

Henry Grady Sells the “New South”



The vision of a “New South” was heralded by southern landowners, entrepreneurs, and newspaper editors in the decades following the Confederacy’s defeat in 1865 and the abolition of racial slavery across the South. These “New South” boosters argued that, with its plantation economy destroyed by the Civil War and Reconstruction, the South would develop a new economy more attuned to the industrial capitalism that defined the rest of the American economy. Atlanta *Constitution* editor Henry Grady was the leading exponent of a “New South” based on industrial development, giving speeches throughout the country and writing articles and editorials in his newspaper. Both of the following speeches by Grady—one given in Boston in 1889, the other in New York in 1886—conveyed not only the message of industrialization as a panacea, but also Grady’s fierce regional pride and his general moderation on racial issues, which were becoming increasingly contentious in these years.

To the New England Club in New York, 1886

We have established thrift in city and country. We have fallen in love with work. We have restored comfort to homes from which culture and elegance never departed. We have let economy take root and spread among us as rank as the crabgrass which sprung from Sherman’s¹ cavalry camps, until we are ready to lay odds on the Georgia Yankee as he manufactures relics of the battlefield in a one-story shanty and squeezes pure olive oil out of his cotton seed, against any down-easter that ever swapped wooden nutmegs for flannel sausage in the valleys of Vermont. Above all, we know that we have achieved in these “piping times of peace” a fuller independence for the South than that which our fathers sought to win in the forum by their eloquence or compel in the field by their swords.

It is a rare privilege, sir, to have had part, however humble, in this work. Never was nobler duty confided to human hands than the uplifting and upbuilding of the prostrate and bleeding South—misguided, perhaps, but beautiful in her suffering, and honest, brave and generous always. In the record of her social, industrial and political illustration we await with confidence the verdict of the world.

But what of the negro? Have we solved the problem he presents or progressed in honor and equity toward solution? Let the record speak to the point. No section shows a more prosperous laboring population than the negroes of the South, none in fuller sympathy with the employing and land-owning class. He shares our school fund, has the fullest protection of our laws and the friendship of our people. Self-interest, as well as honor, demand that he should have this. Our future, our very existence depend upon our working out this problem in full and exact justice. We understand that when Lincoln signed the emancipation proclamation, your victory was assured, for he then committed you to the cause of human liberty, against which the arms of man cannot prevail—while those of our statesmen who trusted to make slavery the corner-stone of the Confederacy doomed us to defeat as far as they could, committing us to a cause that reason could not defend or the sword maintain in sight of advancing civilization.

Had Mr. Toombs² said, which he did not say, “that he would call the roll of his slaves at the foot of Bunker Hill,” he would have been foolish, for he might have known that whenever slavery became entangled in war it must perish, and that the chattel in human flesh ended forever in New England when your fathers—not to be blamed for parting with what didn’t pay—sold their slaves to our fathers—not to be praised for knowing a paying thing when they saw it. The relations of the southern people with the negro are close and cordial. We remember with what fidelity for four years he guarded our defenseless women and children, whose husbands and fathers were fighting against his freedom. To his eternal credit be it said that whenever he struck a blow for his own liberty he fought in open battle, and when at last he raised his black and humble hands that the shackles might be struck off, those hands were innocent of wrong against his helpless charges, and worthy to be taken in loving grasp by every man who honors loyalty and devotion. Ruffians have maltreated him, rascals have misled him, philanthropists³ established a bank for him, but the South, with the North, protests against injustice to this simple and sincere people. To liberty and enfranchisement is as far as law can carry the negro. The rest must be left to conscience and common sense. It must be left to those among whom his lot is cast, with whom he is indissolubly connected, and whose prosperity depends upon their possessing his intelligent sympathy and confidence. Faith has been kept with him, in spite of calumnious assertions to the contrary by those who assume to speak for us or by frank opponents. Faith will be kept with him in the future, if the South holds her reason and integrity.

But have we kept faith with you? In the fullest sense, yes. When Lee surrendered—I don’t say when Johnson surrendered, because I understand he still alludes to the time when he met General Sherman last as the time when he determined to abandon any further prosecution of the struggle—when Lee surrendered, I say, and Johnson quit, the South became, and has since been, loyal to this Union. We fought hard enough to know that we were whipped, and in perfect frankness accept as final the arbitrament⁴ of the sword

¹ William Tecumseh Sherman; led a total war campaign through the South during the Civil War, burned Atlanta

² Robert Toombs, Georgia Congressman who supported secession, Secretary of State of the Confederacy, denied saying this quote, it was probably attributed to him to discredit him in Congress.

³ Philanthropists: someone who donates his or her time, money, and/or reputation to charitable causes

⁴ the settling of a dispute

to which we had appealed. The South found her jewel in the toad's head of defeat. The shackles that had held her in narrow limitations fell forever when the shackles of the negro slave were broken. Under the old regime the negroes were slaves to the South; the South was a slave to the system. The old plantation, with its simple police regulations and feudal habit, was the only type possible under slavery. Thus was gathered in the hands of a splendid and chivalric oligarchy the substance that should have been diffused among the people, as the rich blood, under certain artificial conditions, is gathered at the heart, filling that with affluent rapture but leaving the body chill and colorless.

The old South rested everything on slavery and agriculture, unconscious that these could neither give nor maintain healthy growth. The new South presents a perfect democracy, the oligarchs leading in the popular movement—a social system compact and closely knitted, less splendid on the surface, but stronger at the core—a hundred farms for every plantation, fifty homes for every palace—and a diversified industry that meets the complex need of this complex age.

The new South is enamored of her new work. Her soul is stirred with the breath of a new life. The light of a grander day is falling fair on her face. She is thrilling with the consciousness of growing power and prosperity. As she stands upright, full-statured and equal among the people of the earth, breathing the keen air and looking out upon the expanded horizon, she understands that her emancipation came because through the inscrutable wisdom of God her honest purpose was crossed, and her brave armies were beaten.

Henry Grady to the Bay State Club of Boston, 1889

I attended a funeral once in Pickens county in my State. . . . This funeral was peculiarly sad. It was a poor "one gallus" fellow, whose breeches struck him under the armpits and hit him at the other end about the knee—he didn't believe in *décolleté*⁵ clothes. They buried him in the midst of a marble quarry: they cut through solid marble to make his grave; and yet a little tombstone they put above him was from Vermont. They buried him in the heart of a pine forest, and yet the pine coffin was imported from Cincinnati. They buried him within touch of an iron mine, and yet the nails in his coffin and the iron in the shovel that dug his grave were imported from Pittsburg. They buried him by the side of the best sheep-grazing country on the earth, and yet the wool in the coffin bands and the coffin bands themselves were brought from the North. The South didn't furnish a thing on earth for that funeral but the corpse and the hole in the ground. There they put him away and the clods rattled down on his coffin, and they buried him in a New York coat and a Boston pair of shoes and a pair of breeches from Chicago and a shirt from Cincinnati, leaving him nothing to carry into the next world with him to remind him of the country in which he lived, and for which he fought for four years, but the chill of blood in his veins and the marrow in his bones.

Now we have improved on that. We have got the biggest marble-cutting establishment on earth within a hundred yards of that grave. We have got a half-dozen woolen mills right around it, and iron mines, and iron furnaces, and iron factories. We are coming to meet you. We are going to take a noble revenge, as my friend, Mr. Carnegie,⁶ said last night, by invading every inch of your territory with iron, as you invaded ours twenty-nine years ago.

Source: Joel Chandler Harris, *Life of Henry W. Grady* (Cassell Publishing Company, 1890). Reprinted in Paul D. Escott and David R. Goldfield, *Major Problems in the History of the American South*, Vol. II, *The New South* (Lexington, Mass.: D.C. Heath and Company, 1990), 71–73.

⁵ Fashionable clothing

⁶ Andrew Carnegie, wealthy owner of US Steel

THE MYTH OF THE NEW SOUTH, David Shi

(<https://www.youtube.com/watch?v=LNViSSEkHt4>)

A FRESH VISION During the 1880s, the major prophet of the so-called New South was Henry W. Grady, editor of the Atlanta Constitution. "The Old South," he said, "rested everything on slavery and agriculture, unconscious that these could neither give nor maintain healthy growth." The New South, on the other hand, "presents a perfect democracy" of small farms and diversifying industries. The postwar South, Grady believed, held the promise of a real democracy, one no longer run by the planter aristocracy and no longer dependent upon slave labor.

Henry Grady's compelling vision of a New South modeled after the North attracted many supporters who fervently preached the gospel of industrial development. South Carolinian Benjamin F. Perry urged business leaders to "educate the masses, industrialize, work hard, and seek Northern capital [investments] to develop Southern resources." The Confederacy, he and others reasoned, had lost the war because it had relied too much upon King Cotton—and slavery. In the future, the South must follow the North's example and diversify its economy by developing an industrial sector to go along with its agricultural emphasis. From that central belief flowed certain corollaries: that a more efficient agriculture would be a foundation for economic growth, that more widespread education, especially vocational training, would promote regional prosperity, and that sectional peace and racial harmony would provide a stable social environment for economic growth.

ECONOMIC GROWTH The New South vision of a more diversified economy made a lot of sense, but it was only partially fulfilled. The chief accomplishment of the New South movement was a dramatic expansion of the region's textile industry, which produced cotton-based bedding and clothing. From 1880 to 1900, the number of cotton mills in the South grew from 161 to 400, the number of mostly white mill workers (among whom women and children outnumbered men) increased fivefold, and the demand for cotton went up eightfold. By 1900, the South had surpassed New England as the largest producer of cotton fabric in the nation.

Tobacco growing and cigarette production also increased significantly. Essential to the rise of the tobacco industry was the Duke family of Durham, North Carolina. At the end of the Civil War, the story goes, Washington Duke took a barnful of tobacco and, with the help of his two sons, beat it out with hickory sticks, stuffed it into bags, hitched two mules to his wagon, and set out across the state, selling tobacco in small pouches as he went. By 1872, the Dukes had a factory producing 125,000 pounds of tobacco annually, and Washington Duke prepared to settle down and enjoy success.

His son James Buchanan "Buck" Duke wanted even greater success, how-ever. He recognized that the tobacco industry was "half smoke and half ballyhoo," so he poured large sums into advertising schemes and perfected the mechanized mass production of cigarettes. Duke also undersold competitors in their own markets and cornered the supply of ingredients needed to make cigarettes. Eventually his competitors agreed to join forces, and in 1890 Duke brought most of them into the American Tobacco Company, which controlled nine tenths of the nation's cigarette production and, by 1904, about three fourths of all tobacco production. In 1911 the Supreme Court ruled that the massive company was in violation of the Sherman Anti-Trust Act and ordered it broken up, but by then Duke had found new worlds to conquer, in hydroelectric power and aluminum.

Systematic use of other natural resources helped revitalize the region along the Appalachian Mountain chain from West Virginia to Alabama. Coal production in the South (including West Virginia) grew from 5 million tons in 1875 to 49 million tons by 1900. At the southern end of the mountains, Birmingham, Alabama, sprang up during the 1870s in the shadow of Red Mountain, so named for its iron ore, and boosters soon tagged the steelmaking city the Pittsburgh of the South.

Urban and industrial growth spawned a need for housing, and after 1870 lumbering became a thriving industry in the South. Northern investors bought up vast pine forests throughout the region. By the turn of the century, lumber had surpassed textiles in value. Tree cutting seemed to know no bounds, despite the resulting ecological devastation. In time the cutover southern forests would be saved only by the warm climate, which fostered quick growth of planted trees.

AGRICULTURE OLD AND NEW By the end of the nineteenth century, however, the South fell far short of the diversified economy and racial harmony that Henry Grady and other proponents of the New South had envisioned in the mid-1880s. The South in 1900 remained the least urban, least industrial, least educated, and least prosperous region. The typical southerner was less apt to be tending a textile loom or iron forge than, as the saying went, facing the eastern end of a westbound mule or risking his life in an Appalachian coal mine. The traditional overplanting of cotton and tobacco fields continued after the Civil War and expanded over new acreage even as its export markets leveled off.

The majority of southern farmers were not flourishing. A prolonged deflation in crop prices affected the entire economy during the last third of the nineteenth century. Sagging prices for farm crops made it more difficult than ever to own land. By 1890, low rates of farm ownership in the Deep South belied Henry Grady's dream of a southern democracy of small landowners: South Carolina, 39 percent; Georgia, 40 percent; Alabama, 42 percent; Mississippi, 38 percent; and Louisiana, 42 percent.

Poverty forced most southern farm workers to give up their hopes of owning land and become sharecroppers or tenants. Sharecroppers, who had nothing to offer the landowner but their labor, worked the owner's land in return for seed, fertilizer, and supplies and a share of the crop, generally about half. Tenant farmers, hardly better off, might have their own mule, plow, and line of credit with the country store. They were entitled to claim a larger share of the crops. The sharecropper-tenant system was horribly inefficient and corrupting. It was in essence a post-Civil War version of land slavery. Tenants and landowners developed an intense suspicion of each other. Landlords often swindled the farm workers by not giving them their fair share of the crops.

The postwar South suffered from an acute, prolonged shortage of money; people in the former Confederacy had to devise ways to operate without cash. One innovation was the crop-lien system whereby rural merchants furnished supplies to small farm owners in return for liens (or mortgages) on their future crops. Over time, the credit offered by the local store coupled with sagging prices for cotton and other crops created a hopeless cycle of perennial debt among farmers. The merchant, who assumed great risks, generally charged interest on borrowed money that ranged, according to one newspaper, "from 24 percent to grand larceny." The merchant, like the planter (and often the same man), required farmer clients to grow a cash crop, which could be readily sold upon harvesting. This meant that the sharecropping and crop-lien systems warred against agricultural diversity and placed a premium on growing a staple "cash" crop, usually cotton or tobacco. It was a vicious cycle. The more cotton that was grown, the lower the price. If a farmer borrowed \$1000 when the price of cotton was 10¢ cents a pound, he had to grow more than 10,000 pounds of cotton to pay back his debt plus interest. If the price of cotton dropped to 5¢, he had to grow more than 20,000 pounds just to break even.

Tenant farming and sharecropping unwittingly caused profound environmental damage. Growing commercial row crops like cotton on the same land year after year leached the nutrients from the soil. Tenants had no incentive to take care of farm soil by manuring or rotating crops because the land was not their own. They used fertilizers to accelerate the growing cycle, but the extensive use of phosphate only accelerated long-term soil depletion by enabling multiple plantings each year. Fertilizer, said an observer, seduced southern farmers into believing that there was a "short cut to prosperity, a royal road to good crops of cotton year after year. The result has been that their lands have been cultivated clean year after year, and their fertility has been exhausted." Once the soil had lost its fertility, the tenants moved on to another farm, leaving behind rutted fields whose topsoil washed away with each rain. The silt and mud flowed into creeks and rivers, swamping many lowland fields and filling millponds and lakes. By the early twentieth century, much of the rural South resembled a ravaged land: deep gullies sliced through eroded hillsides, and streams and deep lakes were clogged with silt. As far as the eye could see, red clay devoid of nutrients dominated the landscape.

The stagnation of rural life thus held millions, white and black, in bondage to privation and ignorance. Eleven percent of whites in the South were illiterate at the end of the nineteenth century, twice the national average. Then as now, poverty accompanied a lack of education. The average annual income of white southerners in 1900 was about half of that of Americans outside the South. Yet the poorest people in the poorest region were the 9 million former slaves and their descendants. Per capita black income was a third of that of southern whites. African Americans also remained the least educated people in the region. The black illiteracy rate in the South in 1900 was nearly 50 percent, almost five times higher than that of whites.

THE REDEEMERS (BOURBONS) In post-Civil War southern politics, centuries-old habits of social deference and political elitism still prevailed. "Every community," one U.S. Army officer noted in postwar South Carolina, "had its great man, or its little great man, around whom his fellow citizens gather when they want information, and to whose monologues they listen with a respect akin to humility." After Reconstruction, such "great" men dominated local southern politics, usually because of their ownership of land or their wealth. The supporters of these postwar Democratic leaders referred to them as "redeemers" because they supposedly saved the South from Yankee domination, as well as from the straitjacket of a purely rural economy. The redeemers included a rising class of lawyers, merchants, and entrepreneurs who were eager to promote a more diversified economy based upon industrial development and railroad expansion. The opponents of the redeemers labeled them "Bourbons" in an effort to depict them as reactionaries. Like the French royal family of the same name, which Napoléon had said forgot nothing and learned nothing in the ordeal of the French revolution, the ruling white Bourbons of the postwar South were said to have forgotten nothing and to have learned nothing in the ordeal of the Confederacy and the Civil War.

During and after the late 1870s, the Bourbon governors and legislators of the New South slashed state expenditures, including those for the public-school systems started during the Reconstruction era immediately after the war. The urge to reduce state expenditures created one of the darkest blots on the Bourbon record: convict leasing. During the Civil War, many southern prisons and jails were destroyed. After the war, state and local governments were so strapped for cash that they looked for ways to reduce the expense of jailing people convicted of crimes. At the same time, white land owners whose slaves had been freed were desperate for farm workers. State governments therefore began "leasing" convicts, most of them African Americans, to white farmers as a way for southern states to avoid penitentiary expenses and generate revenue. White leaders often used a racist argument to rationalize the leasing of convicts, most of whom were African Americans: an "inferior" and "shiftless" race, they claimed, benefited from the discipline of working for others.

Perhaps the ultimate paradox of the Bourbons' rule was that these champions of white supremacy tolerated a lingering black voice in politics and showed no haste to raise the barriers of racial segregation in public places. In the 1880s, southern politics remained surprisingly open and democratic, with 64 percent of eligible voters, blacks and whites, participating in elections. African Americans sat in the state legislature of South Carolina until 1900 and in the state legislature of Georgia until 1908; some of them were Democrats. The South sent African American congressmen to Washington, D.C., in every election except one until 1900, though they always represented gerrymandered districts in which most of the state's African American voters had been placed. Under the Bourbons, the disenfranchisement of African American voters remained inconsistent, a local matter brought about mainly by fraud and intimidation, but it occurred often enough to ensure white control of the southern states.

A like flexibility applied to other aspects of race relations. The color line was drawn less strictly immediately after the Civil War than it would be in the twentieth century. In some places, to be sure, racial segregation appeared before the end of Reconstruction, especially in schools, churches, hotels, and rooming houses and in private social relations. In places of public accommodation such as trains, depots, theaters, and diners, discrimination was more sporadic.

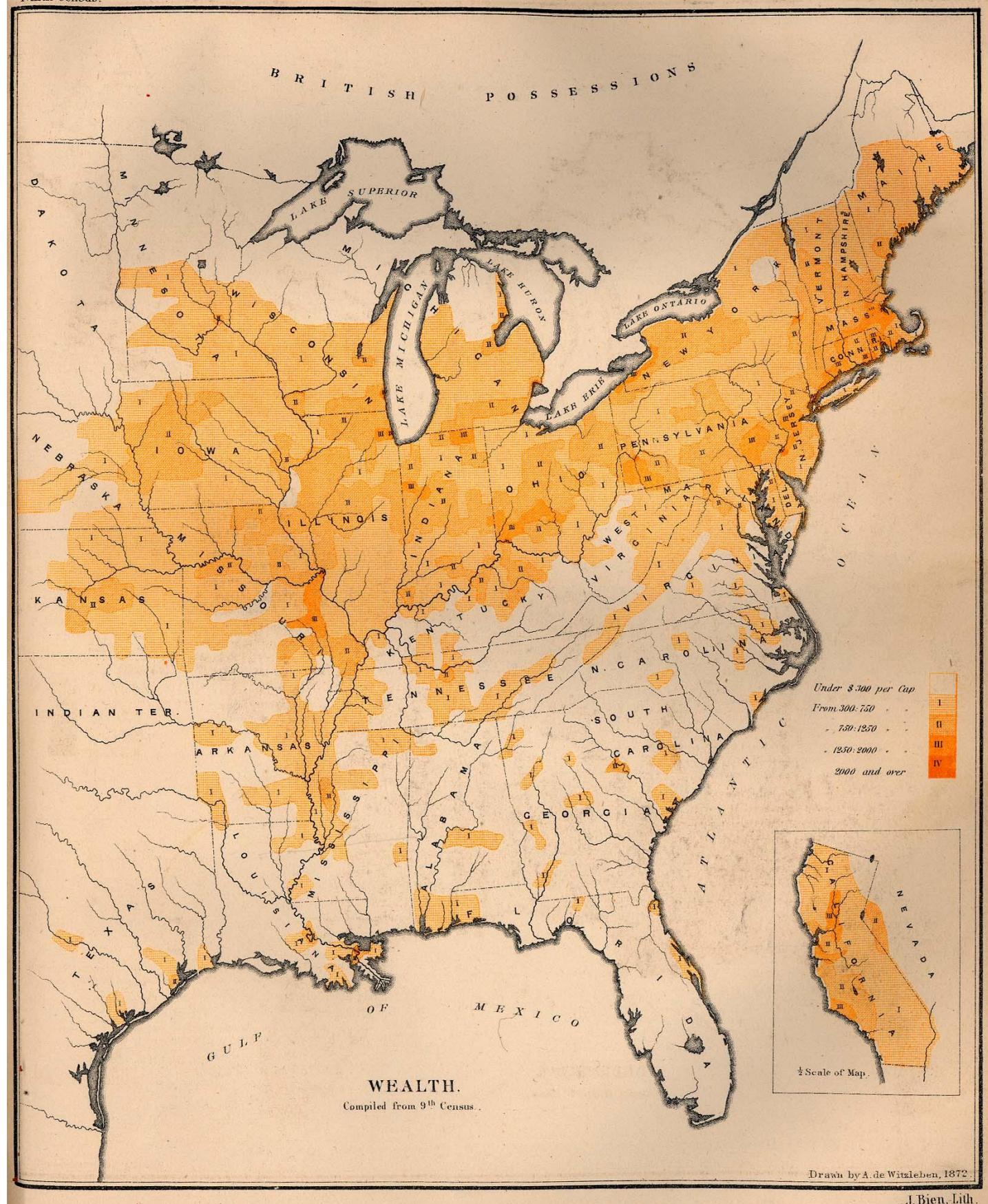
The ultimate achievement of the New South promoters and their allies, the Bourbons, was that they reconciled tradition with innovation. By promoting the growth of industry, the Bourbons led the South into a new economic era, but without sacrificing a mythic reverence for the Old South. Bourbon rule left a permanent mark on the South's politics, economics, and race relations.

Questions

1. What did Grady mean when he said that “Age does not endow all things with strength and virtue, nor are all new things to be despised”? What kind of person did he think needed to hear that?
2. What did Grady have to say to Confederate veterans? How does he describe them?
3. What did he want to say to General Sherman?
4. What was the “problem” presented by blacks? How did Grady say the South was solving it?
5. According to Grady, what has the South accomplished since the war’s end?
6. How might the people in different situations below have responded to Grady’s speech?

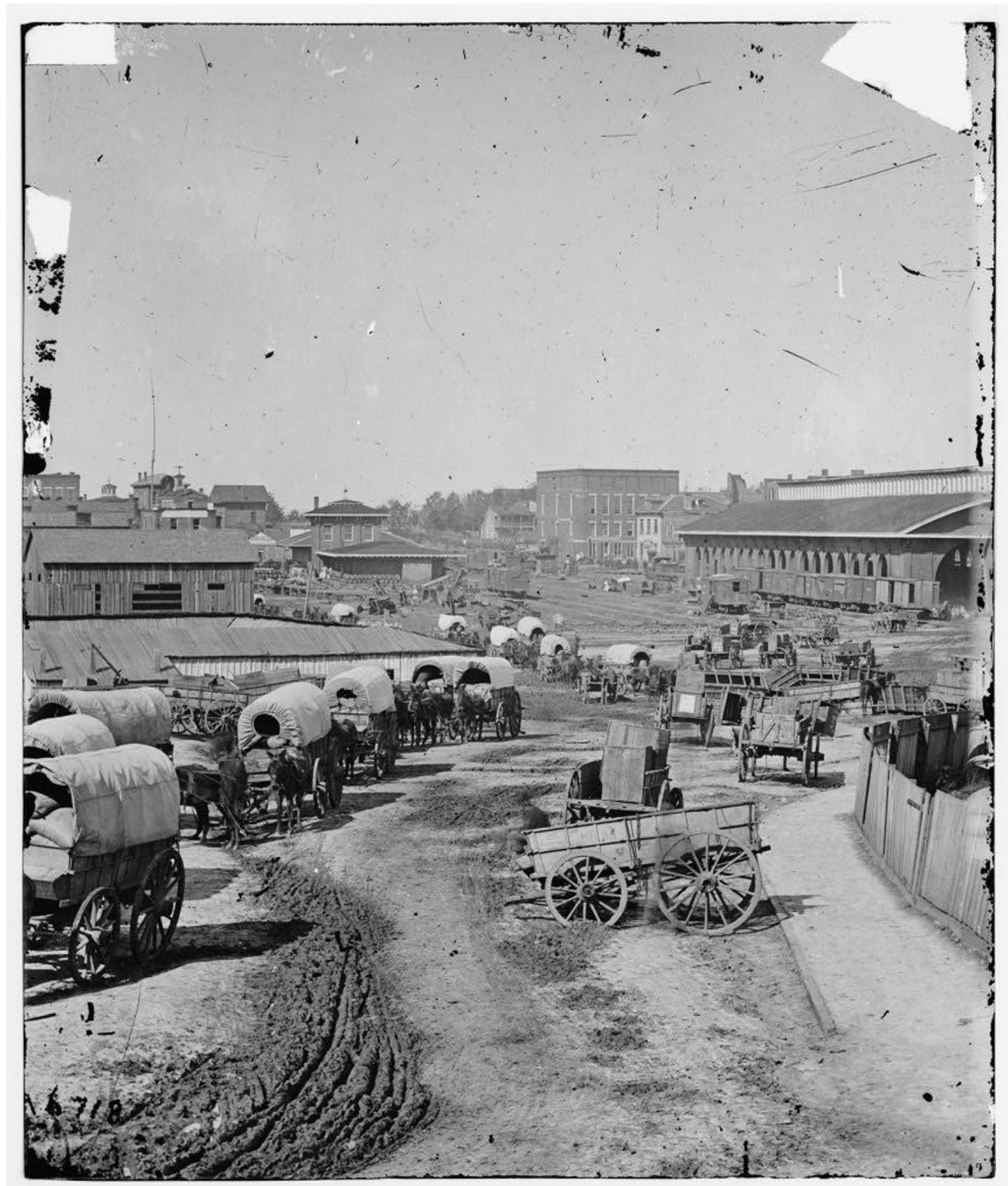
a northerner with money to invest	
the owner of a factory	
someone who had invested money in a railroad	
a small business owner	
a white factory worker	
a black factory worker	
a landowner who rented his land to sharecroppers	
a white sharecropper	
a black sharecropper	

7. According to David Shi, what was the condition of the South post-Civil War?
8. What problems did the South face?
9. How did the North hope to fix these problems?
10. How did the Bourbons (Redeemers) impact the South?
11. Study the images relating to the South Before and after the Civil War. What is different? How does this relate to the New South idea?
12. Look at the map of wealth distribution in the United States. Where is the wealth most heavily concentrated? Why? Which parts of North Carolina had the most wealth?
13. Do you think the New South is a myth or is it true? Explain your answer.



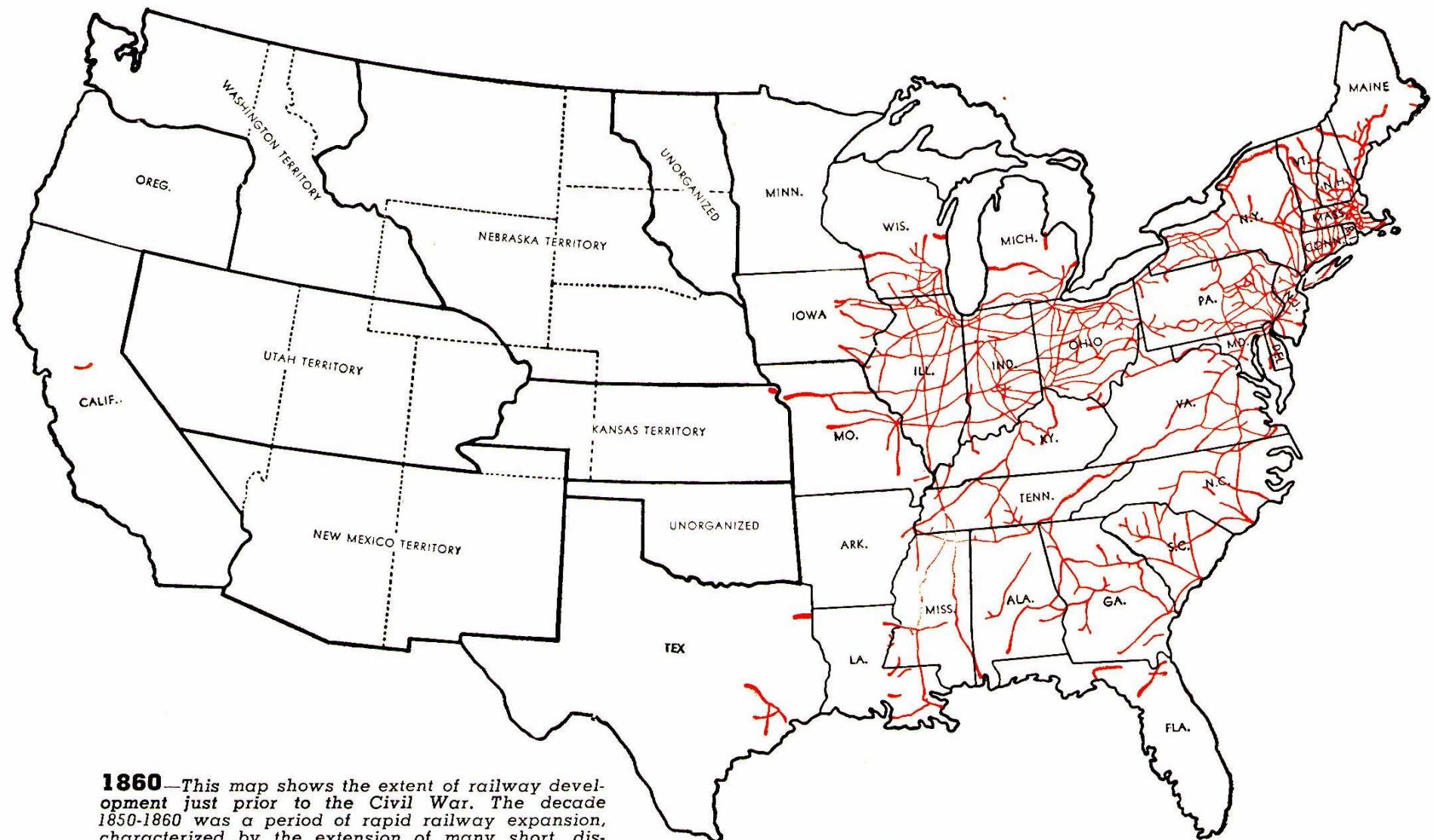
This 1872 map shows the distribution of per capita (per person) wealth in the United States.

Atlanta c. 1860

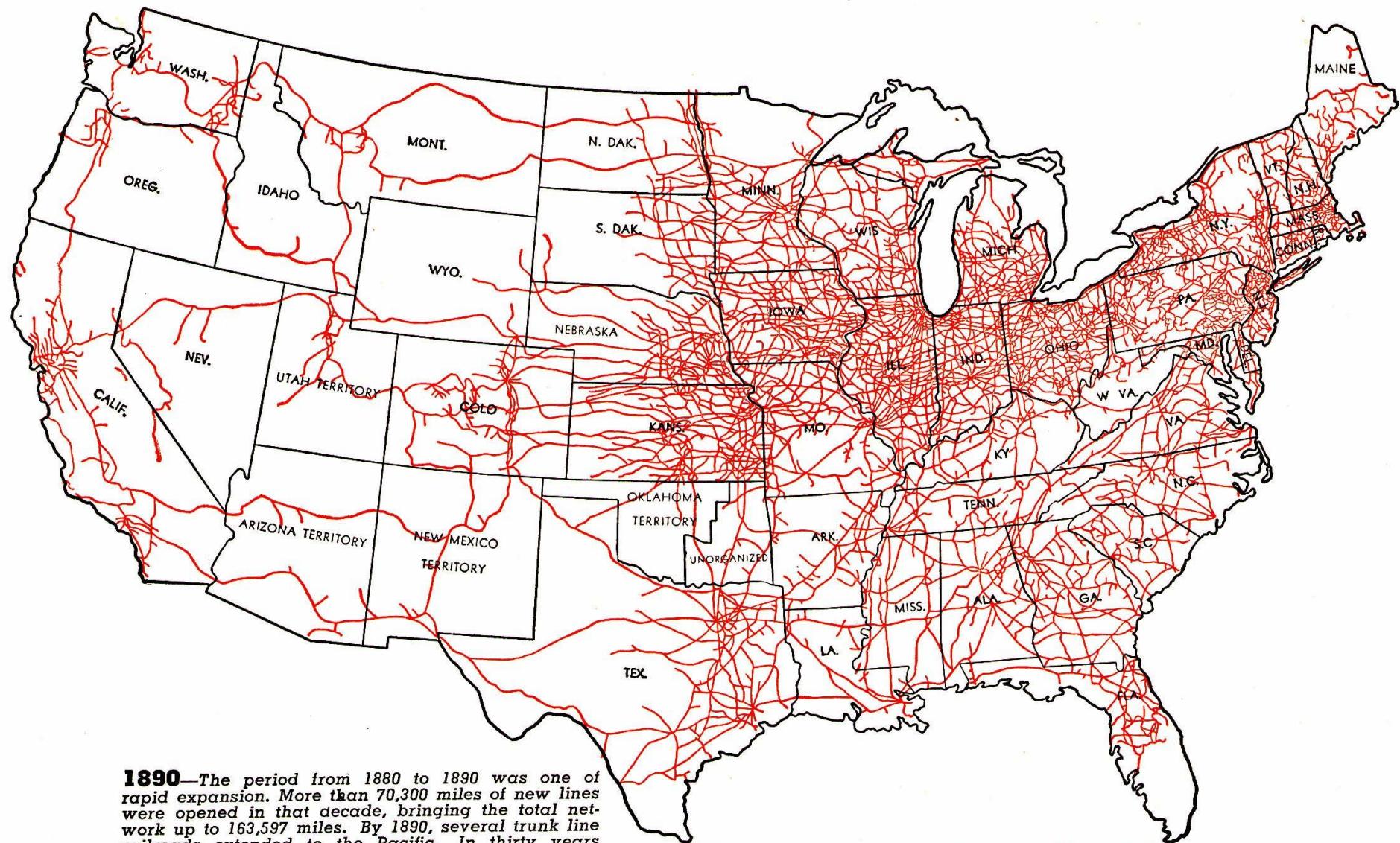


Atlanta 1887





1860—This map shows the extent of railway development just prior to the Civil War. The decade 1850-1860 was a period of rapid railway expansion, characterized by the extension of many short, disjointed lines into important rail routes. This decade marked the beginning of railway development in the region west of the Mississippi River. By 1860, the "Iron Horse" had penetrated westward to the Missouri River and was beginning to make itself felt in Iowa, Arkansas, Texas, and California.



1890—The period from 1880 to 1890 was one of rapid expansion. More than 70,300 miles of new lines were opened in that decade, bringing the total network up to 163,597 miles. By 1890, several trunk line railroads extended to the Pacific. In thirty years from 1860 to 1890, the total mileage of the region west of the Mississippi River increased from 2,175 to 72,389, and the population of that area increased fourfold.

Slavery before 1860



Sharecroppers c.1908



THE COTTON PLANTER AND HIS PICKERS.

H. TEE'S
WEST POINT, MISS.