



Chapter Eight

Mail Via Nicaragua, 1851-1857

As described in Chapter Four, the California gold rush was triggered by the discovery of gold at Sutter's Mill on January 24, 1848. In his December 5, 1848 address to Congress, President Polk confirmed the discovery and set off the massive westward migration of Argonauts seeking their fortunes. Just before this, as detailed in Chapter Six, the Navy Department had contracted for the transport of mail and passengers between the west coast and New York by steamships via Panama in 1847. With the onset of the California gold rush, those contracts were transformed from speculative endeavors supported by mail subsidies to highly lucrative contracts supported by both high passenger volume and the mail subsidies.

Profitable businesses attract competition, and the California passenger business was no exception. Several steamship lines tried to compete on the Panama route, but were stymied by the companies holding the Panama mail contracts, since they could use those subsidies to stifle competition. However, one particularly enterprising competitor, Cornelius Vanderbilt, concluded that the real competitive opportunity was to gain control over a route that passed via the Isthmus of Nicaragua, rather than the Isthmus of Panama.

Figure 8-1 shows the relative positions of these two routes. It is clear from the map that the Nicaragua route had the advantage of being shorter than the Panama route. What is not as obvious is that the



Figure 8-1. Map of the Nicaragua (red) and Panama (blue) transits.

Nicaragua isthmian transit was healthier for travelers than the malaria-ridden Panama transit. What it lacked, however, was an established infrastructure for the transit of passengers, freight and mail.

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Others were interested in Nicaragua as well. In January 1848, British marines occupied the town of San Juan del Norte on the Atlantic side of Nicaragua and re-named it Greytown. They did this ostensibly to protect the hereditary rights of the local Mosquito Coast King, but also gained control of the Nicaragua transit route. This was alarming to both the Nicaraguans and the United States, so both took action. The United States' negotiations with Great Britain culminated in the April 19, 1850 Clayton-Bulwer Treaty, which re-affirmed the neutrality of the Nicaragua transit and withdrew the Mosquito King's control over San Juan del Norte. Meanwhile, on August 26, 1849, the Nicaraguan government awarded Vanderbilt's American Atlantic and Pacific Ship Canal Company the exclusive concession to construct a canal across the Isthmus of Nicaragua. This contract included the exclusive right to operate transit services until the canal was completed, which effectively gave Vanderbilt commercial control over the Nicaragua route.

Figure 8-2 shows a map of the Nicaragua transit. The route ran along Nicaragua's southern border with Costa Rica. Starting in the east at San Juan del Norte, a river steamer would carry passengers up the San



Figure 8-2. Map of the route across the Isthmus of Nicaragua.

Juan River to Lake Nicaragua, where another steamer would take them to the western side of the lake at Rivas. Carriages then carried them over a 12-mile road to San Juan del Sur, where they could meet the Vanderbilt steamship to San Francisco. Initially, the route was not at all developed, and native canoes were used for the river and lake transit. After steamers were introduced on the route in 1851, and the 12-mile road was macadamized, the transit could be accomplished in one to two days.

The Vanderbilt Independent Line and the Accessory Transit Company



Cornelius Vanderbilt
Transportation Tycoon
1794-1877

- Started a ferry service in Staten Island, NY in 1810
- Dominated NY region steamboat business, 1829-39
- Became President of Boston-NY railroad, 1847
- Began steamship service via Nicaragua in 1851
- Began Vanderbilt European Line to Le Havre in 1855
- Obtained via Panama mail contract in 1859

With the transit contract in hand, Vanderbilt began preparing the transit route and acquiring the necessary steamships on the Atlantic and Pacific coasts. In 1850-51, his Accessory Transit Company¹ began clearing river obstructions along the transit and cutting the 12-mile road between Rivas and San Juan del Sur. His Vanderbilt Independent Line added an initial two steamships on the Pacific, one on the Atlantic and two on the Isthmus. By July 14, 1851 the line was ready for operation, and simultaneous departures on that day by the *Pacific* from San Francisco and the *Prometheus* from New York inaugurated the new twice-monthly through service between New York

and California.² It was an immediate success. The westbound trip took 47 days to reach San Francisco, but the eastbound trip reached New York in a remarkable 29 days. Just as important, the initial isthmian transit was accomplished in three days, with indications that it could be reduced to 36 hours.

In early 1852, the Accessory Transit Company began accepting passengers only from Vanderbilt steamships. This completed Vanderbilt's exclusive control over the Nicaragua route. By the end of the year, he had set his sights on the Panama route by advertising "through ahead of any other line."

In February 1853, Vanderbilt sold his steamships to the Accessory Transit Company, and stepped down as President of that enterprise to take a five-month vacation in Europe. During his absence, two subordinates, Charles Morgan and Cornelius Garrison, gained control of the Accessory Transit Company, operating it as the Nicaragua Steamship Company in California and the New York & California Steamship Line in the East. Garrison greatly improved the efficiency of the line and, by 1855, transit times between New York and San Francisco had been reduced to twenty-one days. This improved the popularity of the line with passengers, and 1853-55 were the peak years for the Nicaragua route. Table 8-1 shows the number of passengers carried in both directions, compared to the volume via Panama.³

Table 8-1. Number of Passengers Carried via Panama and via Nicaragua

Year	Panama	Nicaragua
1851	29,653	5,102
1852	33,108	16,484
1853	27,246	20,083
1854	29,253	22,311
1855	25,809	18,987
1856	30,335	8,053

Table 8-1 shows that Vanderbilt's vision had created a very viable competitor to the Panama route, and had generated significant profits for his companies. It also shows a precipitous drop in passenger volume after 1855. This was due to the arrival in Nicaragua of another American adventurer, William Walker.

The Walker Filibuster in Nicaragua, 1855 to 1857

William Walker desired to create English-speaking colonies under his control in Latin America, an activity known as filibustering. After a failed effort in Mexico, he set sail for Nicaragua from San Francisco on May 4, 1855 with a small armed force. His first priority was to gain control of the transit route, so that additional reinforcements could easily reach him. After an initial setback, he gained control of the western end of the transit route and captured a transit steamer, although the transit service was unaffected. After a successful attack on the capital, Granada, he found himself as head of the army in a new Nicaraguan government in November 1855.

Meanwhile, Vanderbilt was maneuvering to re-gain control of the Accessory Transit Company from



William Walker
American Filibusterer, 1824-1860

- University of Nashville honors graduate in 1838
- Received medical degree in 1843
- Failed Mexican filibuster in Baja California, 1853-54
- Led a filibuster in Nicaragua, 1855-57
- Captured and executed in Honduras in 1860

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Morgan and Garrison, so Garrison reached an agreement with Walker to annul the Accessory Transit Company's transit charter and give it to the Nicaragua Transit Company, a new enterprise formed by Garrison and Morgan. In exchange, they agreed to transport reinforcements to Walker at significantly reduced prices. Vanderbilt re-gained control on January 30, 1856, but received news of the annulment of his charter and the seizure of his transit property on March 13. He wasted no time in responding. A notice in the March 17, 1856 New York *Herald* announced that,⁴

The Nicaragua Line is withdrawn for the present, in consequence of the difficulties in that country growing out of the extraordinary conduct of General Walker, in seizing or taking by force the property of American citizens.

I deem it a duty I owe the public, to the country and to the Transit Company, to remain quiet, by letting the ships of the company lay at their wharves, until our government has sufficient time to examine and look into the outrage committed upon their property. In the mean time, as I do not consider passengers or the property of American citizens safe on the transit of the Isthmus, I cannot be instrumental in inducing either to take the passage.

C. VANDERBILT

The last through Accessory Transit Company trips left from San Francisco on March 5 and from New York on March 8. Meanwhile, the Nicaragua Transit Company steamships began servicing the route in April 1856. Walker also sold the seized transit property to the Nicaragua Transit Company, so it was able to carry on the through service as before, albeit on a monthly schedule.

In June 1856, an internal dispute resulted in the surprising election of William Walker as president of Nicaragua. This did not sit well with Nicaragua's neighbors and, with prodding by Vanderbilt and the British, four armies invaded Nicaragua from the north and the south. Vanderbilt's support of the Costa Ricans was particularly damaging, as Costa Rican forces captured the transit steamers at San Juan del Norte on December 23, 1856, effectively closing the transit. Morgan and Garrison continued to run steamships on the Atlantic and Pacific coasts, but discontinued their service in March 1857. Walker was apprehended on May 1, 1857, and the Nicaragua route did not re-open for another five years.

Mail Carried via the Nicaragua Route, 1851 to 1857

Although Vanderbilt offered to carry the U.S. mails for half the amount being paid the Panama contractors, the Post Office Department remained committed to the Panama route. This meant that all mail remitted to the post office was carried via Panama on contract steamships. However, letters could be carried on the Nicaragua route if they were given directly to the steamship line, or entrusted to a letter bag operator. Such letters do not bear postmarks from the origin point, and generally entered the U.S. mails at the steamship's arrival port, typically New York.

An illustrative advertisement was placed in the July 1, 1853 *Alta California*.⁵

NICARAGUA STEAMSHIP COMPANY
FOR NEW YORK AND NEW ORLEANS
VIA SAN JUAN

The Shortest, Quickest and Healthiest Route

THROUGH AHEAD OF THE MAILS

The mail bag will close 15 minutes before sailing of the steamer. Letters not over ½ ounce FREE provided they are covered by postage stamps in accordance with the U.S. Postal regulation.

C.K. Garrison

Eastbound letters were carried free of any additional charge, so long as U.S. postage was prepaid by an amount equivalent to the postage if carried in the government mails.⁶ A January 8, 1856 advertisement in the New York *Herald* described the westbound letter service, but at a charge of 6¼ cents in addition to the obligatory U.S. postage.⁷

Transcontinental express companies were quick to embrace the new route. Figure 8-3 shows an October 1851 Gregory's Express letter.

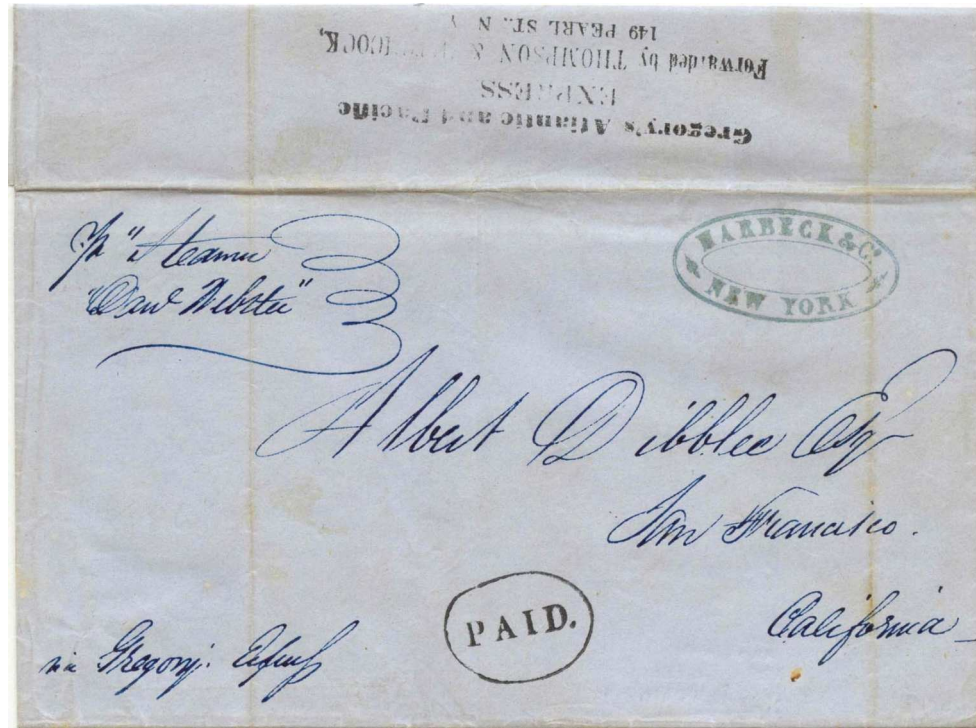


Figure 8-3. Letter datelined at New York on October 21, 1851 and given to Gregory's Express for forwarding to San Francisco via Nicaragua.

This letter was datelined in New York on October 21, 1851 and given to Gregory's Express, which added its "Gregory's Atlantic and Pacific Express, Forwarded by Thompson & Hitchcock 149 Pearl St., N.Y." handstamp on the reverse. Gregory arranged to put it on the Vanderbilt Independent Line steamship *Daniel Webster*, which departed on October 22 and arrived in San Juan del Norte on November 4. The next day, it left San Juan del Sur on the Vanderbilt Independent Line steamship *Independence*, and arrived in San Francisco on November 16. This was the fifth through trip for the line, and was accomplished in the remarkable time of 26 days. It is also worth noting that this letter was carried entirely outside of the U.S. mails, and that no U.S. postage was paid.

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Letter bag operators also used the Nicaragua route extensively. Figure 8-4 shows an August 1853 example. This letter was entrusted to San Francisco letter bag operator George H. Leland⁸ for forwarding to New

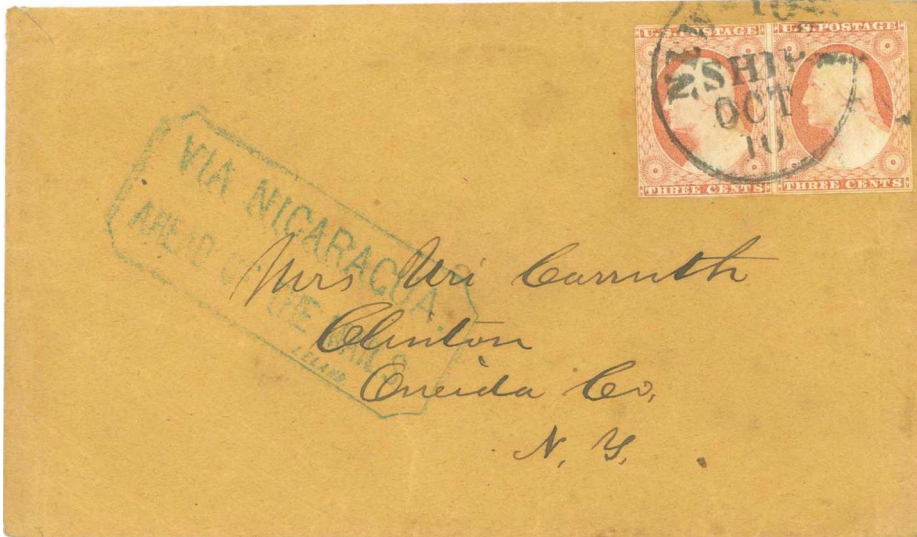


Figure 8-4. August 1853 San Francisco letter given to Leland for transport via Nicaragua.

York. It was prepaid the required six cents U.S. transcontinental postage by a pair of three cents stamps of the 1851 issue. The next steamship departure was by the Accessory Transit's *Brother Jonathan* on September 1, 1853, so Leland applied his "Via Nicaragua ahead of the mails Leland" boxed handstamp for publicity purposes and took the letter to the ship. It arrived in San Juan del Sur on September 15 and connected across the Isthmus with the *Star of the West*, which departed from San Juan del Norte on

October 1 and arrived in New York on October 9. The letter entered the U.S. mails on the following day, per the October 10 "New-York Ship" postmark.

Another letter bag operator, J.W. Sullivan, employed the Nicaragua route as well. Figure 8-5 shows a striking October 1854 example to England. This letter was datelined October 24, 1854 in San Francisco,



Figure 8-5. Letter datelined October 24, 1854 at San Francisco, given to Sullivan for forwarding to New York via Nicaragua.

endorsed "pr Sierra Nevada" and entrusted to the letter bag operator J.W. Sullivan for forwarding. It was prepaid the 29 cents postage to England by stamps from the entire 1851 issue.⁹ Sullivan faintly marked it "Via Nicaragua in advance of the mails Sullivan" below the stamps and brought it to the Accessory Transit steamship *Sierra Nevada*, which left on October 24 and arrived at San Juan del Sur on November 6. A day

later, it connected with the *Northern Light* at San Juan del Sur, and reached New York on November 14. It entered the U.S. mails at the New York foreign mail office, which cancelled the stamps with its red 19 cents

credit marking,¹⁰ and transferred the letter to the Cunard steamer *Arabia*.¹¹ It was postmarked in London on November 27, barely a month after leaving San Francisco.

Letters given directly to the Accessory Transit Company were also marked with a variety of publicity handstamps. Figure 8-6 shows a January 1854 example of a straight-line marking. This letter was given to the Accessory Transit Company in San Francisco, which applied its red “Via Nicaragua ahead of the mails” straight-line handstamp. It was prepaid the required six cents U.S. transcontinental postage by a pair of three cents stamps of the 1851 issue. The Accessory Transit’s *Sierra Nevada*

left on January 16, 1854 and arrived in San Juan del Sur on January 28. It connected with the *Star of the West* at San Juan del Norte, which departed on January 31 and arrived in New York on February 9. The letter entered the U.S. mails that day at the New York post office.



Figure 8-6. January 1854 San Francisco letter given to the Accessory Transit Co. for transport to New York via Nicaragua.

The steamship *Sierra Nevada* also had a publicity handstamp of its own. Figure 8-7 shows an example on an unusual July 1854 letter to France. This letter was given to the Accessory Transit Company in San Francisco, which applied its blue “Stmr Sierra Nevada via Nicaragua ahead of the Mails” oval handstamp. It was overpaid by one cent in stamps of the 1851 issue for the 26 cents transcontinental postage to France.¹² The Accessory Transit’s *Sierra Nevada* left on July 15, 1854 and arrived in San Juan del Sur on July 28. The letter then



Figure 8-7. July 1854 San Francisco letter given to the Accessory Transit Co. for transport to France via Nicaragua and New York.

connected across the Isthmus with the *Star of the West* at San Juan del Norte, which departed on July 29 and arrived in New York on August 7. The letter entered the U.S. mails at New York, where the stamps were cancelled with the August 12 “New-York Am Packet” datestamp for the departure of the Ocean Line steamer *Hermann*.¹³ It was routed via Calais to Paris, which postmarked it “Etats-Unis Paq. Am.” on August 29 and rated it for 8 décimes due.¹⁴

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Transcontinental express companies continued to utilize the Nicaragua route throughout its existence. Figure 8-8 shows a March 1854 westbound example handled in San Francisco by Adams & Company. This March 1854 letter was given to the Accessory Transit Company in New York City. It was prepaid the required six cents postage by a pair of 1851 three cents stamps, and marked with the Accessory Transit's oval marking, "Via Nicaragua in Advance of the Mail." The *Star of the West* left on March 20, 1854 and arrived in San Juan del Norte on March 30. It connected across the Isthmus with the *Cortes*, which left San Juan del Sur on April 2 and arrived in San Francisco on April 16. It was given there to Adams & Company, which added their April 16 San Francisco marking, and forwarded the letter to Stockton, entirely outside of the U.S. mails.



Figure 8-8. March 1854 New York letter given to the Accessory Transit Co. for transport to California.

San Francisco's Penny Post Company also sent mail via Nicaragua. Figure 8-9 shows a striking example. This August 1855 letter was enclosed in a "Via Nicaragua" envelope and entrusted to the Penny Post Co. for forwarding to Massachusetts. Per the large blue label, the sender paid 5 cents to the Penny Post for this service, and added an 1855 10 cents stamp for the transcontinental postage.¹⁵ The Penny Post took the letter to the Accessory Transit steamship *Uncle Sam*, which left San Francisco on August 18, 1855 and arrived in San Juan del Sur on August 29. This was just after William Walker had taken control of the western side of the transit route, and he had to be persuaded to let the passengers and mail through.¹⁶ Nonetheless, the letter connected across the Isthmus with the *Northern Light*, which left San Juan del Norte on August 31 and arrived in New York on September 8. It entered the U.S. mails on that day, per the "New-York Ship" postmark, and was sent onward to Massachusetts.



Figure 8-9. August 1855 San Francisco letter given to the Accessory Transit Co. for transport to Massachusetts via Nicaragua and New York.

Wells Fargo also patronized this route. Figure 8-10 shows a late example. This December 1855 letter was enclosed in a 10 cents Nesbitt stamped envelope and entrusted to Wells, Fargo & Company for forwarding



Figure 8-10. December 1855 San Francisco letter given to Wells, Fargo & Co. for forwarding to Philadelphia via Nicaragua and New York.

to Philadelphia. The stamped envelope paid the required 10 cents transcontinental postage. Wells Fargo applied its blue oval “Wells, Fargo & Co. Express San Francisco” marking and took the letter to the Accessory Transit steamship *Sierra Nevada*, which left on December 5, 1855 and arrived in San Juan del Sur on December 18. The letter connected across the Isthmus with the *Star of the West*, which left San Juan del Norte on December 20 and arrived in New York on December 29. It entered the U.S. mails on the next day, per the December 30 “New-York” postmark. Considering the conflict along the transit route, the transit time of 25 days is remarkable.

The latest known covers via Nicaragua during this period date from February 1856.

Endnotes

1. On March 9, 1850, the American Atlantic and Pacific Ship Canal Company signed a modified contract with Nicaragua to facilitate the transit, and incorporated in Nicaragua. On August 14, 1851, the American Atlantic and Pacific Ship Canal Company divided its responsibilities between building a canal and managing the isthmian transit, by creating the Accessory Transit Company to handle the transit duties. The Accessory Transit Co. had no interest in the Vanderbilt Independent Line steamships and derived its revenue by charging \$40 for each passenger carried across the Isthmus.
2. The Prometheus had been running a monthly service between New York and San Juan del Norte via Chagres since December 26, 1850 but the Pacific coast steamships did not arrive in San Francisco until July 1851 to provide the through service via Nicaragua. The *Independence* left New York on January 1, 1851 and arrived in San Francisco on July 2, after a trip around Cape Horn. The *Pacific* left New York on March 19, 1851 and arrived at San Francisco on July 2. Wierenga, page 331.
3. The Nicaragua numbers are from Folkman, page 163 and the Panama numbers are from Kemble, pages 253-54.
4. Wierenga, page 369.

5. Wierenga, page 260.
6. A September 20, 1852 Post Office pamphlet was published as a supplement to the postal laws and regulations in Section 8 of the Act of August 31, 1852. It permitted "letters enclosed in such envelopes with postage stamps thereon of an equal value to the postage which would be chargeable upon such letters and envelopes if the same were conveyed in the mails of the United States, may be sent, conveyed, and delivered otherwise than by post or mail." This pamphlet also described the new stamped envelopes and their intended uses. (Wierenga, pages 260-61). Postal agents in California reiterated these requirements in a January 13, 1854 Post Office Notice.
7. Wierenga, page 265.
8. In January 1852, Leland & Sullivan were advertising their news room located at the "Post Office Arcade." Their May 31, 1852 advertisement in the *Daily Alta California* announced that a letter mail bag "will be kept open all night" for mail to be sent on the contract steamer departing the next day. By June 30, 1853, J. W. Sullivan and George H. Leland had separated ways and were operating in competition. After the close of the Nicaragua route in 1857, the need for letter bag operators ended.
9. This rate consisted of the 1848 U.S.-U.K. Convention rate of 24 cents per half ounce plus the five cents transcontinental surcharge. The franking is made up by two 1851 issue one cent type IV stamps, an 1851 three cents dull red stamp and a pair of 1851 issue 12 cents stamps. These three were the only stamps issued in 1851 - later stamps in the series include the 1855 10 cents stamp and the 1856 five cents stamp.
10. Per the 1848 Convention, the U.S. credited 19 cents to Great Britain for 16 cents packet postage plus three cents British domestic postage, when British steamers carried the mail.
11. The *Arabia* left New York on November 15 and arrived at Liverpool on November 26.
12. The correct postage was 26 cents, for the 21 cents rate to France by American packet via England, plus the five cents transcontinental surcharge. The franking is an 1851 three cents dull red stamp and a pair of 12 cents stamps.
13. The *Hermann* arrived in Southampton, England on August 26.
14. The 8 décimes per 7.5 grams consisted of 3 décimes due to England for transit charges plus five décimes French postage. These rates were set by the September 1, 1851 French Postal Circular #67.
15. Transcontinental rates had been increased from six cents per half ounce to 10 cents on April 1, 1855 per the March 1, 1855 U.S. Postal Act.
16. Per a report in the September 9, 1855 *New York Herald*.