

King cotton

by Gene Dattel

America's sordid racial story begins with involuntary immigration and slavery. Race-based bondage was enshrined in the country's legal system at the Constitutional Convention of 1787. At that time, according to Edmund Morgan, Yale's renowned colonial historian, slavery was considered a "moral anachronism." The delegates could not have insisted on the abolition of slavery, noted Morgan: "To have done so would have ended the convention." The young struggling republic faced an ugly choice—a nation with slavery, or no nation at all.

Two trading states, Connecticut and South Carolina, provided the support that enabled the approval of the Constitution. Connecticut's anti-slavery representatives viewed the institution as being on the road to extinction. Slavery was "dying out anyway," Connecticut's constitutional delegate Roger Sherman said, and would "by degrees disappear." "Slavery in time," opined his colleague Oliver Ellsworth, "will not be a speck on the horizon." Sherman, the grandfather of the Civil War general William Tecumseh Sherman, helped broker the constitutional compromises that protected what some Southerners denominated "our peculiar institution," slavery.

What happened to this prophecy of extinction? Slavery would have died without the coincidence of two events. A series of innovations in the British cotton textile industry by the late eighteenth century fostered mass production. Correspondingly, the price of a textile garment dropped by over 90 percent between 1787 and

1860. A consumer revolution was born. At the beginning of this period, approximately 77 percent of all European garments were made of wool; on the eve of the Civil War, cotton claimed 73 percent of the market. Enormous hygienic benefits accrued, as well. The appetite for raw cotton was enormous.

The second key event came about thanks to Eli Whitney, who, failing to get a job after graduating from Yale, went to Georgia as a tutor on a cotton plantation. Within a couple of weeks, in 1793, he had crafted a device which separated cottonseed from the lint which was woven into cloth. A production bottleneck had been solved. Now, instead of only being able to "clean" one pound of cotton a day, a single man could clean fifty. This labor-saving device, in turn, generated an enormous labor shortage—which would be filled by a growing slave population—as the demand for cotton labor skyrocketed.

The Founding Fathers were blindsided by an economic force—the world demand for cotton—and a king was born. "Cotton alone, of all the products of our soil or industry, stirs the emotions . . . it is the melancholy distinction of cotton to be the very stuff of high drama and tragedy, of bloody civil war and the unutterable woe of human slavery," wrote David L. Cohn in his 1956 biography of cotton royalty. Anne O'Hare McCormick had earlier in 1931 characterized cotton as "map-maker, trouble-maker, and history-maker."

The destiny of black America would be inextricably bound to cotton for sixty years

before the Civil War and one hundred years afterwards. Cotton and black labor would only finally decouple in the 1960s with the advent of the mechanical cotton picker and effective herbicides and pesticides. At that point, the remaining cotton field laborers faced displacement.

Economics, not social convention, determined the African-American experience. Without an economic base, race-based slavery could not exist. Cotton production was easily grafted onto the plantation system that was already in place. Other forms of slave-related agriculture were small, without significant export potential, and their growth had stagnated. The use of slaves for industrial labor has been highly exaggerated and wildly speculative. The Tredgar Iron Works in Richmond, a widely cited example of slave labor in factories, employed eighty slaves out of a total 800 employees. Furthermore, it was not competitive with mills either in the North or England. Grandiose Southern rhetoric of territorial expansion for slavery has erroneously been given unwarranted credence.

Many designate slavery as “foundational” to America. In reality, slavery was itself perched on a wobbly foundation: the vacillating price of cotton, and the roller-coaster economy of the South. Historians mistakenly number the asset value of slaves between \$1 billion and \$4 billion during the antebellum period. This astounding number, they say, dwarfs the worth of other antebellum sectors—industry, railroads, etc. But this computation is deeply flawed. Slavery had no sustaining worth independent of cotton in the nineteenth century. The inflated aggregate asset value of slavery may be dramatic, but it is devoid of substance. The price of a slave was *derivative* of the price of cotton. If the price of cotton fell, so did the price of a slave and the aggregate asset value would drown in an ocean of illiquidity. The financing of slavery depended on a revenue stream from cotton.

By depicting the horrors of slavery, Harriet Beecher Stowe’s novel *Uncle Tom’s Cabin* (1852) became the most politically influential American story of the nineteenth century.

Folklore even has Abraham Lincoln crediting Stowe as the “little woman who wrote the book that started this great war!” Stowe knew very well and wrote clearly that cotton was the sole buttress for slavery. If “something should bring down the price of cotton once and forever, and make the whole slave property a . . . [burden] in the market,” she wrote, the support for slavery would disappear.

The economic facts are compelling. Cotton production increased from virtually nothing in 1787 to over four and a half million (450-pound) bales per year on the eve of the Civil War. The slave population grew from 700,000 to approximately four million—the majority of whom were directly or indirectly involved with cotton production. The price of a slave directly correlated with the price of cotton. The price of a slave rose when transported closer to the cotton-growing regions of the Deep South. Importantly, slavery only spread where cotton could be grown.

Slave-produced cotton was not a regional affair. The “indispensable” product knit the country together. New York City rose to commercial and financial preeminence on the cotton trade even before the Erie Canal became operative. New York dominated the financing, trading, and insurance aspects of the cotton trade. New York, cities in New England, and Philadelphia found a ready market for their manufacturing goods in the cotton South. Once cotton left the plantation, it became sanitized of the injustices that had produced it—quotidian balance sheets, receipts, and bills of lading obscured the taint of slavery.

The Nobel Prize-winning economic historian Douglass North described the crucial role of cotton: “Between 1814 and 1860, the growth of the American economy was stimulated to a great extent by the expansion of one product—cotton. American exports of cotton provided a major share of the world supply and contributed more than half the value of the nation’s total exports. . . . Cotton was the most important proximate cause of [American economic] expansion [before the Civil War].”

Cotton was a global affair. Great Britain, the most powerful nation in the world, was the

main purchaser of slave-produced American cotton before the Civil War. Of the 22 million inhabitants of Great Britain, 20 percent were directly or indirectly involved with cotton textile production. Her exports were dominated by cotton. Britain was dependent on American cotton before and after the Civil War. As such, the power of cotton in the nineteenth century was comparable to that of oil in the twentieth century.

In the first half of the nineteenth century, cotton was primarily responsible for the enslavement of four million blacks. Slave-produced cotton connected the country's regions, provided the export surplus the young country needed to gain its financial "sea legs," brought commercial ascendancy to New York City, was the driving force for territorial expansion in the Old Southwest, and fostered trade between Europe and the United States. From 1803 until 1937, cotton was America's leading export, a reign that will likely never be surpassed.

The South, intoxicated with the power of cotton, embarked on a war to secede from the United States. In effect, slave-produced cotton—not slavery itself—caused the American Civil War. No one would have taken the South seriously without cotton; the South would not have taken itself seriously without cotton. Very quickly, the newly formed Confederacy established a strategy—embargo cotton so that England would be forced to intervene in support of the South. The South Carolina Senator James Henry Hammond famously warned the North and England in 1858, "What would happen if no cotton was furnished for three years? This is certain: England would topple headlong. . . . No, you do not dare make war on cotton." This cotton threat had been used before by the Philadelphian Nicholas Biddle, the head of the Bank of the United States in 1839, and would be repeated later by the Union General Benjamin Butler in 1870.

Yet King Cotton was ruled, as are all commodities, by a higher law—that of supply and demand. England was gorged with a huge surplus of cotton and unsold cotton textiles; a cotton asset bubble was in place. No cotton

famine occurred until 1862 after the Union victory at Antietam. Military victory nullified the potency of the cotton embargo. Inexplicably, the South ignored the extensive supply of cotton in the marketplace.

It is intriguing to speculate about the consequences of the cotton asset bubble in the absence of the Civil War. Had the cotton asset bubble burst, a resounding catastrophe would have ensued for the credit-ridden Southern economy. As a result, the institution of slavery might have morphed into a new financial system that resembled the sharecropping arrangement after the Civil War.

The attitude of white Northerners during the nineteenth century towards African Americans provides both a very clear guide and a determining factor to the fate of blacks after emancipation. We should not only ask what white Northerners thought about slavery, but what they thought about black people.

Historians choose either to ignore or to underestimate vastly the role of the white North in assigning free blacks second-class citizenship. As such, historians have manufactured a fairy tale in which the South is the sole scapegoat for America's racial dilemma.

The North, characterized by pervasive racial animosity and a belief in black inferiority, was desperately afraid of a black migration. The white Northerner could be both anti-slavery and anti-black.

Examples abound: Connecticut passed its gradual emancipation act in 1784. By 1800, out of a population of 244,000, there were only 951 slaves and 5,000 "free colored"; in 1860, there were 8,627 "free colored" in a population of 451,520 people—roughly 1.9 percent of its residents. The Connecticut Academy of Arts and Sciences in 1800 sent out a questionnaire. Article 27 of the survey asked about "Free blacks: their number, their vices, and modes of life, their industry and success in acquiring property; whether those born free are more ingenious and virtuous than those who were emancipated to adult years."

In 1810, the president of Yale, Timothy Dwight, answered this question in a scathing sermon:

These people [free blacks] . . . are generally neither able nor inclined to make their freedom a blessing. . . . For blacks, the hatred of labor becomes a habit. . . . They have no thrift; and waste, of course, much of what they earn. They have little knowledge either of morals or religion. They are left, therefore, as miserable victims of sloth, prodigality, poverty, ignorance, and vice.

Within a few years, Connecticut started a colonization society to rid itself of blacks and had disenfranchised its tiny black population. In 1857, 80 percent of Connecticut voters reaffirmed the state's denial of suffrage; Connecticut voted against the Fifteenth Amendment. If a state could not accept or assimilate 1.9 percent of its population, what would happen when the numbers were higher, as in the South? The die was cast; America's racial future was fraught with turbulence.

Moving west, the situation was worse. Historians praise the Northwest Ordinance for its exclusion of slavery. In addition to the prohibition of slavery, the states of the old Northwest wanted to exclude free blacks as well. The territory of Illinois passed a law in 1813 which called for every "incoming free black or mulatto to leave." If they did not, thirty-nine lashes would be applied. There was no conversion to racial tolerance during the Civil War. In 1862, Illinois voters voted 5-to-1 to renew the prohibition on black suffrage. Blacks represented 0.5 percent of the population in 1862. Black exclusion laws were prevalent. Blacks could not serve on juries, could not intermarry with whites, and could not serve in the militia.

William Henry Seward was President Abraham Lincoln's right hand. Seward had impeccable anti-slavery credentials. Seward—New York senator, governor, and Lincoln's Secretary of State—had appealed to a "higher law" than the Constitution to justify abolition. What did he think about black people? "The North has nothing to do with negroes," said Seward, "I have no more concern for them than I have for the Hottentots. They are God's poor; they always have been and will be so everywhere." In 1860, Seward expounded on black inferiority: "The great fact is now fully realized that the African race here is a

foreign and feeble element . . . incapable of assimilation."

Several episodes during the Civil War foreshadowed the future. On January 1, 1863, President Lincoln signed the Emancipation Proclamation, a singular triumph of American history. The day before, he had signed an appropriation bill allocating hundreds of thousands of dollars to colonize, i.e. resettle, blacks to an island off the coast of Haiti. In 1862, the Union Army attempted to send thousands of refugee slaves to Massachusetts. The governor of Massachusetts, John Andrew, said that they would become paupers and rejected them. Abolition only went so far. In 1862, refugee slaves were sent to Illinois from the Mississippi Valley region. Riots ensued and the former slaves were remanded to Mississippi to work on abandoned plantations where they were cheated by Northern lessees. On July 13, 1863, a race riot, called a "Draft Riot," erupted in New York; troops from the victory at Gettysburg were dispatched to quell America's first urban race riot.

After the Civil War, cotton and race were still interwoven. On February 26, 1865, *The New York Times* summarized a world that would still be ruled by cotton after Appomattox:

White ingenuity and enterprise ought to direct black labor, Northern capital should flow into these rich cotton-lands. . . . The negro race . . . would exist side-by-side with the white for centuries being constantly elevated by it, individuals of it rising to an equality with the superior race. . . . [Cotton production requires] the white brain employing the black labor.

Cotton production exceeded prewar levels within a few years. America regained three-quarters of the export market. After the Civil War, slavery was gone but cotton revenue as a financing tool stayed. The funding of cotton production easily transitioned to the equity participation of share-cropping and crop liens. The new system remained based on cotton revenue. In theory, the system was financially logical; in practice, the system was arbitrary, for the black sharecrop-

per had no legal recourse and was easy prey for unscrupulous renters.

Following emancipation, several black leaders looked at cotton and its economic potential as free blacks' best chance to integrate into American society without conflict. In an address at the 1895 Cotton States and International Exposition in Atlanta, Booker T. Washington accepted the reality of overt racial segregation at the time while noting that economic growth would eventually cause its end.

Washington declared to an all-white audience, "In all things social we can be as separate as the fingers, yet one as the hand in all things essential to mutual progress." In his oft-quoted anatomical metaphor, Washington was merely repeating what President Rutherford B. Hayes—who had been an anti-slavery Union general—had said in 1880 when he remarked that blacks should be as "separate as the fingers are, but we require them united for every good work, for the national defense, one, as the hand." In his 1890 commencement address at Johns Hopkins University, the Republican Hayes condescendingly commented that "hitherto [blacks'] . . . chief and almost only gift has been that of oratory."

Rather than assuming that a retributive payment or immediate assimilation would help the black community, Washington noted instead that "No race that has anything to contribute to the markets of the world is long in any degree ostracized." Thrift, industry, and economic contributions were the key elements that would lead to eventual equality.

In this, he allied with many white abolitionists of the time to advocate for economic growth, education, and self-improvement within the newly freed black population as a pathway to success, albeit within the cotton confines in which much of the population had existed before. Harriet Beecher Stowe's education for the black children employed by the cotton farm she financed for her son appears to resemble that proposed by the much-maligned Booker T. Washington. Stowe wanted freedmen suited for cotton farming:

The teaching . . . ought to be largely industrial . . . Practical sewing, cutting and fitting, for the

girls, and the general principles of agriculture for the boys, might be taught with advantage.

Washington's views have been disparagingly dubbed "accommodationalist." In fact, American economics had restricted his options.

Even philanthropy was geared towards cotton farming. "We cannot produce cotton for the wants of the world," Andrew Carnegie said in a 1903 speech commemorating his enormous \$600,000 gift to Tuskegee Institute, the all-black educational institution founded by Washington. For Carnegie, there was an "urgent need" for more black people, trained at Tuskegee, to produce cotton.

The continuing importance of cotton did not escape the giants of black history. The cotton field would be a stepping stone in Booker T. Washington's strategy for black advancement. The historian Jonathan Karp traces Washington's planned sequence from skilled labor to entrepreneurship to "operating factories, owning bank stocks . . . to [lending] white people money."

Even as the United States moved further away from its slave-holding past and the confusion of the Civil War, economic participation, with cotton as a staple impetus, was the designated role for black America.

The black cotton laborer, according to Frederick Douglass, was "as he is nowhere else, an absolute necessity. He has a monopoly on the market." Importantly, Douglass wanted black civil rights protected, but wanted the freedman left alone to "stand on his own legs!" Douglass was dismissive, noted the historian Eric Foner, of any government assistance that "promoted an image of blacks as privileged wards of the state." In accordance with the wishes of both black and white leaders, government compensation was distinctly absent from white America's strategy for the freed slave.

White America, after the Civil War, made the decision to contain African Americans in the South. Given the anti-black sentiment in the North, there was little chance that white Northerners would shed white Southern blood for black civil and political rights. The victorious North could have reconstructed the

South in any manner. Instead, it withdrew troops and went about its business, satisfied that no massive northern migration would take place.

President Ulysses Grant failed to send troops to Vicksburg, Mississippi in 1875 when whites in armed conflict overthrew electoral black participation. Grant was asked by the able black congressmen from Mississippi, John R. Lynch, why he did not protect black rights. The bold leader of the Union Army replied that if he had sent troops to Mississippi, the Republicans would have lost elections in Ohio.

The Fourteenth and Fifteenth Amendments, retrospectively endowed with a nimbus of moral virtue, were saturated with expediency. The Massachusetts Radical Republican George S. Boutwell warned in 1866 that a dreaded black migration north would occur if freedmen were not given civil and political rights. Boutwell even recommended that Georgia, South Carolina, and Florida be given exclusively to former slaves. “Whenever the colored man is completely and fully protected in the southern states,” rationalized an Illinois congressman, “he will never visit Illinois, and he will never visit Indiana, and every State will be depopulated of colored people as will be Canada.”

The containment policy imposed by white Northerners for keeping freedmen in the South was quite effective. Between 1865 and World War I, the black population of the North stayed at 2 percent while millions of

white immigrants moved to the North. Containment ended because of the economic consequences of World War I. The economic impact of that war—a sharp decline in unemployment, a booming industry, and the cessation of white immigration—created a labor shortage filled by black southerners. Racial ghettos—another form of containment—discrimination, and race riots in northern urban communities followed straightaway. Free black Americans were scarcely given time to “stand on their own legs,” as Douglass had hoped, before a retrenchment into overt segregation in the South and de facto segregation in the North, and the circumstances around these changes fostered and solidified resentments on both sides.

Cotton production is now a ward of the federal government; technology has eliminated the need for a labor force. But its historical relevance lives on. The nineteenth-century timing of an historical coincidence—the confluence of industrial innovations—set in motion the cotton boom which both benefitted America’s economy enormously and perpetuated its greatest social tragedies: slavery and its legacy for African Americans. The impact of racial animosity in the North, where cotton was not grown and race-based slavery was not physically present, is grossly underappreciated in today’s interpretation of American history. Today’s racial tension is a product of this complex series of forces.