THE EARLY HISTORY OF PANAMA

BY

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It is impossible to write an accurate account of the early settlement of the village of Panama. Tradition is not trustworthy and written records hardly more so in many instances. Often the narrator contradicts himself, or at least seems to when read by one of our generation. Moreover, in a sketch of this nature it will not be possible to mention many outstanding individuals and events that should have a part in the narrative. The picture will necessarily be incomplete.

It is common belief here that the village began on the hill. This is true in the sense that the first considerable development took place there, but so far as I can ascertain, Dr. A. H. Rice, who wrote a history of the village, is correct when he says that the first houses within the limits of the corporation were on the Flat. In February, 1821, there were two log houses standing in the valley, one on the site of the Cottage Hotel, known to us as the Skinner house, occupied by Elihu King; the other a few rods north of the house on the William Daniels farm where was his father, Eleaner Daniels, was living. This/below the residence of James Graves on the same side of the street near the cross roads or corporation line on the south edge of the village.
Probably in the summer of 1822, Samuel Tanner built the next log house on the Flat, and in the same year Fleazer Wiltsie settled north of the Hill on the old Portage or Wall Street Road where he resided until his death. There is no record of any settlement on the Hill up to this time. Dr. Rice mentions an ashery in the Gulf at an early date, built by E. S. Cone and Dr. Hood, some six or seven stories high, and that Elisha Cook sold sixty dollars worth of ashes, the result of a whole winter's effort. This, by the way, was about the only occupation whereby the early settlers could obtain money.

All authorities agree, however, that in 1823 a log schoolhouse was built near the center of the Union Cemetery, and that Jesse Smith was the first teacher. John Steward, his most noted pupil, walked two miles to attend this school. The building was destroyed by fire in January, 1825. The loss of the books was keenly felt as money was scarce, and it was only with great difficulty that they could be replaced. A log hut was soon secured, and school resumed. At the end of the term the scholars gave an exhibition to show appreciation of their educational advantages. Apparently it was a literary feast in the wilderness. Sarah Marsh taught the first summer term in 1826.

The next schoolhouse stood on the south side of the
road near the site of the Panama Rocks Hotel, and John Steward taught there in 1828 and 1829. Joanna Glidden, later his wife, taught the summer term. The Red School House was the third on the Hill and stood back of George Lewis's house. It was torn down in the late 70's.

Later school buildings were on the Flat. There was one on South Street near the foot of the Rocks, now the barn of Mr. Albert Wilson. It has been moved a few rods north of its original location. Horace Button informs me that his father, Leon Button, our well-known supervisor of former years attended this school. There may have been a school on Wesleyan Street preceding the building of the Union School at the head of that street in 1861.

No one associated with the early history of Panama was more aggressive and versatile than Jesse Smith, cousin of Benjamin Smith. The former was contemporaneous with James Prendergast and associated with him in the lumber business as sawyer. We read of Jesse Smith building a hotel in Jamestown in 1815 where a New Year's Party was held in the partially completed structure the following year. This building was on the site of the present First National Bank and was sold to Elisha Allen in 1816 who also used it as a store. We read, also, of Jesse Smith's reading the Declaration of Independence at a Fourth of July celebration the same year, at which Prendergast presided. We are not surprised, than, that in 1824 Jesse Smith and Horatio Dix, with whom he had been associated
in Jamestown, built a saw and grist mill where Isaac Hobson's planing and shingle mill stood within our memory. The grist mill made living much easier for the settlers as it precluded the necessity of grinding by hand or bringing in flour from long distances.

A carding factory established about 1830 by John Ward and David Moore stood in the same vicinity. It produced the soft white rolls of wool that were spun and woven into material for garments and blankets for domestic use by the good mothers of the village.

It is said that there was a distillery also in this busy spot. This should not be surprising as liquor was in common use in those days, and not a few clergymen drank with their parishioners. It was the excessive use of liquor on the part of too many individuals that led to the temperance reform movements of that day.

Below the Gulf, across the road about where the Hoitjink and Mitchell funeral home now stands was a dam and a tannery operated by Orrin Mathews. Built in 1829, it was one of the largest in the state and continued in operation until the bark became scarce in this vicinity.

Although the village first developed on the Hill, and at one time was a cross roads hamlet of a score or more of and three hotels with mills and shops, it had natural disadvantages in competition with the lower settlement.

I have discovered, since writing this paper that a man by the name of Whipple built the first will dam in its present location and a saw and/or grist mill where Hobson operated. Reaney's map of 1854 substantiates this.
Heavy traffic developed from Jamestown, Barcelona, and Erie to points south, and the Hill site was out of its main stream.

In 1824, Moses Cushman Marsh of Massachusetts, a Cuban trader, who had become bankrupt as a result of the dishonesty of southern customers, settled in the lower village to retrieve his fortune in a new land. Here he is said to have built the first frame house, opened the first store, and gave the development the name of Panama. According to the records of the United States Post Office Department, he was made postmaster at Panama March 22, 1826. It is puzzling to discover Marsh's movements. So far as I can ascertain, Marsh first kept store on the Flat but later may have moved to the Hill. Perhaps he had stores in both places. To me, the stories indicate that it was a turning point in the development of the village—should a business man locate permanently on the Hill or on the Flat? Marsh was very active in village affairs until his death in 1833. His wife was an eloquent speaker.

Other merchants on the Hill about this time were Erastus J. Cone and Company, John Holbrook, Andrew St. John, rice, Cowles and Company, and James Jasperson.

Jasperson was a Canadian, a man of superior educational attainments, but he was a failure as a merchant because his goods were too expensive for the simple needs of the settlers. He soon left Panama.
Wonder is often expressed at the name of the village. One story is that there was a man living here who had resided on the Isthmus and was generally known as Panama Joe. A natural rivalry existed between Hill and Flat that revealed itself even in regard to the naming of the village. The residents of the Hill wished to call it Smithville after the Smiths—Benjamin and Jesse; the people of the Flat wanted the name Lewiston after another prominent pioneer family. As the meeting called to discuss the question was about to break up in futility, if nothing worse, Panama Joe got the floor and said that he had been to the Isthmus and that the rocks here were just the same as there. He proposed the name of Panama and added that the rocks would be here when all the disputants had passed away. His suggestion prevailed. There is also a rumor that the name is of Indian origin and should be pronounced Pa-na'-ma.

The first child born in the village was Eaton, son of Benjamin Smith mentioned above; the next Mary L., daughter of Moses Marsh, both in 1827.

In the same year Jesse Smith built a tavern on the site of the present brick hotel on the Flat. It was of wood with the second story projecting over the first. About this time Horace Gifford is said to have built the fine old tavern known as the Colonial or Winsor Hotel on the site where Fardee's garage now stands. It was a stage coach stop
and relay station on the route between Jamestown and Erie in the '30's. Elijah Polley, who later ran the old hotel diagonally across the street was one of the early stage coach drivers.

John P. Pray of Essex County, New York, came to Panama in September, 1831. With John Steward and Tad Ward, he formed a partnership and opened a store on the corner where Whitney & Wood's Garage now stands under the name of J. P. Pray and Company. Apparently it was about this time that the exodus from the Hill to the Flat began, and the village as we know it commenced to take shape. Three years later, the firm was reorganized and was known as J. H. Pray & Brother (David Pray). After another three years, it again changed hands and was taken over by John Steward and Daniel Glidden who conducted the business for the next six years (1843). The store then burned but was rebuilt by Steward who continued the business for a number of years.

In the meantime, Mr. Pray had read law under Judge Abner Lewis and began this profession while still employed with his mercantile interests. He was known as Panama's first lawyer. He was elected to the Legislature in 1847 and served one term. His partner, Mr. Steward, was also honored by public office, serving as Supervisor for ten years and as member of the Legislature for the years 1863-1864. The above mentioned Abner Lewis, son of Rev. John Lewis, Panama's pioneer minister for over sixty years, was County Judge from 1847 to 1851 and member of Congress for two terms (1855-1856).
No sketch of early village history would be complete without some reference to the churches. Baptist and Methodist preachers were the first to administer to the spiritual needs of the community. They were of the itinerant type, preaching wherever they might find place and opportunity, mostly in schoolhouses. These men were rugged ambassadors of the Cross. They believed that men had souls, that there is a hell, and that it was their work to save the wicked from eternal punishment in its flames. This belief drove them to accomplishments that to-day would be regarded as impossible. Through faith they received the crown of glory and "their works do follow them".

The first church in the village was Baptist. Organized in 1817 at Blockville, where the first religious services in the Town were held, one of the centers of worship was here, and in 1834 some thirty-seven members transferred and built a church edifice on the Flat which burned on Christmas Day, 1859. Their present house of worship was built in 1860. The first pastor was Rev. Simon Powers; Rev. Palmer Cross was the next and probably the first resident pastor.

The Methodist Church was organized in 1826 with six members. Rev. David Preston was their first pastor, and their building was erected in 1839. Previously they had worshipped in a log schoolhouse on the Hill, and at a later period in a frame building between the creek and the present residence of R. O. Button. It might be well to explain, however, that Samuel Gregg in his history of Methodism states that in 1824-'26 reverends Horton and Barrie rode the old
Chautauqua Circuit consisting of thirty preaching appointments. Panama appears on the list of those appointments and receives a visit once a month on a Wednesday at 3 P.M. These men might be regarded as first pastors.

The Presbyterian Church, now extinct, was organized in 1830 by the Rev. Justin Marsh. There were five charter members and their pastor was Rev. A. W. Gray. The church edifice was not erected until 1846.

These churches all grew to be large aggressive organizations whose members took a strong position for sobriety, freedom, and support of the Union. Many of their sons bled and died in its defense as witness the stones in all the local cemeteries.

It should be mentioned that a society of Wesleyan Methodists once existed here and worshipped in a building on the street now bearing that name. Little is known of their history.

Among early physicians, the first regular medical college graduate was Dr. Cornelius Ormes who received his medical diploma from the Castleton, Vt., Medical College in 1832 and began his practice here the next year. He became noted for successful abdominal surgery at a time when it was believed to be fatal to open the body for operations of this kind.

It is interesting to note that no diploma was required to practice medicine before 1818. Anyone could call himself a doctor, and many did with little or no apprenticeship or "lectures" at a medical institution.
Another outstanding physician was Dr. Charles Parker whose son David was an officer in the Union Army and, under Gen. Grant, was in charge of the Army Post Office. After the war he was United States Marshal of Virginia. He was the author of an interesting book, "A Chautauqua Boy of 1861 and Afterward".

Doctors Johnson, Hood, Ransom, Peck, and Boyd were other early practitioners. Dr. Boyd was an army surgeon during the Civil War. Dr. Ransom, who lived in the second house on the right below the bridge on South Street, prepared his own medicines wholly or in part from herbs which he grew in a botanical garden near his residence. These old time doctors, like the pioneer preachers, gave themselves without reserve to the welfare of the people of the community. Neither the elements, nor the hour of day or night, nor distance, nor financial standing of the patient, nor physical condition of the good doctor himself could stay him from his mission. There was no day off, and vacations were unheard of. Theirs was a sacrificial life, and we trust they also have their reward— at least in grateful remembrance.

In 1846 the Panama Herald, the first village newspaper, was established by Dean and Hurlburt. Steward and Pray were later proprietors, and the paper was continued until 1848. These latter men must have been John Steward and J. H. Pray, previously mentioned. Files of this paper are catalogued in the Prendergast Library in Jamestown, but diligent search has failed to discover them. A later Panama Herald
was published by A. B. Hurlburt in 1879, perhaps the same man referred to above. Dr. A. B. Rice was a subsequent editor, among others, and the paper was published until 1899.

During this expanding period of agriculture and industry, a Fair Ground was located back of the Union Cemetery. The race track may still be faintly traced. I remember as a boy playing ball and skating on this old site. Frank Haines, a former patriarch of the village, said that he heard Horace Greeley speak there. Evidently it was the play ground and gathering place for public exercises of the village.

Speaking of frame buildings which began to displace those of logs about 1830, it would be well to mention some of the fine old residences for which Panama is especially noted and regarding which an article with photographs appeared in House and Garden in July, 1933. These houses were built in what is called the Greek Revival style of which the old Cranes (or Skinner) home is the best example. This house was built in 1833 by John Capple who also built the John Steward house (now the Catholic Chapel) where pilasters are used instead of the free standing columns. It is said that John Newhouse, a carpenter of this village, probably over eighty when I knew him forty-six years ago, could carve one of the Ionic columns so commonly used in these houses out of a solid tree trunk.

It is interesting to speculate on the origin of this architectural style in Panama. I am of the opinion that it was a reflection of the state of culture here 100 years ago.
It bespoke a knowledge of the Glory that was Greece, of Childe Harold, of sympathy for an oppressed people fighting for freedom as Americans had fought within the memory of men still living at that time. Indeed, it is said there was thought of raising a regiment to aid the Greeks.

Many tales of romance and adventure are told of the famous Panama Rocks. The most general one is that of the counterfeiters who operated in the caves and secret passages found there. In the Jamestown Journal of May 19, 1922, postmaster Henry Guenther says that, as a boy, he lived on the Rocks farm which his father had purchased at the close of the Civil War. He knew every cave and crevice and played in and over the whole area. After the conviction of the counterfeiters, the boys of the neighborhood used to dig for buried treasure. None was ever found, but he claims to have seen some of the five-cent pieces and was not impressed by the workmanship of the outlaws. They had a crude stamp and a melting pot such as was used by the soldiers of the Civil War. He regards the counterfeiters as youthful amateurs who were readily apprehended after attempting to pass their spurious coins on a marketing farmer. Smoke issuing from a crevice in the Rocks disclosed their place of business, and the sheriff and his posse took them into custody. Many believe, however, that it was not so simple as this,—that a wide conspiracy involving individuals in northern Pennsylvania and western New York and even the notorious Brady "gang of New York City existed in this vicinity,
In the '30's when Mormonism was creating great excitement in these parts, Jamestown was quite a center of the activity of the Saints, and they made a considerable number of converts. It is rumored that the founder of the Society, Joseph Smith, himself once sought out the Rocks as a place of meditation, prayer, and inspiration, and that the Golden Gate was so named because of his visionary propensities. It is known that he visited this vicinity, having married a woman living in northern Pennsylvania.

It appears that one of the three hotels always mentioned in accounts of the upper village stood near these Rocks. It is commonly referred to as A. Smith’s hotel. Built probably about 1830, it was in operation under the management of M. L. Taylor between 1835 and 1840, according to his announcement of refitting and reopening which was mailed from Panama before stamps were in use.

The present hotel, according to William Hosier and Walter Tanner was built by A. B. Smith who moved several buildings to this site and combined and remodeled them in the '70's. Our hostess, Mrs. Edy, present owner of the Rocks states that Recreation Hall bears evidence of having been in existence in 1879. Rock Hotel is shown on an atlas map on this site in 1881.

Panama was incorporated as a village by special act of the legislature in 1861. It seems that Walter Sessions, who was member of the State Senate, put through this special law in honor of his home village. At that time it was not
without honor. Statistics of a few years later show that Panama had eight stores, three shoe shops, two carriage factories, two grist mills, a saw mill, two planing mills, a cooper shop, two cabinet shops, and four blacksmith shops.

Panama was a bustling, ambitious community as anyone would have discovered on any Wednesday-butter day-, or when a drove of a hundred bawling cattle or a flock of blathering sheep raised the dust of the village streets, or a line of freighters a half-mile long passed through from Barcelon to Titusville and Oil City with supplies for that booming region.

Panama was reincorporated by the general village law of 1897.

I have searched in vain for any account of the organization, ordinances, or officials of the year of its first incorporation. Village records of this period have been lost or destroyed. How important and interesting they would be to us of to-day, but we have only the haunting silence of days beyond recall.

The good old days are done. The handcraft industries of our fathers, the dust-covered bawling herds, the long straggling line of freighters, the bustling shops and taverns, and the sound of stagecoach bugle have passed into the oblivion of forgotten years leaving us with the nostalgic feeling that, regardless of all our so-called progress, we have lost something by the way.

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In the preparation of this paper I have quoted freely, sometimes verbatim or nearly so, from the following authorities:

History of Chautauqua County, Young, 1876
History of Chautauqua County, Edson, 1894
History of Panama, Rice, 1883 in the Panama Herald
Centennial History of Chautauqua County, 1904
History of Chautauqua County and Its People, Downs and Medley, 1921
Chautauqua County Directory, Hamilton Child, 1873

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It is my intention to write the History of Panama since Civil war days as I find material and convenience.