of the Western and Atlantic Railroad Company, April 6, 1868, Wallace Papers (1866-67).

Wallace could bring such men around him as would manage the Road successfully, and I know of no other man that could, now do you think we could secure his services. I know his salary could be made eight, I think it could be got up to Ten Thousand dollars per annum.<sup>18</sup>

In what appeared to be a complete surprise for Wallace, he was notified in December, 1867, by Jackson that the military planned to remove him as superintendent of the Western and Atlantic. Thereupon, Jackson had taken the liberty of sending two of his friends, John R. Brammer and W. C. Kyle to Washington to speak with President Andrew Johnson concerning retention of Wallace in his position. The President told the men "that he had no doubt such was their [some of the U. S. military men] plans and calculations, but said with an oath that Wallace should be continued as head of the road, and said that he felt Wallace could not be removed."<sup>19</sup>

Nevertheless, when General George Meade, Commander of Third Military District, removed Governor Jenkins in 1868, Wallace promptly submitted his resignation, believing that he, too, would soon be removed. The reason for Wallace's fear probably centered in the fact that Rufus Bullock, a Republican Radical, had been elected governor

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<sup>18</sup>R. C. Jackson to Campbell Wallace, November 22, 1866, Wallace Papers (1866-67).

<sup>19</sup>R. C. Jackson to Campbell Wallace, December 21, 1867, Wallace Papers (May, 1867-December, 1867).

in 1868; moreover, it is known that Bullock removed nearly all state officials when he began his administration.<sup>20</sup> Wallace, further, did not think that he could retain his position under Meade without losing his self-respect. General Meade, realizing the Major's contribution to the road, was not willing to accept his resignation.<sup>21</sup> Furthermore, ex-Governor Jenkins wrote Wallace on January 22, 1868, concerning his resignation: "I think it decidedly better for the state that you retain your position. Take care of the property, make the usual repairs, preserve unimpaired the value of the property you have materially increased. This is my judgment."<sup>22</sup> Even General Meade wrote the new governor, Bullock:

I take great pleasure in saying that in the discharge of the difficult and embarrassing duties incident to the execution of the reconstruction laws I have received no heartier or more zealous support from any man in the state than I have from Major Wallace. . . . It is proper I should add, this application . . . is based solely on a sense of justice to a meritorious officer, and intimate personal knowledge of the value of his services to the state, and in the hope that if any credit be given to myself for any service I may have rendered in my civil capacity, or consideration attached to my

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<sup>20</sup>Stover, op. cit., 84.

<sup>21</sup>The City of Atlanta, A Descriptive, Historical and Industrial Review of the Gateway City of the South (The Inter-State Publishing Company, Louisville, 1892-93), 69.

<sup>22</sup>Ibid.

judgment in such matters, the whole weight of this may be thrown in favor of Major Wallace, whose retention by you will be considered by me a great personal favor.<sup>23</sup>

Wallace heeded the numerous requests which had been made and he continued to serve as superintendent of the Western and Atlantic for several months. Eventually, however, Governor Bullock, presumably for political reasons, issued an executive order on August 7, 1868, replacing Wallace as superintendent of the road by Colonel Ed Hurlburt,<sup>24</sup> a Radical from the North.<sup>25</sup> However, Bullock did offer the Major his personal thanks for his improvement of the road: "And permit me at the same time to express my high appreciation of your sterling qualities as a man and a good citizen."<sup>26</sup> On July 15, 1866, Major Wallace presented his final report to Governor Bullock, showing that for the previous nine months, the road had made a net profit of \$241,859.54.<sup>27</sup>

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<sup>23</sup>Atlanta Constitution, May 4, 1895.

<sup>24</sup>Executive Order from Governor Rufus Bullock to Campbell Wallace, August 7, 1868, Wallace Papers (August, 1868-December, 1868).

<sup>25</sup>Stover, op. cit., 80.

<sup>26</sup>Bullock to Wallace, August 7, 1868, Wallace Papers (August, 1868-December, 1868).

<sup>27</sup>Campbell Wallace, Report of the Western and Atlantic Railroad (New Era Job Office, Atlanta, 1866), 23.

As a concluding statement to the report the Major commented: "Our works are before the owners of the Road and the public, and whatever judgment may be meted out to us, we shall herewith be content."<sup>28</sup> In conclusion, it should be emphasized that progress under Wallace was remarkable when compared to that of other southern states during reconstruction. Immense difficulty was experienced in Tennessee under the Radicals;<sup>29</sup> moreover, corruption became widespread on the Western and Atlantic after Bullock gained control of the state.<sup>30</sup> Without protest, Wallace, along with the other officers, left the Western and Atlantic in August, 1868.<sup>31</sup> The Major then went to Alabama where he resumed his railroad activity.

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<sup>28</sup>Ibid., 25.

<sup>29</sup>Philip M. Hamer (ed.), Tennessee, A History, 1673-1932. 2 vols. (The American Historical Society, Inc., New York, 1933), 661-64.

<sup>30</sup>C. Mildred Thompson, Reconstruction in Georgia, Economic, Social, Political, 1865-1872 (The Columbia University Press, New York, 1915), 239-42.

<sup>31</sup>Stover, op. cit., 84.

## CHAPTER IV

### THE MAJOR'S LATER LIFE

Soon after his departure from the Western and Atlantic in 1868, Wallace became a special adviser to the Selma and Meridian Railroad Company, which operated a line from Selma to Montgomery.<sup>1</sup> There is little record of Wallace's work in this capacity, but it is likely he retained his position for only a brief time because later in the same year he helped build the South and North Alabama Railroad.<sup>2</sup> This was a partially completed railroad that was eventually to connect Decatur and Montgomery; however, at this time only 183 miles were completed. Wallace's role was that of supervising construction, which he did successfully for seven years.<sup>3</sup> In 1872, the Louisville and Nashville Railroad Company took over control of the South and North

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<sup>1</sup>Henry V. Poor, Manual of the Railroads of the United States, 1872 (H. V. and H. W. Poor Co., New York, 1872), 640.

<sup>2</sup>Thomas H. Martin, Atlanta and Its Builders (Century Memorial Publishing Company, Atlanta, 1902), 707.

<sup>3</sup>Ibid., 707-708.



Alabama Railroad and soon completed it.<sup>4</sup> In 1875, although he had reached the age of sixty-nine, Wallace left this position in order to help organize the State National Bank of Atlanta.<sup>5</sup> The Major, having been named the first president of the bank, continued to support railroad development by making loans to various lines, including the Memphis and Charleston and the East Tennessee, Virginia, and Georgia Railroads.<sup>6</sup> Captain James R. Wylie, a director of the State National Bank, praised Wallace's abilities: "He was a great disciplinarian and had the men in the bank under wonderful systems of organization. He knew what a man was good for by the simple sight of him and he would put that man to doing what he was cut out to do."<sup>7</sup> Sometime in the middle 1870's, the bank's name was changed to the Merchant's Bank of Atlanta; moreover, in 1881, while Major Wallace was still its president, the bank's capital had increased to some \$12,000,000.<sup>8</sup> Since he was

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<sup>4</sup>John F. Stover, Railroads of the South, 1865-1900 (The University of North Carolina Press, Chapel Hill, 1955), 217.

<sup>5</sup>Atlanta Constitution, May 4, 1895.

<sup>6</sup>Various bank notes found in Wallace Papers (July, 1875-March, 1876).

<sup>7</sup>Atlanta Constitution, May 4, 1895.

<sup>8</sup>E. Y. Clarke, Atlanta Illustrated (James P. Harrison and Company, Atlanta, 1881), 127.

remembered for his railroad activities, he was named by the governor of Georgia on October 15, 1879, to the newly created Georgia Railroad Commission.<sup>9</sup> However, he did not assume the duties of this office until November 10, 1879. During his tenure on the Commission, he was persistent in his protection of the public by advocating that rates be strictly controlled by the Georgia Commission.<sup>10</sup> Further, on the question of railway legislation, the Major commented:

A tribunal, honest, capable, and fearless, with power to control the monopoly and the manner, is the only certain remedy. The railroads need a power over them that will curtail their growing extravagance, thereby lessening their current expenses for the benefit of the stockholders, and the people used as a power sufficient to control these corporations and protect themselves from excessive rates growing out of loose and expensive management.<sup>11</sup>

The work accomplished by the Georgia Commission, the first in the South, was valuable in laying the groundwork for commissions in other Southern states, since it upheld individual rights over corporation rights. At any rate, Wallace's contributions to the Commission

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<sup>9</sup>Ibid.

<sup>10</sup>W. G. Raoul to Campbell Wallace, January 31, 1882, Wallace Papers (1882).

<sup>11</sup>The City of Atlanta, A Descriptive, Historical and Industrial Review of the Gateway City of the South (The Inter-State Publishing Company, 1892-93), 69.

were sufficient to have him reappointed to that post in 1883 and again in 1889.<sup>12</sup> Because of failing health and old age, the Major resigned from the Commission in 1890, and at that time E. C. Machen, publisher of the Macon Evening News wrote the Major: "You carry with you the respect of all, and if your successor proves as fair and impartial in his decisions as you have been, then will all concerned have occasion to rejoice at the appointment."<sup>13</sup>

In addition to Machen's compliment, Wallace received a letter from Governor John B. Gordon on January 29, 1890, concerning his leaving the Commission: "It is not too much to say that you have made the railroad commission a success and insured its continuance as a permanent body in the government of the state."<sup>14</sup> Although it should be kept in mind that such laudatory remarks were in accord with the custom of the period and should, therefore, be discounted; nevertheless, it seems clear that Wallace had achieved an enviable reputation.

Thus, on February 1, 1890, Major Wallace, after nearly half a century, terminated his official connections with Southern railroading;

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<sup>12</sup>Atlanta Constitution, May 4, 1895.

<sup>13</sup>E. C. Machen to Campbell Wallace, January 31, 1890, Wallace Papers (1890).

<sup>14</sup>Atlanta Constitution, May 4, 1895.

and he spent his last four years in Atlanta at the home of his son-in-law, Charles J. Martin. During these final days, he was often seen on the Atlanta streets, where he conversed with his many friends. Then, when his health made walking difficult, if not impossible at times, he would take drives throughout the Southern metropolis. Such is thought to have been the routine of his last years, until his death on May 3, 1895.<sup>15</sup> Railroading certainly must have been a mode of life to the Wallace family because his son, Charles Barclay Wallace had become superintendent of the Alabama and Great Southern Railroad Company in 1881.<sup>16</sup> Yet, in order to understand fully the Major's contributions to railroading and to man in general, it is essential to view the man's character and his personality; such will be viewed in the concluding chapter.

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<sup>15</sup>Ibid.

<sup>16</sup>R. C. Jackson to Campbell Wallace, 1881, Wallace Papers (1881).

## CHAPTER V

### SOME FINAL COMMENTS

Despite the various achievements for which the Major was at least partially responsible during his lengthy railroad career, he would not have been appreciated so much nor remembered so fondly had he not possessed a warm appeal to his fellows. Perhaps no one described this aspect so ably as did George Washington Harris, a famous Knoxville humorist, who through his imaginary character, Sut Lovingood, sketched vividly the philosophy and traits of the people of East Tennessee.<sup>1</sup> In the Chattanooga Daily American Union, in 1868, he portrayed Campbell Wallace as an efficient, but kindly, railroad man. Although not free from bias, this sketch is at least a contemporary appraisal and throws some light on his personality. According to Harris, Major Wallace was traveling over the East Tennessee and Georgia Railroad in a car where there were few passengers. After a brief time, the brakeman of that line entered and began to converse with Wallace. Not realizing that Wallace was the president of the road, the young

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<sup>1</sup>F. J. Meine, "George Washington Harris," Dictionary of American Biography, VIII (Charles Scribner's Sons, New York, 1932), 309.

brakeman spoke rather freely. The conversation went thusly:

"Whar ar you gwine, Mister?"

"To Dalton, sir," responded the Major quietly.

"Preacher, ain't you?"

"No sir. I am not, but why do you ask?"

"Oh! Nothing only by--I thought I saw 'Hark from the tombs stickin' out, all over you like measils. You know Me I recon?"

"I am sorry to say that I do not."

"Well, I'll jist be dam; why whar the devil wer you raised?"

"At Maryville, East Tennessee."

"Oh! that excuses you, for if ever I hearn tell ove that settlement afore, I wish I may be durned, and I know every place, I dus."

"You seem to be well acquainted with the place you are now occupying," remarked the Major almost choking with efforts to suppress his laughter.

"What place do you mean, Mister. This yere red bainch kivered with the dried skins of cows tongues, or my office."

"I alluded to your office and by the way, what is your position on the road?"

"BRAKEMAN by the jumpin' geminy, I tho't every body know'd that, brakeman ove the Yeast Tennessey and Georgy Railroad."

"Unfortunately I did not know it," responded the Major.

"Well, you'd a dam soon foun' the out, if you'd a cut up any shines roun' yere, huggin wimmen or cussin, or tryin' to steal any bodys carpet bag, or talkin' sassy to the conductor or sich. Why I'd a chuck'd you butt foremos' thru that winder, like dartin' clapboards thru the cracks ove a barn, for I means to run this yere train on high moril principles, I dus. An' you didnt know I was the brakeman ove this yere railroad?"

"Indeed, sir, I did not."

"Well, old Slideesay, all I hes to say is, that for a man ove your looks, you know less than any body I ever saw. How do you manage to make a livin' enyhow?"

"I receive a salary. I am President of this road; Wallace is my name. But I have not the pleasure of knowing yours, will you be kind enough to inform me?"

All symptoms of "king bee" disappeared at this thunder bolt announcement, and in their stead, timid humility, crushed pride of place, a strong "get away" desire, and a most confounded hang dog look.

"Now, please don't Mister Wall-, Mister President, don't reach for my name; hits no use, for you'll never see me again; needent waste eny time a tryin' ove me for my sass, or in countin' up wages; I can't wait for either ove'em. Daddy's sick, mam's reumatty, an' I mus' go home right now."

Here he made a sneaking cautious reach for his lantern, when the Major's hand was laid on his shoulder with, "Be seated, young man; I wish to talk with you."

Then, followed one of those mild, kind, terse lectures, by which he has made many efficient men from even more unpromising material than "Boots" was. The President on this occasion certainly exhibited in a signal manner that fine judgment of human nature for which he is pre-eminent, for this same rough hewn stick, became a most competent and trusty employee. He often says frankly that what he is, he owes to the forbearance and kind advice of Campbell Wallace, and voes that he never can forget the night when he mistook one of the ablest railroad men of his day for a preacher. He generally winds up his account of the affair somewhat in this manner. "Boys, have'nt you dreamed of climbing a perpendicular bluff ove rocks, and when you got almost to the top, was holdin' to a root restin', for the last lunge, when the root tore out and after fallin' some five thousan' feet you waked up, still a fallin'?"

"Yes, often."

"Well, in a mild reduced way, you have an outline of the fall Wallace gave me that night. But he made a man of me. -Say fellers, there is one thing you've got to quit in tellin' this story on me."

"What's that, mate?"

"Why I never called the Major, 'Old Slideeasy,' Jim Bridges, or George Brocins, put that to it, like the truth wasn't bad enough, durn 'em. Thank God, I have never spoke a disrespectful word ove him since I found him out, and no body else can justly, or shall where I am. No, no; that Slideeasy part is an infernal lie."<sup>2</sup>

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<sup>2</sup>Chattanooga Daily American Union, March 17, 1868. Reprinted in Stanley J. Folmsbee and Thomas C. Schrodt, "Sut Lovingood's Hark from the Tombs Story," The Lovingood Papers. Edited by Ben McClary (University of Tennessee Press, Knoxville, 1964), 37-39.

In addition to these qualities that Harris attributed to him, Major Wallace was a leading Atlanta churchman, who often referred with pride to his Christian religion. In his home church, the Central Presbyterian Church, Wallace was an active member and Sunday school teacher. At a mass Sunday school meeting in Atlanta on December 6, 1875, he delivered an address in which he set forth his religious philosophy:

This is the last day of my seventy-ninth year. Tomorrow, if it some, will commence building up the complement of four score years. God has ever been good to me. I have perhaps, as many earthly surroundings that go to make life desirable as most men, yet my ambition is not so much to live as it is to do my duty while I live, that when the pulsation of this heart grows faint and the golden tinge of eternal light dawns upon me I may be able to say without one glimmering doubt, "Father, take my hand in thine and lead me across the river." This last sentence comprehends my religion. It is my creed.<sup>3</sup>

Having worked his way to early success in Knoxville, Major Wallace gained a reputation as one of East Tennessee's most efficient businessmen; certainly, this reputation played a large part in his election to the presidency of the East Tennessee and Georgia Railroad Company in 1853. During his tenure profits of the company more than doubled, enabling the railroad to pay the cost of its construction, as well as to yield profits to its stockholders. His effective administration of that road, in war as well as in peace time, enabled him to gain, in 1866, election to

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<sup>3</sup>Atlanta Constitution, May 4, 1895.



superintendency of the war-torn Western and Atlantic Railroad. With hard work and a strong sense of dedication, the Major directed the Georgia road through the crisis of reconstruction to years of prosperity. Then, having been removed from that position for political reasons in 1868, Wallace refused to quit; rather, he continued to offer his abilities to railroading enterprise, both through his work on two other Southern railroads and his position on the Georgia Railroad Commission. In conclusion, the writer points to the achievements of the companies with which Wallace served. It appears highly unlikely that the various railroad companies for which he labored would have made the striking advances they did unless they had been under capable administration. Of course, under a different administrator, the same progress might have been made; yet, since Wallace happened to be at their helms when they prospered, he should be recognized for his efforts.

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