It is proper to add that without the co-operation of this board, some of the companies connected with the inland route, in the course of the summer, reduced the charges upon their respective lines; and that subsequently there has been an evident improvement in the travel.

Considering the objects of the charter, and the obligations thereby imposed upon the President and Directors, the board would not discharge their whole duty by announcing the completion of the road to Cumberland, and the results of the subsequent operations. They deem the occasion not unfit to recall the attention of the stockholders to the ultimate destination of this great undertaking; and to the grounds upon which, in the last annual report, they urged its further prosecution and final accomplishment.

The extension of the road to the present termination has accomplished more than half the distance, and nearly two-thirds of the expense necessary to reach the Ohio river; and at the same time that its completion to *Cumberland* has demonstrated the ultimate utility of the work, it is equally clear from the subsequent working of the road, that the great objects of the enterprise can only be accomplished by vigorously pressing it forward.

The construction of a road to *Cumberland*, dependent from that point upon the expense and uncertainty of transportation by stages and wagons to the Ohio, could never have tempted so large an expenditure of capital; and he who would arrest the work short of the western waters, forms an inadequate notion of those great objects which alone could justify it. The application of the power of steam upon the water and on land has already produced incalculable effects throughout the world. It is of too ready adoption, and too successful in operation to escape the attention of any enterprising community; and all who expect to acquire superiority or maintain equality in agriculture, commerce and manufactures must rely upon its aid. *They must embrace the remotest points by the shortest distance and at the least cost of transportation.* Nature has placed the city of *Baltimore* within the shortest geographical distance of the trade of the Western country; and any proper connection she may form with the Ohio river becomes as matter of course, and above all competition, the direct and cheapest channel of communication, not only with the intervening country, but with the entire vallies of the Ohio and Mississippi rivers.

Without such connection, the advantages to which her geographical position entitles her, may be expected to flow into the lap of rivals who, although exposed to greater obstacles, are more successful in surmounting them.

Previous to the introduction of steam boats on the western waters, and to the application of the power of steam on the land, this city enjoyed the full benefit of her natural position. By means of her turnpikes and other improvements, in which she had liberally engaged, she engrossed a great portion of the western trade; the city prospered and increased with wonderful rapidity, and abundant wealth crowned the enterprise of her citizens. Other portions of the Union, however, soon

became aware of this, and by artificial improvements in other directions, wisely attempted to countervail it. The New York and Erie Canal, the canals and other improvements of Pennsylvania, and lately the Western Rail Road from Boston to Albany on the route to the lakes, have aimed a serious blow at the future prosperity of Baltimore.

These rival works have attracted a considerable amount of the trade and travel between the Atlantic and Western states, and during the period of low water in the Ohio, they are further aided by a line up the Illinois river, across to Chicago by the lakes to Buffalo, and thence to Boston or New York. This route may be expected to receive even greater facilities by a canal already in progress, from the head waters of the Illinois to Chicago.

Pennsylvania, in our immediate vicinity, has not been slow in engaging in the competition; and, as we have seen, immediately upon the completion of the Baltimore and Ohio Rail Road to Cumberland, reduced the charge for travel and transportation upon the public works of that State, below former precedent. At the same time the expense and uncertainty of wagon transportation from Cumberland to the Ohio, also productive of loss of time, necessarily diverted a portion of the trade from the Baltimore and Ohio Rail Road, notwithstanding a correspondent reduction in the charges.

With the present connection with the Ohio river, moreover, the travel and produce of the Ohio and Mississippi vallies, and of the western counties of Virginia, are exposed not only to a greater loss of time, but also to heavier charges than would be incurred by the direct route properly improved; and the people of those regions therefore, have a deep interest in restoring to their natural communication with the Atlantic states, the facilities of short distance and cheap transportation. The central route extended and improved, offers them advantages in this respect not otherwise attainable, and it is not unreasonable to hope that such an enterprise may be regarded as entitled to their support and co-operation.

The growth and prosperity of any of our Atlantic cities depend upon the extent of foreign and domestic trade which they may be able to command; and these again require the facilities of a certain market, reached at the least cost, and offering the best prices.

To regain her former advantages, Baltimore must resort to the same artificial power by which they have been superseded—as stated in the last annual report, she must unite the power of steam on land with that on the water, from New Orleans to this city.

The merchants and people of Baltimore are not deficient in enterprise, or liberality or perseverance, as is abundantly shewn in the munificent aid, individual and corporate, contributed to the public works, and the large amount of taxes cheerfully paid for the support of public credit.

They possess the essential elements of individual and public prosperity; and little more is required to bring these and the requisite capital into activity, than a rail road connection with the Ohio river.