

# ESSENTIAL CIVIL WAR CURRICULUM

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## Cotton

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At the time of the Civil War, cotton had become the most valuable crop of the South and comprised 59% of the exports from the United States. As a result, it played a vital role in the conflict. For southern producers, the war disrupted both the producing and the marketing of what they hoped would be the financial basis of their new nation. As Confederate territory shrank under Union attack, invasion, and occupation, the traditional patterns of cotton cultivation and sales likewise came under assault. Blockading southern ports and encroaching into the major cotton-growing areas, the Union stalled not only the cotton economy but also the foreign relations of the Confederacy. As cotton was the main crop of the plantation system and the linchpin of slavery's profitability, it was also the major export of the United States as a whole and the raw material of the northern industrialization.

Cotton is cellulose, a fluffy fiber that develops inside the boll or seed-pod of *Gossypium* plants. The fiber is attached to the plant's seeds—when the boll opens the fuzz will catch the wind and carry the seeds away to propagate the plant. When grown for human purposes, cultivation of the fiber requires heavy soils and sunshine, a long 175 to 225 days without frost, and 24 to 47 inches of rainfall per year. The fiber has been cultivated in temperate, tropical, and subtropical regions around the world and can flourish between the 30° and 37° latitudes. These lines run roughly through New Orleans on the Gulf of Mexico and the northern tip of Virginia, making the U.S. South an ideal location to cultivate the plant in order to produce its fiber, which is used extensively in the production of cloth. Planters from Barbados brought *Gossypium barbadense* to the Sea Islands of South Carolina and Georgia about 1786, and their slaves induced the plant to grow the long silky fiber that became known as Sea Island cotton. The more common Upland cotton, *Gossypium hirsutum*, includes a number of cross-bred types that make a shorter, coarser staple but are more tolerant of a wider range of growing conditions.<sup>1</sup> In the United States 95% of cotton produced today is an Upland type; worldwide, Upland types produce about 90% of all cotton fiber.

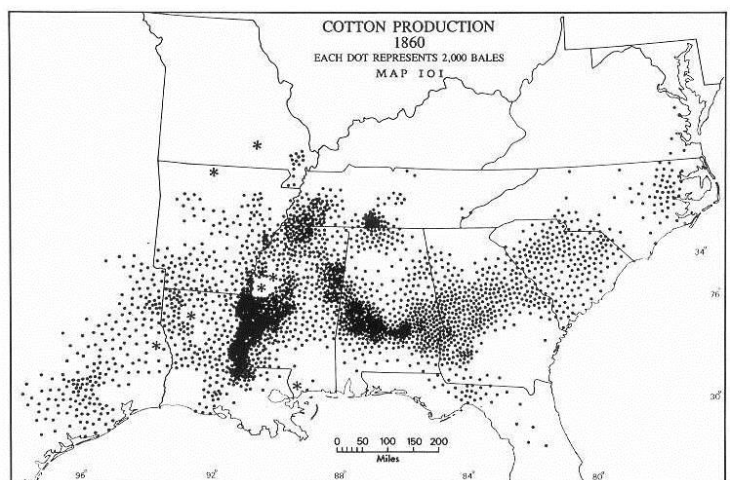
Cultivation of cotton in North America began in the 1780s shortly after American independence and demand increased with the British industrial revolution in cotton manufacturing. While Eli Whitney's cotton gin generally receives credit for the increase in cotton supply, it was just one of many competing designs for removing seeds from fiber and itself tended to rip the staple. The British, who had first imported cotton textiles

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<sup>1</sup> Staple is a term that refers to the length of the fiber and sometimes to the fiber itself.

from India, eventually found the fiber a useful filler in their traditional linen and woolen cloths. Yet, as textile industrialization gained steam in the early nineteenth century, the Napoleonic Wars interrupted British manufacturers' usual sources of supply from Asia. For this reason, they began importing cotton from their former colonies, and learned to cope with the short-staple Upland fiber ripped in Whitney-style gins. As a result, planters found the new crop profitable and aimed to expand its cultivation. Their desire for more room to grow cotton inspired the U.S. government to remove Native Americans from their lands, to sell the newly acquired territories, and to admit new states to the Union, all in order to ensure the planters' economic stability and political representation in the federal government. The purchase of French Louisiana in 1803 provided even more land as well as the Mississippi River for shipping crops down the river to the sea. The plantation system of production spread across Georgia and into Alabama, Mississippi, Arkansas and Louisiana, reaching Mexican Texas in the 1830s. The South committed ever more deeply to plantations with populations of slaves growing cotton for the textile mills of England and New England.

Southern-grown cotton was sold to manufacturers by cotton factors (the local merchants who represented distant buyers), who were based in the major port cities of the South and handled most business transactions for planters. The planters sent their cotton to the factors, and the factors found the best place and time to sell it, earning a commission, usually 2.5%, on the sale of the planter's cotton. Factors also bought plantation supplies—food, bagging, tools, shoes, clothing, and so on—and forwarded them on to the planters, taking another commission from these transactions. These relations between planters and factors were remarkably informal, with few written contracts and surprisingly few legal disputes; it worked because of the mutual trust developed between individual planters and individual factors over time. This system would not survive the coming crisis.



<sup>2</sup> Map from Charles O. Paullin, *Atlas of the Historical Geography of the United States* (Washington D.C.: Carnegie Institution and American Geographical Society, 1932), Plate 142.

Abraham Lincoln was elected President in November 1860, and secession spread across the southern states during the winter and spring of 1860-1861, disrupting the usual calendar of cotton marketing, when cotton usually reached the cotton gins to have the seeds removed before shipping to market. For this reason, not all the 1860 crop was sold. Despite the surplus from 1860, planters put their slaves to work on a large acreage amidst the crisis in 1861.

As state after state across the South joined the Confederate States of America, the new nation's foreign relations relied on what came to be known as cotton diplomacy. Planters and the Confederate leaders believed that cotton shortages would secure full diplomatic recognition and possibly aid from European consumers of their produce. Chief among these was Great Britain, which consumed most of the output of the fiber in the textile mills of the Industrial Revolution. In order to starve the world of cotton, The Confederates placed an embargo on cotton exports in the summer of 1861. But his dreams of diplomatic support did not come true. In the months leading up to the outbreak of war, traders in Liverpool held hundreds of thousands of bales of American cotton. As late as January 1862, there were a quarter million bales there. Since everybody expected the war to be short, there seemed to be little need for more cotton.

As with so much about the war, expectations of a swift resolution shaped people's actions. Cotton factors and planters assumed that Europe could not do without American cotton, and Confederate leaders believed the same. Meanwhile the Confederacy's shrinking borders and the loss of its ports and markets shaped its internal politics and also its relations with the rest of the world.

If cotton was fundamental to the United States' international trade, it was even more so for the Confederacy. The money needed to buy arms and manufactured goods could come most reliably from cotton. By the time Davis lifted the embargo, it was too late; the Union navy had blockaded Confederate ports. The blockade, begun in 1861, was never perfect. It did not entirely prevent cotton from leaving the South but it did hobble export activities and made cotton sales risky and unpredictable. More importantly, the blockade prevented imports of supplies and weapons, as well as the agricultural equipment needed to grow more cotton. The Union blockade prompted Great Britain to declare its neutrality in May 1861. Though this neutrality did recognize the Confederacy as a belligerent nation rather than an internal insurrection, it stopped short of southern desires for full diplomatic recognition of it as a nation. At the same time, while textile workers in Britain suffered periods of high unemployment, the cotton famine was partly alleviated by imports from Egypt and the East Indies.

For independence to succeed, the Confederacy needed not only money and weapons from Europe, it also needed food. In 1862, the Confederate Congress attempted to restrict or even prohibit cotton production in favor of food crops. State governments likewise attempted to insist that their citizens replace cotton production with corn, wheat, potatoes, hogs, while newspapers across the region promoted that goal. An Alabama newspaper declared that planters who raised cotton as usual were traitors who should be hanged. "Plant corn!" was the patriotic cry.

	PRICE per pound, in \$	NUMBER OF BALES
1861	0.13	4,491,000
1862	0.31	1,597,000
1863	0.67	449,000
1864	1.01	299,000
1865	0.83	2,094,000

*Historical Statistics of the United States* <sup>3</sup>

Neither law nor public opinion entirely prevented the production of cotton, but what to do with it was another question. For many planters, the sensible thing seemed to be to raise cotton and keep it on the plantation. The usual patterns of trade via factors had been disrupted, and many factors openly admitted that they could not pay their debts, at least until the hostilities were over. Trying to ship cotton across the sea only risked it being seized, and piling up too much cotton in southern cities created problems of its own. Cotton was quite flammable, and it also made a tempting target for Union military forces. The Union, after all, also needed money to fight the war, and any cotton its soldiers could seize could be sold for a good price. As a result, planters who produced cotton generally kept it on the plantation, sometimes hidden, even after it was sold to factors. As a result, official production plummeted.

Planters needed money, however. Most operated on credit, and those debts still required servicing. Confederate taxes also had to be paid, and the plantation needed food and other goods, as well as inputs for the next year's production. In 1861, the Confederacy offered Produce Loan Acts, which bought cotton in exchange for eight percent bonds and stored the staple in warehouses. But bonds are not cash and planters begged the CSA to buy their produce directly; while the Confederate government claimed it had no such power, some individual states stepped in and did so. The next year, 1862, the CSA enlarged the program and half a million bales of cotton were purchased. The bonds became the basis for securing credit for the purchase of supplies abroad. But no one wants to buy a bond secured by property they have no way of recovering if the bond payments stop, and the Confederate bonds did not sell well abroad. The cotton piled up in warehouses and at the gins. By late 1862, fewer than twenty thousand bales of American cotton could be found in Liverpool.

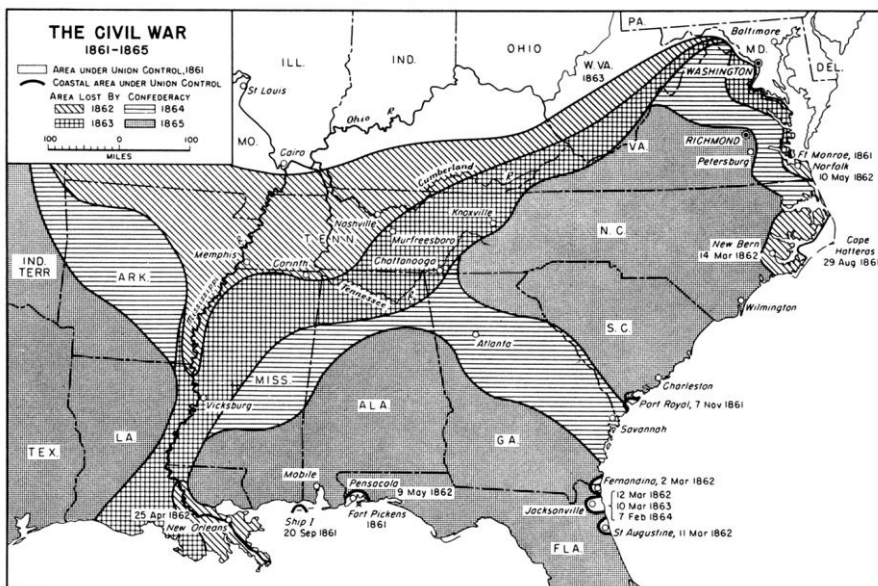
British manufacturers sought other supplies. The shortfall in shipments from America stimulated cotton production in India, Egypt, and Brazil, which all increased their production in order to meet British demands. These new sources did not immediately succeed in replacing American supplies, and the cotton famine threw

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<sup>3</sup> U.S. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1957* (Washington, D.C., 1957), 124, 302.

hundreds of thousands of English operatives out of work. British spinners preferred American cotton but made do with what was available, and the result changed the structure of the market. Even after the war, the British mill owners drew more of their raw materials from the new suppliers. As a result, the South faced new competitors even as it successfully returned to cotton production after the war.

To add insult to injury, it soon became apparent that much of the cotton that ran the blockade ended up in northern mills rather than in Britain. The North had bought a large portion of the 1860 crop, but the industry still suffered the shortages of war. Eight cotton factories closed in Lowell, Massachusetts, putting around 10,000 operatives out of work. Many scattered to other textile centers such as Bedford, Fall River, and beyond, and the loss of skilled operatives hurt the Lowell economy for years afterwards. Other New England towns fared better, at least at first. But when the Union’s military fortunes began to stall in summer 1862, manufacturers in New England realized the war was going to last longer than their cotton supplies. By June 1862, 3 million of New England’s 4.5 million spindles were idle, and the mills collectively were producing less than 25% of their normal output.



By that time, however, the Union controlled both Memphis and New Orleans, two of the most important cotton marketing centers. The Union army’s presence bought the cotton market back to life as cotton managed to get across enemy lines. Planters in much of the Confederacy’s prime cotton land had the chance to sell the cotton they had been hoarding. Merchants in those cities sent agents into the countryside, paying in gold or greenbacks. Planters who could only get Confederate money or bonds sometimes tried to invest it in something more substantial, including land. While the revived cotton market benefited the Union and individual southern planters, it did no good for the Confederacy itself. Confederate planters were far more interested in realizing profits from their bales of cotton than using them to support the Confederate war effort.

This unofficial market for the fiber continued through the war. In 1864 the Mississippi Central Railroad was granted the right to trade cotton for essential supplies, and the railroad became a way of shipping cotton through enemy lines. Memphis, Nashville, Vicksburg, and New Orleans became sites of roaring trade, and both Union and Confederate army officers scrambled for profits. Planters who had been hoarding their cotton now made high profits. By February 1865 the Confederate War Department relied on this exchange of cotton for blankets and shoes. Of the 900,000 bales imported into Boston and New York during the war, 400,000 bales came through the lines, while 350,000 were captured by the Union (at Savannah, Memphis, the Sea Islands, and New Orleans), while the remaining 150,000 bales were shipped back from England.

Not only was Confederate-grown cotton finding its way back onto the market by 1862, but northerners came south to grow cotton themselves. The earliest of these were inspired to do so in order to help the freed people and to demonstrate to the nation that cotton grown by free labor would be produced even more efficiently than when grown by enslaved labor. Later planters came down out of more pecuniary and less idealistic motivations, hoping to cash in on high cotton prices, with no particular regard for those who planted, hoed, and picked the cotton. The first northern planters arrived on the rich lands around Port Royal, South Carolina, in time for the 1862 planting season. This was the land where the valuable long-staple Sea Island cotton was grown. Plantation owners had fled the area, taking as many of their slaves as they could, when the Union captured it in November 1861. The plantations they abandoned were forfeited and sold. Some of the land went to freed slaves, divided up into small farms, but many plantations were purchased by northern speculators as well.

Later, the Union army in the western theater captured the rich cotton lands of the Mississippi and Yazoo Delta. Not much of this land was cleared, but what was cleared was the most productive cotton land in the world. As with Port Royal, planters had fled, leaving many of their slaves behind to fend for themselves. There was also a Union experiment at Davis Bend, the Mississippi River plantation that had belonged to the brother of the Confederate president, to demonstrate that far from being a burden on the northern military, freed slaves could produce cotton efficiently and take care of themselves. Free people farmed over 1,000 acres of land, and not only did they provide all of their own subsistence, they also produced 130 bales of cotton and a profit of \$2,500.

These experiments provided some cotton to the north, but much more was seized than cultivated directly. The Captured Property Act of 1863 authorized the U.S. Treasury to appoint agents to collect cotton seized in Confederate territory and sell it in order to fund the war effort. This chaotic system led to much fraud and conflict over the ownership of cotton throughout the South, but it did bring in nearly \$30 million for the U.S. Treasury over the course of the war, including nearly \$5 million from Confederate-owned cotton seized after the Confederate surrender in June 1865.

Wilmington, a port in North Carolina, finally fell to the Union in 1865. In many cities, Confederate soldiers burned their cotton as the Union army approached, though in

some cases the invaders torched the stored bales. The battlegrounds of war, waged across the South, destroyed the infrastructure of cotton cultivation, including not only cotton gins but also houses, barns, and fences. Draft animals and hogs were likewise unavailable after the long conflict, and agricultural equipment had long fallen into disrepair. In such circumstances, credit was also hard to come by. Cotton growers were unable to pay their taxes or their debts, and the emancipation of the slaves demolished their capital investments in labor. The road back to full production would prove difficult, and the cotton economy of the south and the nation would never be the same.

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