

VIRGINIA

CAPITOL CONNECTIONS

QUARTERLY MAGAZINE



A Tribute to
Governor
Mark
Warner



Inside:
Special Southwest
Virginia section

Fall 2005

Virginia's "High Tech" Governor: Mark Warner

By Bonnie Atwood



After the bike accident, Governor Mark Warner is shaking hands with his left hand nowadays, but the eye contact, the congeniality, and the just plain "je ne sais quoi" is still very much there. He's tall, athletic and handsome, with a winning and personable smile, and a quality of just being "in the moment" with whomever needs his attention most.

It is another fast-paced Monday morning in the

Governor's office in the newly-renovated Patrick Henry Building. The clean-lined art deco furnishings, mostly in new, dark, smooth ebony and teak-colored woods, with metallic and glass accessories, seem to be a perfect match to this governor, who came to his constituents from the world of high technology. He sits in his relatively small, private conference room—photo-covered walls on one side, bright sunlight streaming from the windows on the other side—with two young, attentive staff members sitting with him to keep him on his jam-packed schedule.

Warner came in from a background in the technology field, in which he helped create more than 70 telecommunications and information technology companies. As governor, he has put his considerable experience to work improving the information technology service in Virginia.

Now that the Governor's time in office is nearing its end, he can reflect on what the years have been like. Was it what he expected?

"It has been more intense," he answered thoughtfully. "I knew it would be challenging, but from the floods to the hurricanes to the sniper to the budget battles...the highs were higher and the lows were lower."

Such an answer underscores the high drama that has marked his gubernatorial career. All manner of disasters—both natural and manmade—have cropped up and demanded the leadership that he has provided. Surfacing, too, are the many bright and beautiful spots that every governor needs and enjoys—the successes, the friendships, the humor over adversity, and the murmurs of bigger honors to come.

Governor Warner was asked what events stand out the most. He named three.

"In the aftermath of the hurricanes," he said, "I learned the importance of just showing up. From Poquoson to Rockbridge County, where homes were lost, to Fairfax, it was important just to show up."

Perhaps the most meaningful experience of his administration so far, he said, was captured in a photograph on his conference room wall. It shows a woman, getting along in years, sitting in a pickup truck. Her life had just been drastically altered by storms and floods. Her face shows not despair but hope, as she gazes intently into the face of her governor,

leaning toward her compassionately. The significant thing about that memory, he said, is that he felt the "whole community pulled



together" to console, support, and begin to rebuild—one of the best things life has to offer.

[At this writing, the Governor is mobilizing with other U.S. governors to provide help to those affected by Hurricane Katrina. Warner is former Chairman of the National Governors Association, 2004-05. He has sent Chief of Staff Bill Leighty to survey the hurricane damage up close, and develop a plan of action for assistance from the Commonwealth.]

Another distressing time was the hunt for two snipers who were striking fear in everyone from the Washington suburbs, down through central Virginia.

"I will never forget Colonel Massingill" [former Virginia State Police Superintendent], said Warner, "telling me, 'Governor, in my 38 years of law enforcement, I've never experienced anything like this.' You have to reassure people, and at the same time tell them how to keep safe." Warner said that in our post 9/11 world, we may see more of these dangerous incidents.

And who could ever forget the budget battles that kept legislators fussing overtime in 2004? But more than the family feud, Warner remembered a redeeming part:

"The number of people who rose above this was more significant," he said. "They took off their partisan hats and hung in together, after all of the battles, to establish a budget."

But the Governor's "photo wall" shows a lot of purely fun times, too. He is shown on biking trips in the most picturesque corners of Virginia. His tall stature and chiseled jaw line make him a photographer's delight. He is pictured with his beautiful family, and with smiling celebrities, like basketball star Larry Bird. Governor Warner says he likes basketball "but my body is not too sure."

"Those are the times that were great," he says as he talks about the pictures.

One of the really fun and memorable moments of his administration was the day he turned 50 years old. His staff not only presented him with the usual birthday gifts—they had AARP lobbyist Madge Bush show up with his very own, very first AARP membership card.

Even for a governor, getting away from it all with the family is time to cherish. He glows as he mentions visiting Virginia's "Creeper Trail" and Paramount's Kings Dominion.

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Senator John H. Chichester

Governor Warner helped bring the Commonwealth out of its fiscal crisis, and along the way helped make state government work better and more efficiently for its citizens.

From the beginning, the Governor saved taxpayers money through common sense management and business-like reforms. But most significantly, Governor Warner worked with the legislature in a bipartisan way to hunker down and focus on historic reforms to our outdated tax code.

In 2004, I was pleased to work closely with Governor Warner to make our tax system more fair for working Virginians. Our efforts allowed us to meet many of our long-term commitments—including the single largest investment in K-12 education in state history, as well as keeping our promises in health care and public safety.

We worked together to preserve Virginia's hard-won reputation for fiscal integrity, and Wall Street reaffirmed our Triple-A bond rating just weeks after we adopted budget and tax reform. Earlier this year, Governor Warner's reform efforts resulted in Virginia being named the best-managed state in the nation.

That is what his legacy will be: bringing Virginia out of the fiscal ditch, and putting the Commonwealth back on the path to fiscal integrity and responsibility.

Delegate Vince Callahan

Mark Warner occupies a unique chapter in the long history of Virginia as the only Democratic governor to serve simultaneously with a General Assembly controlled by Republicans. Under these difficult circumstances he discharged his duties with dexterity and aplomb. He assumed office facing Virginia's most serious financial crisis in a decade and leaves with a legacy of fiscal soundness and vastly improved state services. Quite an accomplishment.

Cabinet Secretary Robert S. Bloxom

I was glad to be asked to make a positive contribution by an inclusive Governor who focuses on what's good for Virginia.

Senator Richard L. Saslaw

There are a good many things that can be said about a governor while he is in office and when he is gone from the public eye. I believe Governor Mark Warner will long be remembered for his natural ability to assess a situation in terms of the big picture and its affects on the lives of Virginians.

Out of necessity, Mark Warner has proved to be one of the fastest learners of the legislative process that I have ever served with during my 28 years of public service. His resourcefulness in dealing with a majority opposition party is reflective of the success he has achieved in his personal business life. Applying those skills, Governor Warner overcame countless obstacles to lead Virginia to the highest honors it can get as the Best Managed State in the Nation. I believe this puts him on par with some of Virginia's most accomplished governors such as Mills Godwin and Jerry Baliles.

We all can recall the inherited financial mess and its aftermath of the first years of the Governor's administration. Rising above rhetoric, Mark Warner had the courage and fortitude to move this Commonwealth and its citizens into a vision for the future that has and will continue to make life better for all of us. He certainly debunks the theory that personal popularity rises and falls depending on whether an elected official votes to raise or lower taxes at the expense of the quality of life and services citizens have come to expect in Virginia.

Professor Larry J. Sabato

When Mark Warner came into office, he brought with him strong business skills and intense energy, but little else. He was inexperienced, didn't know where the bodies were buried in Richmond, and had never held a single public office before being elected Governor. Moreover, simultaneously with his election, the GOP secured a massive two-to-one majority in the House of Delegates. Combined with

the budget stalemate and recession, things didn't look good for his term.

But what a difference four years can make. Warner worked with the General Assembly to get Virginia through the budget crisis, and then as the economy turned around, he was able to convince just enough legislators to back his big tax-and-investment package. While the tax increases were highly controversial and he broke his no-tax-hike pledge, Warner found a way to reconstruct what had been lost with many of the earlier budget cuts, plus many millions were left over to create his own legacy in education, transportation, economic development, and other areas.

As the end of his term approaches, he is a serious candidate for the Democratic nomination for President, both because of his achievements and because Democrats have few successful Red State candidates available for 2008. It wasn't easy and it often wasn't pretty, but Mark Warner managed to become an accomplished Governor in Virginia and a considerable force in his national party in four short years.

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Such getaways are important for the Commonwealth's man at the top. A typical day finds him going through about 100 pages of newspaper clips by 7 a.m. He reads on his exercise bike for 30 to 40 minutes. Then he might do some radio interviews. An average of three days a week he is traveling around Virginia on state business, such things as community meetings and Governors Association meetings. Each morn-

ing he looks at a schedule book that packs in meetings every half hour to 15 minutes. Every minute is scheduled. Lunch is usually at his desk.

"I've never been a big lunch guy," said the Governor modestly.

Evenings are busy, too, with "a couple of things" on the calendar. One day of every weekend is usually spent on state business. He said he likes getting around the state, seeing it all firsthand.

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Charlie Todd, Virginians for Integrity in Government

At the Virginians for Integrity in Government "Roast"* of Governor Warner last winter, Todd compared Gov. Warner with the background of former presidents. He pointed out that Mr. Warner was born in December, and not June, which never produced a president until the elder Bush was elected. October and November have produced the most presidents. Gov. Warner will be 54 in 2008. The average age of presidents at inauguration is about 55 with a range of from 41 to 72 years. More presidents have been Episcopalians including those who were members of the Church of England. The second largest number of presidents were Presbyterians and Mark Warner is a Presbyterian.

"We don't trust big-city folks at election time," said Todd. "We like for our presidents to come from small towns and country places like Plains, Ga.; Dixon, Ill.; Hope, Ark.; Charles City County, Va.; and Westmoreland County, Va. Mr. Warner was born in Indiana but was raised in Vernon, Conn., a city of under 30,000 today.

All but one of our presidents have married and have, on average, 3.7

children. Mr. and Mrs. Warner have 3 daughters. Harvard University has produced more presidents than any other college. Gov. Warner graduated from Georgetown University and has a law degree from Harvard. A large majority, 25, of our presidents have been lawyers.

Most presidents have been the oldest son or the second son. Mr. Warner is the only son in his family and has one sister. Todd said that no "only child" has ever been president of the United States. The man, they have all been men so far, with the longer name of the final two candidates wins most of the time. For this reason, Todd, who was born during the Coolidge administration, was not surprised when Truman defeated Dewey in 1948.

"The taller man usually wins, and we have had some very tall presidents. Mr. Warner is 6 feet 3 inches tall and played basketball during his high school days."

In closing, Todd said, "Virginia is the mother of presidents and may be expecting again."

*For more information about VIG's annual fundraising roast, go to: www.mypoliticalhero.org. ❏

Virginia Welcomes a New Secretary of Education



The Honorable Peter Blake, the Commonwealth's new Secretary of Education, has worked in education policy and finance for 20 years and has been involved in decisions relating to student financial aid, tuition policy, higher education funding guidelines, distance learning and instructional technology, university research, and academic and public libraries. More recently, he has worked on Governor Warner's Education for a Lifetime initiatives and on the 2005 Restructured Higher Education Financial and Administrative Operations Act.

From 2002 to 2005, Peter served as Deputy Secretary of Education. He previously worked on the staff of the House Appropriations Committee of the Virginia General Assembly with primary responsibilities for higher education and transportation. Before working for the General Assembly, he served as Associate Director of the State Council of Higher Education for Virginia, the state's coordinating body.

He holds B.A. and M.S. degrees from Virginia Commonwealth University in Richmond. He serves on the board of the Virginia Executive Institute Alumni Association. He and his family live in Richmond, where his three children are enrolled in Richmond Public Schools. ❏

Eugene J. Huang Appointed Secretary of Technology



Eugene J. Huang was appointed as the Secretary of Technology for the Commonwealth of Virginia by Governor Mark R. Warner. Prior to his appointment as Secretary, Huang had served as Deputy Secretary of Technology since the beginning of Governor Warner's administration. He is currently on leave from Oxford University, where he is a Thouron Scholar pursuing a doctorate in economic history. He has previously served as a policy analyst for the Federal Communications Commission. Judy Napier was recently appointed Deputy Secretary of Technology. ❏

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One senses that he really does love being with people. When talking about fun subjects, he laughs frequently, and taps the listener's shoulder or elbow in total simpatico.

He's a Democrat, and likes the thought of having "some voice in bringing the Democratic Party back to the center." He is proud to have been a part of bi-partisan solutions to problems.

Former Governors Robb and Wilder are among his favorites, he said, largely because of their work with Virginia budgets. But he quickly adds Republican Governor Holton also. He said he has a lot of respect for Holton, who had to deal with a majority of

legislators in the opposite party from his own. It was the reverse of what Warner has faced with the Virginia Republican majority.

Governor Warner said he has great admiration for Winston Churchill because of the Prime Minister's many failures.

"He didn't let failure diminish him," said Warner, and cited his own past failures, in business, in political races, and in his transportation referendum.

What's next? He has ruled out running for the U.S. Senate, but as of this writing he has been silent on the subject of pursuing other elective office.

"I'm still focused on this job," says Warner.

Asked what he would like people to say about him after he leaves the Executive Office, he says:

"I hope they would say that 'he kept his commitment to put Virginia first.'"

Governor Warner expressed special compassion for Virginians in Southside and Southwest Virginia. "These places have not always been remembered," he said. "But they took a chance on this high tech business guy." He said he hopes they, as with other Virginians, will look back and say it was a chance worth taking. ❏

The Hot Days of Summer in Richmond

By A.R. Pete Giesen, Jr.

Editor's Note: This is a portion of an address given to the Boards of Supervisors of Augusta, Highland, and Roanoke on August 19, 2005.

During July the thermometers in Richmond reached near record levels practically every day. Harsh thunderstorms helped keep some moisture in the ground and also added to the humidity. The political scene was not too different. The rhetoric has heated up, and the first debate was held. Since this was held out of the state (at the Greenbrier Hotel in West Va.) and with only two of the three candidates, there was barely a thunder rumble, certainly no thunderstorm.

There is a difference, however, between weather and politics. When you ask the man or woman on the street about the weather, he or she will tell you what the temperature and the heat index and the humidity will be tomorrow and probably the next day. Ask the same people about the upcoming statewide election and you frequently get a blank stare.

Admittedly my survey was very unscientific and very casual, but from past experience, I believe the responses are typical for this time of year. I asked "who is running for Governor this year?" and frequently got back a question like, "Governor of what?" "Why, the state of Virginia," I would prompt them. "I don't know," was the most frequent response. Now one more knowledgeable person did emphatically state, "Who gives a damn? None of them is saying anything worth listening to. I probably won't even vote."

It does appear the candidates in their travels around the state are getting some local press coverage and are probably making their core supporters happy by appearing in their cities, counties, and towns. But the general public is not aware of the candidates or that there is even an election this November 8. So despite the polls (widely circulated by the campaigns but hardly noticed by anyone else), this election will be decided by what happens in September and October.

While this situation is not unusual for "off year elections" (we're one of only three states that hold state elections in odd numbered years), it does show a trend in this state and the country which I find disturbing and perhaps dangerous for our republic form of government. People are disconnected from the political process. The weather affects their everyday life. Government at all levels affects their everyday life, BUT they are turned off by "dirty politics" and don't seem to make the connection between politics and their governments. It's a strange dilemma, but, to me, there does seem to be a cultural vacuum in the interest people show in the political and governmental segments of our society.

Nonetheless, as the leaves begin to turn and the media start to give more attention to the statewide races, natural temperatures may moderate and political temperatures may escalate and the hot talk may just turn to politics. Even then the question will be, "How many people will be listening?"

Transportation

Transportation is presently a hot topic of discussion and promises to be the hottest topic come General Assembly time in January. The statewide gubernatorial candidates are talking about it; legislative candidates are talking about it; the Chambers of Commerce around the state are holding conferences about it; and, more importantly, two legislatively based studies are in full swing.

The legislative studies have, to date, received scant media coverage. Of these the Senate's Statewide Transportation Analysis and Recommendation Task Force (START) has been the most active. They are holding the most meetings around the state and are listening to different recommendations on the total issue of "transportation." The task

force has defined the term to mean moving citizen and goods from one location to another. This concept involves the total package—rail, air, water, mass transit and car and truck highway travel. But the frustrations being expounded by most people relate to highway travel—both automobile and truck.

Our Highway System is Large

Let's look at the size of the "highway problem" in Virginia:

- The Virginia Dept. of Transportation manages a system which has approximately 50,299 miles of highways all of which have to be maintained.
- The Department receives approximately \$3 billion per year under its present tax revenue stream.

The House's Special Study Committee

The House Transportation Committee's Special Subcommittee IV, established by Chairman Leo Wardrup at the request of Speaker William Howell, spent its whole June 28 meeting in Vienna on highway issues. At the beginning of the meeting, the Chair announced the appointment of a two member subcommittee (Delegates Tom Rust and William Fralin) to be responsible for considering and making recommendations for necessary or desirable changes in statutory formulas by which revenues dedicated to highway maintenance and construction are allocated.

The nature of the questions posed by committee members gives us some insight into the direction this committee is likely to take in its deliberations:

- The Chairman asked why only a small portion of the \$40 million set aside by the 2005 session of the General Assembly for locally controlled transportation projects had actually been requested by localities and what actions VDOT was taking as a result.
- Several members asked if the Department and the Administration were taking full advantage of the power and flexibility given them under the Transportation Partnership Opportunity Fund (TPOF) to encourage the development of design-build transportation projects and other projects under the Public-Private Transportation Act (PPTA).
- Members pressed the Secretary and the Commissioner with questions and pointed statements as to the necessity for the Commonwealth Transportation Board (CTB), in consultation with the Secretaries of Transportation and Commerce and Trade, to proceed expeditiously to develop guidelines and criteria to enable the CTB to award grants and loans from the TPOF to stimulate private sector participation in Virginia's transportation infrastructure improvement program.
- Tom Rust asked about the use of federal money for maintenance and the extra layer of bureaucracy the use of this money would probably create.
- Chairman Wardrup asked if it were true that there is nearly \$500 million in unallocated federal balances which will need to be allocated by October of this year.
- Delegate Joe May wondered out loud if the PPTA had become "...too public and not enough private."
- Members also questioned Sec. Pierce Homer and Acting Commissioner Gregory Whirley on the use of tolls in building new highways.

The Senate's "START" Study

The Chairman of the Senate's special task force studying transportation, Charles Hawkins, gave a speech at the Virginia Association of Counties—VACO's—summer conference, which gave deep insight into the thinking of his group. Some points of the speech were:

- The need for "more creative, innovative solutions."
- "We must approach this as a wholistic problem," the Chatham Senator often states.

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Virginia Earned Income Tax Credit Initiative

By Carolyn Spohrer

For low income working families and individuals, the Earned Income Tax Credit is an important anti-poverty tool and is called the country's greatest anti-poverty measure. EITC is a refundable tax credit established in 1975 to reduce the tax burden on low-income workers, supplement their wages and make work more attractive than welfare. Taxpayers who have earned income and work either full or part time may be eligible. The amount of the credit is determined by income level and family size.

The Virginia Community Action Partnership (VACAP) is the membership association for 26 local and 3 statewide Community Action Agencies (CAAs) throughout Virginia. Our shared mission is to fight poverty and promote self-sufficiency for low-income individuals, families and communities. VACAP has been actively working with local community partners throughout the state to develop Earned Income Tax Credit (EITC) Coalitions, to promote awareness and use of the EITC. Along with the Internal Revenue Service, local Community Action Agencies, Virginia Department of Social Services and other community organizations, these coalitions coordinate Volunteers Income Tax Assistance sites so that low income working individuals and families can access the credit and receive free income tax preparation assistance.

I work with communities in Virginia to develop coalitions to promote the EITC. Many new coalitions were developed in 2005 and had a successful tax season. Community Action Agencies such as TAP Roanoke, Pittsylvania Community Action Agency, Rooftop, Eastern Shore AAA/CAA, Lynchburg Community Action Group, New River Community Action, People, Inc. in Abingdon, Office of Human Affairs in Newport News, and STEP, Inc. in Rocky Mount are lead coalition members offering free income tax preparation services throughout Virginia. Local Departments of Social Services have joined the Virginia EITC Initiative. From January thru April 15, 2005

over 600 volunteers assisted over 5,100 families and individuals in filing federal and state income tax returns, saving almost \$772,000 in fees which would have been paid to professional preparers. With EITC returns totaling over \$3 million, the estimated economic impact is close to \$7 million. Surveys show that families utilize the refund primarily to pay overdue bills (rent and utilities), for transportation to work, continued education or childcare.

In Virginia the EITC is underutilized. Last year, about 22% of those eligible for the credit did not claim it, amounting to almost \$160 million. I volunteered with the Greater Richmond Earned Income Tax Credit Coalition (GREITCC) and worked with the Internal Revenue Service (IRS) online Link and Learn program to become certified. Here is the email I sent during the first week of February:

"My first VITA experience was Tuesday evening. No more training. No more Link and Learn with practice sessions. This is real. I am going to meet real people with real W-2's. I'll admit to being a bit nervous, but armed with my Volunteer Resource Guide, my trusty (already dog eared) Publication 17, and other very supportive tax preparers, greeters and Site Coordinator, I was ready to go. The taxpayers were very patient and appreciative. They were well prepared with IDs, SS cards and W-2s. We used CompleteTax.com through the IRS free file alliance. I helped two taxpayers and the "Whoop" let out by one when she saw her \$2975 return amount (\$2604 of which was EITC) was, as the ad says, "PRICELESS." Another taxpayer had tears in her eyes when she saw the amount of her refund. She said she would now be able to buy that car, which will enable her to take a different job. I'll admit to having tears in my eyes as well."

What can you do to help? Volunteers are needed to help prepare taxes. The IRS web site (www.irs.gov) has an online course called Link and Learn, where volunteers may earn

certification. Even without special tax expertise, volunteers can inform working families about the tax benefit and help them find free income tax preparation services in their area. It is especially important that eligible individuals and families receive free assistance; high fees for tax preparation can drastically reduce the impact of the credit. Bringing together potential community partners is an important piece of developing a coalition to provide education, free income tax preparation assistance and financial literacy to the often underserved in many communities.

If you would like to be part of this effort, consider joining a coalition to promote EITC among low income working families. Distribute important information about EITC through newsletters, paychecks, faith-based organizations, and social and civic groups. VOLUNTEER!! To learn more about EITC or volunteer opportunities, contact me at cspohrer@vacap.org or (804)-644-0417.

Carolyn P. Spohrer is EITC Project Manager for Virginia Community Action Partnership

Postscript: In 2000, Virginia Coalition for the Homeless (VCH) proposed, drafted legislation, and was instrumental in having Virginia enact a non-refundable credit against state income taxes of \$300 for each member of the family. Families whose income does not exceed the federal poverty guidelines are eligible for the credit. The law effectively eliminated most state income tax for families with incomes below the federal poverty guidelines. This moved Virginia's tax threshold from 4th lowest to 19th lowest for both families of three and families of four. In 2004, VCH proposed, drafted legislation, and was further instrumental in having Virginia provide these low income families with another non-refundable tax credit equal to 20% of the federal Earned Income tax Credit, beginning in 2006. This credit will provide low income taxpayers with reduced taxes of about \$53 million in the next biennium. ▣

The Hot Days of Summer from page 5

- "Money is a part of the problem, but certainly not all of it."
- "For PPTA projects to be viable, there has to be a stream of money or the private sector won't come to the table."
- "Any solutions we offer have to maintain some of the historical identity of Virginia. They must have roots in our culture and heritage. This is one of the great assets of our Commonwealth and must be preserved."

All of these are "almost" direct quotes from Chairman Charles Hawkins. (You do understand, some of us write slowly and when Charlie talks extemporaneously, and is passionate about a subject, he speaks in a very rapid fire delivery style, and it does make it a real challenge to keep up. But most of these, I am sure, have the essence

of his comments.) From previous meetings and conversations with members of the task force, I am relatively confident most of the members have views similar to those expressed by the chairman.

The Big "Hot" Questions

The most important question: Will our political leaders—whoever is elected governor—those elected to the House—and the returning State Senators have the political will to work together to reach the difficult compromises which will be necessary so action can be taken NOW. The 2006 General Assembly (or a later special session) could make 2006 an historical year for Virginia's transportation system or it could be a disaster. It will take strong leadership to make it the former. ▣

There's Progress in Southwest Virginia

By Governor Mark R. Warner

For Virginia to continue to be a leading state in the 21st Century, I believe it is essential that all of Virginia prosper. Economic changes have hit certain industries—and therefore regions like Southside and Southwest Virginia—harder than others. But good things are happening in both regions, and one needs to look no farther than the town of Marion.

In 1994, when Marion became Virginia's newest Main Street Community, there were almost as many closed shops as open ones, one restaurant downtown, and a general feeling that the town's best days were behind it. Rather than quit on Marion, the leadership of Marion Downtown—local government officials, property owners, merchants, employees, and citizens—decided to turn things around. These forward-looking folks came together and decided that they were going to restore downtown as the commerce and entertainment center of Smyth County. Since then, Marion Downtown has posted a net increase of 41 new businesses, 98 new jobs, and a net increase of over \$2.5 million dollars each year in the downtown payroll. Over \$10 million dollars in public and private dollars have been reinvested, bringing new opportunities downtown.

Ground zero for this cultural, civic, and economic revival—the product of local visionaries—is the Lincoln Theatre. One of only three existing Art Deco age Mayan Revival-style theatres in America is now a beautifully restored venue for live performances and is included on the National Register of Historic Places. When it opened in 1929, it was known as the finest showplace in Southwest Virginia. Re-opened in the past year, it's now a major piece of the puzzle for a revitalized community—the kind of community children grow up in and decide they want to stay.

We've worked to create jobs and business opportunities in many of these struggling areas—so kids in Marion, Norton, or Grundy don't have to leave home to find a good job. I'm proud to say that since taking office in 2001, my administration has announced the creation of nearly 8,500 jobs and saved over 1,800 for a total of well over \$800 million in investment throughout Southwest Virginia alone. We aren't doing it by re-inventing the wheel. We're starting, just like Marion did, with communities' existing strengths and assets to increase economic opportunities.

Last December, I introduced *Virginia Works*, a new approach to economic development in rural and economically distressed communities. *Virginia Works* builds on communities' existing strengths by creating new and supporting existing industries and helping them expand. *Virginia Works* also marks a different type of thinking in the recognition that small, targeted investments can make a big difference in local economies, especially in rural and distressed communities.

Working with \$2.1 million for various *Virginia Works* initiatives, we can boost tourism and manufacturing businesses in distressed communities. Among the announcements was \$1 million for the Tobacco Region Tourism Loan Program, which will assist eligible tourism-related businesses in Virginia's tobacco region. The loans will help start up and support new and existing shops, hotels, restaurants, and other tourism-related businesses.

I also announced \$195,000 in *Virginia Works* funding through the Department of Housing and Community Development for Round the Mountain, a newly formed artisan network covering 23 Southwest Virginia localities. This initiative coordinates the marketing, promotion,



and development of Southwest Virginia artisans to support economic development in the region. This initiative will build on the successful approach of The Crooked Road, Virginia's Heritage Music Trail, to harness Southwest Virginia's potential as a major tourism destination.

Virginia Works also provided \$89,255 in funding for the Virginia Small Manufacturers Assistance Program (VSMAP). VSMAP provides targeted assistance and expertise to small manufacturing businesses in Virginia's rural and distressed areas to help create and retain every manufacturing job we can.

Working with our Tobacco Commission, and federal partners, we're hooking up broadband technology in both Southside and Southwest Virginia. We made a commitment to help connect 25,000 Virginians to clean and safe drinking water, and I'm happy to say we'll keep that promise, especially important in Southwest. Working with the legislature, we also created the first Virginia Secretariat of Agriculture and Forestry. This long overdue cabinet post elevates those industries, so long the backbone of Virginia's economy, to a new status as Virginia governors plot the Commonwealth's future.

There's a lot of progress in Southwest Virginia. But more importantly, there's momentum and know-how among leaders throughout the region. And that's the best way to create a Commonwealth of opportunity for all. █

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Wise County: A New Economy for Coal Country

By Carl R. Snodgrass

For well over a century, the coal industry has been the predominant employer in Wise County. The workforce of Wise County became largely dependent on coal mining jobs as a way to maintain a livelihood. Underground coal mining is an extremely hazardous occupation and the profession compensates its employees accordingly. Driven by the opportunity to provide a good quality of life for their families, generation after generation followed each other into the coal mines seeking the more lucrative pay scale.

The Challenge

Those who care about the future of Wise County, the future of our children, and the future of our communities have stood helplessly by and have seen large numbers of our young people torn between the desires to be able to remain in the area to earn a livelihood, or go to other areas of the country in search of their own pursuits. Too many of our best and most ambitious students have been forced to locate in other parts of the country. It is those areas that profit from the investments of time and money that Wise County has made to ensure a stronger future in a competitive market place for these young people. Wise County is blessed with all the necessary ingredients to prosper and grow—excellent educational opportunities, abundant natural resources, and competent people whose roots are deep enough to guide and direct growth.

A major challenge for the leadership of Wise County, in its attempt to alleviate a dependence upon a coal-based economy, was to develop a positive philosophy of sustainable economic development. While coal-mining jobs are still a very important part of the economy of Wise County, it was recognized that more needed to be accomplished to create job opportunities for those who did not want to rely upon coal mining as a career.

The Strategy

The Industrial Development Authority of Wise County began the journey of diversification of the economy by developing 68-acre industrial park on former surface mined land on which two industrial shell buildings were constructed. These buildings were designed with the idea of luring manufacturing prospects to the area. One was occupied by a textile industry that provided hundred of jobs in Wise County. Shortly

thereafter, the textile industry fell victim to offshore competitive practices, and this business was lost for Wise County. It became increasingly difficult to attract industrial businesses to rural locations.

Visualization

In 1994, the Industrial Development Authority acquired 195 acres of reclaimed surface mined land, located adjacent to the Lonesome Pine Airport. Another attractive feature of the site was the fact the property is located approximately one mile from the University of Virginia's College at Wise, which could partner with the Industrial Development Authority at a future date with programs and initiatives of a mutual benefit. A state maintained road ran through the property to the airport and beyond to residential areas. There was no water, sewer, or other infrastructure in the area. The task of development seemed daunting, and to attract a business to that location seemed very obscure. The site was first marketed as an industrial park and Wise County unsuccessfully targeted a wood products company as its first tenant. The relatively remote location, lack of infrastructure, and transportation issues were critical in their decision to not locate in Wise County. It was then that serious consideration was given to transforming the land into a business and technology park.

The Industrial Development Authority partnered with neighboring Scott County, Virginia and the City of Norton and developed a joint grant application for funding from the Industrial Site Development Fund administered by the Department of Housing and Community Development. Letters of support for the project were also secured from Letcher County, Kentucky, which borders Wise County to the west. Grant applications were also made to the Economic Development Administration, the Virginia Tobacco Indemnification and Community Revitalization Commission, and to the local and regional funding agencies. Wise County also received an unprecedented appropriation of \$750,000 from the Virginia General Assembly for use in site development of the property. In the final analysis the preparation, planning, and presentation of the Master Plan resulted in Wise County receiving \$4.125 million for this project. The area was also designated a State Enterprise Zone which provides for state and local incentives for businesses locating there.

The area became known as the Lonesome Pine Regional Business and Technology Park. As the "dream" of a regional business and technology park in Wise County began to unfold, and achieving the critical mass desired for the Park, it became apparent some protection for potential businesses that would locate in the business and technology park would need to be implemented. The Industrial Development Authority worked in earnest with the Wise County Planning Commission and the Board of Supervisors to secure a Technology Zone overlay to the zoning that was in place for the business and technology park. This would prohibit the establishment of any business that is not technology-related from locating in the business and technology park.

Realization

The first tenant of the Lonesome Pine Regional Business and Technology Park became Sykes Enterprises, Inc. that opened for business in May, 2000. It is a company that provides technical assistance by contract for technology related companies, and represents SBC. In June, 2003 Verizon Virginia established a "welcome center" for new Verizon customers in the Mid-Atlantic region. Employees of Verizon verify application information of new customers at this center. With Sykes Enterprises, Inc. representing SBC, these two companies represent two of the four largest telecommunications giants in the world, and have a combined workforce of approximately 700 people.

The Industrial Development Authority has also completed a 75,000 sq. ft. technology shell building that can be quickly and easily adapted to accommodate a variety of technology related businesses. An option for purchase has been granted to yet another high technology company that hopes to finalize its plans for establishment of a data center by year-end 2004. The Lonesome Pine Regional Business and Technology Park is not just a green field with a beautiful view of the surrounding mountains. A state economic development official has described the Technology Park as "a premier location" for technology related companies. Things are happening, and activity is underway to ensure even more success in the future.

Carl R. Snodgrass is Economic Development Director for the County of Wise. ▣

The Southern Appalachian Biodiversity Project: Protecting the Natural Heritage of Virginia

By Ken Jessup

The Southern Appalachian Bio-diversity Project (SABP) is a regional non-profit organization that is dedicated to empowering citizens to appreciate, defend, and restore the native biodiversity of the Southeast. We focus our efforts on protecting public lands as a refuge for ancient forests, native wildlife, and natural beauty. We seek permanent protection for public lands and we take legal action when necessary to protect critical habitats and assure full enforcement of conservation laws on public lands. Our work protects forests, imperiled wildlife, and the public interest.



In Virginia we have fought for the protection of old growth forests, habitat for endangered wildlife, and the wild character of roadless areas. We work in conjunction with several Virginia based groups in this endeavor including Virginia Forest Watch, Wild Virginia, and the Clinch Coalition. Virginia's two national forests include the George Washington and Jefferson. The fate of these Virginia treasures hangs in the balance as the Forest Service continues to jeopardize wildlife habitat, water quality, and scenic beauty for timber.

The Lost State of Franklin: An Historical Incident of Disaffection, Delusion, Deception, and Disloyalty on the Late 18th Century Appalachian Frontier

By Tom Hyland

Foreword

Carved in the wall above the entrance to the U. S. National Archives in Washington, D. C. is the Shakespearian phrase "What is past is prologue". The study of history and political science constantly reaffirm this eternal truth.

The history of the Upper Cumberland Plateau demonstrates the verity of this fact. To understand the present culture, society, politics, ecology, economy, etc. of the Upper Cumberland Plateau, it is instructive to look at the early colonial history of this region for clues as to why and how the region developed as it did. The following general research on the history of the development and ultimate failure of the lost state of Franklin provides some interesting information for considering the future of the region.

The careful reader will note that many of the major problems facing the early settlers on the Upper Cumberland Plateau are strikingly similar to those facing the modern day residents of that area: a transportation system inadequate to provide needed goods and services or to move their regional products to eastern markets; the inability of existing state governments to meet their particular security interests; the lack of a diverse and vibrant economy; the absence of adequate communications within their region or to higher levels of government; etc.

Recently, Virginia Forest Watch and others nominated the George Washington and Jefferson national forests to be listed in the biannual *Ten Most Endangered Forest Report*. The George Washington and Jefferson were selected and will be featured in this year's report. The report, published by the National Forest Protection Alliance (NFPA), highlights the ten national forests which are facing the greatest onslaught of environmental destruction. SABP is one of the founding members of NFPA and has supported the release of this report since its first release in 2000. This year is no different and SABP and others are poised to educate the public and decision makers about the degradation of Virginia's natural heritage.

There are numerous threats facing the George Washington and Jefferson national forests. Logging continues to damage a variety of unique habitats that provide homes for more endangered species than any other national forest in the country. Illegal off-road vehicle use threatens the water quality of streams which provide drinking water for numerous municipalities. The use of off-road vehicles has continued to escalate and the Forest Service has responded by opening **more** areas to this highly destructive activity. Another major threat to Virginia's National Forest is the exploration for natural gas. This activity is allowed on public lands without any environmental or public review. Drilling for natural gas can cause water tables to collapse. This has left hundreds of rural Virginians without drinking water and with no compensation.

SABP believes that the *Ten Most Endangered Forest Report*, scheduled for release this fall, will serve to educate the public about the devastation that is being caused on our treasured national forests. It is our hope that lawmakers at the local and state level will become educated about the issues that threaten our public lands. These places belong to all Virginians and should be permanently protected to ensure that future generations can know what makes Virginia so wonderful.

For more information about the report visit www.forestadvocate.org
To learn more about SABP visit www.sabp.net 



The concept of representative government in the Americas is generally associated with the revolt of the original thirteen American colonies against British rule under the rubric of "no taxation without representation" and formalized with their 1776 Declaration of Independence from British rule; However, what generally is not known, or often forgotten, by the American public is the particular contribution to that concept by those late 18th Century settlers along the Cumberland/Watuga/Holston Rivers watersheds on the Upper Cumberland Plateau (in what is now parts of southwestern Virginia, northwestern North Carolina, southeastern Kentucky, and northeastern Tennessee).

Settlement of the Appalachian Frontier in the Late 18th Century

With the end of the French and Indian War following the Peace of Paris, and the issuance of a Royal Proclamation (both in 1763) setting the legal boundary for American colonial settlement at the ridge lines of the Appalachian Mountain chain, settlers along the eastern edge of those ridge lines could no longer legally acquire and settle the land west of that line. However, the highly independent and largely Scotch-Irish, Scotch, English, and Welsh settler stock along the Holston River

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in south-western Virginia who had born much of the burden of the four great American Indian wars (including the Cherokee War of 1758 – 1761 against the Virginia and Carolina settlers) as part of the fourth of the French and Indian Wars of the American colonial period during the mid-18th Century (which was the only one of those wars actually called the French and Indian War by the colonists) — were determined not to be denied their early vision of “manifest destiny”.

Many of these settlers, frustrated with the enforcement of the ban on settlement west of the Appalachian Mountains in North Carolina, Virginia and Pennsylvania, had moved south from the Holston River (then under the jurisdiction of Virginia) to the Watuga River area in western North Carolina (now eastern Tennessee), which itself was west of the ridge line of the Appalachians. The colony of South Carolina had built Fort Loudoun on the Little Tennessee River in 1757 and Virginia had built Fort Robinson at the Long Island of the Holston River (present-day Kingsport, Tennessee) in 1760, both designed to help restrain Indian depredations on their western frontier.

The tales of the rich land found by Dr. Thomas Walker and Christopher Gist in the Kentucky and Ohio countries before the French and Indian Wars (and later by Daniel Boone in 1760) served after that war as a magnet to attract such early settlers as William Bean of Danville, Pittsylvania County, Virginia (in the mid-1760s) to the Watuga River. Traders such as Andrew Greer and Caesar Dugger were selling their wares to settlers and Indians along the Watuga River by 1766. To give legitimacy to these unsanctioned squatters in Indian country, the British Indian agent (John Stuart) for the southern colonies negotiated in 1768 the Treaty of Hard Labor (named for the Cherokee Indian village where the negotiations were held) to define a new Cherokee frontier in Virginia.

But, by 1768, a number of settlers were already at Wolf Hills (present-day Abingdon, Virginia) in southwestern Virginia and moving rapidly towards the Watuga River area. A war between the

Cherokees and the Chickasaws in 1769 (in which the Cherokees were defeated with a loss of many warriors) gave these early settlers on the Watuga time to consolidate their settlements. In early 1770, James Robertson (destined later to play a major role on the Cumberland Plateau as a both leader of the Watuga Association and “the Father of Tennessee”) arrived at the Sycamore Shoals (present-day Elizabethton, Tennessee) settlement on the Watuga River.

The noted early American traditionalist historian, George Bancroft believed that such Watuga settlers as Robertson were part of the

“regulator movement” in North Carolina which opposed British oppression in that state (i.e. the Stamp Act and the later Townshend Acts) between 1765 and 1771. According to Bancroft, “The Regulators form the connecting link between resistance to the Stamp Act and the movement of 1775 [the battle of Lexington and Concord and other early Revolutionary War events], and they also played a glorious part in taking possession of the Mississippi Valley, toward which they were carried irresistibly [sic] by their love of independence.” (1) However, some revisionist historians cast doubt both upon the bravery of those Regulators and the true extent of their participation in the Watuga settlements. (2) These early settlements also were encouraged by the fact that John Stuart, the British Indian Agent for the South, had negotiated in 1770 and 1771 treaties with the Cherokees at Lockaber (the South Carolina residence of his deputy, Alexander Cameron) to cede to the Watugan settlers an additional amount of land they were already occupying west of the Hard Labor treaty line. However, the Donelson Survey of 1771 determined that some of these settlers were still squatting on Indian land. The choices facing the squatters were to move or remain; many decided to remain and to deal with Indians by leasing the land they (the settlers) had been forbidden by the British to purchase.

Shortly after and directly because of the land leases negotiated in early 1772 under the Lockaber treaties, the settlers of the Watuga settlements met in May, 1772 to agree upon “Articles of Association” which established, among other things, a court through which they could direct land affairs and provide for governance of their settlements under the title of the Watuga Association. However, even with the new leases, the colonial governments of Virginia and North Carolina still considered the Watuga settlers as squatters on Indian lands.

While no records of these Articles of Association survive, it is generally believed by many historians that they would be similar to those of the “Cumberland Compact” adopted by the settlers at the French Lick settlement (present-day Nashville, Tennessee) in 1780 (who also migrated from the Holston/Watuga area). That Compact allowed all freemen over the age of twenty-one years to vote and to hold and bequeath land, required all males over sixteen to serve in the militia, provided for the militia to elect its own officers, established courts in all townships and barred appeals to other courts, and authorized the militia to carry out sentences of the courts and impress horses for service to the militia. (3) Tennessee historian Moses Fisk, in 1816, depicted the Watuga Association settlers “. . . as little protected, controlled, or recollected

by any government as [were] their co-tenants the bears.” But, as Fisk noted, “a code of laws was drawn up to be signed by every individual [resident]. If anyone should refuse, he was debarred from its benefits. There were no recusants. . . . Magistrates were elected under the denomination of [five] trustees by whom all controversies were to be settled comfortably with the written code.” The North Carolina and Virginia colonial governments feared that once their local felons fled across the mountains, Watuga stood a good chance to become a haven for the lawless. The Earl of Dunmore, the British Royal governor of Virginia, recognized the problems leading to and inherent with the Watuga Association and urged, unsuccessfully, that the British Crown grant to the American colonies titles to land west of the Appalachian Mountains. (4) By 1774, the Cherokees, however, became disenchanted with the 1772 leases and complained to Indian Agent John Stuart. On March 17, 1775 at Sycamore Shoals, Richard Henderson of the Transylvania Company negotiated a new treaty with the Cherokees to lease some 20 million acres of land comprising the entire Cumberland River Watershed and the southern half of the “Kaintuckee” River watershed for ten thousand pounds in cash and merchandise, and — for additional goods — a “path deed” between the Holston River and Transylvania settlements via the Cumberland Gap. This event directly led to Daniel Boone’s efforts to blaze the Wilderness Trail that same month. Representatives of the Watuga settlements (including Charles Robertson and John Sevier) two days later, on May 19, 1775, (a month to the day after of the Battles of Lexington and Concord) leased from these same Cherokees for 2000 pounds some 2000 square miles of land: all of the land along the Watuga waters, other land between the South Holston River and the Virginia line, and the headwaters of the New River (an area that was about half the size of the state of Rhode Island). (5)

The Laying of the Foundations for the Proposed State of Franklin

With the onset of the Revolutionary War in 1775, the Watuga settlers were elated to be rid of the authority of the Crown on land acquisition matters, but were equally concerned over the possible influence of the British upon the Indians. Consequently, the Watuga Association declared its support for the American cause, designated themselves the new “Washington District,” and appointed a Council of Public Safety; but, given the nature of the hostility between themselves and the Revolutionary government of North Carolina made no effort to connect themselves with North Carolina. When the British Indian Agent John Stuart purportedly wrote to the Watuga settlers in May of 1775 warning them of their responsibility of loyalty to the Crown, reminding them of the illegal nature

of the Sycamore Shoals treaties and land leases, expressing the discontent of the Cherokees, and offering them refuge in British Florida, the Watuga Public Safety Committee chairman responded with a pledge of loyalty to the Crown; however, it also appealed to the Fincastle County (Virginia) Public Safety Committee for assistance and petitioned the Virginia House of Burgesses in Williamsburg requesting to be taken under protection of Virginia. The Fincastle Committee first declined assistance; however, it reconsidered when news of the Stuart message finally circulated and sent powder and lead to Watuga. The Virginia House of Burgesses declined to take the Watugans under their protection. (6)

On July 5, 1776, the Watugans, fully “aware of the perils of isolation and independence,” approved a petition to the North Carolina Provincial Council telling that body of the 1772 and 1775 land leases, the settler’s need for local government, the establishment of a court, and requesting annexation by North Carolina; not mentioned was the fact that they had formed a separate government as early as 1772. The North Carolina Provincial Council approved the conduct of the “Committees of the Settlements of

Watuga and Holstein” (sic) and the Washington District was invited to send representatives to the Council to present their cases. These representatives actively participated in the development of a new constitution for North Carolina, which, among other things, asserted North Carolina’s claim to all land in Tennessee, and allowed for the formation of one or more states in the territory, but ignored Indian land ownership in the territory. The early adoption of the new North Carolina state constitution, and an ordinance establishing the Washington District, (later to become Washington County) also set up a court for the new district. By 1777, the Watuga settlements and North Carolina had become fully reconciled; the district became a county and sent representatives to the first North Carolina legislature, the state extinguished Indian title to the Watugan lands, a law entitling each settler to 640 acres was enacted, and new boundaries were set for Washington County. (7)

However, by 1784, this “marriage of convenience” had turned sour: the North Carolina legislature and governor had been “niggardly” in appropriating funds for western defense, set aside great stretches of land for Revolutionary War veterans, permitted a land grab of western territory by eastern speculators, was suspected of a willingness to “sell out the settlers for peace with the Indians.” The governor then ordered settlers to leave Indian lands, failed to create a superior court west of the mountains or to set up a military district to permit rapid mustering of militia, and created four additional counties out of Washington County. In April 1784 when the Continental Congress asked the states to cede their west-

ern territories to the United States and North Carolina complied in June, the Watugans held a series of three meetings to consider forming a fourteenth distinct and separate state from North Carolina. At that last meeting in December 1784, the Watugans decided without opposition to create that separate state and elected John Sevier as president of the assembly. They went on to adopt a formal declaration of independence from North Carolina on the basis “that the Continental Congress had encouraged such action [with its request for the cession of all western lands by member states of the Confederation] and that North Carolina with its Act of Cession had implied approval of it . . . ;” [statehood for its territories] and “that they simply were too far away from the eastern parts of the state and too separated by high and impassable mountains to make association feasible. “However, by that time, North Carolina had rescinded the 1784 Act of Cession and had established a new superior court and military district for Washington County. (8)

Despite these concessions from North Carolina, the Watuga citizens held elections the next year for a legislative assembly which met at Jonesboro in March 1785, named John Sevier as governor, passed new laws, authorized a constitutional convention (and later under that convention approved a new constitution), adopted for that proposed state the name of Franklin (after Benjamin Franklin), and sent a memorial for statehood to the Congress (then under the Articles of Confederation). However, the Congress failed to approve that request (with seven favorable and two negative votes and three abstentions, including the abstention of North Carolina). Governor Patrick Henry of Virginia then announced that Virginians who cooperated with the formation of such a government would be tried for high treason; Governor Alexander Martin of North Carolina said that he “intended to maintain the state’s jurisdiction in Washington County, by force if necessary.” (9)

After several years of continuing controversies through 1789, the transfer of all the trans-Allegheny country to the to the United States under its new Constitution (not to mention John Sevier’s alleged diminishing interest in the Watuga/Franklin separatist movement) finally settled several of the most critical problems of the frontier areas (e. g. building and garrisoning of forts) and the Watuga settlement quietly returned to the fold of North Carolina. (10)

An analysis of the separatist movements during the period of the Articles of Confederation is contained in Peter Onuf’s book, *The Origins of the Federal Republic*. According to Onuf, “[s]eparatists argued that the common cause of all Americans could and should be distinguished from the narrower “colonial” interests of particular states in frontier lands. Thus, these frontiersmen tended to

be ‘nationalists,’ a tendency that was encouraged by their need for military protection and by their dealings with ineffectual state governments. Separatists usually had a vested interest in overturning state claims and in promoting a collective American claim, another source of their nationalism. Finally, because separatist new states were necessarily founded in the midst of jurisdictional confusion, the establishment of stable and legitimate authority was notoriously difficult. Disparate interests, in a controversial area prevented unanimity among the settlers, and there was always a sizable minority in favor of reassertion of the old state’s jurisdiction. Even more than the original states, then, the new states depended on the recognition and protection of higher authority. Separatists were well aware that militarily and politically they could not go it alone. This was the basis of their nationalism; it also explains their treasonable tendencies.” (11)

End Notes

1. George Bancroft, letter to D. D. Swain, July 4, 1848, quoted in *The Watugans*, Max Dixon, The Overmountain Press, Johnson City, Tennessee (1976).

2. The Regulators were easily defeated by the British at the Battle of Alamance Creek, North Carolina on May 16, 1771, which preceded the Battles of Lexington and Concord by four years. A number of historians have noted that men such as Robertson, John Sevier, Daniel Boone, Evan Shelby (who founded present day Bristol, Tennessee, then known as Sapling Grove), etc. were not among the listed leaders of the North Carolina Regulators and were not listed in the one preserved written state paper of Watuga. The noted historian, Thomas P. Abernathy (*From Frontier to Plantation in Tennessee*, Chapel Hill, North Carolina Press, 1932) has stated that “[m]en who could raise their own armies, plan their own campaigns, march under their own orders, and win their own victories without either a suggestion from continental or state authorities were not the same breed as those who fought the pitiful battle of Alamance.

3. Dixon, *Op. Cit*

4. In his letter of May 10, 1784, to the Earl of Dartmouth, British Secretary of State for Colonial Affairs, Dunmore – referencing the Watugan and Holston settlements and their direct land negotiations with the Cherokees – complained of dangerous precedents of self-government being established by these settlers stating: “In effect, we have an example of the very case, there being actually a set of people in the back part of this colony, bordering on the Cherokee country, who finding they could not obtain the land they fancied, under any of the neighboring governments, have settled upon it without, and contented themselves with becoming a manner tributary to the Indians, and have appointed

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magistrates, and framed laws for their present occasions, and to all intents and purposes, erected themselves into, through an inconsiderable, yet separate State, the consequences of which may prove hereafter to be detrimental to the peace and security of the other colonies; it sets a dangerous example to the people of America, of forming governments distinct from and Independent of His Majesty's authority."

5. All of these treaty agreements were later found by the state governments of North Carolina and Virginia to be violations of the Proclamation of 1763 and many of the purchasers were later provided substitute grants of land by these states. Later in 1775, 303 acres of the Watuga land was deeded to Isaac Lincoln, great uncle of Abraham Lincoln. Abe Lincoln purportedly worked one summer as a hired-hand on that farm. (See S. C. Williams, *Dawn of Tennessee Valley and Tennessee History*, Johnson City, Tennessee, The Watuga Press (1937))

6. See Albert Newpasture, "The Watuga Association," *American Historical Magazine*, III

7. Dixon, Op .Cit.

8. Dixon, Op. Cit.

9. At this same time period, separatist movements also were underway in the territory of Kentucky (claimed by Virginia) and the Wyoming Valley area (claimed by both

Pennsylvania and Connecticut) as well as in Vermont, New York, and Massachusetts, among others, and were being justified by the separatists on a legal basis on the basis of an interpretation of the Ordinance of 1784 setting out government processes for the territories of the United States and (2) Article 11 of the Articles of Confederation that permitted new states to be admitted to the Confederation with the concurrence of nine of the existing states. A principal leader in both the Kentucky and Tennessee separatist movements was Arthur Campbell, a western land speculator, who, among various motivations, had a desire to create a new state south of the Ohio River to include both of the territories that became the states of Kentucky and Tennessee. (See Merrill Jensen, *The New Nation: A History of the United States During the Confederation, 1781-1789*, Northeastern University Press, Boston, Mass, (1981).

10. In 1788, there occurred an event, generally referred to as the "Spanish Conspiracy," in which John Sevier, as a private citizen of Franklin, apparently entered into existing negotiations between James Wilkinson (a Revolutionary War officer, then a resident of Kentucky, and soon to be the Commanding General of the American Army of the West) with the Spanish Ambassador to the United States, Diego de Gardoqui, and the Governor of Spanish West Florida, Esteban Miro,

reputedly with regard to securing Indian removal from certain lands, obtaining navigation rights to the Mississippi River (which had been surrendered by the United States under the Jay-Gardoqui Treaty of 1786), and pledging the allegiance of Kentucky to Spain, all of which came to naught. (See Dixon, Op. Cit.) This is the same James Wilkinson who in 1805 – 1806 (then being on the Spanish payroll since the late 1780s, while serving as the Commanding General of the American Army of the West for some of that time and also as the governor of the newly formed Louisiana Territory via the Louisiana Purchase of 1803) allegedly "conspired" with former Vice President Aaron Burr and others to engage in military action to conquer by force Spanish territories west of Louisiana under what generally has been characterized as the "Burr Conspiracy." President Jefferson believed that Burr's original intent was to separate the western territories from the United States and to make New Orleans the capital of his (Burr's) new empire. In late 1806, the conspiracy was revealed by Wilkinson which led to Burr being placed on trial in 1807 — in the federal court at Richmond, Virginia — for treason. Burr was found not guilty by a jury, based on controversial legal rulings by Chief Justice John Marshall of the U.S. Supreme Court.

11. Peter S. Onuf, *The Origins of the Federal Republic*, University of Pennsylvania Press, Philadelphia (1983). [7]