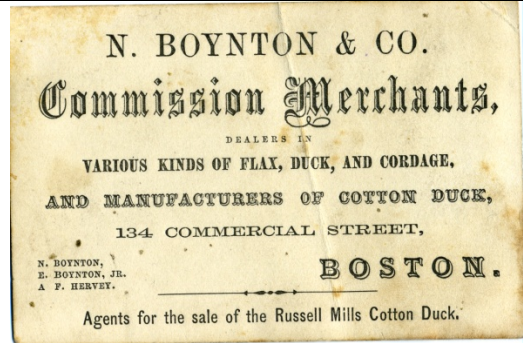


Chapter 68f -- We The People In 1820: The Southern Economy

	<p>Date: 1820</p>	<p>Sections:</p> <ul style="list-style-type: none"> • The South Bets Its Future on Cotton • The South Also Bets On “Breeding” And Selling Slaves • A Missed Economic Opportunity For The South
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Time: 1820

The South Bets Its Future On Cotton



An Agent Selling Russell Mills Cotton Duck (Canvas)

Plantations spring up across the South in the colonial period, with crops varying by terrain and weather. In the Upper South, Maryland, Virginia and North Carolina, tobacco is dominant. The low country states of South Carolina and Georgia, with greater access to irrigation, turn to the generally more profitable production of rice. But the economic die is cast for all southern states in 1792 once Whitney’s seed-removal “gin” transforms the economics associated with growing and harvesting short fiber cotton.

From that moment on, every farmer and plantation owner in the South that can get into cotton does so.

And production soars – reaching almost 142 million pounds by 1820.

Prices for the crop vary from year to year in responses to shifts in supply and demand, with the latter affected by tariffs levied on finished cotton goods from abroad.

But in 1820, the value reaches \$235 million – fully one-third of the country’s total GDP for the year!

Value Of Cotton

Year	Cotton Lbs	Cents/Lb	Value	Index
1790	0.1 million	\$14.44	\$2 million	
1805	59.9	22.59	\$135	100
1810	68.9	14.20	98	73
1815	81.9	25.90	216	160
1820	141.5	16.58	235	174

As cotton profits soar, so too does interest in opening new plantations – particularly to the west of the Appalachian range, in the newer states of Alabama, Mississippi and Louisiana.

To do so, however, requires not only available land, but also available slaves.

Time: 1820

The South Also Bets On “Breeding” And Selling Slaves

purchasers. feb10
Sixty very Choice Sugar Plantation Slaves.
BY J. A. BEARD & MAY—J. A. Beard,
 Auctioneer.—Will be sold at auction, on TUESDAY, February 27th, 1820, at 12 o'clock, at Banks' Arcade, on Magazine street, the following gang of likely slaves, mostly from the plantation of the late Mr. Pisero, of the Parish of St. Charles; comprising Mechanics, Sugar makers, and hands brought up to the culture of Cane, to wit:
 One Family:
 1 JIM, aged 24; extra No. 1 field hand.
 2 PHILLIS, his wife, aged 22; first rate hand.
 3 ALBOK, aged 23; extra No. 1 field hand, understands machinery, and boiler making, and has run centrifugal machines.
 4 JOE KEY, aged 24; first rate field hand, cart and plough boy; very useful, understands machinery.
 One Family:
 5 SUSAN, age 24; good field hand.
 6 CHARLOTTE, age 8; } her children.
 7 LONDON, age 2; }
 One Family:
 8 LEWIS, aged 47; good carpenter and sugar maker; a trusty and superior subject.
 9 SALLY, his wife, aged 40; good field hand and hospital nurse, and is trusty.
 10 SAM, aged 14; works in field and cart driver.
 One Family:
 11 JOE, aged 20; extra No. 1 field hand and plowman.
 12 PHYRA, his wife, aged 25; No. 1 field hand.
 13 SAMBO, aged 42; good field and kettle hand; useful in sugar house.
 14 NANCY YELLOW, aged 22; good hand and seamstress.
 15 LAWRENCE, aged 19; good hand, cart and plough boy.
 16 ANNIE, aged 17; good field hand.
 17 TINKER, aged 13; useful in field.
 18 JOSEPHINE, orphan, aged 9; useful.
 One Family:
 19 JEFFREY, aged 44; extra No. 1 field and kettle hand; useful in sugar house; very trusty.
 20 DOLLY, his wife, aged 36; extra No. 1 field hand.
 21 WILLIAM, aged 22; extra No. 1 field hand, cart and plough boy.
 One Family:
 22 SUE, aged 21; No. 1 field hand.
 23 FELLIGE, her child, aged 2 years.
 24 SARAH, aged 18 years; No. 1 field hand.
 25 BINAH, aged 18; good field hand.
 26 JEFF, aged 14; useful in field.
 27 STEPHEN, aged 10; useful in field.
 28 HENRY, aged 23; good field hand.
 29 FRIDAY, aged 12; useful in field.
 30 FANNY, aged 11.
 31 SAMPOON, aged 10; useful in field.
 32 JACK, aged 5; ox driver and field hand.
 33 JEAN, aged 17; good driver, cart and plough boy.
 34 RICHARD, aged 30; has sore legs, gardner and field hand.
 35 JEAN BAPTISTE, aged 48; good field and kettle hand.
 36 LIDDY, aged 31; No. 1 field hand.
 One Family:
 37 SIBBY, 25; No 1 field hand.
 38 DORSEY, her child, 2.

By 1820 prosperity in the South rests as much on the domestic sale of slaves (“black gold”) as on sales of its raw cotton (“white gold”) to worldwide textile mills.

Since 1807 the ban on “importation” agreed to in 1787 Constitution has been in effect, and hence the only place new plantation owners in the west can get the labor they need is to buy “excess slaves” being bred on plantations in the east.

And “breeding slaves” becomes a major industry, especially in the state of Virginia.

This shocking “breeding practice” is described by ex-slave, Maggie Stenhouse, as follows:

Durin' slave'y there was stockmen. They was weighed and tested. They didn't let 'hem work in the field and they kept them fed up good. A man would rent the stockman and put him in a room with some young women he wanted to raise children from.

Once bred, these “excess blacks” are shipped to cities like Louisville, Kentucky and New Orleans, where daily slave auctions are advertised in newspapers and held in various locations around town.

The combination of growing demand and limited supply leads to high prices for slaves, especially for “prime field hands” and “breeding women.” In 1820 the average price for a slave has risen to \$393.

This means that the total economic value of the 1.5 million slaves has reached the staggering level of \$600 million, at a time when the annual value of all goods and services (GDP) is \$700 million.

The “Economic Value” Of Bred Slaves

Year	# Slaves	\$/ Slave	Total \$	\$/Prime
1805	1,032M	222	\$229million	504
1810	1,191	277	330	624
1815	1,354	272	368	610
1820	1,538	393	604	875

Shrewd plantation owners throughout the South will focus on sustaining this economic growth engine.

To do so, they will constantly support the expansion of slavery into new territory west of the Mississippi.

They will also pay careful attention to breeding excess slaves for sale in these new territories.

One such shrewd owner has been Thomas Jefferson, master of Monticello, whose *Farm Book* observations record concerns about his “breeding women” and their off-spring:

The loss of 5 little ones in 4 years induces me to fear that the overseers do not permit the women to devote as much time as is necessary to the care of their children; that they view their labor as the 1st object and the raising their child but as secondary.

I consider the labor of a breeding woman as no object, and a child raised every 2. years is of more profit then the crop of the best laboring man. In this, as in all other cases, providence has made our duties and our interest coincide perfectly.... With respect therefore to our women & their children I must pray you to inculcate upon the overseers that it is not their labor, but their increase which is the first consideration with us.

Jefferson’s correspondence also encourages his friends to...

Invest every (spare) farthing in land and negroes, which besides a present support bring a silent profit of from 5 to 10 per cent in this country, by the increase in their value.

Time: 1820

A Missed Economic Opportunity For The South

The South’s eagerness to cash in on its “two crops” finds it overlooking an economic opportunity that could have altered history.

The opportunity lies in the additional wealth to be had in processing cotton into thread, weaving it into whole cloth, and finishing it into the dress and household goods Americans need.

Had the South acted on this opportunity to “vertically integrate” its cotton operations – i.e. win all of the profit to be had from raw cotton, spun thread and yarn, woven cloth, completed wares – it could have diminished its reliance on raw cotton and slaves as the sole sources of its wealth.

While a few southern attempts are made to mimic the textile mills in New England, their success is limited. The question is “why?”

Several factors seem to explain this “missed economic opportunity” by the South:

- Planters are probably satisfied making money hand over fist simply by growing raw cotton, and feel no urgent need to tackle the complexities of further processing it.
- The knowledge required to set up and run a textile mill is a closely guarded at the time and requires engineering and machine-making skills that the South lacked.
- Smaller cities in the South meant that a local factory would not enjoy the benefits of a nearby, concentrated consumer marketplace for its finished goods.
- Finally, the prospect of hiring white women (like the “Lowell girls”) to work in textile factories for wages is culturally anathema in the South.

Whatever the causes, the result is that the Northern textile mills reap the profits of whole cloth and finished goods made from the South’s raw cotton – an outcome that will cause tensions and rancor between the two regions going forward in time.