

From Albert Gallatin's Report on Roads and Canals, 1807  
[http://www.union.edu/PUBLIC/ECODEPT/kleind/eco024/documents/internal/  
internal\\_callendar.htm](http://www.union.edu/PUBLIC/ECODEPT/kleind/eco024/documents/internal/internal_callendar.htm)

The general utility of artificial roads and canals, is at this time so universally admitted, as hardly to require any additional proofs. It is sufficiently evident that, whenever the annual expense of transportation on a certain route in its natural state, exceeds the interest on the capital employed in improving the communication, and the annual expense of transportation (exclusively of the tolls,) by the improved route; the difference is an annual additional income to the nation. Nor does in that case the general result vary, although the tolls may not have been fixed at a rate sufficient to pay to the undertakers the interest on the capital laid out. They indeed, when that happens, lose; but the community is nevertheless benefited by the undertaking. The general gain is not confined to the difference between the expenses of the transportation of those articles which had been formerly conveyed by that route, but many which were brought to market by other channels, will then find a new and more advantageous direction; and those which on account of their distance or weight could not be transported in any manner whatever, will acquire a value, and become a clear addition to the national wealth. Those and many other advantages have become so obvious, that in countries possessed of a large capital, where property is sufficiently secure to induce individuals to lay out that capital on permanent undertakings, and where a compact population creates an extensive commercial intercourse, within short distances, those improvements may often, in ordinary cases, be left to individual exertion, without any direct aid from government.

There are however some circumstances, which, whilst they render the facility of communications throughout the United States an object of primary importance, naturally check the application of private capital and enterprise, to improvements on a large scale....

The present population of the United States, compared with the extent of territory over which it is spread, does not, except in the vicinity of the seaports, admit that extensive commercial intercourse within short distances, which, in England and some other countries, forms the principal support of artificial roads and canals. With a few exceptions, canals particularly, cannot in America be undertaken with a view solely to the intercourse between the two extremes of, and along the inter-mediate ground which they occupy. It is necessary, in order to be productive, that the canal should open a communication with a natural extensive navigation which will flow through that new channel. It follows that whenever that navigation requires to be improved, or when it might at some distance be connected by another canal to another navigation, the first canal will remain comparatively unproductive, until the other improvements are effected, until the other canal is also completed. Thus the intended canal between the Chesapeake and Delaware, will be deprived of the additional benefit arising from the intercourse between New York and the Chesapeake, until an inland navigation, shall have been opened between the Delaware and New York. Thus the expensive canals completed around the Falls of Potomac, will become more and more productive in proportion to the improvement, first of the navigation of the upper branches of the river, and then of its

communication with the western waters. Some works already executed are unprofitable, many more remain unattempted, because their ultimate productiveness depends on other improvements, too extensive or too distant to be embraced by the same individuals.

The general government can alone remove these obstacles.

With resources amply sufficient for the completion of every practicable improvement, it will always supply the capital wanted for any work which it may undertake, as fast as the work itself can progress, avoiding thereby the ruinous loss of interest on a dormant capital, and reducing the real expense to its lowest rate.

With these resources, and embracing the whole union, it will complete on any given line all the improvements, however distant, which may be necessary to render the whole productive, and eminently beneficial.

The early and efficient aid of the federal government is recommended by still more important considerations. The inconveniences, complaints, and perhaps dangers, which may result from a vast extent of territory, can no otherwise be radically removed, or prevented, than by opening speedy and easy communications through all its parts. Good roads and canals, will shorten distances, facilitate commercial and personal intercourse, and unite by a still more intimate community of interests, the most remote quarters of the United States. No other single operation, within the power of government, can more effectually tend to strengthen and perpetuate that union, which secures external independence, domestic peace, and internal liberty. . . .

It must not be omitted that the facility of communications, constitutes, particularly in the United States, an important branch of national defence. Their extensive territory

opposes a powerful obstacle to the progress of an enemy. But on the other hand, the number of regular forces, which may be raised, necessarily limited by the population, will for many years be inconsiderable when compared with that extent of territory. That defect cannot otherwise be supplied than by those great national improvements, which will afford the means of a rapid concentration of that regular force, and of a formidable body of militia, on any given point....