

WILLIAM WALKER AND THE STEAMSHIP CORPORATION IN NICARAGUA

THE romantic features of Walker's filibustering expeditions to Nicaragua have tended to obscure certain more prosaic and yet quite important phases of his undertaking. The Anglo-American's love of excitement and adventure, his belief that it is the manifest destiny of his race to control the whole American continent, and the desire of the slave states for a southward expansion of American territory—these indeed were potent factors in producing the phenomena of filibustering; but these alone do not account for Walker's remarkable career of two years in Central America. To accomplish his purpose of "regenerating" the isthmus and founding there a military empire, Walker needed not only an army, but also ships and money; and these two necessities were not supplied by zealous champions of territorial expansion or slavery propagandism, but by a syndicate of New York and San Francisco capitalists, who hoped to use the filibuster general for furthering their interests in Nicaragua.

Our information concerning this phase of Walker's history is derived mainly from four contemporary accounts and from the official reports of American diplomatic and naval officers, which are on file in the government archives, and some of which have been printed in the public documents. Of the four contemporary accounts, one was written and published by Walker himself,¹ another by one of his followers,² and the other two by American consular agents who were in Central America during the period of Walker's activity.³ Mr. James Jeffrey Roche has made use of part of this material in preparing an admirable popular account of filibustering,⁴ but for other purposes it has scarcely been touched.

For a full understanding of Walker's dealing with the steamship corporation in Nicaragua, it is necessary first to describe the establishment of the transit routes across the isthmus. In 1849 the overland journey to California was not only long and difficult, but

¹ William Walker, *The War in Nicaragua* (Mobile, 1860).

² Charles William Doubleday, *Reminiscences of the "Filibuster" War in Nicaragua* (New York, 1886).

³ Peter F. Stout, *Nicaragua: Past, Present and Future* (Philadelphia, 1859); William V. Wells, *Walker's Expedition to Nicaragua* (New York, 1856).

⁴ James Jeffrey Roche, *Byways of War* (Boston, 1901).

also very dangerous, and in the search for a better line of travel the attention of Americans was directed to Central America, where two routes were available, one through Panama and the other through Nicaragua. A treaty with the republic of New Granada at this time gave the United States a right of way between Chagres and Panama, and a railway was finally built across the isthmus. Steamers on the Atlantic from New Orleans and New York to Aspinwall, and on the Pacific from Panama to San Francisco, furnished the most expeditious route to the gold-fields.¹ In August, 1849, an American syndicate, consisting of Cornelius Vanderbilt, Joseph L. White, and their associates, entered into a contract with the republic of Nicaragua, by which the company secured a right to construct at its own expense a canal through Nicaraguan territory, provided the work could be completed within twelve years. The charter also gave the company a monopoly of the transit across Nicaragua and the exclusive right of navigating the interior waters of the state by steam. As it proved impracticable to begin the construction of the canal, a modified charter was drawn up in 1851, which separated the canal contract from the rest of the privileges granted, and secured to the corporation, now styling itself the Accessory Transit Company, the sole use of a line of transit from Greytown on the Caribbean sea to some point on the Pacific.² This new route, which was opened in 1852, was in some respects superior to the one by way of Panama, inasmuch as it reduced the distance between New York and San Francisco by five hundred miles and enabled the passengers to make all but twelve miles of the journey by water. Passengers from New York and New Orleans would land at Greytown, proceed in boats of light draft up the San Juan river to Lake Nicaragua, and cross the lake in larger steamers to a point on the west shore called Virgin Bay. From here they were conveyed in carriages over a macadamized road to San Juan del Sur, and there took the steamer for San Francisco. Reports show that in one year twenty-four thousand passengers traveled between the eastern states and California by way of Nicaragua. It is thus that this portion of the continent was brought into close relations with the great republic in the north.

¹ See J. M. Letts, *California Illustrated* (New York, 1852), chaps. xxx-xxxiii.

² Minister J. H. Wheeler to Secretary Marcy, August 2, 1856, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua, II; Senate Executive Document 68, 34 Congress, 1 Session, 84-102; Stout, *Nicaragua*, chap. xxvi; House Executive Document 103, 34 Congress, 1 Session, 84-102.

³ *Blackwood's Magazine*, LXXIX, 314-316; *The Destiny of Nicaragua* (Boston, 1856), 38-40.

Fortune-seekers now began to direct their attention to Central America, hoping to acquire riches from the undeveloped fields and mines. On August 15, 1854, among the California passengers embarking for Nicaragua were William V. Wells and Byron Cole, two members of a San Francisco company that had been recently organized for the purpose of developing the mining resources of Honduras.¹ Though seemingly insignificant, this event was productive of important results, inasmuch as it proved to be the preliminary step to Walker's entrance into Central America. Wells was making the journey with a view of obtaining information about the gold-fields near Trujillo, and Cole was accompanying him for the purpose of seeing what American enterprise might accomplish in Nicaragua. When these two Americans landed at San Juan del Sur, the Nicaraguan republic was in the midst of one of its periodic revolutions. The Democrats and the Legitimists were in arms and engaged in a partizan struggle characterized by none of the usages of civilized warfare. With much difficulty Wells and Cole made their way to Leon, the headquarters of the Democratic army, where they parted, Wells going on his way to Honduras, while Cole tarried at Leon and became acquainted with the Democratic leaders.

Cole had for a time been one of the proprietors of a California newspaper edited by William Walker. In the summer of 1853 Walker gave up the newspaper business, and a few months later he achieved much notoriety by an attempt to set up an independent republic in Lower California. This attempt had been a complete failure, but Cole had retained an unshaken confidence in Walker's ability, and suggested that he make a similar effort in Nicaragua, where the chances of success appeared more favorable. Soon after Cole met Castellon, the Democratic leader, he proposed that the Nicaraguan general should strengthen his forces by inviting Walker to bring a company of Americans to Nicaragua to enter the Democratic service. The proposition was received favorably, as the fortunes of Castellon's party were on the wane. A contract was then drawn up, by which three hundred Americans were to be brought to Nicaragua to enter the Democratic army, and were to receive a stated monthly pay and a grant of 21,000 acres of land at the end of the campaign. Cole returned to California and submitted the contract to Walker. The document, in Walker's opinion, not only violated the letter of the neutrality laws, but did not offer sufficient inducement for the risks involved. Cole therefore made another trip to Nicaragua and made a second contract, whereby the land-

¹ Wells, *Walker's Expedition*, 41.

grant was increased to 52,000 acres and the Americans were designated as colonists.¹ The new contract was taken to Mr. S. W. Inge, the district attorney in San Francisco, and also to General John E. Wool, commander of the Department of the Pacific. The former expressed an opinion that action under the contract did not violate the neutrality laws, and General Wool stated that he had no authority to interfere unless requested to do so by the civil officers.² The possibility of governmental interference was thus removed.

By private subscription Walker raised enough money to procure a small amount of supplies and the use of a leaky old brig, the *Vesta*. On April 20, 1855, his followers had embarked and he was ready to sail, but the sheriff appeared and served a writ of attachment for a debt against the owner of the vessel. The filibusters' financial difficulties at this time refute the later statement that the expedition was fitted out with funds supplied by the Transit Company. Two weeks were spent in arranging matters with the sheriff and the creditors, and at last, early in the morning of May 4, 1855, the *Vesta* put to sea with fifty-eight Americans, the nucleus of Walker's future army. On June 16, after a rough voyage, a landing was made at Realejo. The Americans were gladly received by Castellon, and were organized into the American Phalanx, Walker retaining his title of colonel. In order that he might recruit his ranks from the passengers to and from California, Walker at once planted himself on the transit road. In his first brush with the enemy, June 29, he was badly beaten. In a second skirmish, however, at Virgin Bay, September 3, the Americans were victorious, and were left in full control of the transit.

So far Walker had been acting entirely on his own resources, with only such paltry assistance as could be obtained from a few friends in California. He had left behind him in San Francisco two friends and agents, Edmund Randolph and A. P. Crittenden, charged with the duty of procuring supplies and reinforcements. On October 3 the steamer *Cortes* arrived from San Francisco, bringing a handful of recruits that were badly needed, and on the same steamer came C. J. McDonald, a confidential agent of Cornelius K. Garrison, the San Francisco manager of the Accessory Transit Company.³ McDonald's arrival was most welcome to Walker, for

¹ *Ibid.*, 41-43; Walker, *War in Nicaragua*, 24-25; *Dublin Review*, XLIII, 367-369.

² Walker, *War in Nicaragua*, 27-29. See also a letter from General Wool in the *New York Times*, July 23, 1857. Walker says that General Wool not only promised non-interference, but also wished the undertaking much success.

³ Walker, *War in Nicaragua*, 127.

it indicated a willingness on the part of a group of financiers to assist the Americans in establishing themselves in Nicaragua. We have no means of knowing what occurred at the first meeting of McDonald and Walker. It is certain, however, that the Americans at once took possession of the Transit Company's lake steamer *La Virgen*, embarked at Virgin Bay, moved quickly up the lake to Granada, the capital and the Legitimist stronghold, and captured the city without a battle. This movement was so unexpected that the entire Legitimist force was at Rivas, a town some thirty miles south of Granada, and the city was almost without a garrison.¹ Intrenched in the capital, Walker was practically master of the state. But the use of the company's steamers was not without its disastrous effects. After the boats had been pressed into service a few times the natives were unable to determine whether they were carrying neutral passengers or hostile filibusters. As a result, a steamer loaded with persons from California on their way to the States was fired upon by the Legitimists, and a woman and a child were killed. About two hundred and fifty passengers waiting at Virgin Bay for a steamer were also attacked, and a large number were killed and wounded.² Walker sent word to Corral, the Legitimist leader, that the families of Granada would be held as hostages subject to the good behavior of the Legitimists; and that general began to sue for peace. By a treaty signed October 23, the warring factions agreed to forget their differences and form a new government in which both sides should be represented. Patricio Rivas, a man who was regarded as a neutral, was made provisional president, Corral became minister of war, and Walker was made commander-in-chief of the army of the republic.³

To start the machinery of the new government, money was necessary. Owing to the constant revolutions the treasury was empty—if indeed it had ever been otherwise. At this juncture McDonald again came forward and proved a friend in need by offering to

¹ *El Nicaraguense*, October 20, 1855; Wells, *Walker's Expedition*, 61-70; Wheeler to Marcy, October 14, 1855, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua, II; Walker, *War in Nicaragua*, 109-118; Senate Executive Document 68, 34 Congress, 1 Session, 22 ff.

² Commodore Paulding to Secretary Dobbin, December 21, 1855, and January 22, 1856, MS., Archives, Navy Department, Home Squadron, I, 98, 116, 120, 121; Wheeler to Marcy, October 23 and 30, 1855, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua, II; Senate Executive Document 68, 34 Congress, 1 Session, 22-32.

³ Wheeler to Marcy, October 30, 1855, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua, II; Walker, *War in Nicaragua*, 125-134; Wells, *Walker's Expedition*, 77-82.

advance Walker the sum of twenty thousand dollars. He showed a power of attorney from Garrison, the San Francisco manager of the Transit Company, empowering him to act as general agent in Nicaragua; and, after satisfying himself as to McDonald's authority, Walker agreed to his proposition. The money was immediately forthcoming, for McDonald simply extracted that amount of gold bullion from a shipment in transit from California. McDonald gave to the owners of the bullion drafts on Charles Morgan, the company's New York manager, for the value, and these drafts were duly honored. The Nicaraguan government pledged itself to repay the amount out of the annual payments the company made to the state for the enjoyment of its franchise.¹

Although Walker's star now seemed to be in the ascendant, his situation after the treaty of peace was indeed very critical. His handful of followers were surrounded by the unstable natives whom they had fought but had not subdued, and the Americans were liable at any moment to be exterminated in a popular uprising. Walker had a sense of his danger and felt the need of increasing at once his force of Americans. After signing the treaty of October 23, one of the first things he did was to write to Crittenden, his friend and agent in San Francisco, stating that any arrangement that could be made with the manager of the Transit Company for bringing five hundred Americans to Nicaragua would be acceptable. Garrison at once came to the rescue, and recruits began to arrive in large numbers from California. In nearly every instance he gave the men free passage; and all this, it should be noted, was done without the knowledge of Rivas and his cabinet. Finally, in December, 1855, Garrison sent his son to Granada to make arrangements with Walker for securing some return for the assistance rendered. With young Garrison, as an earnest of his good intentions, came a hundred recruits, who, as usual, received free passage. After his interview with Walker, Garrison went to New York and conferred with Charles Morgan, the company's manager in that city.² What occurred at the conferences in Granada and New York can only be surmised from what followed.

It is an established principle that a business corporation never spends its money unless it expects something in return; and the question naturally arises as to what Walker's benefactors hoped to gain from him. It was generally known in the United States during the fall of 1855 that the company was rendering Walker val-

¹ Walker, *War in Nicaragua*, 127-128.

² *Ibid.*, 149-151.

uable service, and the prevailing opinion was that the expedition was fitted out by the transit officials in the hope of introducing a stable American element into Nicaragua and thus putting an end to the revolutions that were so injurious to the company's interests.¹ Subsequent developments, however, proved this idea to be erroneous. Within the company itself at this time there were serious dissensions, a struggle between rival parties of stock-holders to get control. The faction headed by Morgan and Garrison was now doing Walker a good turn, believing that at the proper moment the filibuster general would reciprocate. To explain the motives of this group of capitalists, it is necessary to show the relation of the Accessory Transit Company to the Nicaraguan government. When the company made the contract with Nicaragua in 1849, it agreed to pay the state annually the sum of ten thousand dollars until the construction of the canal should be completed; and for the exclusive right of navigating the interior waters and opening a line of transit across the isthmus it agreed to pay ten per cent. of the profits derived from the transit route. From 1849 to 1855 inclusively the corporation had paid regularly the annual dues of ten thousand dollars, but it refused to pay the ten per cent. of the profits. The transit officials were very careful to keep no records in Nicaragua that would enable the government to determine the amount the company had received or how much of this amount had been clear gain. The number of passengers and the shipments of freight and specie were known to be very large, but the company's system of bookkeeping gave the state nothing on which to base a claim. Only a week before Walker had landed in Nicaragua the Legitimist government appointed two agents to proceed to New York and

¹ The Philadelphia *American and Gazette*, November 15, 1855, contained the following editorial: "Walker, it seems, represents a more substantial organization than a mere band of filibusters. In fact, it is generally asserted and believed that his expedition was projected, supported and maintained by the Transit Company. That corporation has a capital of three million dollars. His expedition looks too well organized and supplied with munitions, money and men, to be based on his own efforts. The company undoubtedly sent arms to Nicaragua, which fell very suspiciously into Walker's hands, and the transit steamers were yielded to him with a facility which is singular, in view of the small force he commanded."

On December 14, 1855, Attorney-General Cushing wrote as follows to S. W. Inge and Pacificus Ord, the United States attorneys at San Francisco and Monterey, respectively: "I am directed by the President to address you further on the subject of the illegal military enterprises against the State of Nicaragua, which have been, and, as it appears, still continue to be carried on from the ports of California . . . Suggestion has been made of some complicity of the Nicaragua Transit Company in these acts, and that point may be entitled to your consideration." Senate Executive Document 68, 34 Congress, 1 Session, 11.

attempt to settle the claim by negotiation or arbitration. The Nicaraguan agents, perhaps without any definite idea as to what was really due the state, claimed thirty-five thousand dollars. The company offered to settle for thirty thousand, and the offer was rejected. Both parties then agreed to refer the matter to special commissioners for arbitration. The company, however, did all it could to delay matters, and before the commissioners could begin work the Nicaraguan government changed hands, Walker having taken possession of the capital. In such a state of affairs further proceedings had to be abandoned.¹

Matters were in this condition when Morgan and Garrison entered into negotiations with Walker. Their plan was very simple: the filibuster general, by virtue of his authority, was to use the government's claim against the Transit Company as a basis for annulling its charter and confiscating its property, while Morgan and Garrison, in return for the help they had given Walker, were to receive the property of the old company and a charter giving them power to form a new company for doing a transportation business within the territory of Nicaragua. Before breaking with the old company, however, Walker decided to negotiate with its officers in New York for a settlement of the claim and see what could be obtained in that quarter. Accordingly, in December, 1855, Parker H. French, who was sent to the United States as the representative of the Rivas-Walker government, was empowered to ask satisfaction for the claim of the Nicaraguan republic against the Accessory Transit Company. As an easy means of settlement, French proposed that the company carry emigrants to Nicaragua at the rate of twenty dollars per head—a rate considerably lower than the usual fare—and that the amount due the company for their transportation should be charged to the state and deducted from whatever sum the company might owe the Nicaraguan government. Had Commodore Cornelius Vanderbilt, Joseph L. White, and other officers of the corporation suspected the designs of Morgan and Garrison, they would not have consented to such an arrangement; but they only knew the weakness of their side of the controversy with the Nicaraguan government and thought it necessary to grant French's request as a means of conciliation. They therefore agreed to the plan, provided the men were not organized into military bands, but proposed to go merely as emigrants. From the time of this arrangement, in December, 1855, till the latter part of the following February, the company carried about a thousand emigrants to Nicaragua.²

¹ Cornelius Vanderbilt to Secretary Marcy, March 17, 1856, *ibid.*, 120-121.

² *Ibid.*

Now that the steamship corporation was definitely committed to Walker's support, recruiting was conducted openly and on a great scale by his friends and agents. Advertisements were placed in the newspapers of New York and New Orleans in order to attract volunteers.¹ On December 23 District Attorney McKeon, of New York, ordered the customs officers to refuse a clearance to the company's steamer *Northern Light*, as it was expected that she would sail the next day with several hundred "emigrants" for the service of Walker. By some mistake the officials gave the *Northern Light* her clearance and refused it to another vessel instead, and on December 24 the steamer put to sea almost under the nose of the district attorney. A revenue cutter was sent down the bay in pursuit, and stopped the steamer by sending a solid shot across her bows. An investigation showed that there were three hundred and fifty filibusters on board. On being questioned, the men gave the details of their enlistment, which was unique. Several nights before the steamer's departure a rendezvous of the recruits was held in the city, and every man who avowed his intention of going to Nicaragua received a common black pantaloons-button, which was an "open sesame" to the ship. Each man on going aboard handed his button to an officer of the steamer and received a passenger ticket in return.² The detention of the steamer was followed by the issuing of a warrant for the arrest of Walker's minister, French, who had been quite active in the work of recruiting. French claimed exemption from arrest on the ground of his diplomatic capacity, and the puzzled district attorney applied to Attorney-General Cushing for instructions. Cushing replied that the American government had never recognized French as the lawful representative of Nicaragua, and that any diplomatic privileges that were extended to him were of mere courtesy and not of right, but that legal process would not be served on French if he would leave the

¹ In December, 1855, the following harmless-looking advertisement appeared in the journals of New York: "*Wanted*.—Ten or fifteen young men to go a short distance out of the city. Single men preferred. Apply at 347 Broadway, corner of Leonard Street, room 12, between hours of ten and four. Passage paid."

The notice in the New Orleans papers was more explicit: "*Nicaragua*.—The Government of Nicaragua is desirous of having its lands settled and cultivated by an industrious class of people, and offer as an inducement to emigrants, a donation of Two Hundred and Fifty Acres of Land for single persons, and One Hundred Acres additional to persons of family. Steamers leave New Orleans for San Juan on the 11th and 26th of each month. The fare is now reduced to less than half the former rates. The undersigned will be happy to give information to those who are desirous of emigrating. Thos. F. Fisher, 16 Royal St."

² New York *Tribune*, December 25, 1855.

country within a reasonable time.¹ The chief effect of the government's interference was to create a sympathy with the disappointed filibusters and make French a hero in spite of himself.

Within a week after Walker's capture of Granada, he began the publication of *El Nicaraguense*, a newspaper which was largely devoted to advertising the resources of the country; and its wide circulation in America created an impression in some quarters that Nicaragua was a land of the most fertile soil, the richest mines, and the most delightful climate. A decree of colonization, issued November 23, 1855, and published in the United States, provided that every immigrant to Nicaragua should be entitled to two hundred and fifty acres of land, and that immigrants with families should receive a hundred additional acres.² Following all this came the company's offer to take immigrants free of charge, and Walker had no lack of recruits. As a great part of them belonged to that class of floating population found in all cities, no objection to their departure was offered by the public, and, excepting the detention of the *Northern Light*, there was but little interference from the government.³

In fact, the relations of the Transit Company with the filibusters made it almost impossible to prevent illicit recruiting. There were always on the steamers, besides the recruits for Walker, large numbers of passengers intending to cross the isthmus for California or the eastern states, as the case might be, and the government officers had no accurate means of distinguishing the filibuster from the passenger.⁴ Moreover, it seems that the recruits were never organized on a military basis until they were beyond the jurisdiction of the

¹ McKeon to Attorney-General Cushing, December 26, 1855, and Cushing to McKeon, December 27, 1855, Senate Executive Document 68, 34 Congress, 1 Session, 13-14.

² *El Nicaraguense*, December 8, 1855.

³ In May, 1856, Señor Molina, the Costa-Rican minister, complained that not one of the filibusters detained had been convicted, and the most prominent ones had even received public ovations. He notified Secretary Marcy that, on April 10, 208 men had embarked publicly at New Orleans to the strains of a so-called Nicaraguan band, and their departure had been announced beforehand by the press. The disasters of the filibusters, he said, seemed to stir up a great number of sympathizers in all ranks of society. Molina to Marcy, May 22, 1856, MS., Department of State, Bureau of Indexes and Archives, Notes, Central America, I.

⁴ District Attorney Inge, of San Francisco, declared that he could obtain no information that would justify the seizure of a vessel. Though many persons had left California to aid Walker, they had gone without visible arms and without organization, some avowing their purpose of settling as peaceful immigrants, others with through tickets to New York and claiming to be regular passengers. Inge to Cushing, February 4, 1856. Senate Executive Document 68, 34 Congress, 1 Session, 15.

United States, and though the expeditions were opposed to the spirit of the neutrality laws, it was often questioned whether they violated the letter. Even Secretary Marcy, who from the outset bitterly opposed the Nicaraguan enterprise, affirmed that if unassociated individuals left the United States they could go where they pleased and the government had no right to inquire into their motives.¹ District Attorney McKeon protested to Joseph L. White, the attorney for the Transit Company, against its alleged disregard of the neutrality laws. On behalf of the company White replied that it was "a corporate body, created by the law of Nicaragua," and was compelled to recognize the government that was in power in that country; that the conduct and course of the corporation would never be influenced by the government of the United States, nor did the district attorney's "grandiloquent boasting" that he would break up its business have any terrors for it.² This was all the satisfaction the government could obtain.

White was too confident, however, in the security of the company's position. He little suspected that within three months after his rather insolent defiance of the government his company would be appealing to this same government for protection against the man it had befriended. On February 18, 1856, Walker, having completed his arrangements with the representatives of Morgan and Garrison, sprang the trap. A decree was drawn up revoking the Transit Company's charter, appointing a commission to determine the exact amount due the state, and ordering that all the company's property be seized and held subject to the orders of the commissioners. The Nicaraguans had never cherished kindly feelings toward the transit officials, and Walker says that it was with undisguised pleasure that President Rivas, who up to this time had been kept in ignorance of the proceedings, signed the decree of revocation. But on the following day the smiles of the provisional president were changed to frowns, for he was asked to attach his signature to another decree, which gave all the rights of the company to the representatives of Morgan and Garrison.³ The publication of the decree of revocation was delayed somewhat in order to give Morgan and Garrison as much time as possible to get ready for

¹ Marcy to Marcoleta, April 25, 1856, MS., Department of State, Bureau of Indexes and Archives, Notes, Central America, I.

² Scrap-book on Nicaragua, no. 2, p. 46, in Library of Congress, from the *New York Tribune*, December 25, 1855.

³ *El Nicaraguense*, February 23, 1856; Senate Executive Document 194, 47 Congress, 1 Session, 103-104; *New York Tribune*, May 14-15, 1856; Wells, *Walker's Expedition*, 203-220; Walker, *War in Nicaragua*, 152-155.

business before the steamers of the old company should be withdrawn. This delay proved more advantageous than Walker had hoped; for nine days after the decree had been signed two hundred and fifty recruits left New Orleans for service in Nicaragua, their passage being advanced by Vanderbilt, who had not yet learned that he had been duped. If the decree had been made public on the day it was signed, Vanderbilt would have known of the transaction before the men embarked and would not have permitted their departure. "As it was," says Walker, "the price of these passages was so much secured by the State on the indebtedness due from the corporation."¹

The commission appointed to determine the amount of the company's indebtedness made its report early in August. As the book-keeping had not been done in Nicaragua, the commissioners were compelled to rely on private records and the testimony of the company's employees. They came to the conclusion that there was an average of two thousand passengers per month over the transit, each paying thirty-five dollars for his passage across the isthmus. The monthly receipts from passengers thus amounted to \$70,000. The aggregate specie shipments amounted to \$34,719,982, which, at the rate of one half of one per cent. of their value, brought in a revenue of \$4,890 per month. The receipts for carrying freight brought the monthly earnings to an aggregate of \$79,000. The legitimate expenses amounted to \$21,000, leaving a net profit of \$58,000 per month or \$696,000 per annum. Of this amount the state was entitled to ten per cent., or \$69,600 per annum, from August, 1851, to March, 1856. To this amount the commissioners added interest at six per cent. per annum, and, as the company had no representative on hand to prove that the annual payments of \$10,000 had been made, these were also added, bringing the total sum due the state to \$412,589.16.² These figures are of course absurd. It is inconceivable that the Nicaraguan commissioners appointed a year previously should have offered to settle the claim for thirty-five thousand dollars, when over ten times that amount was due the state. In making its report Walker's commission frequently found it necessary to use its imagination, and in this respect it seems to have excelled. As soon as the commission had completed its labors, all the property of the old company was sold to Morgan and Garrison. The sale was merely a redemption of the bonds that had been issued to them for money advanced to the government; the

¹ *Ibid.*, 156.

² Wheeler to Marcy, August 2, 1856, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua, II.

property was turned over to them, and they surrendered the bonds.¹

When the news of the transaction reached Vanderbilt he was greatly enraged. On March 17 and again on March 26 he addressed long letters to Secretary Marcy, requesting that the American government intervene and protect the property of American citizens in Nicaragua.² But there was small comfort to be obtained from the State Department. Mr. Marcy had not forgotten that a few months previously the corporation had continually disregarded the neutrality laws and had defied the American government, claiming that it took into consideration only the state of Nicaragua. He was also aware that the company had done a little private filibustering on its own account. On July 5, 1855, it had sent to Nicaragua a force of forty men, all foreigners, to serve as its special soldiers against one H. L. Kinney, an American adventurer, who was threatening to abuse the transit property at Greytown.³ The corporation's record had been unsavory from the beginning, and it was now reaping the fruit of its questionable policy.⁴

Failing to obtain satisfaction from the American government, the officers of the old company despatched to Greytown one Hosea Birdsall to seize all the transit property at that place, as well as any river boats that might arrive, and thus prevent newly arrived filibusters from going into the interior. In case the filibusters attempted to take possession of the boats, Birdsall was instructed to ask any British war-vessel in the harbor—one was always there—to assist him in protecting American property. He was made clearly to understand that with the coöperation of the British navy he must prevent recruits from reaching the filibuster camp and thus accomplish Walker's downfall. Birdsall caused the new company a little annoyance, but otherwise his mission was fruitless.⁵

The Transit Company's ocean steamers were withdrawn in March, and the new contractors were so slow in putting their line into service that Walker's interests were greatly jeopardized.⁶ For

¹ Walker, *War in Nicaragua*, 247-248.

² Senate Executive Document 68, 34 Congress, 1 Session, 120-121, 80-83.

³ Wheeler to Marcy, September 21, 1855, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua, II.

⁴ According to Mr. Ephraim G. Squier, American chargé d'affaires to Central America in 1849, the charter had been obtained during one of the revolutions from the Legitimist faction in return for certain necessities, such as arms and money, and had been contested by the opposing party. From that time on the history of the company had been "an infamous career of deception and fraud". Squier, *Nicaragua*, 689.

⁵ Paulding to Secretary Dobbin, Archives, Navy Department, Home Squadron, I, 202.

⁶ Walker, *War in Nicaragua*, 189-190.

six weeks the transit was practically closed, and the filibusters received no reinforcements or supplies. As soon as communication with the United States was reestablished, however, recruits began to pour in, and continued to come until the overthrow of Walker a year later. During the period from June to December, 1856, the filibuster régime appeared to be permanently established. In July Walker became president. A few weeks later a letter in which he disclaimed any intention of seeking annexation to the United States was published by the American press and served to alienate the sympathy of many of his supporters,¹ but at the same time he reestablished—on paper—the institution of African slavery in the republic and thus brought his cause more closely within the sympathies of the southern states.

Shortly after Walker's election to the presidency, a coalition of the Central American states was formed for the purpose of expelling the filibusters, and Vanderbilt found a way to get his revenge. An open transit was the key to the filibusters' strength. If by any means the enemy could get control of the San Juan river and seize the steamboats, no recruits could reach Walker from the Atlantic side; and, as passengers between New York and San Francisco could not cross the isthmus, the ocean steamers would be compelled to suspend operations. By blocking the passage of the San Juan, therefore, Vanderbilt could kill two birds with one stone, overthrowing Walker and at the same time driving the rival company out of business. Spencer, an agent of Vanderbilt, undertook to wrest the control of the river from Walker and seal the fate of the filibusters. From Costa Rica, one of the states of the hostile coalition, Spencer began his operations on December 16, 1856, by embarking with a hundred and twenty natives in canoes and on rafts and floating down the San Carlos river to a point where it joins the San Juan. Here he surprised and bayoneted a garrison of fifty men, then continued his journey till he reached Greytown on December 24. At this place he found and seized four river steamers. The American consul appealed to Captain Erskine, commanding a British squadron in the harbor, but the British officer declined to interfere. The captured steamers were taken up the San Juan, and General Mora with eight hundred more Costa-Ricans, well armed with Minié muskets and fixed ammunition supplied by Vanderbilt,² joined the party, took command, and captured two more steamers and the forts Castillo Viejo and San Carlos, which commanded the passage of the river.

¹ *Montgomery Mail*, December 2, 1856; *Putnam's Monthly*, IX, 430.

² Doubleday, *Reminiscences*, 173 ff.

While the party was at San Carlos, the two lake steamers came up bringing American passengers from California, who knew nothing of what had occurred. The lake steamers were also seized, and the passengers were sent on to Greytown in one of the river boats.¹ This was the severest blow Walker had yet received. The loss of the lake steamers made it impossible for him even to come within striking distance of the enemy on the river. There was no practicable route around the lake, and he was therefore effectually cut off from all communication with the Atlantic seaboard. The recruits from California reached him without difficulty, but from the eastern states they were held up at Greytown. Here, in March, 1857, were five hundred men vainly endeavoring to break through the Costa-Rican posts on the San Juan and make their way to the filibuster camp. It was Walker's misfortune that these men who were unable to join his army were of a better quality and better equipped than any recruits he had yet received. They came chiefly from the southern states, where, with the diminishing chances of success in Kansas, attention was being directed more and more to Nicaragua as the next battle-ground of the slavery party.

The sufferings of the disappointed filibusters were terrible. Greytown was too small a village to furnish them subsistence, and for its own protection would not allow the starving men to enter the place without special permission. Malaria appeared, and there were two hundred sick. The inevitable withdrawal of the ocean steamers cut off all chance of returning home, and, rather than die of starvation, the Americans finally appealed to the British fleet for assistance.² Captain Cockburn, the senior British officer, carried three hundred and seventy-five of them to Aspinwall and endeavored to secure them passage on the mail-steamer for the United States. To his credit be it said that he offered to make himself individually responsible for twenty dollars for each of the two hundred men on his own ship. The mail-steamers refused to take the men as passengers, on account of an epidemic of measles among them, and Her Majesty's Ship *Tarleton* finally carried them to New Orleans.³

¹ A report of this exploit of Spencer's was published in the *Boletín Oficial de Costa Rica*, and a translation of the account may be found in *Blackwood's Magazine*, LXXXI, 544-545. See also Laurence Oliphant, *Patriots and Filibusters* (London, 1860), 170-190.

Marcellus French, captain of the Alamo Rangers, a company raised and equipped in San Antonio, Texas, for the service of Walker, was among these unfortunates. His story of the hardships of the Americans is given in the *Overland Monthly*, N. S., XXI, 517-523. See also Doubleday, *Reminiscences*, 177-191.

³ Paulding to Secretary Toucey, MS., Archives, Navy Department, Home Squadron, II, 27 ff.; *New York Tribune*, May 7, 1857.

Vanderbilt's man had succeeded in doing what the allied Central American states could not accomplish. American capitalists had set up the filibuster dynasty in Nicaragua, and it was American capitalists that pulled it down.

Walker's situation daily became more critical. The allies closed in on his position and restricted his movements to a constantly narrowing circle. The native population had become actively hostile, many Nicaraguans joined the army of the allies, and after repeated misfortunes Walker's followers were becoming dissatisfied and discouraged. In February, 1857, President Mora, of Costa Rica, issued a proclamation offering protection and a free passage home to all who should desert Walker. Printed copies of the proclamation, scattered near the outposts of the filibuster army, soon found their way into camp and caused an epidemic of desertion.¹ But the heaviest blow was inflicted by Walker's former friends, Morgan and Garrison. The closure of the transit had destroyed their transportation business, and when in April they docked their steamers and left Walker to his fate the filibuster régime received its coup de grâce.

For a final effort Walker assembled his followers in the town of Rivas, and, though disease and desertion had thinned the ranks of the Americans, the allies could not drive them from behind the barricades. Commander Charles H. Davis, of the United States sloop-of-war *St. Mary's*, offered to intervene and bring hostilities to a close. He proposed that the filibusters should lay down their arms, evacuate Rivas, go aboard his ship, and return to the United States by way of Panama. The allies were quite willing to accept this proposition, as it accomplished their purpose without further bloodshed; but Walker, who appeared not to realize the hopelessness of his position, resented the action of the naval officer.² Finally, however, he yielded to the inevitable, and on May 1, 1857, surrendered to the American commander.³

With the failure of the first expedition to Nicaragua northern capital withdrew its support, and only with the help of the slavery party could Walker hope to regain his place on the isthmus. As he had looked to the steamship company for assistance when he first reached Nicaragua, so he now turned to Southern leaders for aid in recovering his lost power. Under the patronage of the southern

¹ Walker, *War in Nicaragua*, 382.

²In the harbor of San Juan del Sur was the schooner *Granada* in the possession of a squad of filibusters under Captain Fayssoux. Walker thought that if matters came to the worst he could cut his way through the enemy's lines and escape on this vessel.

³For details of the surrender, see Walker, *War in Nicaragua*, 419-429.

states he made a second expedition in November, 1857, but Commodore Hiram Paulding of the American navy landed an armed force at Punta Arenas and arrested the filibusters almost as soon as they set foot on Nicaraguan soil.¹ A third attempt in 1860 was frustrated by the British naval officer Captain Salmon, who arrested Walker on the coast of Honduras and surrendered him to the natives for trial and execution.² It is apparent, therefore, that Walker's first expedition was the only one in which he achieved any results; and the most important factor in this expedition was his transaction with Morgan and Garrison. How indispensable the transportation company had been to the success of the filibusters is shown by the ease with which they were overthrown as soon as its support was withdrawn. The exact extent to which Walker was aided by the steamship monopoly cannot be accurately determined, but Vanderbilt himself admitted that the old company carried a thousand emigrants to Nicaragua in the space of two months.³ The books of the companies were said to show that seven thousand men were carried to Nicaragua from the Atlantic states and about half this number from California,⁴ but this is evidently a gross exaggeration. According to the records of Walker's adjutant-general, the total enlistment in the filibuster army up to February 24, 1857, was 2,288, exclusive of department employees, citizen volunteers, and native troops.⁵ This would indicate that the old and new companies together landed in Nicaragua about four thousand men, including the five hundred whom Spencer blockaded at Greytown. In addition, the filibuster government received large sums of money from the promoters of the new company, exactly how much it is not possible to determine. On this point Walker could have enlightened us, but he chose to remain silent.

As has been shown, shortly after Walker's arrival in Nicaragua

¹ Paulding's action became a matter of Congressional investigation. See MS., Archives, Navy Department, Home Squadron, II, 51 ff.; Senate Executive Document 13, 35 Congress, 1 Session; Senate Report 20, 35 Congress, 1 Session; House Executive Document 24, 35 Congress, 1 Session; House Report 74, 35 Congress, 1 Session; Senate Executive Document 63, 35 Congress, 1 Session; Senate Executive Document 10, 35 Congress, 2 Session; *Congressional Globe*, 35 Congress, 1 Session, *passim*; *Messages and Papers of the Presidents*, V, 466-469.

² *New York Tribune*, August 27, 29, September 1, October 4, 1860; *Montgomery Advertiser*, October 17, 1860.

³ Vanderbilt to Marcy, March 17, 1856, House Executive Document 103, 34 Congress, 1 Session, 121. This statement is authenticated by Walker himself, who says that on March 1, 1856, there were in Nicaragua upwards of twelve hundred Americans capable of bearing arms. *War in Nicaragua*, 159.

⁴ *Dublin Review*, XLIII, 375.

⁵ Stout, *Nicaragua*, 209-210.

the American press proclaimed that he went there in the interests of the Transit Company. Later, when he repealed the laws against slavery, many journals of the United States were equally sure that such an act was the whole intent and purpose of his expedition. Yet Walker was neither the agent of capitalists nor the tool of slavery propagandists. Animated by personal ambition, he desired to form out of the weak Central American states a military empire with himself at its head. The incorporation of the new steamship company and the establishment of slavery were means whereby he sought to accomplish his purpose. By the first transaction Walker purposed to bring Americans to Nicaragua both as soldiers and as colonists; by the second, to obtain a class of labor fitted for a tropical country and at the same time to secure the aid and sympathy of the southern states. To regenerate the isthmus by introducing an American population that should own the land and cultivate it by slave labor; to erect on the basis of this new society a federation of the five Central American states, founded on military principles; to control the interoceanic canal and thus bind his government to the maritime nations of the world by the strong ties of commerce—such were some of the plans of Walker.² A fuller discussion of the filibuster's motives does not come within the scope of this paper.

After the removal of the filibusters by Commander Davis the transit remained closed, greatly to the detriment of American interests. On June 27, 1857, a corporation headed by Stebbins and White made a contract with Señor Antonio de Irisarri, chargé d'affaires for Nicaragua, which authorized them to reopen the route; but Vanderbilt, who opposed this company, at once sent his agents to Nicaragua to have the arrangement annulled.³ Costa Rica also greatly complicated the situation by retaining control of the San Juan river and all the steamers. The boundary between Costa Rica

¹ While Walker desired the help of the southern states, he did not propose to make Nicaragua one of their number. On August 12, 1856, he wrote as follows to Domingo Goicouria, whom he had chosen as his emissary to England: "With your versatility, and, if I may use the term, adaptability, I expect much to be done in England. You can do more than any American could possibly accomplish, because you can make the British Cabinet see that we are not engaged in any scheme for annexation; you can make them see that the only way to cut the expanding and expansive democracy of the North, is by a powerful and compact southern federation based on military principles." *Congressional Globe*, 35 Congress, 1 Session, 295.

² See Doubleday, *Reminiscences*, 164-167; Edward A. Pollard, *Black Diamonds* (New York, 1860), 111-115.

³ Lamar to Secretary Cass, February 26 and July 9, 1858, and March 4, 1859, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua and Costa Rica, III.

and Nicaragua had long been a matter of dispute, and the former state thought this a favorable moment to secure its claims. Nicaragua, however, though grateful for the aid of Costa Rica in expelling the filibusters, protested against this seizure of her territory, and war between the two republics seemed inevitable.

Thanks to Walker, the political situation in Central America suddenly cleared. His return to Nicaragua in November, 1857, put the two states into such a panic that by mutual consent they dropped their quarrel and made common cause against the filibuster. After Commodore Paulding's arrest of Walker at Punta Arenas there was harmony on the isthmus. By a treaty of limits Nicaragua made a large cession of territory to Costa Rica, in consideration of aid from that republic in case of further trouble with the filibusters, and in this way Costa Rica became a joint owner of the line of transit.¹ Secretary Cass had in the meantime entered into negotiations with Irisarri, and on November 16, 1857, a convention was signed providing an open and neutral transit through the state of Nicaragua, and empowering the United States to employ military force, if necessary, to protect persons and property conveyed over the route.² As two countries now claimed an interest in the transit, Vanderbilt sought to obtain from Costa Rica a grant similar to the one his rivals had secured from Nicaragua—a scheme that had its advantages, as Costa Rica still held the steamers. His agents therefore strove to prevent the ratification of the Cass-Irisarri treaty in the hope that as soon as it was rejected the American government would enter into negotiations with Costa Rica.³

While matters were in this condition Félix Belly, a Frenchman, arrived in Costa Rica from Paris as the agent of a French company desiring to construct a canal through the isthmus. Belly likewise undertook to prevent the ratification of the treaty, so as to secure exclusive control for his own company. He declared that if the treaty went into effect the transit route would again become a highway of filibusterism and the country would virtually be surrendered to the United States. The Frenchman and General Mora, the president of Costa Rica, proceeded to Nicaragua and at Rivas held a conference with President Martinez. Belly represented that

¹ Lamar to Cass, July 9, 1858, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua and Costa Rica, III.

² For full text of this treaty see Senate Executive Document 194, 47 Congress, 1 Session, 117-125.

³ Vanderbilt to General Cañas, August 15, 1857; Domingo Goicouria to General Jerez, November 20, 1857. Copies inclosed to Secretary Cass by Irisarri, MS., Department of State, Bureau of Indexes and Archives, Notes, Central America, II, III.

the French government would undertake to protect the interests of Nicaragua and Costa Rica if the two republics would jointly grant his company the right to construct a canal. As a result, on May 1, 1858, the anniversary of Walker's surrender to Davis, Belly secured a contract signed by the presidents of both republics, and the American rights were sacrificed.¹ Martinez referred the Cass-Irisarri treaty to the Nicaraguan assembly, feeling confident that it would be rejected; but when, to his astonishment, it was eventually ratified, he refused to sign it or to allow it to be sent to Washington.² Mr. Lamar and later Mr. Dimitry, the American ministers, spent months in attempting to negotiate for an open transit, but their efforts were fruitless. Belly's canal scheme also came to naught. In the meantime isthmian travel was diverted to Panama, where a railway had been constructed, and the Nicaraguan route lost much of its importance. It may be said, therefore, that Walker's destruction of the Accessory Transit Company accomplished more than his own downfall: it closed the transit, and by turning the tide of American travel elsewhere perhaps changed the destiny of Nicaragua.

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¹ Félix Belly, *À travers l'Amérique Centrale* (Paris, 1867, 2 vols.), II, 105-173.

² Lamar to Cass, July 9, 1858, MS., Department of State, Bureau of Indexes and Archives, Despatches, Nicaragua and Costa Rica, III.