

Chesapeake & Ohio Canal Money

On July 20, 1841, Elijah Peacock purchased 16 items of fabric from Thomas Matthews, totaling \$198.15. Peacock agreed to pay the bill in wool at the price of 25 cents per pound. He followed through with a payment of \$160.18 $\frac{3}{4}$ (640 $\frac{3}{4}$ pounds of wool) then appears to have asked for a loan from Matthews. Matthews had \$95.00 worth of promissory notes from the President and Directors of the Chesapeake & Ohio Canal Company, commonly called "canal money." Peacock was to use the canal money like we would use cash today and pay Matthews back in "current money of the state."

Elijah Peacock		A	
		To Thomas & C. Matthews	
1841. July 20 th	To 17 yds Plain Linen @ 50¢		\$ 8.50
"	To 14 yds White Flannel @ 50¢		7.00
"	To 14 yds - do do @ 50¢		7.00
"	To 28 $\frac{1}{4}$ yds do do @ 50¢		14.12 $\frac{1}{2}$
"	To 27 $\frac{1}{2}$ yds Gray do @ 50¢		13.75
"	To 22 $\frac{3}{4}$ yds White Flannel @ 60¢		13.65
"	To 12 $\frac{3}{4}$ yds Red Flannel @ 50¢		6.37 $\frac{1}{2}$
"	To 25 $\frac{1}{4}$ yds Arab Linen @ 55¢		13.87
"	To 22 yds Gray do @ 55¢		12.10
"	To 13 $\frac{1}{2}$ yds do do @ 55¢		7.29
"	To 32 yds Arab Linen do @ 55¢		17.60
"	To 17 yds - $\frac{1}{4}$ Arab Linen - @ 110		18.70
"	To 13 $\frac{1}{2}$ yds - $\frac{1}{4}$ " " @ "		14.85
"	To 25 yds Coating Cloth @ 1.30		32.50
"	To 3 $\frac{1}{2}$ yds Striped Capinon @ 1.30		4.55
"	To 5 yds Arab Coating Cloth @ 1.25		6.25
"	To Cash of Chesapeake & Ohio Canal Money	95.00	
	Or		\$ 293.15
Sept-13 th	By Cash Canal Money returned	40.00	
Dec-13 th	By " " " "	20.00	
July 20 th	By 50 $\frac{3}{4}$ ^{lb} wool - @ 25¢	20.18 $\frac{3}{4}$	
"	By 560 ^{lb} do @ 25¢	140.00	\$ 220.18 $\frac{3}{4}$
	Balance due T. & C. M.		\$ 73.96 $\frac{1}{4}$

Note the \$95.00 worth of canal money and the two payments in wool.

In the latter half of 1841, Peacock returned \$60.00 of the canal money to Matthews but he still owed a balance of \$73.96 $\frac{1}{4}$. Despite Matthews' requests for an accounting and payment of the funds,

Peacock did not follow through, and Matthews filed a Judgment against him at the county courthouse. Matthews eventually recovered \$62.00.

It was common during this time for notes or goods and services (such as the wool) to be used in financial transactions because the country did not have a standard national paper currency. States and banks issued their own paper currency and, businesses and private individuals created their own notes. The C&O Canal Company began to issue promissory notes in the mid-1830s.ⁱⁱ

This is the first reference to canal money that we have found so far in our archives. As often happens when we find an interesting record, this Judgment raises additional questions for future research. How did Matthews come to possess canal money? Did he do business with the company?

ⁱ Superior Court Judgment, October 1845, Matthews, Thomas vs. Peacock, Elijah. Images of canal money are shown at: <http://www.chosi.org/cando/scrip/scrip.htm>

ⁱⁱ *Historic Resource Study: Chesapeake & Ohio Canal* by Harlan D. Unrau. U.S. Dept. of Interior, National Park Service, p. 77. Viewed at https://www.nps.gov/parkhistory/online_books/choh/unrau_hrs.pdf