

# Money and bartering in the 1830s

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G.H. Spencer for \$11 . . . "

The Indiana legislature, in 1836, passed an act authorizing some very ambitious public works projects, such as the Whitewater Canal, a railroad from Madison to

Lafayette and a macadam road from New Albany to Vincennes, among other improvements. Bloomington resident David Maxwell was appointed chairman of the improvements committee. He was naturally interested in one particular proposal — that of a resurvey of a railroad route that included New

Albany, Salem, Bedford, Bloomington and Greencastle. What was wrong with the whole idea of the internal improvements was that the cost was projected at \$10 million at a time when the population of 500,000 provided the state with annual taxes of only \$75,000.

Next week: The Panic of 1837