

1865
Thirteenth
Amendment
ends slavery

1866
Southern
Homestead Act

1872
All southern
states have
public schools

1872
Rebuilding of southern
railroads complete

1865

1870

1875

3 Birth of the “New South”

SECTION PREVIEW

Objectives

- 1 Summarize the post–Civil War changes in southern agriculture.
- 2 Explain the achievements and limitations of urban and industrial growth in the South.
- 3 List the beneficial and the harmful ways in which Reconstruction funds were used.
- 4 **Key Terms** Define: sharecropping; tenant farming; infrastructure.

Main Idea

Reconstruction transformed the South's economy, as plantations adjusted to the loss of slave labor and the region began to attract investment and industry.

Reading Strategy

Formulating Questions Reread the Main Idea above. Then rewrite it as a question. As you read, take notes that help answer that question.

No man can work another man's land [without getting] poorer and poorer every year,” a black southerner wrote during Reconstruction. One black family in postwar Alabama found this out the hard way.

The Holtzclaw family worked on the cotton farm of a white planter. Every year at harvest time they received part of the cotton crop as payment for their work. But you can't eat cotton, and most years the Holtzclaws' share of the harvest didn't earn them enough money to feed themselves.

Some years the planter gave them nothing at all. So the mother worked as a cook. The father hauled logs at a sawmill for 60 cents a day. The children would wade knee-deep in swamps gathering anything edible. This was not the freedom they had hoped for.

Changes in Farming

The Holtzclaws were part of an economic reorganization in the “New South” of the 1870s. It was triggered by the ratification of the Thirteenth Amendment in 1865, which ended slavery and shook the economic foundations of the South.

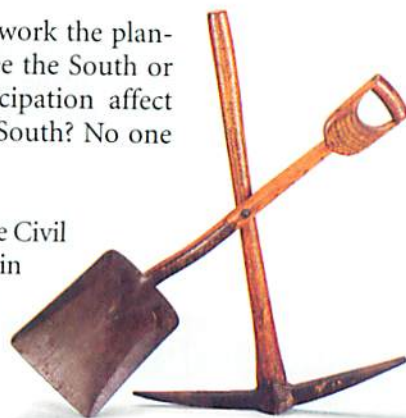
The loss of slave labor raised grave questions for southern agriculture. Would cotton

still be king? If so, who would work the plantations? Would freed people flee the South or stay? How would black emancipation affect the poor white laborers of the South? No one really knew.

Wanted: Workers Although the Civil War left southern plantations in tatters, the destruction was not permanent. Many planters managed to hang on to their land, and others regained theirs after climbing out of debt.

Planters complained, however, that they couldn't find people willing to work for them. Nobody liked picking cotton in the blazing sun. It seemed too much like slavery. Workers often disappeared to look for better, higher-paying jobs. For instance, railroad workers in Virginia in the late 1860s earned \$1.75 to \$2.00 a day. Plantation wages came to 50 cents a day at best. Women in the fields earned as little as 6 cents a day.

In simple terms, planters had land but no laborers, while freedmen had their own labor but no land. Out of these needs came new patterns of farming in the South.



With shovels and pickaxes, workers built railroads that crisscrossed the New South.

CAUSE AND EFFECT: Sharecropping and Tenant Farming

CAUSES

- Slavery is abolished.
- Small farmers lack capital to buy land.
- Planters need a stable work force.

SHARECROPPING AND TENANT FARMING

EFFECTS

- Farmers are caught in a cycle of debt.
- Planters and merchants prosper.
- Agricultural focus shifts from food crops to cash crops.



Interpreting Charts Whether white or black, most southern farmers remained poor in the years following the Civil War—as did this Florida family (right), thought to be sharecroppers or tenant farmers. The chart (left) shows some of the problems that poor families faced. **Economics** How did farmers get caught in a cycle of debt?

Sharecropping The most common new farming arrangement was **sharecropping**. A sharecropping family, such as the Holtzclaws, farmed some portion of a planter's land. As payment the family was promised a share of the crop at harvest time, generally one third or one half of the yield. The planter usually provided housing for the family.

Sharecroppers worked under close supervision and under the threat of harsh punishment. They could be fined for missing a single workday. After the harvest, some dishonest planters simply evicted the sharecroppers without pay. Others charged the families for housing and other expenses, so that the sharecroppers often wound up in debt at the end of the year. Since they could not leave before paying the debt, these sharecroppers were trapped on the plantation.

Tenant Farming If a sharecropper saved enough money, he might try **tenant farming**. Like sharecroppers, tenant farmers did not own the land they farmed. Unlike sharecroppers, however, tenant farmers paid to rent the land, just as you might rent an apartment today. Tenants chose what to plant and when to work. Thus they had a higher social status than sharecroppers.

The Holtzclaws managed to move from sharecropping to tenant farming. They rented 40 acres of land. They bought a mule, a horse, and a team of oxen. William Holtzclaw was a child at the time. "We were so happy at the prospects of owning a wagon and a pair of mules, and having only our father for boss, that we shouted and leaped for joy," he later recalled.

Effects on the South Changes in farming during Reconstruction affected the South's economy in several important ways:

Changes in the labor force. Before the Civil War, 90 percent of the South's cotton was harvested by slaves. By 1875, white laborers, mostly tenant farmers, picked 40 percent of the crop.

Emphasis on cash crops. Sharecropping and tenant farming encouraged planters to grow cash crops, such as cotton, tobacco, and sugar cane, rather than food crops. The South's post-war cotton production soon surpassed prewar levels. As a result of the focus on cash crops, the South had to import much of its food.

Cycle of debt. By the end of Reconstruction, rural poverty was deeply rooted in the South, among blacks and whites alike. They remained in a cycle of debt, in which this year's profits went to pay last year's bills. The Southern Homestead Act of 1866 attempted to break that cycle by offering low-cost land to southerners, black or white, who would farm it. By 1874, black farmers in Georgia

Main Idea CONNECTIONS

In what ways did Reconstruction change agriculture in the South?

owned 350,000 acres. Still, most landless farmers could not afford to participate. In the cotton states, only about one black family in 20 owned land after a decade of Reconstruction.

Rise of merchants. Tenant farming created a new class of wealthy southerners: the merchants. Throughout the South, stores sprang up around plantations to sell supplies on credit. "We have stores at almost every crossroad," a journalist observed. By 1880 the South had more than 8,000 rural stores.

Some merchants were honest; others were not. Landlords frequently ran their own stores and forced their tenants to buy there at high prices.

After four years of tenant farming, the Holtzclaws watched as creditors carted away everything they owned. "They came and took our corn and, finally, the vegetables from our little garden, as well as the chickens and the pig," Holtzclaw said. The family had no choice but to return to sharecropping.

Cities and Industry

Southerners who visited the North after the Civil War were astounded at how industrialized the North had become. The need for large-scale production of war supplies had turned small factories into big industries that dominated the North's economy. Industrialization had produced a new class of wage earners. It had ignited city growth and generated wealth. Could all this happen in the South?

Some southern leaders saw a unique opportunity for their region. They urged the South not simply to rebuild its old agricultural economy but to build a new, industrialized one. One of the pro-business voices was Henry Grady, editor of the *Atlanta Constitution*. He called for a "New South" of growing cities and thriving industries.

The Growth of Cities Atlanta, the city so punished by Sherman's army, took Grady's advice. Only months after the war, the city was on its way to becoming a major metropolis of the South, as one observer noted:

"A new city is springing up with marvelous rapidity. The narrow and irregular and numerous streets are alive from morning till night . . . with a never-ending throng of . . . eager and excited and enterprising men, all bent on building and trading and swift fortune-making."

—Visitor to Atlanta, 1865

A major focus of Reconstruction, and one of its greatest successes, was the rebuilding and extension of southern railroads. By 1872, southern railroads were totally rebuilt and about 3,300 miles of new track laid, a 40 percent increase.

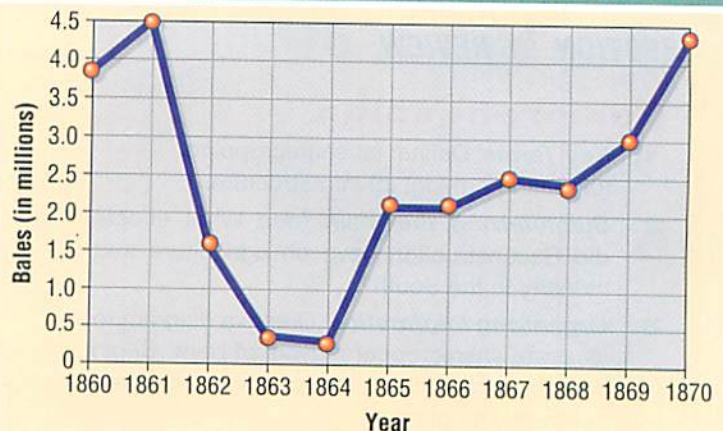
Railroads turned southern villages into towns, and towns into cities. Commerce and population rose not only in Atlanta, but also in Richmond, Nashville, Memphis, Louisville, Little Rock, Montgomery, and Charlotte. On the western frontier, the Texas towns of Dallas, Houston, and Fort Worth were on the rise.

Limits of Industrial Growth Despite these changes, Reconstruction did not transform the South into an industrialized, urban region like the North. Most southern factories did not make finished goods such as furniture. They handled only the early, less profitable stages of manufacturing, such as making lumber or pig iron. These items were shipped north to be made into finished products and sold.

Most of the South's postwar industrial growth came from cotton mills. New factories began to spin and weave cotton into undyed fabric. The value of cotton mill production in South Carolina rose from about \$713,000 in 1860 to nearly \$3 million by 1880. However, the big profits went to northern companies that dyed the fabric and sold the finished product.

Still, the growth of southern industry planted seeds of economic change. For example, Alabama, already the nation's biggest iron producer, would become a major producer of steel.

American Cotton Production, 1860–1890



Source: Historical Statistics of the United States, Colonial Times to 1970



Interpreting Graphs Cotton production was the South's main economic activity until 1930. **Economics** What accounts for the drop in production in the middle of this chart?

Funding Reconstruction

The Republicans who led Congress agreed with southern legislatures on the importance of promoting business. The strong conviction that the growth of business would bring better times for everyone was called the “gospel of prosperity.” It guided the Reconstruction efforts of Congress and the Reconstruction legislatures throughout the 1870s.

Raising Money In a sense, the postwar South was one giant business opportunity. The region’s **infrastructure**, the public property and services that a society uses, had to be almost completely rebuilt. That included roads, bridges, canals, railroads, and telegraph lines.

In addition to the rebuilding effort, some states used Reconstruction funds to expand services to their citizens. For instance, following the North’s example, all southern states created public school systems by 1872.

Reconstruction legislatures poured money into infrastructure. Some of the money came from Congress and from private investors. The rest, however, was raised by levying heavy taxes on individuals, many of whom were still in deep debt from the war. White southerners, both wealthy and poor, resented this added financial burden.

Spending by Reconstruction legislatures added another \$130 million to southern debt. What further angered southerners was evidence that much of this big spending for infrastructure was being lost to corruption.

Corruption Today, corruption in government and business is vigorously uncovered and prosecuted. That was not the case a century ago. Government officials in both the North and South regularly used their positions for personal profit.

During Reconstruction, a time of many large and costly government projects, enormous sums of money changed hands rapidly in the form of loans and grants.

The worst cases of fraud involved the railroads. A crooked businessman might bribe a key state senator to win a government contract for construction of a new railroad. The businessman would then collect the construction money, use it for personal investments or even a vacation, then declare bankruptcy. In this way numerous railroads were never built, and millions of dollars raised to rebuild the South evaporated without a trace.

Participants in such schemes included blacks and whites, Republicans and Democrats, southerners and northern carpetbaggers. “You are mistaken if you suppose that all the evils . . . result from the carpetbaggers and negroes,” a Louisiana man wrote to a northern fellow Democrat. Democrats and Republicans cooperated “whenever anything is proposed which promises to pay,” he observed. The South Carolina legislature even gave \$1,000 to the speaker of the House to cover his loss on a horse race!

Not every politician or businessman gave in to temptation. Yet those who did gave Reconstruction a reputation for waste and corruption.

SECTION 3 REVIEW

Comprehension

- 1. Key Terms** Define: (a) sharecropping; (b) tenant farming; (c) infrastructure.
- 2. Summarizing the Main Idea** What effects did Reconstruction have on agriculture and industry in the South?
- 3. Organizing Information** Create a diagram to illustrate sharecroppers’ cycle of debt. Begin with this entry: “Sharecropper signs one-year contract with planter.”

Critical Thinking

- 4. Analyzing Time Lines** Review the time line at the start of the section. Pick one event that was

largely successful and one that was not. Write a sentence to explain each of your choices.

- 5. Drawing Conclusions** Do you think more Reconstruction money was spent on rebuilding infrastructure, or on housing, jobs, and education for freed people? Explain your answer.

Writing Activity

- 6. Writing an Expository Essay** Write an essay explaining how southern farming changed after the Civil War.