Surveyor Generals tried to deal with thousands of square miles of unprocessed land claims. Clearing the way for well-to-do planters to buy the land, “pre-emption” laws were passed that forced squatters to pay up their claims within a year or the land was foreclosed and re-sold. Speculators gobbled up these pre-emption claims as many squatters could not afford to stay on the land they had already in some cases improved. However, many of these quick sales were transacted with banknotes instead of hard cash. This currency traded anywhere between 1 and 10% interest based on the reputation of the bank. In early 1836 the Whigs and Democrats finally agreed to disburse federal tax revenue surplus from land purchases to all the states in the form of specie. Between September 1836 and May 1837 specie reserves in New York drained from 7.2 million to 1.5 million (Johnson, 2013). Jackson’s insistence on specie caused consternation as to the value of all the banknotes previously transacted. In response, the Bank of England cautiously increased the discount rate for transactions conducted with American scrip because of its unstable value. Even so, the continual progress of technological innovation in textile manufacturing and distribution, spurred more demand for raw cotton, even as prices for cloth steadily fell. Thus, the Cotton Kingdom expanded despite the bursting economic bubble. Indians and poor whites were cast out or thrust aside, the means of their eviction as worthless as the paper it was printed on. Fluctuating and unpredictable cotton harvests exacerbated the situation. Raw cotton prices fell. Planters, factors, and traders went immediately broke, their ventures busted, companies divested, estates foreclosed. Today, our history textbooks for students usually blame the Panic of 1837 on general market uncertainties caused by Jackson’s war against Nicholas Biddle, head of the 2nd Bank of the United States, but the reality was that it tied directly to cotton, slaves, and Indian Removal.

In the 1840’s, cotton created extraordinary profits on both sides of the Atlantic even while complications arose. British financiers, merchants, and industrialists chafed at their reliance on
America as virtually their only supplier of raw cotton. Investors were perennially risking their money blindly, never knowing whether the crops across the pond would be blighted by parasites, scorched by heat-waves, or washed out by downpours. The Panic of 1837 motivated the Brits to seek alternative sources but they deemed Indian cotton inferior to American. From 1840 to 1845, over 4,000,000 bales of cotton from Dixie crammed Liverpool harbors and warehouses even though the Liverpool/Manchester railway was in constant use, having been built expressly for carrying cotton from port to the mills. In fact, by 1845, Brits had stocked enough cotton to supply nine months of consumption. The rate of American production was beginning to outpace British demand. As a result, prices dropped to their absolute historical nadir in 1845, 5.63 cents and 4 pence a pound. Also contributing to lower prices was the expansion of mills in continental Europe, due in part to the British Parliamentary repeal of laws prohibiting the exportation of mill machinery in 1843.

Incidentally, the number of slaves recorded as being landed in Cuba also fell to an all-time low in 1845, mirroring the low point of cotton prices. Cuba benefited just as much from the re-export of slaves as Great Britain did from re-exporting cotton. Ostensibly, sugar production in Cuba called for a constant influx of slaves but rapid technological advances in sugar production throughout the first half of the 19th century ultimately reduced the number of hands needed. Many Africans shipped to Cuba were smuggled into the U.S. The connection between cotton prices and slave demographics in Cuba will be made less tenuous in Chapter III.

Other complications affected the cotton trade throughout the antebellum period, especially during the 1840's, and these were the matters of U.S. tariffs and British import duties. Protectionist tariffs favoring Yankee manufacturers were first enacted at the end of James Madison's second administration and carried through Andrew Jackson's first term. The
Nullification Crisis of 1832-1833 notwithstanding, the tariff was moderately liberalized thereafter until the end of Van Buren’s presidency.

The Black Tariff of 1842, reluctantly signed into law by John Tyler, outraged his fellow Southerners as duty rates on British cotton clothing were raised to 95%, forcing the populace to purchase New England’s inferior products while jeopardizing the value of Southern cotton exports to Britain. Southerners also rightly feared the consolidation of Yankee abolitionist political power derived from the tariff’s clear favoritism of Northern manufacturing. Other items listed under the tariff were raised even higher than cotton and international trade fell drastically. President Polk vowed to abolish the hated Black Tariff and did so with the passage of the Walker Tariff in July of 1846, which cut the duty rate on cotton down to 25% ad valorem, assuaging both planters and consumers of British cloth products.

The successful enactment of the Walker Tariff was necessarily presaged by another progressive free trade legislative measure abroad. Parliament had finally repealed the Corn Laws—equally hated by Britain’s working class—just a month earlier. Indeed, Polk’s election was strongly supported by Manchester merchants who, in the interest of competing with the New England mills in supplying clothing for slaves, contributed $100,000 to his campaign. Repealing this long-standing stricture all but erased British duties on imports of foreign grain. Grain farmers in the western states as well as an influential coterie of railroad interests both allied with Southern planters in realizing the Walker Tariff and the repeal of the Corn Laws in Britain. Free trade thereafter greatly encouraged markets as importation of British products to the U.S. tripled from 1846 to 1857 (James & Lake, 1989). U.S. tariff revenues stood at $64,000,000 in 1857, when yet another even more liberal tariff leveraging all duties at 17% was approved by the Buchanan administration. Despite the financial panic that occurred later that
year—the third economic disaster since 1819—these incredibly low duty rates lasted until
Lincoln was elected.

The other commodity essential to southern culture was dispatched primarily from West
Africa and then onto the American mainland via the Gulf of Mexico. Thousands of slaves were
smuggled in every year from 1808 to 1861, mostly from Spanish Cuba to labor on plantations
spreading across Dixie. The greatest concentration worked the largest cotton plantations that
ranged across the alluvial bottomlands of Mississippi and Louisiana. The slave traffic to the Deep
South, legal or otherwise, was continued in perpetuity not only because new plantations created
the demand, but also to replace those slaves who had perished from cholera, malaria and yellow
fever in the humid mosquito-infested watersheds. The annexation of Texas in 1845 added to the
swelling African population, though slaves had been brought up the Sabine and Brazos rivers
from the Gulf of Mexico for half a century previous. In Texas, Anglo planters brought in slaves
even though Mexican law had prohibited slavery in 1829. That dilemma resulted in the Texas
Revolution, as heart a war fought for the right to own slaves. Indeed, after Sam Houston’s army
cought Santa Anna’s taking a siesta at San Jacinto, forcing that would-be Mexican Napoleon to
surrender and sign the Treaty of Velasco in April of 1836, one of the first actions of the new
Republic’s legislature was to force all free blacks out of the territory. Section 9 of the General
Provisions of the Constitution of the Republic of Texas read:

All persons of color who were slaves for life previous to their emigration to Texas, and
who are now held in bondage, shall remain in the like state of servitude, provide the said slave
shall be the bona fide property of the person so holding said slave as aforesaid. Congress shall
pass no laws to prohibit emigrants from the United States of America from bringing their slaves
into the Republic with them, and holding them by the same tenure by which such slaves were
held in the United States; nor shall Congress have power to emancipate slaves; nor shall any
slave-holder be allowed to emancipate his or her slave or slaves, without the consent of
Congress, unless he or she shall send his or her slave or slaves without the limits of the Republic.
No free person of African descent, either in whole or in part, shall be permitted to reside
permanently in the Republic, without the consent of Congress, and the importation or admission
of Africans or negroes into this Republic, excepting from the United States of America, is forever prohibited, and declared to be piracy. (1836)

Despite the seemingly stringent command regarding importation, the Lone Star Republic brought in slaves illegally mostly through the Brazos and Colorado rivers but also from across the Rio Grande and up the Sabine River bordering Louisiana.

During the 1840's, when overstocked cotton in British warehouses caused prices to fall, prices for African slaves in New Orleans and elsewhere in the South steadily rose. The cotton bonanzas of the 1850's made painfully apparent the inexorable interlocking connections between British, European, and Yankee demand for raw cotton and the supply of African slaves to grow the commodity and new fields to grow it on. By 1850, the average cotton plantation counted about 400 acres, while many counted over 1,000, and a few over 10,000. Between 1850 and 1860, the fields growing cotton in the leading states expanded by 16.4%. The total crop increased more than 100% in the same decade (Gray, 1933). The demand for slaves to meet this frenzied production caused slave prices to skyrocket. Despite the constant influx of slaves, legal or illegal, labor shortages beleaguered ever expanding Southern plantations in the decade before The War. Even with the increasing political pressures of abolitionism both at home and abroad, demand for more slaves did not cease until the cannons boomed at Fort Sumter in 1861.

Ludicrous as it seems, the most highly esteemed historians of the slave trade conveniently omit the importance of cotton in causing slavery to rapidly spread across the antebellum South. For instance, Philip Curtin, in refuting the veracity of records kept by the British Foreign Office from 1848 which stated 135,000 slaves were still being imported to the Americas annually, this "immaculate scholar" explains, "[The slave trade] was sustained first by the postwar boom of the 1820's, then by the sugar boom in Cuba and the coffee boom in Brazil." (Curtin, 1969) Sugar and coffee were important it's true, but after 1820 cotton was more lucrative than both commodities
put together. How could Curtin have failed to consider cotton as a factor when discussing the illegal slave trade after 1808? Cotton is not even listed in the index of *The Atlantic Slave Trade: A Census* (1969), though coffee and sugar are.

Curtin’s disqualification of cotton carried over into Fogel and Engerman’s widely read *Time on the Cross* (1974):

To those who identify slavery with cotton and tobacco, the small U.S. share in the slave trade may seem *unbelievable*. Consideration of the temporal pattern of slave imports, however, clearly reveals that the course of the Atlantic slave trade *cannot be explained* by the demand for these crops...Eighty percent of all slaves were imported between 1451 and 1810. This *fact* clearly rules out cotton as a dominant factor in the traffic since the production of cotton was still in its infancy in 1810. [Italics ours]

What is unbelievable is that these cocksure historians overlooked the economic prominence of Southern cotton, its incredible escalation of production and the inevitable demand for slaves it caused. The “fact” they cite is far from incontrovertible and their assumption that a significant number of slaves could not be smuggled in during the four decades before the Civil War shows a terrible disregard for the factual.

More recently, the inbred arrogance of this strain of historians has culminated in the persons of David Eltis and David Richardson a truly criminal negligence of history, not to mention an inexplicable motive to revise it in almost Stalinist fashion. In December of 2010, these two “experts” were featured in an interview on National Public Radio to promote the publication of their *Atlas of the Transatlantic Slave Trade* (2010):

NPR’s Neal Conan: One of their most striking findings was that just 4 percent of trans-Atlantic shipping traffic carried slaves to what would become the U.S. .

David Eltis: When the slave trade came to an end, the number of people living in North America that were enslaved was larger than anywhere else. *And it’s extraordinary that the slave trade accounts for such a small share of that number*. Because North America had relatively benign living conditions, black populations did reasonably well—though not as well as the white populations. North American slaves fared better than their counterparts in the Caribbean and Brazil. Because of this the growth in the slave population in North
America was more the result of natural population growth than an active slave trading industry. *A common misconception is that the slave trade in North America was mostly about cotton; in fact, sugar was the main driver.* [Italics ours]

David Richardson: In the antebellum American South, cotton was a major agricultural product while much of Brazil and the West Indies concentrated on sugar production. But conditions were harsh in the sugar sectors, and while Brazil and the West Indies boasted large numbers of slaves, those slaves had a harder time reproducing. (Eltis, Richardson. NPR, *Talk of the Nation.* 12/27/2010)

Did this foremost expert on the slave trade really broadcast over the airwaves to millions of people that antebellum sugar was more important than cotton? In 1860, there were about 200,000 slaves producing sugar. Cotton involved almost 2.5 million slaves. Eltis is propagating an egregious distortion.

By 1860, cotton plantation acreage averaged across all the producing states resulted in a norm of nearly 800 acres per planter. Stampp succinctly stated, "the yeoman labored in competition with the slaves." As a result, many of the smaller cotton farmers, even a few with slaves, especially in the Deep South, became extensions of the vast holdings of aristocratic planters. The wealthiest planters, able to more readily afford pricier slaves than yeoman farmers and gentry, expanded their holdings and squeezed many of the smaller farmers out (Stampp, 1956). By 1860, nearly one million slaves belonged to planters who owned less than 10 slaves, over two million belonged to planters with more than 20 slaves, while almost another million were held on plantations with 50 or more slaves (Hammond, 1897).

While cotton remains preeminent, other crops in the U.S. needed slaves. The other staples of the south, in order of importance were, tobacco, sugar, rice, and hemp, all of which slaves grew. Planters of the Deep South held an average of five more slaves per owner than those of the Upper South, the majority installed on the largest cotton plantations of the Black Belt, the Yazoo River basin, and along the banks of the Mississippi in Louisiana. Smaller numbers were taken to work on plantations that grew the aforementioned staples.
While the cultivation of indigo and flax virtually disappeared after 1790, tobacco cultivation spread from Virginia’s coastal plains to North Carolina, Kentucky, Tennessee, Missouri, and even Georgia. Though not as prosperous as it was before 1775, tobacco only bowed before King Cotton in 1821. Tobacco production spiked dramatically in the 1850’s because of the discovery of Bright Yellow, so that tobacco output overall made a profitable comeback in the last antebellum decade. Even so, profits from tobacco exports for that decade were about 5% of cotton’s. The 1850 U.S. census estimated that about 350,000 slaves worked to produce tobacco on plantations and in factories. By 1860, tobacco plantations large and small worked a median average of 20 slaves compared to 37 per cotton plantation (Goodman, 1993).

Cotton plantations shared the rich alluvial soil of the lower Mississippi River and its bayou country with an increasing number of sugar operations that ranged along the river as far as a hundred miles north of New Orleans. Producing about 207,000 tons in the peak year of 1858, Louisiana produced about 95% of domestic antebellum sugar. Production tumbled thereafter, only reaching 1858 levels again in the 1890’s. Sugarcane advanced north into the watershed of the Red River in the 1840’s after King Cotton’s prices tumbled beginning with the Panic of 1837. Many sugar planters wrongly predicted that sugar would displace cotton in both domestic and export value. Thus its cultivation spread despite the fact that cotton, even with its sinking prices, continued to dominate the market. Nevertheless, the Red River demarcated the northern limit of sugar production. Louisiana planters produced 264,000 tons of sugar in 1861, a figure previously unsurpassed. The war halted its cultivation and Louisiana would not exceed the 1861 amount again until 1893 (Deerr, 1949).

Some of the most affluent planters in the Deep South grew both staples. Because the production of sugar was much more labor intensive and unhealthy than that of cotton, the unfortunate slaves engaged in it had higher mortality rates. Slaves who expired from disease or
heat exhaustion were often replaced by illegals taken upriver from New Orleans, or overland from Galveston, Texas. Some were sold down the river from cotton plantations to be punished. While slaves were usually imported into the sugar parishes, a significant number of them were on occasions exported from them to cotton plantations as the value of the commodities they grew continued to fluctuate through the antebellum era (Schmitz, 1977). The U.S. Census of 1850 estimated about 150,000 slaves laboring in sugar. The industry attained its highest productivity and profitability in the last antebellum decade when nearly 2 million tons or 20 million hogsheads were capped, each with about 50 gallons of sugar.

In contrast with relatively profitable tobacco and sugar plantations was the struggling rice industry in the low country of South Carolina and Georgia, which hosted the lion’s share of the nation’s production. Its mosquito-infested paddies were as deadly as the sugar plantations, especially between May and November. By 1850, about 125,000 slaves were knee-deep in its cultivation. Steamboats encouraged rice culture along the Mississippi, but Louisiana’s production declined rapidly after 1861. On the whole, rice farming was unprofitable until the very cusp of the Civil War. Rice farmers rarely earned over 6% profits against their operating costs though this percentage would increase upwards until it halted when the war began (Swan, 1975).

Along the Missouri River, in a region known as Little Dixie, an oft-overlooked staple, hemp, was produced steadily throughout the antebellum period. Hemp was used mainly for rope-making and for the burlap that covered bales of cotton. Its production involved about 60,000 slaves by 1850, as compared to nearly 2 million slaves working in the cotton fields.
# U.S. SLAVES IN 1860

<table>
<thead>
<tr>
<th>IN AGRICULTURE</th>
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<tr>
<td>COTTON</td>
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<tr>
<td>SUGAR</td>
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<tr>
<td>HEMP</td>
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<td>DOMESTICS</td>
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<tr>
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</tr>
<tr>
<td>TOTAL</td>
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<tr>
<td>FEMALES</td>
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</tr>
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Labor statistics for 1860 are calculated from percentages in the U.S. Census of 1850. Unfortunately, the U.S. Census of 1860 omitted such figures. In 1850, it was estimated that 2,800,000 slaves worked in agriculture. Therefore, assuming the growth of the total slave population of 1860 with the percentage of agricultural slaves in 1850, we arrive at a figure of 7.9% growth, or roughly half a million more slaves in agriculture than a decade previous. Over 60% of all the slaves produced cotton. About 20,000 slaves labored for the Southern railroads in 1860, and approximate numbers for slaves in other trades are guesses at best. Also, about 250,000 free blacks are estimated to have lived in the South by 1860. These figures are for the sake of comparison and are not stated as empirical fact.
BIBLIOGRAPHY for Chapter I


