Taming Yellow Creek

Alexander Arthur, The Yellow Creek Canal & Middlesborough, Kentucky

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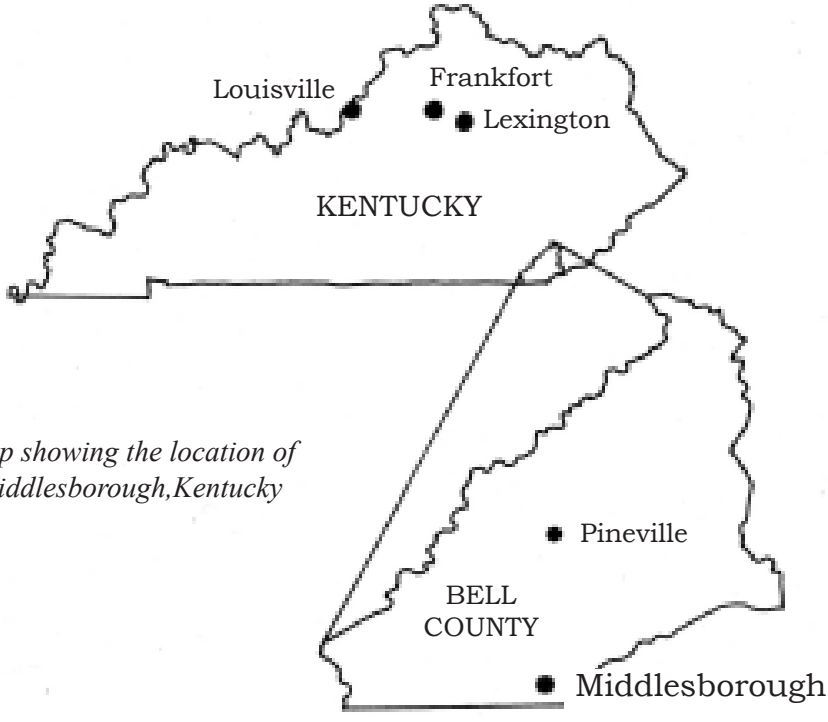
Alexander Alan Arthur. He made the City of Middlesborough a reality.

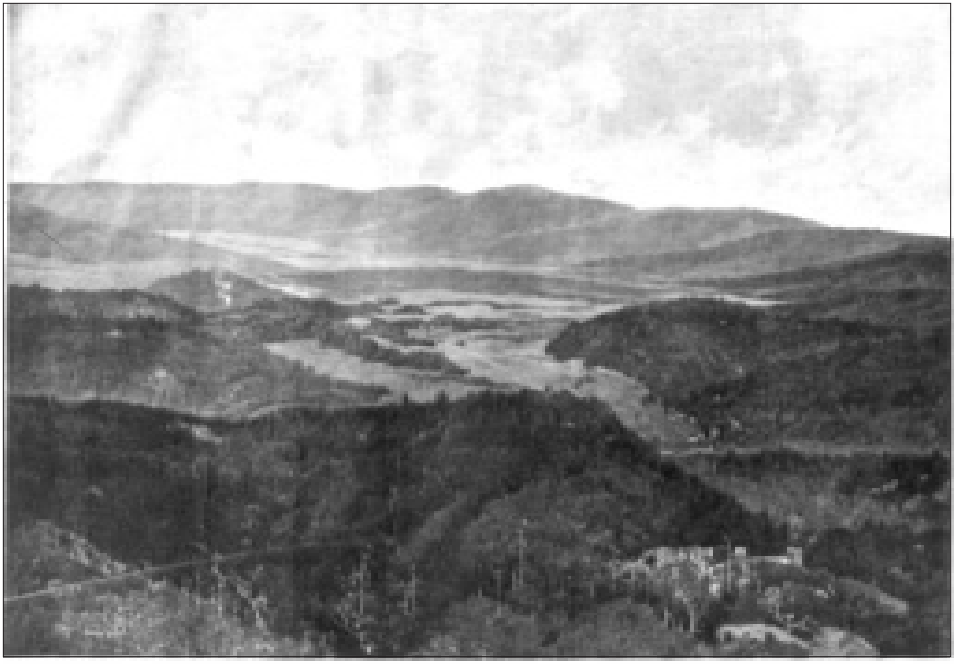


Map showing the location of Middlesborough,Kentucky

A Grand Vision of a Great City

In 1886, while scouting locations for a railroad, Alexander Arthur followed the old Wilderness Road west through Cumberland Gap and into the Yellow Creek Valley. What he saw amazed him. The valley was shaped like a huge bowl. A creek wound across the valley, its channel twisting and turning like a snake. In this land of steep-sided hills and narrow valleys, the wide, nearly level valley of Yellow Creek was a surprising sight.

Arthur went down into the valley, riding from one side to the other. In the mountain slopes surrounding the valley, he saw beds of coal. He knew there were iron ore deposits nearby, in Tennessee. Iron ore and coal could bring money and jobs. He pictured a great city in the valley: a modern city, based on industry, a city with wide streets lined by grand buildings and beautiful houses. Alexander Arthur decided that he would, somehow, build this city.



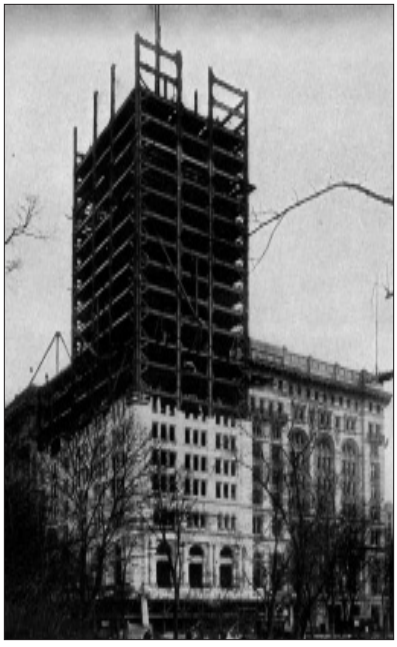
The Yellow Creek Valley in 1886.

The Gilded Age

Who was Alexander Arthur? Why did he believe he could build a great modern city in a valley where only a handful of farmhouses stood?

Alexander Arthur lived at a time when the United States was growing rapidly and great changes were taking place. The turmoil of the Civil War was past. People looked to the future.

These were years of great prosperity for the country. For the first time in U. S. history, the value of manufactured goods was greater than the value of agricultural goods. The United States had become an industrial nation, a nation where factories were producing more and more items of all kinds. It was a time when the sky seemed to be the limit. Today, historians call these golden years, between 1870 and 1893, the "Gilded Age."



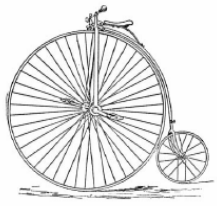
During the Gilded Age, many new inventions spurred economic growth. Alexander Graham Bell invented the telephone. Thaddeus Lowe invented a machine to make artificial ice. George Pullman built the first sleeping cars for railroad travel, which came to be called "Pullmans." Barbed wire, electrically powered street cars, combines for harvesting wheat, vacuum cleaners, new machines to make shoes and clothing, all made their appearance.

The first skyscraper was built in 1890, in Chicago, and soon afterward, skyscrapers began to appear in New York. Bicycles became a popular form of transportation. One of the last inventions of this era was the automobile, although it would not become important for some years. Many things we take for granted today were invented during the Gilded Age.

For the first time, coal and iron were in great demand. Coal was used to produce steam power to run factories and it supplied the heat to make steel from iron ore. Oil also became important. At first, people used petroleum, which was made from oil, to replace the whale oil in the lamps that lit their homes. However, as time went on, many more uses were found.

During the years of the Gilded Age, most working people in the United States were well off, in comparison to people in other parts of the world. Jobs were easy to find. Life might be hard, but most people believed there were opportunities to do better. A few men became millionaires. John D. Rockefeller made a fortune in the oil business; Andrew Carnegie had a kingdom in steel; and Daniel Guggenheim a dynasty in mining. George Pullman made a fortune building railroad sleeping cars. J. P. Morgan, and others, made millions in the railroad business. There was no income tax yet – all of the money they made, they kept.

Most people believed that the rich had made their vast fortunes through work, thrift and intelligence (a belief that the rich encouraged!). It was a time when many people believed that with hard work, good ideas, and determination, anyone could become rich. Alexander Arthur was one of those believers.



Alexander Alan Arthur

Alexander Alan Arthur was born in Lachine, Canada in 1846. As a young man, he traveled to Scotland, married a Scottish beauty, Mary Forrest, and joined the famous 104th Highland Regiment. He studied engineering and worked for a time in Sweden and Norway. A year or two later, Arthur and his wife settled in Boston, where Arthur found work as a representative for an English-owned steel company.

Arthur's wife, Mary, died not long after they moved to the United States. Some time later, Arthur married Nellie Goodwin, a member of an important Boston family with many connections in the business world.

Arthur was a large man who cut an imposing figure. His eyes were a bright, piercing blue. His wavy hair was a sandy color, almost red, and he sported an impressive mustache and sideburns. He looked much like the former president, Chester A. Arthur, who was a distant relative. Alexander Arthur always dressed in the latest fashion, looking like the prosperous businessman he aspired to be. Arthur was a friendly man, outgoing and sure of himself, and not afraid to try

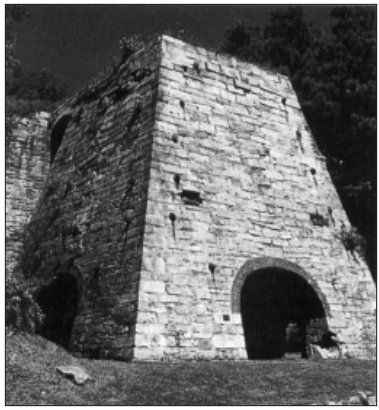
something new. He seems to have been a restless young man, always on the lookout for the next opportunity. He found people easy to get along with and he seems to have succeeded in whatever he tried.

These qualities would serve him well in the years ahead, for Arthur did not stay long in Boston. Soon, he was in Tennessee, working for the Scottish-Carolina Timber Company. In 1886, acting as an agent of the Richmond and Danville Railroad, Arthur traveled from Morristown up the Tazewell Road and through Cumberland Gap to investigate the feasibility of laying a rail line from Morristown, Tennessee into the Kentucky coal fields.

On the first leg of his journey, Arthur rode from Morristown to the home of Dr. James M. Harbison, one mile from the Gap. Arthur spent several days investigating the surrounding area, noting the occurrence of ore ledges and deposits. He saw the remains of an old iron furnace, and coal "banks," exposed outcrops where local people gathered coal for heating and cooking. Along the way, Arthur filled his saddlebags with samples of coal, iron ore and other minerals.

Crossing the Gap, Arthur looked for the first time on the Yellow Creek Valley. He had seen reports from the state geologist and knew that the area was rich in coal and iron ore. Timber covered the valley and the mountain sides. He had never seen such a perfect place for a city.

Arthur returned to the railroad company headquarters full of enthusiasm. However, in his absence, the Richmond and Danville Railroad had merged with a larger rail line, the East Tennessee, Virginia and Georgia. The new board of directors had no interest in building a railroad into the Kentucky coal fields. To build such a railroad meant constructing a tunnel through the mountains under Cumberland Gap, a project that would cost millions of dollars.



The American Association, Ltd.

Arthur decided he would build the railroad and his city without the support of the railroad company. He wasted no time. Arthur quit his job and set out to find the money he needed.

The first place he went was the resort city of Asheville, North Carolina, where he was acquainted with several wealthy young men. He persuaded them to visit Cumberland Gap with him and to see the Yellow Creek Valley for themselves.

The group reached the small Tennessee settlement known as Cumberland Gap on August 30, 1886 and set up their tents. That night, an earthquake shook the area. They felt the ground beneath them shake, heard trees crashing and boulders rolling down the sides of the mountains. No one suffered any harm and the "quake" simply added to the adventure.

Arthur spent the next several days showing his would-be investors everything he had seen. The young men were soon as enthusiastic as Arthur about the project.

While they were there, Arthur obtained options to purchase nearly 25,000 acres of land in the Yellow Creek Valley. When the group returned to Asheville, lawyers drew up papers creating a new company, the Gap Associates, Inc. Although the young investors were very enthusiastic about the project, they did not control much money of their own. The money belonged to their parents, who were not ready to invest large amounts of money on a project that might not return a profit.

Still, nothing would stop Alexander Arthur. He was sure that he could raise the money in England and Scotland. He had friends there, and business connections. The Eng-

lish had financed many business ventures in the United States. British monies invested in American railroads, timber and steel, including the great steel operations in the new city of Birmingham, Alabama, were paying handsomely. Arthur knew that he could convince his overseas friends to invest in his new city. The members of the Gap Associates agreed to pay his way to England.

In the late fall of 1886, Arthur met with potential investors in London. He was an excellent salesman. Arthur held his listeners spellbound as he described the mineral wealth of the valley. He showed them the samples he had brought with him. He told them of the fortunes they would make from the coal and iron and timber.

The British money-men were as enthusiastic as the young men of the Gap Associates. Arthur had convinced them that they were on to a sure thing, but they were also cautious. Arthur was asking for a lot of money. They wanted to see the Yellow Creek Valley for themselves. They wanted their own experts to look at the timber, iron and coal deposits that Arthur spoke of in such glowing terms.

Two months later, Alexander Arthur was back at Cumberland Gap, this time with a group of English businessmen, engineers,

and geologists. Among the notables was the famous geologist, Sir Jacob Higson. In their survey of the Yellow Creek Valley, they rode even farther than the Gap Associates. They looked at the country as far away as Barbourville, more than twenty miles northwest of Cumberland Gap.

The visitors had never seen an area so rich. The English engineers and geologists sent back reports saying that Arthur had not exaggerated the mineral wealth to be found there. As Arthur led them across the Gap, he described the modern, industrial city he wanted to build. He spoke of the railroad and the great tunnel that, with their help, he would dig through the mountain under Cumberland Gap.

The English visitors were convinced. Sir Jacob Higson sent a telegraph to London, saying that "the half had not been told" about the wealth of the Cumberland Gap country and the Yellow Creek Valley.

The British experts with Alexander Arthur advised their colleagues in London to create a new development company and to buy or option as much land as they could. They praised Arthur and recommended that he be made general manager of the new company.

Lawyers in London drew up papers creating the American Association, Ltd. English bankers and investors began to sell stock in the new company. Alexander Arthur was elected president and general manager. Members of the Gap Associates, Inc. happily traded in their old stock for stock in the new company.

Men on both sides of the Atlantic told their friends and colleagues about the exciting new company, told them that it was sure to make investors a fortune.

Within weeks, Alexander Arthur had secured all of the money he needed to build his city, a city he had already named Middlesborough. It had taken him barely a year.

The City in the Wilderness

Arthur had decided months before that he would call his new city in the Yellow Creek Valley Middlesborough, after the great English industrial city of the same name. Now he had the money he needed to build his dream.

Arthur returned to the Yellow Creek Valley to buy land. Within weeks he and his representatives had surveyed and purchased almost 100,000 acres of land around Cumberland Gap. Some of the land was in Tennessee, some was in Virginia and much of it, including the Yellow Creek Valley, was in Kentucky.

Much of the Yellow Creek Valley belonged to the Colson, Morrison, and Turner families, who had lived in the valley for many years. These families may have owned a lot of land, but they never had much money. Arthur offered them, and others, more money than they had ever hoped to see in their lifetimes. Some refused to sell, but most willingly parted with their land.

Now that he had the land, Arthur began on the next phase of his plan – a railroad. The nearest tracks were thirteen miles away, at Pineville, Kentucky. Arthur needed a railroad to the Yellow Creek Valley. Materials to build the town, the blast furnaces, the coal tipples, the factories and more would have to be brought in by rail. Once the industries in the valley were in operation, they would need the railroad to carry the finished products to far away markets.

Arthur began plans for the Knoxville, Cumberland Gap and Louisville Railroad. He let a contract for the construction of the tunnel and for the rail line that would connect Knoxville, Tennessee to the Yellow Creek Valley. Soon, hundreds of men were at work with picks and shovels and dynamite, digging the

tunnel. Arthur also began construction on a rail line that would encircle his new city, with spurs reaching into the hollows where iron and coal deposits could be found.

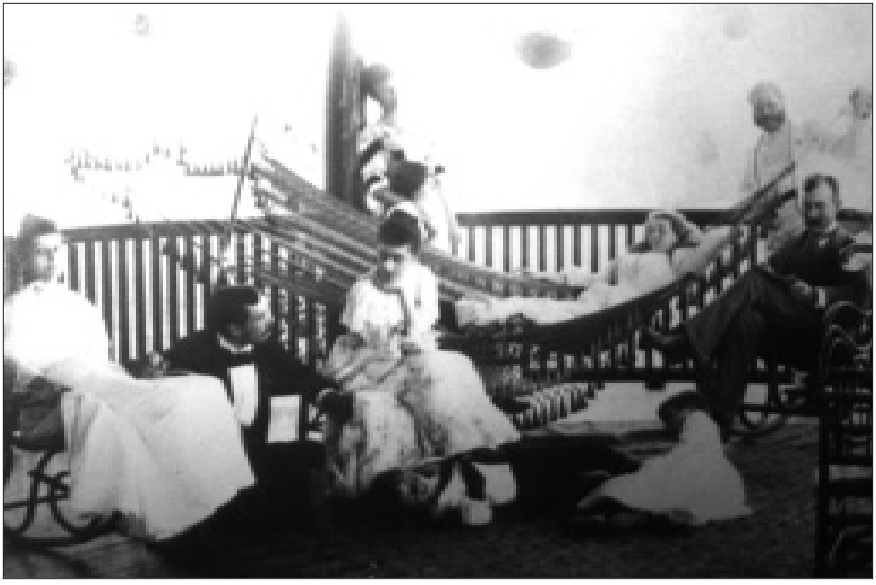
A thent city grew up around Cumberland Gap as hundreds of men came to find work. Many were Irish and Italian immigrants, new to the United States. Some were local men from the surrounding hills. Others were black laborers recruited from the South. There was plenty of work for all. Sawmills, blacksmith shops, iron forges, restaurants and saloons sprang up.

More Englishmen also came to the valley. Some came to keep an eye on their investments. Others

came hoping for adventure. The Watts brothers, Edgar and Frank, came to the Gap to oversee the construction of two blast furnaces in the valley. Their family owned the Watts Steel and Iron Syndicate, Ltd., one of the largest in England. Finding little in the way of housing, they built a fifty-room hotel just south of the Gap, and then they built fine, large houses for themselves.

With the railroad under construction, Arthur turned his attention to building his city. Surveyors and engineers began to lay out the streets of the new town. Workmen drove the first stake in the ground July 16, 1888. Teams of mules and oxen brought wagon loads of building supplies into the valley.

Workmen finished the tunnel and new tracks by September 1889 and a new tent city began to grow, this time in the Yellow Creek Valley. By the fall of 1889 it looked like an army occupied the valley. But this army was made up of engineers, builders, architects, and thousands of laborers. They worked under the watchful eye of the Middlesborough Town Company, created by the American Association, Ltd. to oversee the development of the new city. Alexander Arthur made the decisions and the Town Company made sure the work was completed.



Alexander Arthur and his family at their home, circa 1890.

As Arthur's city grew, problems arose with Yellow Creek.

The Problem with Yellow Creek

Soon after work on the new city began, the surveyors and engineers ran into problems with Yellow Creek. The people living in the valley told Arthur and the Middlesborough Town Company that the creek often overflowed its banks. In fact, there had been a bad flood the year before Arthur first saw the valley. Water had covered the entire valley. If Arthur was to build his city in the wilderness, he would have to tame Yellow Creek.

When Alexander Arthur had first looked upon the Yellow Creek Valley in 1886, he saw marshland dotted with areas of higher, dry land. Yellow Creek did not flow through the valley in a straight line. It wandered and looped back upon itself. Smaller streams joined Yellow Creek as it flowed through the wide, bowl-shaped valley. Canebrakes, thick stands of tough river cane, lined the banks of the streams and creek. Patches of quicksand dotted the valley. In the winter and spring, heavy rains filled Yellow Creek, and it was not unusual for the creek to overflow its banks. This water did not drain away quickly, but stayed in the valley, forming the marshland Arthur saw. If Arthur wanted to build a city, he would have to do something to control Yellow Creek and stop the flooding.

The Yellow Creek Canal

Yellow Creek also posed a problem when the city planners tried to lay off streets. Everywhere they went, the winding creek cut off the streets and building lots. Dense vegetation and wet land along the banks of the creek made it difficult to cross on foot or on horseback, and it was impossible in a wagon. Middlesborough would be a city of bridges and dead ends if they could not solve this problem.

Arthur and the town planners came up with a solution. They would "improve" Yellow Creek. They would dig a straight, deep canal to replace the winding, natural creek bed. Once they finished the canal, the old creek bed could be filled in and the new, dry land sold to people who wanted to build houses or businesses. The canal would be expensive to build, but the money made from the sale of the lots, they argued, would pay for the cost of digging the canal.

The town planners also believed that they could use the canal as part of the city's sanitation system. Sewer pipes would lead from houses to small canals. These small side canals, called lateral canals, would

join with the Yellow Creek Canal. In this way, the canals would carry all of the sewage away from the city and down to the Cumberland River. Although no one would build such a system today, it was advanced for its time. Most houses and businesses still had backyard outhouses, or privies. The idea of indoor bathrooms and running water was still new, and a luxury. Few cities had sewer systems, but Middlesborough was to be a modern city in every way, including its sewers.

Town planners outlined the route the canal would take. Two streams, Stony Fork and Bennetts Fork, flowed together just inside the west city limit, forming Yellow Creek. They would dig new channels for all three streams, creating canals. The largest canal, the Yellow Creek canal, would follow city's main street, Cumberland Avenue, to the east edge of town. There, it would cross the Louisville & Nashville Railroad and turn north, heading out of the city. North of the town limits, the canal would enter the natural channel of Yellow Creek, which flowed to the Cumberland River.

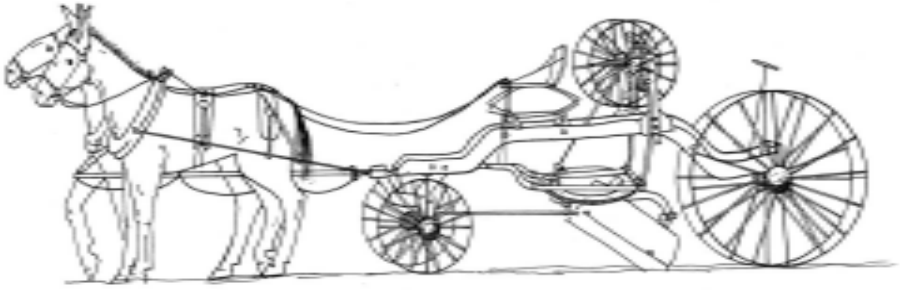
Building the Canal

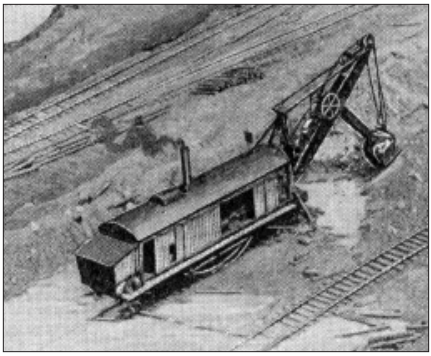
Within weeks, workmen cut down the huge trees covering much of the town site. The longest and straightest logs were trimmed and they were soon standing again, this time as telephone, telegraph and electric-light poles.

The Middlesborough Town Company hired the construction firm of Allison, Shafer & Co. to dig the canal and to fill the old bed of the creek. Soon, hundreds of men were busy with picks and shovels and drills, digging the Yellow Creek Canal. Many of these men were Italian immigrants, brought from the poorest sections of New York City just to work on the canal. Most were short, swarthy, black-haired Sicilians from the south of Italy, descendants of the ancient Romans. But the Italian immigrants were not the only ones working on the canal. Irish immigrants and African Americans worked shoulder to shoulder with the Italians, digging the new canal.

Mules, more sure-footed than horses and faster than oxen, pulled scrapers and plows, gouging out the new channel. They needed so many mules that the company had to bring them in by train from outside the valley. As the men dug the new canal, they used the earth to fill the old creek bed. Steam shovels leveled some of the higher spots in the city limits, creating more building lots. The men used this earth, too, to fill the old creek bed.

Every day, Alexander Arthur spent many hours on his horse, inspecting the progress made on the canal and all of the projects under-





way in Middlesborough. As general manager of the American Association, Ltd., he was responsible for every decision made regarding the new city.

Arthur took his duties seriously. Middlesborough was his city, and he would see that it was built to his specifications. No one would cut corners. Everything would be of the best quality and construction.

By the end of December 1889, workers had completed much of the new canal. Men continued filling the old creek bed as others removed more knobs and hills to create building sites.

Allison, Shafer & Co. built temporary railroad tracks and had one small locomotive hauling dirt to the old creek bed. They soon found that one train of dirt cars could not keep up with the output of the steam shovels, so they ordered a

second locomotive.

The company installed electric lights all around the steam shovels and along the railroad to the old creek bed where they were dumping the dirt. The big steam shovels worked all night, and so did the men.

Work also continued on the sanitary system. Crews of workers dug the small, deep-sided lateral canals, designed to carry sewage, at right angles to the main canal. They dug the main canal deep enough to permit the lateral canals to enter it, insuring that the system would work properly.

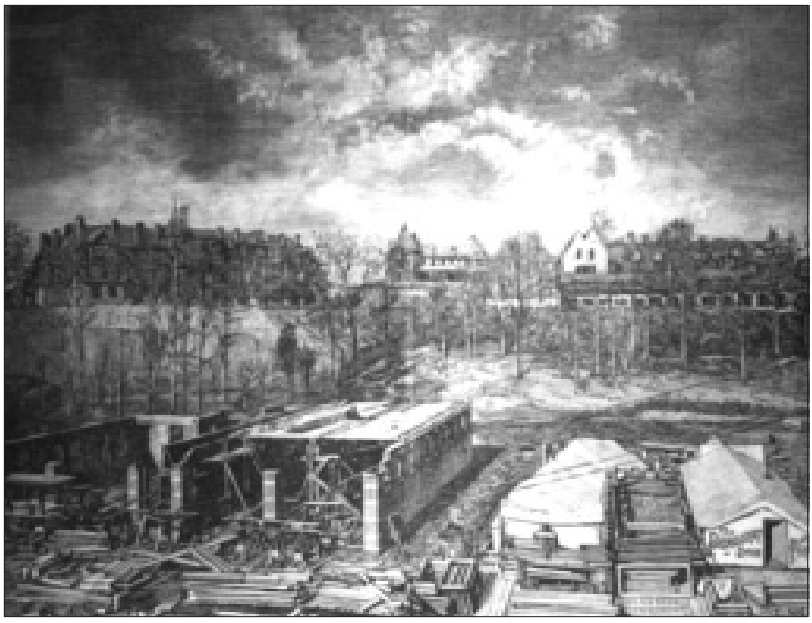
The small canals would also carry runoff from heavy rains into the canal, helping the city drain. The *Middlesborough News* reported that the canal system would "afford the most perfect system of sewerage

The "Magic City"

As workmen dug the Yellow Creek Canal, hundreds of other men, employed by dozens of companies, were building the city of Middlesborough. Handsome wooden buildings soon replaced the tents. Many of the new buildings were two stories tall, and some were three. A few, like the American Association building, were made of brick or stone. The main street, Cumberland Avenue, was one hundred feet wide. Stores and office buildings lined the street for ten blocks. The community built churches, a city hall, a courthouse, banks, a hospital, an opera house and a library. Everything a person needed or wanted could be found in Middlesborough: lawyers, doctors, dentists, grocers, shoe makers, blacksmiths, laundries, mercantile stores, newspapers and saloons.

On a hill, the new Four Seasons Hotel took shape. When it opened in 1892, the four-story hotel had 700 rooms, and a 200-room spa with elaborate turkish baths that drew on the nearby mineral springs.

The city built an electric light, heat and power plant, said to cost a quarter of a million dollars. Railroad cars hauled coal from the new mines to power the power plant. Speculators built a tannery,



The "Magic City" grew at a rapid rate, fueled by English money.

a brewery and an icehouse. They planned to build a huge hotel with 150 rooms. In a matter of months, 5,000 people were living and working in what they were now calling the "Magic City."

The price of shares in the American Association, Ltd. and the Middlesborough Town Company soared. Money poured in from London. Every six months, Alexander Arthur traveled to London to report on the project. The investors were pleased with the progress being made in Middlesborough and pledged to supply funds as needed.

Not content with the generous support from London, Arthur ordered a custom-built railroad car fitted with display cases and tables. He gathered samples of the riches of Middlesborough - hard woods, soft woods, coal, iron and limestone - and traveled the eastern seaboard. Using a magic-lantern slide show of 200 photographs, Arthur presented his city to potential American investors. The trips were a success and brought even more money into the city.

Just when it seemed that nothing could go wrong, tragedy struck. On the morning of May 31, 1890 a clerk in the American Association building looked out of his window to see flames and smoke surrounding a store two blocks away. A breeze carried sparks to other

The city's fire fighting equipment was no match for the fast-moving fire.

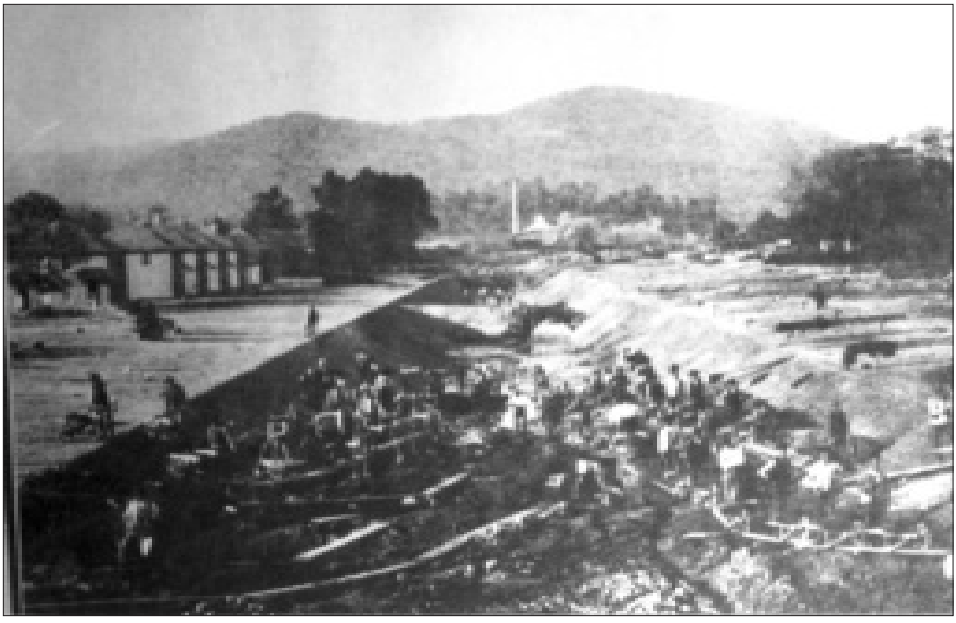
buildings. In a matter of hours, fire destroyed almost half of the town. Middlesborough was a tent city once more. Arthur asked investors in London for loans to rebuild the city and they were given. In a matter of months, the citizens of Middlesborough rebuilt their town, better than ever. Businesses

After the fire, brick and stone buildings replaced many of the wooden buildings.

"A Bad Piece of Engineering as Well as an Expensive Job"

Workmen completed the Yellow Creek Canal early in 1890. Yet, less than six months later, work on the canal was resumed. Heavy spring rains had caused the canal banks to cave in. In some places, water had eaten away at the sides of the canal, trying to cut a new channel or return to its old one. Criticism of the canal appeared in at least one local newspaper, *The Daily Democrat*, which called the canal a "bad piece of engineering as well as an expensive job."

The Middlesborough Town Company decided not only to repair the canal, but to improve it. The new canal would be wider, so that it could carry more water. The sides and bottom of the canal would be lined with heavy wood planks to stop the erosion. The American Association, Ltd. distributed a pamphlet enthusiastically describing the improved canal. They compared it to the canals of Venice, Italy, saying it would "present a most attractive appearance when



completed - what might be termed a Venetian look."

Plans were made to improve the sewer system as well. The lateral canals, while they might be efficient, did not represent the latest ideas in city sanitation. Alexander Arthur was determined that the city of Middlesborough would be up-to-date and modern in every way. The Middlesborough Town Company hired Colonel George Waring, Jr., a well-known sanitary engineer from New York, to design a new sewer system for Middlesborough. His new system did not use canals at all. All waste was carried underground in cement pipes, far beyond the limits of the city.

Improving the canal proved to be a long and expensive process. Work continued until late December 1890, when heavy rains forced the men to abandon the job. Periods of rain caused delays throughout the winter, and little work was done. The rains continued, and by February 9, 1891, the canal was full to the top. That night, flood waters washed away several bridges. Branches and other debris carried by the fast-moving water ripped apart the canal's wooden lining. Yellow Creek overflowed its banks on the east side of town, near its junction with Little Yellow Creek, but it did little damage to the town.

"Our White Elephant"

The City of Middlesborough was in trouble. Most of the canal improvements made in 1890 were washed away in the winter rains of 1891. And now the city had money problems as well.

Many of those who had invested in the American Association, Ltd. and the Middlesborough Town Company had invested their money through the Baring Brothers Bank in London. The bank was an old, reliable firm, but a bad business decision caused it to fail in the last months of 1890. Suddenly, the bank had no money for American investments. Some of Alexander Arthur's backers had lost their money, and others had little money left to invest. The millions sent to Middlesborough were gone, and there would be no more. Borrowed money had built the city. The companies had no way to repay the loans.

Many construction projects, including the canal, were incomplete when the money dried up. A newspaper article appeared with the headline: "Work on the Canal

- Much More Expense Than Most People Have Any Idea." The article called the Canal "Our White Elephant," and asked where the money to repair it would come from.

In spite of the money problems, something had to be done about the canal. In the summer of 1891, work began again. Middlesborough had already spent more than $190,000 on canal improvements the year before, only to have them washed away by the winter floods. To make matters worse, the rains had left mounds of silt and debris in the canal that had to be cleaned out before repairs could begin.

The force of the water rushing through the canal had twisted the planks that lined the sides of the canal. Others had been pushed away from the sides of the canal when the soft earth of the bank behind them collapsed. Laborers put these planks back in place. Next, the men pounded pilings into the bottom of the canal using a huge iron weight attached to a rope. Ten men pulled on the rope, raising the 125-pound weight six feet in the air. When they let go of the rope, the weight fell, hitting the end of the piling and driving it into the bottom of the canal. The men repeated the operation until the piling was sunk about five feet.

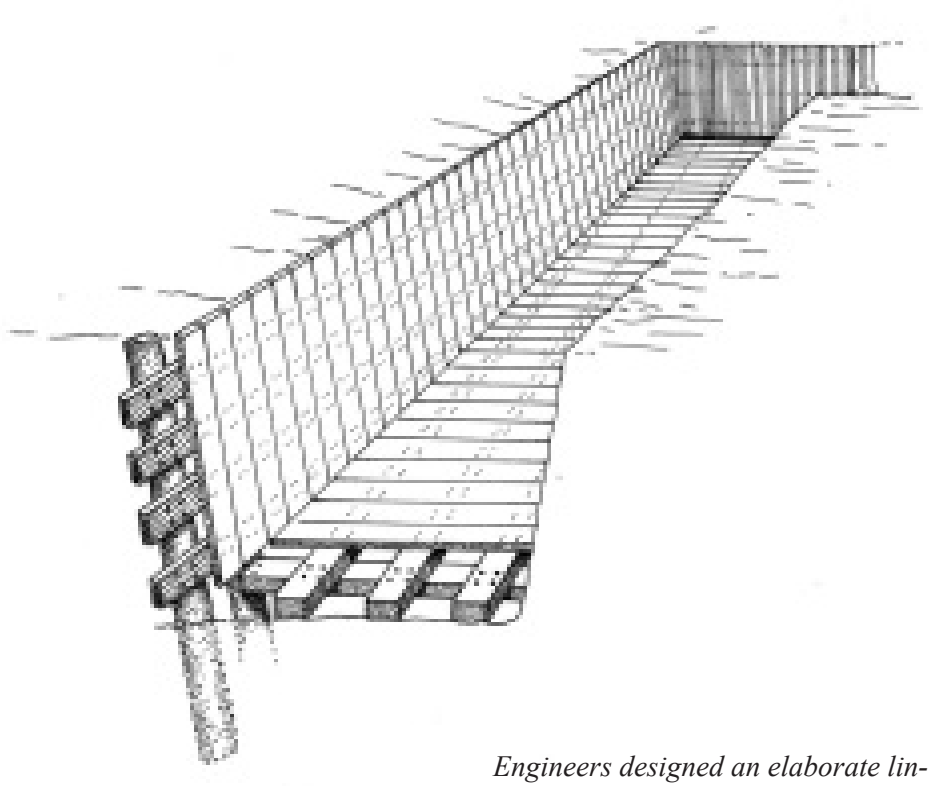
Workers nailed heavy crosspieces to the pilings. Then, they nailed planks to the crosspieces, forming the sides. The floor of the canal rested on three-by-five inch boards that ran the width of the canal. Large boards were nailed to both the flooring and the sides to keep the lining in place.

When finished, it looked like they had put a huge, open wooden box in the canal. Laborers carefully packed dirt under the floor and along the sides of the wooden lining. The water would run through the wooden box, not under it. Debris carried in the water would move quickly along the smooth wood canal; it would not get stuck and catch even more debris. The wood would protect the bank from erosion and caving. The canal would stay straight.

Again, Italian immigrants made up most of the work force, doing the work of moving dirt. African Americans drove most of the pilings. Carpenters on the job were mostly white. The payroll for the work force was $200 each day, a huge sum at the time.

By July 1891, workmen had improved only 2,000 feet of the canal. Work was slowed several times when the temporary canal built to carry the waters of Yellow Creek overflowed, flooding the construction site. Finally, sometime in 1892, the men finally finished the new canal. It was thirty-five feet

wide at the bottom and one hundred feet wide at the top. Scores of workmen had lined three miles of the Yellow Creek Canal with heavy oak planks. The cost was said to be close to $300,000.



Engineers designed an elaborate lining made of oak planks to protect the Yellow Creek Canal.

The Boom Town Busts

After the failure of Baring Brothers Bank in the fall of 1890, Middlesborough ceased to be a boom town. The city government took economy measures. Building projects were left uncompleted. The American Association, Ltd. fired Alexander Arthur, whom they charged with poor business judgement. It was reported that the iron deposits near the city were thin, and that the quality could not match those near Birmingham, Alabama. People began to lose faith in the future of Middlesborough. They began to leave.

Worse times were ahead. In February 1893, a financial panic gripped the United States. It was the beginning of a depression that would last for four years.

Middlesborough became almost a ghost town. Workers left to find jobs elsewhere. Shop keepers had no one to buy their goods and closed their shops. Doctors and dentists had no patients; lawyers had no clients. They, too, left.

Unfinished buildings were demolished, piles of unused brick and stone were sold. The Chicago Wrecking and Salvage Company bought the huge Four Seasons Hotel for $9,000 and tore it down for scrap. It had cost one million dollars to build.

Some of those who stayed bought fancy houses and office buildings for almost nothing. Even Alexander Arthur left Middlesborough, his fortune gone.

Alexander Arthur's fine home in Harrogate,Tennessee was abandoned when Arthur left the Middlesborough area.

Middlesboro

Those who remained in Middlesborough pinned their hopes on coal. The Yellow Creek Valley was rich in coal, and it was in demand. The American Association, Ltd. was dissolved and reorganized as a more modest company, the American Association, Inc. This new company focused its attention on developing the valley's coal mines. Small coal companies leased the mines owned by the Association.

Slowly, Middlesborough began to recover. The former boom town became a small, quiet coal town. In the mid-1890s, the Post Office changed the spelling of the city's name, shortening it to Middlesboro.

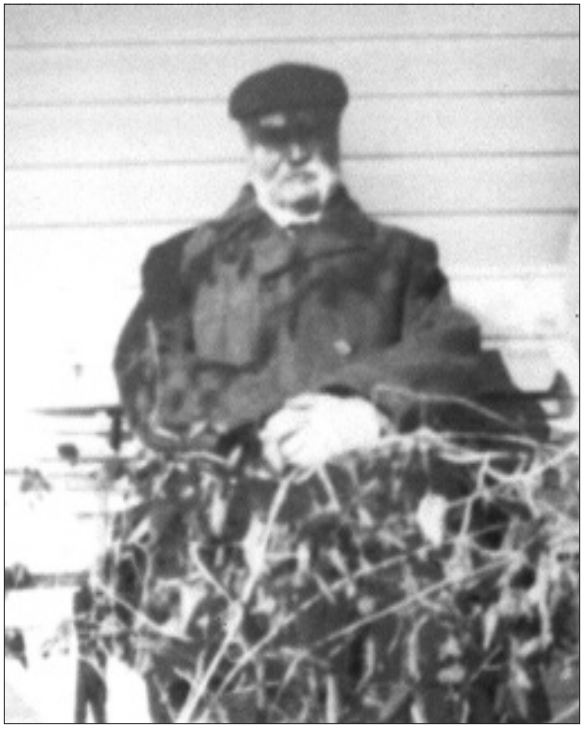
Between 1910 and 1930, coal mining boomed in Kentucky, and in Middlesboro. New banks and businesses opened. Two miles of the old Wilderness Road, between Cumberland Gap and Middlesboro, was paved in 1908. It was the first paved road in Bell County.

By the early 1920s, one of the best roads in the area led through Middlesboro. Auto touring became the rage, and tourists flocked to the historic Cumberland Gap area and Middlesboro. In 1926, the road through Middlesboro became U.S. Highway 25E, and more tourists came. Although tourism and new industry brought money to the valley, coal remained the backbone of the city's economy.

Alexander Arthur's Return

After leaving Middlesboro, Alexander Arthur tried to regain his fortune but never succeeded. He founded another new city, this one in Powell's Valley, Tennessee, but it did not prosper. Later, he moved to New York, and in the following years, tried a number of different business ventures. Arthur never stopped trying to recapture the glory of those boom years in Middlesborough.

Alexander Arthur eventually returned to Middlesboro, a man getting on in years, wanting to retire. He lived the rest of his life in the city he had inspired. Arthur died March 4, 1912. His friends gave him a funeral befitting a founding father. He is buried on a small knoll at the highest point of the old Middlesboro Cemetery, overlooking his dream city.



Alexander Arthur, circa 1910.

The Yellow Creek Canal Today

The Yellow Creek Canal made it possible for Alexander Arthur to build the city of Middlesboro, but right from the start, maintaining the canal was difficult. As mining developed in the valley, large amounts of silt were washed into the canal. In spite of all of the improvements, flooding was still a problem.

To stop the flooding, the U. S. Army Corps of Engineers dug a new canal around the northern edge of the city. The Corps completed this new channel, known as the Yellow Creek Bypass or the Bennetts Fork Bypass, in 1939.

The Bypass helped, but flooding continued to be a periodic problem in the Yellow Creek Valley. Although the Bypass flooded several times, the floodwall next to the channel kept the water from the city.

In 1999, the Army Corps of Engineers, Nashville District, started a new construction project to provide flood protection for the residents and businesses of Middlesboro. This project included altering the original Yellow Creek Canal within and downstream of Middlesboro, permanently evacuating two businesses and flood-proofing sixteen

structures. Only time will tell if these latest improvements solve the problem of Yellow Creek. In spite of the best efforts of engineers, it seems that Yellow Creek may never be really tamed.

Today, the Yellow Creek Canal remains an important feature of the city it made possible. In 1995, citizens designated part of the Yellow Creek Canal in downtown Middlesboro as the "Historic Canal Walk." Workmen dredged the canal, built sidewalks and landscaped the area. The Historic Canal Walk preserves and highlights this important part Middlesboro's heritage.

Yellow Creek Canal today. Downtown Middlesboro is in the background.