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THE UNIVERSITY OF OKLAHOMA

GRADUATE COLLEGE

COTTON AND FAITH: A SOCIAL AND POLITICAL VIEW OF MISSISSIPPI WARTIME FINANCE, 1861-1865

A DISSERTATION

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BY

WILLIAM LEON COKER

Norman, Oklahoma

COTTON AND FAITH: A SOCIAL AND POLITICAL VIEW OF MISSISSIPPI WARTIME FINANCE, 1861-1865

APPROVED BY

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DISSERTATION COMMITTEE

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INTRODUCTION

Waging a war against the Northern people from 1861 to 1865 involved a great deal more for Mississippians than raising and equipping volunteer regiments. As a result of the war situation, the destitute became a tremendous burden on state officials as the death of providers, scarcity of necessities, and Federal invasion daily added families to this category. Subsisting the military forces, combined with feeding and clothing the needy, presented Mississippi officials with problems which alone taxed state resources heavily.

Yet, these problems, great as they were, proved only a part of the very difficult situation facing Mississippi during the Civil War. The state's people were by no means united in their views concerning secession and the efficacy of war as a panacea for existing sectional problems. A significant portion of the population firmly believed the Union should be preserved at all costs, and when secession precluded that, remained obstinately aloof from either Confederate or Mississippi officials. Then as Confederate and state policies--particularly those regarding impressment and conscription--unfolded, thousands more in Mississippi

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disavowed any further support for "the cause." Thus, state officials never could depend on anything approaching a unified population during the mammoth struggle which ensued.

Mississippians traditionally declined to invest excess capital in industry, choosing instead to return any surplus profits gained through agricultural pursuits back into expanding that system through the acquisition of more land and slaves. Therefore, when war cut off the Western sources of supplies, and the blockade prevented the exportation of cotton, Mississippi officials found themselves forced to create a self-sufficient system. Since no domestic supply of such necessities as salt, grain, and medicines existed in 1861, state authorities were faced with the vast problem of either creating such supplies at home, or finding some way to break through the circle of Northern military forces to tap some source outside the state.

To obtain necessary articles, to maintain an army, and to provide for a multitude of destitute within the state, required vast expenditures of money--and in 1861 the state possessed none. Since Mississippi had formerly repudiated its "faith and credit," little remained of either when the war forced the immediate creation of a comprehensive financial structure. Mississippi's record of fiscal irresponsibility precluded any foreign help in absorbing bond or money issues, thus leaving the state's citizens as the only source from which wealth could be obtained to act as a foundation for a workable financial structure. How this was accomplished,

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amid a seriously divided people beset by inflation and scarcity, invaded and largely occupied by an enemy force, and dependent upon a distrusted and often despised National Government forms the basis of this study.

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CHAPTER I

MISSISSIPPI ON THE EVE OF THE CIVIL WAR

For four decades prior to 1860 constant irritation existed between the people residing in the Southern states and those living in the North. Commencing before the Southern political stranglehold on the Federal government ever came under serious challenge with the debate over nullification in 1833, a series of events occurred which taken together indicated to both the North and South that geographical divisions were also becoming political boundaries. Slavery, by 1820 an almost exclusively Southern institution, had since its gradual evolution in the last half of the Seventeenth Century, evoked both support and opposition from people residing in all sections of the United States. However, beginning with the Missouri controversy in 1820, the debate over slavery assumed a far more menacing dimension. Most of those who attacked slavery after that fateful year haled from the North; while the practitioners and defenders of the institution lived, almost invariably, in the South. Thus, after 1820, the slavery issue became a distinctly geographical one which this issue, combined as it inevitably was with other sectional grievances, produced what appeared

by 1860 as two manifestly dichotomous societies; one in the North and one in the South.¹

Peaceful coexistence between the increasingly divergent social ideologies developing in the North and South would have proven extremely difficult had disparities concerning slavery represented the only major issues. But this was not the case. Adding immense complications was a great religious revival in some areas of the northeast, which touched off a whole series of reform movements. While these reform impulses were directed toward correcting a number of societal shortcomings. What disturbed the South most was that by far the greater part of reformist energy appeared directed toward what became the "sin" of slaveholding.

The motivation behind this shifting of the grounds upon which Northern reformers attacked the institution of slavery originated in what was termed perfectionism, which demanded the personal involvement of its adherents in the business of the Lord. Because perfectionism held out the possibility of ultimate salvation to those willing to sacrifice for the cause of humanity, the scattered opposition to slavery was

¹Barrington Moore, Jr., Social Origins of Dictatorship and Democracy (New York, 1966); Eric Foner, Free Soil, Free Labor, Free Men: The Ideology of the Republican Party Before the Civil War (New York, 1970); Kenneth M. Stampp, And the War Came (New York, 1950); David B. Davis, The Slave Power Conspiracy and the Paranoid Style (Baton Rouge, 1969); Stanley Elkins, Slavery: A Problem in American Institutional and Intellectual Life (Chicago, 1959). Moore says that there were two societies in America, a Northern and a Southern society. Foner and Stampp describe the Northern mind, and Davis and Elkins demonstrate how these two societies came into conflict.

forged into a white-hot, uncompromising crusade. The goal of the resulting campaign could contenance no compromise; it must end only with the demise of the hated practice of one human being holding another in bondage. The natural outcome of taking this view toward slavery, that is that it represented a sin, was of course to view the slaveholder as a sinner. Under perfectionist urgings, sin must be rooted out, while at the same time the sinner--in this case the Southern slaveholder--must be convicted of his sin, and persuaded to forego its indulgence.²

The ensuing crusade of the abilitionists by no means drew immediate and full support from the Northern populace. On the contrary, for several years the Northern press and public constantly derided the vigorous campaigners, and condemned them for further stirring up hurricanes to endanger the safe voyage of the ship of state which during this period, for many reasons other than differing sectional views on slavery, frequently sailed on treacherous seas.

Another major factor in furthering the creation of divergent societies in the North and South had its roots in the War of 1812. America's faltering and almost fatal experience in this conflict led to a stress on developing industry and manufacturing. Ill-suited to agriculture, the

²Gilbert H. Barnes, <u>The Anti-Slavery Impulse</u>, <u>1830-1844</u> (New York, 1933). Barnes describes the impact of revivalism and perfectionism in the abolitionist movement.

North rapidly built around its existing commercial nucleus a society based largely on industrial, banking, and transportation pursuits. Obviously, the requirements for a social order founded on such activities differed sharply from those necessary to an agrarian-based economy. With the boost provided by experience in the War of 1812, the North began to demand more and more favorable legislation designed to encourage and protect its infant industrial society. Internal improvements at government expense, a national banking system, and a protective tariff were basic needs to Northern industrialists, while in most Southern regions, these services were considered superfluous, if not downright harmful.³

Ultimately, all these vexatious problems were reduced to an intractable question of power politics. Whereas the agrarian South enjoyed practically unchallenged national governmental superiority from the founding of the republic; in the years following the War of 1812 the commercial northeast mounted a serious threat to this Southern domination. Both the North and South fully recognized that the section which controlled the Federal legislative machinery could thereby dominate the other.⁴ The Missouri controversy of 1820 cen-

³The most complete early articulation of this scheme, which came to be the basis of the Whig program, is Henry Clay's "American System," which he enunciated in 1824. For a study of the life of Clay, see Glydon G. Van Deusen, <u>The</u> Life of Henry Clay (Boston, 1937).

⁴This fight between the South and the North over control of the Federal governmental machinery, with a stress on the slave issue as a main causal factor is a main theme in

tered on the question of legislative power, as did the nullification crisis in 1833. Undoubtedly the question of sectional domination of the Federal governmental machinery precipitated the debate in Congress over the Wilmot Proviso in 1848. Certainly geographical as well as social considerations added heat to the bitter struggle temporarily halted by the great Compromise of 1850. Then came the decade of the fifties, with its series of explosive controversies: notably those over Kansas-Nebraska, <u>Uncle Tom's</u> <u>Cabin</u>, John Brown's raid, the Dred Scott Decision and slavery. But just as surely there invariably existed the strong overtones of control and raw power.

Beginning in 1820, and increasingly thereafter until 1860, the North consistently strengthened its ability to exercise greater influence on the course of national legislation. Meanwhile, the South appeared far from willing to sit idly by while the national power base shifted northward. Initially relying on free discussion and the tactics of rhetorical persuasion which had proved sufficient in the past, the South ultimately concluded that another tack must be taken if its cherished institution of slavery was to be maintained. After the debates over nullification finally made the slavery question a permanent national issue, Southerners devised a completely new argument to

William Freehling, Prelude to Civil War: The Nullification Controversy in South Carolina, 1816-1836 (New York, 1965) and in Moore, Social Origins of Dictatorship and Democracy.

justify its continuing to hold slaves. Whereas prior to the early 1830's most Southerners apologetically defended slavery on the grounds that such a labor system represented a necessary evil, following the attack by the North after the nullification crisis Southerners demonstrated a militant defense of the institution on the declaration that it was a positive good. It provided the only possible labor force capable of working rich Southern soil under the broiling sun and in the malaria-infested low lands, so the argument ran, and at the same time provided a means of civilizing a great number of black Africans. Given the rather strict class structure in the South, such an argument was possible to present and universally maintain in that region. but this in no way bound Northern opinion. Abolitionist newspapers, speakers, and missionaries abounded in the North, preaching and writing in an effort to convince more Northerners that slavery must be killed if freedom itself was to survive.⁵

As a result of its change in approach to the slavery question, the South became extremely conservative, oppressively intolerant, and not a little paranoid on the subject of slavery.⁶ But it is important to realize that while most

⁵The changing Southern attitude toward slavery, with emphasis on the South's militant defense of the institution as a positive good, is found in Ibid.

⁶Southern paranoia concerning the subject of slavery receives full treatment in David B. Davis, <u>The Slave Power Con</u>spiracy and the Paranoid Style.

discussion centered around the slavery issue, it undoubtedly served in part as a scapegoat for other social differences which in the period from 1820 to 1860 literally rent the national fabric asunder.⁷ Southerners were by no means blind to their loss of power on the Federal level, and when it became obvious, as more and more free states were added to the Union, that this loss was going to prove a permanent one, the South turned increasingly to defending a political philosophy of state rights and state sovereignty. In the view of many Southern political leaders, this offered a way by which a minority could be protected against the tyrannical majority fast gathering behind the leadership of the northeast.⁸

And so by 1860, America had indeed become two ideologically separate nations, with different views of the proper function of government, and with seemingly incompatible economic and social objectives. So much bitterness existed between these sections that they no longer talked to each

⁷The use of slaves and slavery as substitutes cloaking other social and racial prejudices receives an excellent examination in Winthrop D. Jordan, White Over Black: The Development of American Attitudes Toward the Negro, 1550-1812 (Chapel Hill, 1968).

⁸Constitutional aspects of the Civil War are discussed in two articles by Arthur E. Bestor: "The American Civil War as a Constitutional Crisis," American Historical Review, LXIX (January, 1964), pp. 327-52; and "State Sovereignty and Slavery," Journal of the Illinois State Historical Society, LIV (Summer, 1961), pp. 117-70. For a discussion of Calhoun's political theory of minority rights, see Clement Eaton, The Freedom of Thought Struggle in the Old South (Durham, rev. ed., 1964), pp. 145-62; and J. T. Carpenter, The South as a Conscious Minority, 1789-1861 (New York, 1930), Chap. IV.

other, but rather at one another. Southerners talked to other Southerners, whipping each other into passionate hatred of the "Black Republican abolitionist devils" of the North; while Northerners discussed among themselves the evil, corrupt, sinful institutions of the people to the south. No one listened anymore. Everyone seemed preoccupied with condemning anyone who disagreed with him. The conservative leadership, which had arranged such responsible compromises as that relating to the admission of Missouri in 1820 and another in 1850, found their voices drowned in a sea of vituperation.⁹

Reason and logic gave way to unbridled passion, unreasonable rhetoric, and uncompromising declarations that everyone else's views were mistaken. Debates among intelligent men no longer rang in the halls of Congress in Washington; instead many members carried weapons in their coat pockets, and decried most opportunities to engage in reasonable discussion. Instead of retaliating rhetorically to a speech made in the Senate which he considered disrespectful to a relative, one legislator resorted instead to violence, beating the speaker senseless, while other members of Congress sat idly by, making no effort to intervene. Perhaps more than any other covert event, this beating administered to Senator Charles Sumner of Massachusetts by Representative

⁹For a discussion of the defeat of the moderates, see Holman Hamilton, Prolegue to Conflict: <u>The Crisis and Com</u>promise of 1850 (Lexington, 1964).

Preston Brooks of South Carolina demonstrated the point at which America had arrived by 1856. It took Sumner three years to recover, during which time he was re-elected to his seat, which remained vacant during his convalescence as a tribute. Brooks, on the other hand, appeared something of a hero to many Southerners. Citizens of the small town of Eastport, Mississippi, even sent him a silver medal inscribed "Hit Him Again," to demonstrate their approval. This single event set the North on fire, and rendered a fearful advantage to Northern abolitionist leaders, who pointed triumphantly to it as a typical act of barbarism, so basic to the Southern character.¹⁰ Even more significantly, the entire incident lays bare the great extent of the inflamed tempers of North and South, and thereby goes a long way toward demonstrating the hatred and distrust of each other which was to bring on war.

Mississippi, because of its heavy dependence on slavery, felt the shifting national attitude toward its cherished institutions perhaps more fully than some of the other Southern states. Settled but recently, the rich loam along the Mississippi River delta provided the best soil in America for cotton culture--a fact taken advantage of to the fullest extent possible by people whose sole aim was to plant more cotton acreage than anyone else. As a consequence, Mississippi's social, economic, and political institutions had

¹⁰James G. Randall and David Donald, <u>The Civil War and</u> Reconstruction, 2nd ed. (Boston, 1961), p. 102.

been for several decades prior to 1860 under the domination of a planter aristocracy. This is not to imply that the planter leadership was absolutely unchallenged, for indeed it found maintenance of its tight control increasingly difficult. Still, in 1860 the planter unquestionably occupied the economic and social apex of Mississippi society, even if his political grip had been somewhat loosened by the election to the governorship in 1859 of a backwoods lawyer, John J. Pettus.¹¹ Yet, most Mississippians understood full well that the threat to their way of life in 1860 was a common threat, and they set out with the intention of meeting it united. The failure of this effort accounts in large part for the incredibly tragic and complicated drama played out in the state house at Jackson and on the fields of the Magnolia state during the brief life of Confederate Mississippi.

The course pursued by Mississippians during the war years, like the motivation for Mississippi's secession from the Union, had roots deeply imbedded in pre-war traditions. Consequently, to understand what Mississippians attempted during the war, it is first necessary to gain some understanding of the state's ante-bellum history, particularly developments in the decade of the fifties.

11For a discussion of Pettus' career as wartime Governor of Mississippi see Robert W. Dubay, "John Jones Pettus, Mississippi Fire-Eater: His Life and Times, 1813-1867" (Unpublished dissertation, University of Southern Mississippi, 1971).

During the course of this ten year period, hatreds and sectional mistrust seethed continually, and agitation for secession in the South and in Mississippi increased at an accelerated rate. In the early years of that decade, it appeared mostly the politically ambitious in Mississippi who maintained that secession represented the only avenue of escape from the domineering society of the North. The lawyer-politician, the small-town editor and the planter who held only a few slaves comprised this restless, violentlyoriented group, who decried compromise and propounded separation. For a time, conservative men of property and standing, believing that the only hope for the protection of slavery lay in remaining in the Union and thus under the shield of the Constitution, successfully held the more vituperative fireaters in check. But with as much help from fanatical minority groups of abolitionists in the North and West as from the fireaters in the South, these conservative moderates found their position continually eroded until by 1860, their voices appeared weak indeed. Venomous rhetoric, spewed forth by irresponsible Northern abolitionists, picturing Southern slaveholders as sinners and threatening to forcefully overthrow their social order, persuaded many a Mississippi Unionist to regretfully acknowledge that he no longer remained safe in that Union. This obviously played directly into the hands of Southern fireaters whose preachments were equally as irresponsible as anything published or

spoken by the abolitionists. 12

This blistering cross-fire enfiladed moderate Mississippians, who ultimately came to the conclusion that the fireaters had been right all along--their interests were indeed now threatened by that very Union which had heretofore protected them. The only honorable course left lay in negotiating the thorny road through secession to political independence.¹³

Despite decades of real and imagined provocation, there existed in Mississippi in 1860, remarkably few thoroughgoing state rights leaders of the most rabid sort. Rather, two more moderate positions encompassed most political viewpoints in Mississippi. The group which wanted to resort to secession to break up the Union insisted that by so doing, they were protecting and preserving a social system which no longer found safe refuge in the Union. The other position-fast declining in popularity as insult followed injury in the decade of the fifties--opposed secession as the only remedy to correct existing ills, not because they desired compromise with the abolitionist position, but rather because they still hoped slavery could be protected under the Union, provided there existed sufficient non-abolitionist moderates in the North willing to act responsibly.¹⁴

12 percy Lee Rainwater, <u>Mississippi</u>: <u>Storm Center of</u> <u>Secession, 1856-1861</u> (Baton Rouge, 1938), p. 218. <u>13 Ibid.</u>, pp. 218-19. <u>14 Ibid.</u>, pp. 202-03.

Significantly, however, both these groups in Mississippi regarded any benefits which might accrue by remaining in the Union as strictly secondary to the maintenance of the institution of slavery. This certainly formed the major consideration, and because of its dominant character, politicians of all shades of opinion could find a home in the Democratic party in Mississippi in 1860. Regardless of whether a man was struggling to rise to the top of the social ladder, or whether he had "arrived" at that esteemed position, he fully recognized that the only consideration remaining was the basic one of survival of his traditional social system--and this system rested firmly on the maintenance of slavery.¹⁵

The view one held on slavery, then, constituted the only criteria by which a Mississippian's loyalty was tried. Mississippi's social system unquestionably rested on slavery, and because this system appeared to the Southerner far superior to that of the North based on free labor, it must be maintained at all costs. Upon Lincoln's election forced emancipation, previously only a rhetorical throat, now seemed a distinct possibility.¹⁶ Lincoln's real view toward slavery in states where it already existed was one thing; how most

¹⁵For a discussion of the domination of the planter class in the South prior to the war, and an assertion that the planter interests recognized that in the war they were fighting for their very survival as a class, see Eugene D. Genovese, The Political Economy of Slavery (New York, 1965).

¹⁶Reuben Davis, <u>Recollections of Mississippi and Mississippians</u>, Rev. ed. (Hattiesburg, Miss.: University and College Press of Mississippi, 1972), pp. 390-91.

Southerners conceived his position constituted quite another question. Because they firmly believed Lincoln aimed toward absolute eradication of the institution of slavery, Mississippi slaveholders and non-slaveholders alike arose with an uncharacteristic singleness of purpose upon his election. According to an outstanding Democratic leader in the state, O. R. Singleton, the educated and the illiterate, the wealthy and the destitute, the slaveholder and the man who desired to own slaves were now "so indissolubly united in feeling and interest that if you but touched a chord connected with either, it vibrates through our whole social system, and unites in more rapid motion the blood of every heart."¹⁷

It is interesting to imagine the difference it might have made to subsequent history if Mississippi's people had sustained the pervasive spirit of cooperation with one another engendered by the election of Abraham Lincoln. Although welded firmly by their loyalty to a social system whose benefits most believed considerably outweighed any which might accrue by continuing in the Union, generations of cultural and social dichotomies were not to be forgotten overnight.

The relatively united front achieved in the fall of 1860, therefore, represented the zenith of cooperation between divergent social and political elements in Mississippi.

17_{Congressional Globe}, 37th Cong., 35 Sess., pt. 2, p. 1274.

Even in their hour of greatest cohesion--celebrated by the signing of the Secession ordinance in January, 1861--seeds of discord planted prior to the crisis of 1860 grew apace. From the highwater mark represented by the secession convention, the mood of cooperation and oneness of purpose commenced a precipitious plunge which ultimately dragged most Mississippians into the quagmire of despair some three years later.

Decades of social distinction could not be so easily glossed over, regardless of the threatening gestures of a common enemy. Class differences were important in Mississippi, with each group striving for goals which were anathema to the other. In these traditional class distinctions lay the roots of deadly discord. For despite their momentary cooperation in 1861, the exigencies of war brought out previously existing disparities to such an extent as to seriously hamper every wartime program inaugurated by the harrassed leadership.

Pre-eminent among the causes which led to internal dissention during the war years was the rather strict class structure existing since the earliest period of settlement in the state. Forming the apex of this social system stood the powerful, if small, planter aristocracy. Probably the most heterogeneous of all the social classes, this proud group had always exercised an influence far out of proportion to its numbers. Many in this class proudly traced

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their origins to European social distinctions, but in Mississippi, even more arose from the professional classes, who in turn had risen from the lower classes by force of merit. For the most part, entrance to this charmed circle of lordly barons depended exclusively on wealth--as represented by land and slave holdings. Some few, of course, were products of generations of upper class gentry, but in the raw states of the old Southwest, many more represented the nouveau riche, but recently raised from the ranks of lower social levels. Characteristically, these men exhibited more interest in horse-racing, extravagant living, cards, dancing, and speculating in land and slaves than in reading or the fine arts.¹⁸ Still, by 1860 they did have a considerable stake in existing social structures and represented in Mississippi that group which opposed secession as long as possible, then accepted it with extreme reluctance as the only alternative to dishonorable submission to Northern domination. 19

Falling just below this wealthy aristocratic group in Mississippi came the smaller planters. The majority of these men had only recently risen from the professional classes, and a great number of them in fact kept a foot in two worlds--they invested in land and slaves, but maintained

18_{Lewis} C. Gray, <u>History of Agriculture in the Southern</u> <u>United States to 1860</u>, I (New York, 1941), pp. 492, 496-497. 19_{Rainwater}, <u>Mississippi</u>: <u>Storm Center of Secession</u>, pp. 218-219.

connections with their other profession as well, usually law, medicine, or merchandising. 20

These men, realizing their stake lay in the future, and aspiring to join the large planter class, formed the group most vociferous in demanding political independence through secession, regardless of whether or not it could be These small planters demanded direct achieved peacefully. trade with Europe and, because their scale of operation was smaller than that of the large planters, they experienced little need for the services of the large factorage houses of the commercial northeast. Local finance, uncertain as it sometimes was, proved sufficient for the small planter who usually, it should be reiterated, relied in part upon the continuing income derived from his participation in another profession. Often times, planters of the smaller type even provided a large part of their own financial backing, thereby creating in this group a distinctly independent spirit.²¹ Their limited crops of cotton could be hauled by wagon to the Mississippi River, and upon arrival at New

²¹Herbert Weaver, <u>Mississippi Farmers, 1850-1860</u> (Nashville, 1945), p. 36; Gray, <u>History of Agriculture</u>, I, pp. 498-499.

²⁰A number of the delegates to the secession convention in January, 1861 represented this type of Mississippian. Each delegate was asked to list various statistical information about himself for inclusion in the convention Journal. For this descriptive list, see Journal of the State Convention and Ordinances and Resolutions Adopted in January, 1861 (Jackson: E. Barksdale, 1861), Appendix. (Hereafter referred to as: Journal of the State Convention, January).

Orleans, small brokerage firms handled its disposal, usually to European industrialists. These same routes in reverse furnished the small scale planter with all the necessary supplies for carrying on his operations. As a consequence of this arrangement, Mississippians of this social class exhibited a strong spirit of independence throughout the decades just prior to the Civil War. It was they who formed the backbone of the secession movement in Mississippi; and it was their sons who demonstrated the greatest willingness to shed their blood in the vain effort to win Southern political independence.²²

By far the most numerous free social class in Mississippi on the eve of the Civil War was the yeoman, or selfsufficient farmer. Not confined to the richly-productive delta regions of the state as were the planter classes, this collection of men ranged over the entire state, from the sandy soil of the Gulf Coast district to the red clay hills bordering the Tennessee River in northeast Mississippi. Owning very few if any slaves, this class of people represented the most independent and self-sustaining of any in Mississippi. They grew food and livestock sufficient to meet their personal needs, and enough extra to purchase what they could not themselves produce.²³ Their stake in the mainten-

²²John K. Bettersworth, <u>Confederate Mississippi</u>: <u>The</u> <u>People and Policies of a Cotton State in Wartime</u> (Baton Rouge, 1943).

²³For the place of the self-sufficient farmer in antebellum Mississippi, see Weaver, Mississippi Farmers, p. 39;

ance of the institution of slavery was minimal to say the least; their way of life would continue on about the same economic level regardless of the outcome of a war over Still, fireating rhetoric struck responsive chords slaverv. among this group for reasons which are not always clear. Some, of course, supported the secessionist movement in the hope that it would bring political independence, thereby protecting slavery--and they hoped to join the ranks of the holders of a socially significant number of slaves in the future. Others asserted their willingness to fight the abolitionists simply because the latter group appeared to attack all Southerners irrespective of their individual relationship to slavery. Thus resentment at being classed categorically as sinners goaded some to accept violent revolution as a sort of national pergative--a trial by combat.²⁴

Perhaps the major motivation behind the support the yeoman farmer lent to secession was the catch-all phrase "state rights." Their dedication to a doctrine which most doubtless would have been at a loss to explicate appeared clearly evident to anyone who spent much time in the South either prior to or during the war. William H. Russell, a

Joseph H. Ingraham, The Southwest, By a Yankee (New York, 1835), II, p. 26; Frederick L. Olmstead, The Cotton Kingdom: A Traveller's Observations on Cotton and Slavery in the American Slave States, Rev. ed. (New York, 1970), pp. 347-360.

²⁴The achievement of a Southern consensus regarding slavery in the ante-bellum period is dealt with in detail throughout Elkins, Slavery.

British journalist on a visit to a camp hospital in north Mississippi, recorded an incident which vividly points this On approaching a wounded Confederate soldier, Russell out. heard him cry, "Stranger, remember, if I die . . . That I am Robert Tallon, of Tishomingo County, and that I died for States' rights; see, now, they put that in the papers, won't you? Robert Tallon died for States' rights."²⁵ Despite his probable inability to explain the logic of the doctrine of state rights, the fact remains that the yeoman farmer in Mississippi felt very strongly that Northerners were bent on destroying these rights. Consequently, regardless of what the individual imagined the term "state rights" to include, he certainly based a substantial proportion of his hatred for the North upon what he considered the latter's infringement upon these sacred tenets.

Falling socially somewhere between the small planter and the yeoman farmer, although far less numerous than either, were the professional and merchant classed. Although usually not physically engaged in the business of agriculture, these classes in rural, agricultural Mississippi were in fact closely tied to the farming interests. For the small planter, and even some of the larger ones, merchants served as factors, handling the shipment of the cotton crop, as well as the importation of necessary supplies. Thus, the pros-

25William Howard Russell, <u>My Diary North and South</u> (Boston, 1863), p. 317.

perity of the farming community had a direct bearing on the solvency of the merchant class. Often, in order to become established in business, the mercantile houses loaned credit in the form of supplies to farmers, taking in turn the pledge of payment when the crops were marketed in the fall. Consequently, the merchant's fortunes necessarily rose and fell with financial fluctuations experienced by the agricultural interests.²⁶

The professional class in Mississippi, if one excludes planters and merchants, was fairly small in 1860. Chiefly consisting of lawyers, doctors, editors and teachers, this group exhibited little cohesive interest as a separate social class. This resulted both from its relatively minute numerical standing, and the fact that most members of this group held at least some interests in other class activities-mainly farming. Both Stephen Duncan and his son, for example, were medical doctors, yet together they operated one of the largest plantation systems in the entire South, jointly controlling thousands of acres of rich cotton land, and owning several hundred slaves.²⁷ Obviously their interest in activities affecting planters far outweighed any concern they might have for the best interests of the medical pro-

²⁶For comments on how this system operated in Mississippi, see Peter F. Walker, <u>Vicksburg</u>: <u>A People at War, 1860-1865</u> (Chapel Hill, 1960), pp. 20-22.

²⁷Stephen Duncan and Stephen Duncan Jr. Papers, "Correspondence and Accounts, 1860-1869," Louisiana State University, Baton Rouge, Louisiana.

fession. As a further indication of the multi-occupational nature of nominal members of the professional class in Mississippi, of the one hundred delegates to the secession convention in 1861, only six identified themselves as exclusively planters, while another nine described themselves as lawyers and physicians, with farming interests.²⁸ Not surprisingly then, professional men as a group with identifiable, common interests did not exist in Confederate Mississippi.

Insofar as their participation in or influence on the course of political, economic, or social activities of Mississippi during the Civil War is concerned, the two remaining groups, poor whites and slaves, are of insignificant consequence. Although most of the actions taken by the state government during the war directly reflected that state's interest in the institution of slavery, the slaves themselves played no part in developing policy decisions. Neither did the poor whites, except to serve as elusive prey for search parties of conscript officers who spent considerable time searching through tangled underbrush in an attempt to flush them out and force them into Confederate or state Some whites of the poorest class, realizing that service. the maintenance of the slave system offered the only obstacle to their being placed at the very bottom of the social scale, fought alongside their more prosperous neighbors, but the effort expended in the frequently futile attempt to coerce them as a class into military duty probably offset

²⁸Journal of the State Convention (January, 1861), Appendix.

any benefit those willing to fight afforded the Confederate cause.²⁹

The rhetorical battle which raged for forty years prior to the outbreak of the actual resort to arms, undoubtedly served to articulate what the war would be about. Traditional class structures, especially strong in the planterdominated society of Mississippi, largely determined the overall effectiveness of the war prosecuted by that state. But behind all this lay the most important factors: those which inexorably decided the winner in the struggle for Southern independence. For underpinning political and social structures lay a unique economic and financial foundation, weak in times of prosperity; perhaps fatal in case of war. Caught up in a fantasically naive belief in their ability to whip the cowardly Northern abolitionists, and ever relying on the almighty power of "King Cotton," Mississippians and most other Southerners rushed headlong into war, never for a moment doubting the outcome. Like an over-indulgent father finally grown weary of his son's belligerent habits, Mississippi and the South reluctantly left their home in the Union when the usurper grew too strong to be thrown out instead. Confident that the fight, should it come to that, would be brief, decisive, and triumphant for them, Southerners devoted precious little consideration to the weakest link in

²⁹J. L. Power to B. G. Humphreys, October 29, 2865, Ser. E., Vol. 77, Mississippi Department of Archives and History, Jackson, Mississippi. (Hereafter referred to as MDAH.)

their social chain--the incredibly lopsided, dependent, illconceived economic system. Here was the link that failed-not lack of willingness, or raw courage, or determination-but far more importantly, the utter failure of an impossibly inept economic scheme.

Because of the pervasive effect the economic and financial system exercised on all other phases of the Mississippi war effort, it is important to determine just where Mississippi stood in those areas in 1860. A brief review of the various aspects of manufacturing, transportation, agriculture, and finance, as those activities fit into the overall picture presented by Mississippi on the eve of secession points up the development of conditions which led to the breakdown of morale which early gripped Confederate Mississippi. This situation in turn greatly effected the ultimate success of the military efforts attempted during the war years.

Although of relatively small proportions when compared to the capital invested in planting pursuits, an infant industry not only existed but thrived in ante-bellum Mississippi. Near the end of the 1830's, textile manufacturing interests began to gain converts in the state. In part a result of the economic depression which settled so severely over Mississippi and the nation in 1837, and partly in reaction to declining cotton prices, textile mills first made their appearance in Mississippi. Although the initial en-

deavor failed, 30 founded as it was on a barter basis, rather than a sound cash marketing system, others soon followed, and by 1860 four important textile mills operated in Mississippi. The largest of these was the Edward McGehee plant at Woodville, capitalized at \$110,000 which produced in 1860 alone cotton products almost equal to its total capital investment.³¹ Following closely behind McGehee's plant were two more large concerns, the Mississippi Manufacturing Company at Wesson, and the Pearl River Mills near Jackson. With a capitalization of \$100,000 J. M. Wesson's Mississippi Manufacturing Company turned out some \$87,000 worth of cotton products, in addition to corn and flour to the amount of \$4,000.³² In 1860, the Pearl River Mills, also capitalized at \$100,000 produced cotton and woolen cloth which it sold for approximately \$62,000. In addition to these and several other smaller privately owned textile mills, the publiclyowned enterprise manned by convicts at the state penitentiary, operating from a modern plant at Jackson, produced in 1860 about 300,000 yards of linsey cloth valued at \$80.000.33

The largest manufacturing interest in Mississippi in 1860 was lumbering. Although this type of industry would

30John H. Moore, "Mississippi's Ante-Bellum Textile Industry," <u>The Journal of Mississippi History</u>, XVI (April, 1954), p. 85.

³¹Manuscript returns, Eighth Census of the United States, "Industrial Statistics for Mississippi," MDAH.

32<u>Ibid</u>. 33Ibid.

be of less value to the war effort than, for example, the small foundries, its importance in furnishing timber for the construction of small armed vessels is apparent. By 1860, the lumbering industry employed some 1,425 persons, working in 228 plants and produced annually about \$2,000,000 worth of timber products.³⁴

Next in importance to the lumbering industries were those concerned with grain milling. In 1860, these types of operations, usually operated on a small individual scale, collectively produced about \$1,327,064 worth of flour and meal. These types of mills proved especially important during the war in preparing the grain for use in baking.³⁵

Following these larger industrial efforts came a host of smaller establishments, concerned with blacksmithing, carriage and wagon making, tanning, manufacture of farm implements and other types of machinery, and boot and shoe making, to name only a few. The census of 1860 innumerated approximately thirty-six distinct commercial occupations, but for the most part they represented very small, usually individual operations.³⁶ Obviously these "manufacturers," engaged as they were in such occupations as cigar making,

³⁴Eighth Census of the United States, III (Washington, 1865), p. 294.

35_{Ibid}.

36_{Manuscript} returns, Eighth Census, MDAH. Some of the Mississippi manufacturing concerns employed slave labor in their operations. For a discussion of the use of slaves in ante-bellum Southern industry see Robert S. Starobin, <u>In</u>dustrial Slavery in the Old South (New York, 1970). stone cutting, book selling, lime burning, and the like would have little effect on the total war effort.

In 1860, despite these beginnings in industriallyoriented occupations, Mississippi still ranked lowest in the Union, except for Florida, in the total value of its annual industrial produce. 37 But the trend was definitely toward more capital investment in manufacturing pursuits, for between 1850 and 1860, the number of industrial establishments in Mississippi rose from 877 to 976, with an increase in capital investment from \$1,833,420 to \$4,381,492.³⁸ As a further indication of this steady if slow growth, the number of people in Mississippi employed in manufacturing pursuits rose from 3,173 in 1850 to 4,775 in 1860, while the value of raw material used in manufacturing processes increased from \$1,290,271 to \$3,146,636.³⁹ Perhaps the rise in the value of products manufactured is most instructive, for it indicates that not only was the volume of industrial output increasing, but at the same time it evidently became more sophisticated, for the value of this output increased from \$2,972,038 in 1850 to \$6,590,687 in 1860.40

By themselves, these figures might appear to reflect

37 _{U.S.Eighth}	<u>Census</u> , III, <u>p</u> .	729.
38 _{Ibid} ., II, pr	o. 729-730.	
39 _{Ibid} .	· ·	
40 _{Ibid} .		

only a normal rate of growth for a decade, but another factor must be considered which demonstrates that Mississippians were increasingly turning to industry deliberately, and not because the profits to be made in agriculture were declin-In fact, in the decade from 1850 to 1860, the exact ing. opposite happened. Cotton prices rose continually, with only temporary setbacks due to quickly-overcome depressions.⁴¹ Since, therefore, returns on money invested in agriculture had never been more consistently rewarding, and since Mississippi's social structure rested so pervasively upon slavery, the natural inclination of men with money to invest would appear to dictate that this surplus capital be invested in land and slaves, instead of industry and manufacturing. Obviously, since this was not the case, Mississippians made a conscious effort in the decade preceeding the Civil War to achieve a more balanced economy. Still, the coming of armed conflict put a sudden stop to further industrial expansion. As the Federal armies overran the state, they carried out a policy of systematic destruction which almost completely destroyed the industrial nucleus founded by prewar Mississippians. All the large textile mills fell victim to this Federal policy. The mill at the state penitentiary, the Pearl River establishment, and the Edward McGehee plant

⁴¹John H. Moore, "Economic Conditions in Mississippi on the Eve of the Civil War," The Journal of Mississippi History, XXII (July, 1960), pp. 167-169.

were all destroyed in 1863, and the Mississippi Manufacturing Company the following year. 42

As industry slowly developed in Mississippi, and more lands not contiguous to the Mississippi River were cleared and planted, the need for permanent, reliable transportation facilities increased. Responding to this need, and goaded by an increasingly "fanatical" North, men of wealth in Mississippi turned to the investment of considerable capital in railroads, both as a way to tap the expanding interior markets and at the same time to prevent Northern capital from coming South to finance--and control--the transportation services.⁴³

The successful efforts to construct a railroad system become evident upon comparing statistics at the beginning of the decade of the 1850's, and the situation ten years later. Miles of operable railroad in 1850 totaled 75; in 1860 it had increased to $862\frac{1}{2}$. The cost of railroad property value exceeded \$24,458,000 in 1860. When the war commenced, eight railroads operated in Mississippi, five of them owned by Mississippi-based companies. The railroad companies controlled by Mississippians were the Grand Gulf and Port Gibson; the West Feliciana; the Alabama and Mississippi,

⁴²Biographical and Historical Memoirs of Mississippi, I (Chicago, 1891), p. 1193; <u>Ibid.</u>, II, pp. 202-203; Moore, "Mississippi's Ante-Bellum Textile Industry," pp. 93, 96-99.

⁴³Moore, "Economic Conditions in Mississippi on the Eve of the Civil War," pp. 174-176.

sometimes referred to as the Southern; the New Orleans, Jackson, and Great Northern; and the Mississippi Central. Adding significantly to these local railroad companies were the Mobile and Ohio, which traversed the length of the eastern part of the state; the Memphis and Charleston, which ran across the northern part of the state in an east-west direction; and the Memphis and Tennessee, which connected Holly Springs and Canton in Mississippi.⁴⁴

Although still in the developmental stage in 1860, the new railroads proved a boon to Mississippi's farmers, who formerly depended either on plodding wagon or river transportation to move their cotton to market. The railroads greatly aided those few towns, notably Vicksburg, which accepted and utilized them in combination with the river to build a strong commercial business with major Southern port cities, like Memphis and New Orleans. During the war these railroads, which could have facilitated the transportation of goods and people, thereby relieving much of the starvation which plagued the state, instead became political pawns, utilized more for the movement of troops and speculator's plunder than for alleviating civilian distress. Still, their presence did contribute significantly to the overall war effort in Mississippi, and in many instances, operated to the

44James C. Ballagh, (ed.), <u>Southern Economic History</u>, Vol. V of <u>The South in the Building of the Nation</u> (Richmond, 1909), pp. <u>362-363</u>.

relief of civilian distress.45

Despite encouraging advances in manufacturing and internal improvements in ante-bellum Mississippi, the average farmer in 1860 evidenced at most a passing concern in these Politically, socially, and economically Missisprograms. sippi still depended predominantly on agricultural pursuits. Because of the constantly increasing demand for more cotton at higher prices, slavery was more firmly entrenched than ever, as indicated by the increase in their number from 309,878 in 1850 to 436,631 ten years later.⁴⁶ Correspondingly, more Mississippians joined the ranks of that most esteemed class, composed of those who held human chattels. In 1850, 23,116 Mississippians held slaves, while ten years later the number had risen to 30,943.47 The trend in agriculture appeared definitely moving toward larger, consolidated farm holdings, for there existed only a nominal increase in the total number of farmers in this ten year period--from 44,833 to 46,308--while an actual decrease occurred in the number of "planters," or large farmers. This latter group experienced a loss in its ranks from a high

⁴⁶Department of Commerce, Bureau of the Census, <u>Negro</u> Population, 1790-1915 (Washington, 1918), p. 57.

⁴⁷Seventh Census of the United States (Washington, 1853), p. 447; Eighth Census, II, pp. 232, 247-248.

⁴⁵Voluminous correspondence directed to both Governors Pettus and Clark attest to the frequency of disputes which arose between railroad, military, and civilian factions throughout the war. See Governor's Correspondence, Ser. E, Vols. 51-68, MDAH.

water mark of 5,343 in 1850, to 3,098 in 1860.⁴⁸ It would be erroneous, however, to view this as indicating a decline in the desire of smaller farmers to achieve the elite station occupied by the largest plantation owners; rather, this decrease resulted from such factors as improved farm equipment and cotton ginning processes, which made larger holdings more profitable. Also, financial reverses following the panic of 1837 caused many planters to lose their holdings, thereby eliminating them from the large planter class. As successful competition with these huge operations became more difficult, a number of smaller operations consolidated, thereby increasing their combined output, while at the same time reducing operational expenses.

Nothing short of a pervasive commitment to King Cotton could have allowed Mississippi to rank first among the states in the production of cotton in 1860. In that year, 1, 202,507 bales produced on Mississippi's soil found their way into the world market.⁴⁹ Despite the dominance of cotton, some people had the foresight to realize that a one-crop economy, while it might hold out the possibility of tremendous profits, could by the same token, given adverse conditions, throw the state's economic and financial structure into the depths of serious depression. Many newspaper and magazine editors, possessing the means of disseminating information among a

48<u>Seventh Census</u>, LXXV; <u>Eighth Census</u>, I, p. 273.
49Eighth Census, II, p. 85.

large number of people, frequently took the opportunity to play the "devil's advocate" and argued for a more balanced and diversified approach to the existing lopsided economy. A writer in the influential Vicksburg Whig recognized the potentially dangerous situation which had developed in Mississippi and the South when he asserted in 1860 that "the people of the South have permitted the Yankees to monopolize the carrying trade," as well as "yielded to them the manufacturing business, in all its departments without an effort, until recently, to become manufacturers ourselves." Hoping to demonstrate the completeness with which the Northerners had captured all commercial interests, the disgruntled Mississippian continued, "We have acquiesced in the claims of the North to do all the importing, and most of the exporting business, for the whole nation." Recognizing the implications this failure to diversify held for the South, and Mississippi particularly, he concluded, "Thus the North has been aggrandised, in a most astonishing degree, at the expense of the South."⁵⁰ James D. B. DeBow, editor of De Bow's Review, the mostly widely-read commercial and economic organ in the ante-bellum South, fought a continuing battle to persuade Southern farmers that not only must they expand their commercial interests to take in activities other than agricultural, but he warned specifically against the continuance of almost complete dependence upon a single crop. DeBow

⁵⁰Vicksburg (Mississippi) <u>Whig</u>, January 18, 1860.

urged the farmers to continue to raise cotton, but to also begin to plant corn and other cereal crops. He recognized that it would be foolish to abandon the growing of cotton altogether, but neither he asserted, "will it pay very well to raise cotton at ten cents per pound, and buy corn at a dollar and a quarter a bushel, and bacon at 10 to 12 cents per pound."⁵¹

But in Mississippi, blessed with the most favorable climate and the best soils in America for the production of cotton, that staple in 1860 remained king, and so long as huge profits could be derived from its cultivation, its reign appeared secure. This monolithic concentration on cultivating cotton provided a tremendous boost to the economy of Mississippi in the ante-bellum period, but when this fluffy club was looked to to win the war as well, it proved tragically ineffective.

Mississippi in 1860 possessed the beginnings of an industrial and manufacturing system. Transportation, long a major problem, showed promising signs of growth, especially in the decade of the fifties. Cotton retained its throne in 1860, but diversification showed promise of becoming a reality. Thus, lopsided as it surely was, Mississippi's economy in the years just prior to the outbreak of the Civil War had never been so prosperous, with every sign pointing to continued flush times. But incredibly, behind all this econ-

⁵¹De Bow's Review, XXVIII (1860), p. 473.

omic complexity lay--nothing. Banking and finance, with its attendent circulating medium simply, for all practical purposes, did not exist in Mississippi in 1860. On the contrary, Mississippi's expeditions into the jungle of finance Since all efforts to had invariably terminated in disaster. construct some sort of feasible financial system resulted in dismal failure, Mississippi by 1860 had simply decided to get along without one. If this appears impossible in modern times, the answer of course is that it would be. But conditions in ante-bellum Mississippi do not even vaguely parallel current financial complexities, and in the period just previous to the war, Mississippi could and did suffice reasonably well with little attempt to again create its own financial and banking system. Instead, agrarian Mississippi managed simply by relying on a time-honored system of barter and loans obtained in the spring using the expected fall harvest as collateral. Merchants, if they wished to remain in business, catered to this system, freely loaning planters and farmers alike necessary items with which to survive until gathering time in the fall. At that time, the crop would be given to the merchant or factor, who, having deducted the amount owed him for supplies advanced, disposed of the remainder to the best advantage, returning the excess to the producer.52

This simple procedure served the needs of the large and

52_{Walker}, Vicksburg, pp. 20-21.

small planters, as well as the yeoman farmers. The merchant received good prices for his supplies, and by loaning necessary items to the agriculturalists, assured himself of their considerable trade. The slaves' modest requirements were of course supplied by the planter. A self-sufficient farmer had little need for goods other than those he could produce, and the poor whites could not have afforded most items offered in the mercantile houses, even if they had experienced sufficient motivation to walk or ride their mules to town to see the goods.

On the surface this system, based on barter and credit, appeared adequate to the needs of all classes of Mississippians. As a matter of fact, it was adequate--as long as other states furnished Mississippi with a circulating medium to fill what little need the latter had for that sort of thing. The existing system served admirably with cotton prices climbing steadily, and the depressions which regularly gripped the remainder of the nation mostly overlooking the cotton-producing South. To sit smugly by while sister-states grappled with the problems of inflation and contraction of their currencies, worried with counterfeiters, and prosecuted absconding bank presidents--this was truly reaping the benefits while leaving others to suffer the problems. But let that peace be broken, and woe to the state which operated on the premise that the best policy consisted of no policy at all. To create out of nothing a reasonably satisfactory financial

policy in the crisis conditions produced by the outbreak of the war would have taxed the skill of experts; unfortunately none resided in Mississippi in 1860.

Mississippians unquestionably enjoyed a much more favorable and balanced economic position in 1860 than had been the case ten years earlier. With their agricultural experimentation paying off in increased yields, a reasonably adequate railroad system in operation, and a sound beginning accomplished in introducing industry to Mississippi, the state appeared to one of its leading citizens, Reuben Davis, to be "basking in God's benediction."⁵³ Still all was not well in the South and in Mississippi for people in those sections believed they saw in the threats of Northern abolitionists to not only exclude slavery from the territories but eradicate it in the Southern states as well a potential issue which could lead to serious consequences for national unity.

Mississippi on the eve of the Civil War represented a prosperous, if deeply troubled society. The South's loss of national power, threatened since 1830 and realized in 1860, created intense uncertainty over the immediate future of the American republican experiment. The unwillingness to compromise sectional needs in relation to such basic economic issues as the tariff, a national banking system, and internal improvements moved the nation closer to conflict. Abolition-

53Davis, Recollections, p. 374.

ist rhetoric, countered by equally irresponsible diatribes of the Southern fireaters left little ground for reconciliation. Finally, the moderate conservative leaders, whose calm leadership in times of crisis had formerly proven sufficient to smooth the troubled waters, had either died or been rejected in favor of men given more to violent reaction than to reasonable policy planning.

And so the war came to Mississippi and the South. Mississippians, driven to desperation by decades of abolitionist goading, generally welcomed the relief that actual battle would bring. What most martial-minded Southerners did not realize, however, was that sound economic policies, coupled with shrewd diplomatic maneuvering would prove far more important than military encounters in deciding the ultimate victor. Violent rhetoric, as effective as it proved in stirring the hot blood of young Southerners, contained nothing which would contribute to that section's building a sound financial system sufficient to meet the exigencies of sustained warfare. And in this area especially, Mississippi faced an extremely difficult situation, both as a result of its financially irresponsible past actions, and its total lack of any domestic financial system as war broke over the land in 1861.

CHAPTER II

A FINANCIAL AND SOCIAL BACKGROUND TO MISSISSIPPI WARTIME FINANCE

From the time white settlers first occupied lands along the Mississippi River in the latter decades of the eighteenth century, Mississippi's wealth consisted largely of cotton. Since baled cotton presented difficulties if used directly in commercial transactions, some substitute had to be found to serve as an acceptable exchange medium. Out of this need, the practice of using gin receipts, which showed how many bales of a certain grade of cotton an individual possessed, became common in the old Southwest. Still, for the comprehensive transactions required by society as a whole, this type of medium proved unsatisfactory, and as a result, the Bank of Mississippi was chartered in 1809. When Mississippi became the seventeenth state to enter the Union in 1817, still more sophisticated financial arrangements were made with the old bank being converted into an official organ To encourage this young financial institution, of the state. as well as to protect its own investment, the state of Mississippi granted to the bank exclusive banking privileges, which were to continue until 1840.¹

¹Mississippi Senate Journal (1817), pp. 1-29, 100-101;

The reorganized bank, headquartered in Natchez and authorized to operate several branches in other commercial centers within the state, increased its stock to 3,000,000twenty-five per cent of which was subscribed by the state. The state treasury was in such a destitute condition, however, that it had to borrow the money to purchase a portion of the stock allowed it by law, and it was not until 1821 that sufficient funds accumulated to increase its stock holdings in the bank to $339,200.^2$

Almost from the beginning, a continuing battle raged in Mississippi over whether or not the state should officially involve its faith and credit with private banking enter-This very problem, and the subsequent activities prises. surrounding shifting attitudes toward this relationship, created a situation in Mississippi which plagued its every attempt to establish a feasible financial system. In 1820, Governor George Poindexter came to the conclusion that granting the bank exclusive privilege to operate in the state was not only unwise, but unconstitutional. Although his reasons for attacking the Bank of the State of Mississippi, as it was now described, seemed personal in nature, he did receive extensive support from rural districts. These outlying areas, jealous of the domination of the river towns in

Robert C. Weemes, Jr., "Mississippi's First Banking System," the Journal of Mississippi History, XXIX (November, 1967), p. 397.

²Mississippi <u>Code</u> (1824), pp. 469-470; John K. Bettersworth, <u>Mississippi: A History</u> (Austin, 1959), p. 201.

general, and Natchez in particular, demanded greater flexibility in obtaining loans--a requirement the conservative directors of the bank appeared unwilling to grant.³

Failure to establish branches in the backwoods sections of the state as it had promised, coupled with increasing pressures for more credit to buy up the recently-acquired Indian lands, led to the downfall of the Bank of the State of Mississippi. In 1830, some forty per cent of the state's population lived in the rural districts away from the river, and these people, combined with others from the western counties who for one reason or another disliked the conservative stance the bank maintained, cooperated in the state legislature to charter a new bank. Thus, despite the state's guarantee of exclusive banking privileges granted to the original bank, the Planter's Bank was established as a rival institution.⁴

Even more than had been the case with the Bank of the State of Mississippi, the Planter's Bank constituted practically an arm of the state government, as two-thirds of its capital would be subscribed by the state. To avoid problems which arose due to the conservative and arbitrary policies of the old bank, this new institution was required to divide

³Weemes, "Mississippi's First Banking System," pp. 396-399, 408; J. T. Brown, <u>A Story of Banking in Mississippi</u> (New York, 1961), p. 11.

⁴Bettersworth, <u>Mississippi: A History</u>, pp. 201-203; Brcwn, A Story of Banking in Mississippi, p. 11.

the quantity of its mortgage loans equally among the senatorial districts.⁵ As its name implied, a chief motivation behind the establishment of this bank lay in the desire to provide relatively easy credit to the rapidly-expanding agricultural community.

Thus in 1830, Mississippi possessed one conservative bank and one unconstitutional bank, for which the faith and credit of the state remained pledged to a considerable extent. Meanwhile, the treasury being practically empty, the state had to cast about for a means of financing its stock pledges. Finally, after two unsuccessful years, Mississippi negotiated a high-interest loan in New York, allowing the Planter's Bank to actually open its doors.⁶

At that point, the complex financial structure erected by Mississippi desperately needed a respite to strengthen its foundation, but instead outside factors intruded to further complicate matters. In 1831, the Bank of the United States established a branch at Natchez, thereby opening yet another source of credit to land-hungry speculators who descended on the hapless state in hoards as the Chickasaw and Choctaw Indians left the state for the Indian Territory west of the Mississippi River.⁷

⁵Charles H. Brough, "The History of Banking in Mississippi," <u>Publications of the Mississippi Historical Society</u>, III (1900), pp. 317-340.

⁶Ibid.; J. A. P. Campbell, "Planter's and Union Bank Bonds," <u>Publications of the Mississippi Historical Society</u>, IV (1901), pp. 109-157.

Brown, A Story of Banking in Mississippi, pp. 11-12.

In the meantime, the conservative policies which the directors of the Bank of the State of Mississippi stubbornly continued, combined with the competition of the Planter's and United States Banks, led to the cessation of operations of Mississippi's original banking institution in 1831.⁸ With the collapse of this one conservative restraint on credit practices in the state, Mississippi entered upon a period of wild speculation and speculation which ceased only after irreparable damage placed the state's financial credibility under grave doubt.

What occurred then has been described in inimitable vividness by a young lawyer from Virginia, James G. Baldwin, one of dozens of such men who flocked to Mississippi, drawn by the lure of an unprecedented number of court suits growing out of land disputes:

> Credit was a thing of course. To refuse it--if the thing was ever done--were an insult for which a bowie-knife were not too summary or exemplary a means of redress. The State banks were issuing their bills by the sheet, like a patent steam printing-press its issues; and no other showing was asked of the applicant for the loan than an authentication of his great distress for money. . .

"Commerce was king"--and Rags, Tag and Bobtail his cabinet council. . . . Banks, chartered on a specie basis, did a very flourishing business on the promissory notes of the individual stockholders ingeniously substituted in lieu of cash. They issued ten for one, the one being Fictitious. They generously loaned all the directors could not use themselves, and

⁸William L. Coker, <u>Repudiation and Reaction</u>: <u>Tilghman</u> <u>M. Tucker and the Mississippi Bond Question</u> (New York, 1969), p. 19.

were not choice whether Bardolph was the endorser for Falstaff, or Falstaff borrowed on his own credit, or the funds advanced him by Shallow. The stampede towards the golden temple became general: the delusion prevailed far and wide that this thing was not a burlesque on commerce and finance. Even the directors of the banks began to have their doubts whether the intended swindle was not a failure. Like Lord Clive, when reproached for extortion to the extent of some millions in Bengal, they exclaimed, after the bubble burst, "When they thought of what they had got, and what they might have got, they were astounded at their own moderation."9

Despite Mississippi's inability to subscribe to the full amount its authorized stock in the Planter's Bank, that institution managed to plot a fairly stable financial course, even under such conditions as those described by Baldwin, competition from the United States Bank, and the Agricultural Bank, chartered in 1833. The Planter's and Agricultural Banks each received a tremendous boost when in 1833, as a result of President Andrew Jackson's attack on the Bank of the United States, each received in excess of \$1,000,000 in Federal funds, transferred by Jackson to his "pet" banks.¹⁰

Chaotic as it had previously been, banking in Mississippi became even more irresponsible when the branch of the United States Bank ceased operation in Natchez in 1835. This action precipitated an immediate crisis, as its demise seriously curtailed credit availability in Mississippi just as

9James G. Baldwin, The Flush Times of Alabama and Mississippi: A Series of Sketches (San Francisco, 1895), pp. 83, 87.

¹⁰Brough, The History of Banking in Mississippi, p. 232.

that frontier state was experiencing its biggest boom as a result of the opening of former Indian lands for white settlement. Reacting to this situation, Governor Hiram G. Runnels advised the legislature in 1835 that creation of a "land" bank would alleviate the shortage of immediate credit, as such a bank could loan money to planters and farmers, who would secure their loans with their land.¹¹ This proved tremendously appealing, because people could now borrow money to buy land, using the land in turn as collateral. Consequently, if for some reason the purchaser was unable to meet the payments on the land he simply lost it to the bank, and since he had nothing to begin with, he lost nothing.

A bill creating a bank organized along the lines suggested by Runnels passed the house, but failed in the senate. This plan did not lie abandoned for long, but quickly revived when the Planter's Bank exhibited definite signs of financial responsibility, which it did in 1835 when it declared a dividend of 10 per cent.¹²

But the speculative wave rose higher, drowning conservative opposition, and in 1837 the legislature chartered the Union Bank, based on Runnel's principles proposed some two years earlier.¹³ As with the Planter's Bank, the state

¹¹Mississippi Senate Journal (1835), p. 21.

¹²Brough, <u>The History of Banking in Mississippi</u>, pp. 323-324.

¹³Mississippi Laws (1824-1838), pp. 766-784.

of Mississippi pledged its faith and credit to secure a great portion of the stock of the Union Bank, but unlike its earlier experience, found little difficulty in marketing its bonds to secure these stock pledges. In 1838, no less a personage than Nicholas Biddle, former President of the Second Bank of the United States, consented to purchase the entire \$5,000,000 in bonds offered for sale by Mississippi.¹⁴ Biddle even shipped large amounts of gold bullion to Mississippi to pay for his bond purchases, and for a time it seemed that nothing could hamper continued prosperity. But the flush of affluence faded quickly from Mississippi's financial structure, when the seeds of fiscal irresponsibility, sown as early as 1818, began to achieve fruition in the fertile soil of utterly false speculative prices in land.

Even had America continued prosperous economically, it is doubtful whether Mississippi's muddled, conflicting, unconstitutional financial structure could have remained solvent. But that chance for survival by revision never came, for in 1837 the most devastating panic ever to grip the United States cast a gloom over the land which continued, except for brief periods, for several years. Mississippi's bloated economy, based upon unrealistic land values and carried on a high tide of practically worthless currency, began to topple and then collapsed altogether. Society, as one

¹⁴Reginald C. McGrane, Foreign Bondholders and American <u>State Debts</u> (New York, 1935), pp. 196-197.

observer pointed out, "cannot always stand on its head with its heels in the air," and when the crash finally came, it seemed as it the "ribs of nature broke."¹⁵ Men formerly worth a million dollars were insolvent for two millions. Since everyone in a community had endorsed his neighbor's note, in return for his own being secured in like manner, Mississippi went broke by neighborhoods. Forced land sales kept the sheriffs busy condemning and selling property by the thousands of acres. Faced by utter financial ruin, many families took the easy way out and gathering what possessions could be quickly and quietly collected, set out for Texas and a new life, leaving the hapless state government to salvage what it could from the financial disaster.¹⁶

Gathering enough courage to attempt a minimum of control over fiscal policy of the banks still operating in the state, the Mississippi legislature provided in 1837 for state commissioners to visit the various banks, checking on their financial arrangements. Some of these banks, notably the Planter's Bank and the Agricultural Bank, refused to allow the commissioners to inspect their books, but themselves fully revealed their true condition by suspending specie payments in May, 1837.¹⁷

15_{Baldwin}, Flush Times, p. 89.

¹⁶J. A. Orr, "A Trip from Houston to Jackson, Mississippi, in 1845," <u>Publications of the Mississippi Historical So-</u> ciety, IX (1906), pp. 174-180.

¹⁷Bettersworth, Mississippi: A History, p. 210.

Just as panic conditions descended on the country, Mississippi's interest payments on the loans obtained to pay for the state's portion of stock in the Planter's and Union Banks began to fall due. Having no means to meet these payments, Mississippi's leaders searched for ways to avoid their promise by pointing to technical flaws in the laws chartering the banks, or laws passed subsequently which in any way altered the original charter. As a stopgap measure, Governor Alexander G. McNutt in 1840 accused several Mississippi banks of having amassed huge profits in the midst of panic conditions, and as a consequence, demanded the surrender of their charters. The Union Bank, sponsored in large part it must be remembered by the faith and credit of the state of Mississippi, was among McNutt's victims.¹⁸

At this critical juncture, a general election in Mississippi resulted in bringing the entire banking question before the voters. Many people favored urging the state to utilize existing technical violations in the charters of some banks, notably the Union Bank, and thereby squirm out of meeting their sworn obligations. Tilghman M. Tucker, a lawyer and stickler for constitutional integrity, ran for the office of governor on the pledge that if elected, he would repudiate the state's promise to support the Union Bank's stock. David O. Shattuck, a Methodist minister, vigorously opposed Tucker, believing that the future credit

¹⁸Mississippi Senate <u>Journal</u> (1841), pp. 16-22.

of the young state depended upon the immediate funding of its obligations, regardless of the financial hardship in doing so.¹⁹

The ensuing campaign was fought over the single issue of repudiation, and when Tucker won handily, the will of a majority of Mississippians clearly favored disavowing the state's obligation in the matter of paying the indebtedness due on account of the Union Bank. True to his campaign promise, Tucker sponsored legislation designed to eliminate completely the state's obligation to honor its pledge. After a minimum of debate the legislature passed such a bill, based upon the assertion that a supplementary law which substantially altered the Union Bank's original charter had not been affirmed by two consecutive legislatures, as required by law. This failure, it was asserted, negated any responsibility the state might otherwise have in fulfilling its plighted "faith and credit" on behalf of the Union Bank.²⁰

As simply as that Mississippi relieved itself of any burdensome duty to uphold the state's credit--and as simply as that Mississippi's credit suffered irreparable damage. Repeated appeals to Mississippi's honor and pride, if not constitutional obligation to meet payments on capital borrowed to purchase stock in the Union Bank fell on deaf ears.

¹⁹Coker, <u>Repudiation and Reaction</u>, pp. 17-39.

²⁰Report of the Select Committee on the Union Bank Bonds, to the Mississippi Legislature (Jackson, 1842), pp. 1-19.

In time, the Planter's Bank became linked in the public mind with the debacle of the Union Bank, and not to miss such a golden opportunity, the state for good measure repudiated its responsibility in the case of the bonds issued on behalf of the former as well.

Despite these decisive state actions, the issue of ultimate payment of the repudiated bonds cropped up with increasing regularity, eventually reaching the state supreme court which in 1853 ruled in favor of payment.²¹ At that juncture, a referendum was called, and the state's electorate again upheld repudiation. For all practical purposes insofar as the state of Mississippi was concerned, the matter ceased to be debatable. Ultimately, when Mississippi's constitution underwent extensive revision in 1890, a clause was inserted which precluded forever the collection of monies due the holders of the Planter's and Union Bank bonds.²²

Based upon its disastrous excursions into the world of high finance, leaders in Mississippi, from the 1840's until the Civil War, determined to forego the benefits of operating a home-grown financial structure, in order to thereby avoid the responsibilities which attended such a system. Since neighboring states, notably Louisiana and Tennessee,

21John F. Cushman, (comp.), <u>Reports of Cases Argued and</u> Determined in the High Court of Errors and Appeals for the <u>State of Mississippi</u>, XXX (Boston, 1890), p. 681.

²²Journal of the Proceedings of the Constitutional Convention of the State of Mississippi (Jackson, 1890), p. 681.

furnished Mississippians with a sufficient paper money medium for ordinary transactions, the decision to revert to a credit method of finance following the calamity of the 1840's was deliberate. Such a total shirking of economic responsibility portended grave consequences when in 1861 Mississippi, building upon a far more burdensome foundation than none at all, was forced to attempt the instant creation of a workable financial system. Meanwhile, politics, not finance, occupied the thoughts of most Southerners. Further thought about fiscal matters would follow the high political drama about to be played out in a series of secession conventions.

The autumn of 1860 was a time of great decision for Mississippians as they anxiously awaited the outcome of the presidential election. Southerners, believing that most abolitionists supported Abraham Lincoln and that the latter would be certain to do their diabolical bidding if elected, determined to leave the Union if the new Republican party proved victorious.²³ When the results of the election confirmed their worst fears, Mississippians demanded that Governor John J. Pettus call a special meeting of the state legislature to discuss a plan of action. Pettus, "a disunion man of the most unmitigated order," hastily summoned the legislature to convene in Jackson.²⁴

Fired up by the sure knowledge that most Mississippians

²³Reuben Davis, <u>Recollections</u>, pp. 384-386.
²⁴<u>Ibid</u>., p. 378.

were willing at last to follow the course he had advocated for years, Pettus presented a succinct, closely-argued message, in which he called upon the people of his state to consider "the most solemn question that ever engaged the attention of any Legislative body on this Continent." Petus, speaking of slavery, referred to it as a problem "involving more human happiness or human misery than any political question of the age in which we live." Carried away by the opportunity to at last address a group who in large part agreed with his dis-unionist sentiments, Pettus assured his eager listeners that "upon the solution of the slavery problem hangs the destiny, for weal or woe, not only of this generation and this age, but of all generations which come after us, for an indefinite term of centuries, the end of which no prophet can foretell." Pettus affirmed his belief that the "existence or abolition of African slavery in the Southern States is now up for final settlement," and "that all the power the Southern States now have . . . is to choose whether it shall be a peaceable and gradual abolition, or speedy and violent."25

Believing it his duty to place the state in a position of readiness should the North determine to make a fight of it, Pettus urged all Mississippians to "go down into Egypt while Herod rules in Judea," as that appeared the "only means of saving the life of this Emanuel of American poli-

²⁵Mississippi Senate <u>Journal</u> (November, 1860), pp. 5-6.

tics."²⁶ Having thus enunciated his own feelings, Pettus presented his plan for meeting the exigencies he fully anticipated. He recommended that the legislature appoint commissioners to visit the other Southern states, appraising them of Mississippi's action, and urging joint cooperative effort. Pettus also requested the legislature to appropriate money to pay the expenses of volunteer companies which he intended to call, and urged the drawing up of a coat of In view of "the probable great derangement of monetary arms. and commercial relations of the country, and to prevent ruinous sacrifices of property of the people," he entreated the special session of the legislature to pass a law "staying the bringing of suits and the collection of debts by execution sales." Finally, Pettus urged the legislature to call an election for the purpose of selecting delegates to a special convention, to meet early in 1861. Avoiding the use of the word "secession," Pettus described the purpose of the proposed convention as allowing the state the "right to decide for itself the mode and measures of redress, for all violations of the rights of her citizens, or the rights of the State, either by the Northern States, the people of the Northern States, or the Federal Government."27 There remained no doubt concerning what "means of redress" Pettus favored, and it appeared in November, 1860, that a majority

²⁶Ibid., p. 11. ²⁷Ibid., pp. 7, 11.

of Mississippians agreed with his proposed course of action.

Judging from his recommendations, Pettus devoted precious little thought to re-creating a financial system for Mississippi--an essential prerequisite for effective operation of the independent status which Pettus and a majority of the legislature clearly contemplated in late November, 1860. The Governor proposed the raising of revenue to pay for volunteer companies, but stopped short of suggesting from what source the money should come. He fully understood that Mississippi's wealth lay chiefly in land and slaves. He already claimed the loyalty of most middle-class Mississippians so his main concern appeared to lie in convincing the conservative planters that their best hope for maintaining their slaveocracy rested in supporting him and the secessionist cause. Pettus' one concession to the small land owners was the recommendation of the passage of a "stay law," which although the lower economic classes were loudest in demanding, would benefit the planters equally if a war should cut off their sources of Northern credit. This "program" proposed by Pettus in 1860 foreshadowed 'the course he continued to take when secession became a reality in January, 1861. Until his retirement as Governor in 1863, Pettus stubbornly refused to base his financial program upon the needs and abilities of those classes upon whom the great burden of war fell--the small planters, yeoman farmers, and to a lesser extent, the poor whites. This failure led di-

rectly to widespread demoralization of a large portion of Mississippians early in the war, which in turn effectively prevented the success of any of the state's military, economic, and social programs.

But problems of taxation, starvation, and deprivation had not loomed on the horizon to darken the scene when the so-called secession convention met in January, 1861 in response to an election the previous December. This drama marked the disunionists' finest hour; the yoke of tyranny would be thrown off with a gradiose flourish, and the state would assume an independent status. To a significant number of others, however, secession portended an ominous and uncertain future. Even in this final drama of secession so long worked for by Mississippi fireaters, a portion of the populace stubbornly favored a more conservative, cautious course. The road chosen now depended on the action of a distinguished group of one hundred delegates who assembled in Jackson, the state capital, on January 7, 1861.

Even though it might appear that hotheaded secessionists ruled the day in Mississippi in 1861, an examination of the membership of the convention discloses this to be by no means the case. Instead, the members to that convention represented rather accurately the deeply divided feelings of Mississippians over the proper course of action to pursue. Whatever the outcome, it could not be said that the delegates totally lacked deliberative experience. Thirty-one

of the hundred men had previously served in the Mississippi legislature, while five were former members of the United States Congress.²⁸

The members of the convention responded to a request to record some information about themselves, which yielded an interesting profile of the makeup of the delegation. Politically, twenty of the one hundred men listed themselves as "Democrats," and twelve identified themselves as "Whigs." Beyond this, members chose either to list no political affiliation at all, or make up a name both indicative of their dissatisfaction with being identified with political parties including Northern membership, and showed their intense identification with "Southernism." For example, four members called themselves "States Rights Democrats," eight "Southern Rights Democrats," and seven simply "Secession Democrats." Those who wished to maintain some identification with the old line Whig party used a variety of labels. Besides the twelve who claimed to be simply "Whigs," three said they were "Old Line Whigs," three "Secession Whigs," two "Secession Old Line Whigs," one "States Rights Whig," one "Clay Whig," and one "Old Whig."²⁹

A number of others ignored the traditional "Democrat" and "Whig" appellations altogether and adopted instead a

²⁸Ralph A. Wooster, "The Membership of the Mississippi Secession Convention of 1861," the Journal of Mississippi History, XVI (October, 1954), p. 242.

²⁹Journal of the State Convention (January, 1861), Appendix.

variety of manes which above all dramatized their "Southernness." Ten simply listed themselves as "Southern," five as "Secessionist," five as "Southern Rights," four as "A Mississippian," three as "State Rights," and one each as "Independent Southern," "Disunionist <u>per se</u>," "Inflexible State Rights," "Independent," and "Extremely and Intensely Southern." In addition to these vividly descriptive shades of political opinion, five listed no such affiliation at all, while one said his creed was "Opposed to Universal Suffrage." Without a doubt, members to the secession convention represented a wide spectrum of political opinions.³⁰

Occupationally, agriculture claimed the greatest number of delegates, with forty-two listing their vocation as either farmer or planter. The next most numerous group consisted of lawyers, of whom there were thirty-three present, and six said they were physicians. A variety of other occupations rounded out the membership, including clerks, law officers, and saddlers.³¹

Economically most of the members definitely fell into the middle to upper income group. Again, however, the extremes were present, represented by J. W. Wood of Attala who claimed to possess only \$100 in real property, while W. L. Keirn of Holmes County set his real property holdings at \$520,000. Of the ninety-four delegates whose real prop-

 30_{Ibid} . 31_{Ibid} .

erty holdings were found in the 1860 census returns, the average for each delegate was \$38,139.76. In personal property, the average came to $$50,801.66.^{32}$

Since the main question to be decided, as outlined by Pettus in November, 1860, revolved around the "protection" to be given the institution of slavery, it is instructive to determine where the delegates stood in their personal relation to that institution. Ninety-seven of the delegate's census records for 1860 can be located in the returns, and that record shows that of these men, eighty-five held slaves. Of these eighty-five, slave holdings ranged from the two of S. H. Terrell, to the two hundred ninety-three held by Henry Vaughn. By far the largest group of delegates, twenty-four, held from one to two slaves, while seventeen others held at least ten, but less than twenty. Consequently, fifty-three to fifty-six delegates held less that twenty slaves in 1860, placing them, according to one historian of Southern slavery, in the category of "small planters."³³ The total delegation to the secession convention, excluding the three for whom no returns can be located in the 1860 census, held an aggregate of 3,356 slaves, or an average of slightly over 34 slaves $each.^{34}$

 32_{Ralph} A. Wooster, The Secession Conventions of the South (Princeton, 1962), pp. 31-32.

³³U. B. Phillips, Life and Labor in the Old South (Boston, 1929), p. 339; Wooster, "Membership of the Mississippi Secession Convention of 1861," p. 248.

 34 Wooster, The Secession Conventions of the South, pp. 34-35.

Insofar as their agricultural interests were concerned, fifty-one of the delegates grew some cotton in 1859, with individual amounts ranging from five to two thousand bales. In the production of corn, the total amount produced by the delegates totaled 181,435 bushels, demonstrating that agricultural diversification had begun to make some headway in Mississippi. The largest producer of both corn and cotton among the delegates was Miles H. McGehee, who produced in 1859 some 25,000 bushels of corn. Apparently McGehee did not import all his grain from Northern and Western sources, as many of the largest cotton planters in the ante-bellum South did.³⁵

From this brief analysis, certain generalizations regarding the membership of the Mississippi secession convention emerge. Perhaps most important to note is that the group was composed mostly of young, small planters and lawyer-planters, with a marked proclivity toward secession. Further, a typical delegate held slaves, but not more than twenty, and was relatively successful economically, having in excess of \$47,000 in real and personal property. The political stake of the average delegate to the Mississippi secession convention lay, consequently, in the future; for while he was already established in the middle to upper social class, he had not yet arrived at the apex of social status achieved by the largest planters. Thus, protection

³⁵Manuscript returns, Schedule No. 4, "Productions of Agriculture," Eighth Census of the United States, MDAH.

of the social order, based on slavery, represented the major concern of most delegates to the convention. As events demonstrated, the average delegate believed political separation held out the most promise as the surest means of guaranteeing the continuance of the prevailing social order.

The heated debates which marked the secret sessions of the convention did not revolve around whether slavery should be protected--all agreed on that as the prime consideration--but rather on the most effective method of achieving this objective. Every other question was directly related to the central one of the protection of slavery. The debates over the means to use in achieving the common goal, however, produced heated passions which clearly demonstrated the deep divisions among Mississippians over the question of secession. With reference to this problem, four major positions emerged at the convention which, because they represented serious splits existing prior to the convention and throughout the Civil War period, deserve some consideration here.

Certainly, most conspicuous at the convention were uncompromising disunionists, led mainly by C. D. Fontain of Pontotoc. Next, there were those known to be moderate secessionists, so classified because of their desire to make final action on secession dependent upon the action of other Southern states. Outstanding in the leadership of this class stood Wiley P. Harris, L. Q. C. Lamar, D. C. Glen, and in fact a majority of the delegates. Third were the

co-operationists, who coalesced around the idea that the Lincoln administration should be given a fair chance to prove its desire to protect slavery in the states where it This group favored remaining in the Union. already existed. at least until conditions became noticeably worse, and fighting for state rights and slavery from behind the shield of the Constitution. Most of the large planters, such as Miles and Edward McGehee and A. K. Farrar, as well as such eminent lawyers as T. A. Marshall and Walker Brooke formed the vanguard for the co-operationists at the convention. Finally, a significant number of the delegates simply favored remaining in the Union, regardless of the action of the other Southern states. Committed to the idea that secession would only create additional grievances, while doing nothing positive to alleviate sectional differences, this group gathered behind the able leadership of James L. Alcorn and Josiah Winchester.³⁶ The delegations from the northeastern counties, especially Tishomingo and Ittawamba, gave strength to the Unionist position.³⁷

The dichotomous views as to the most effective method to be utilized in the protection of slavery created considerable dissension in the convention which assembled in Jack-

³⁶Percy Lee Rainwater, "An Analysis of the Secession Controversy in Mississippi, 1854-1861," <u>Mississippi Valley</u> Historical Review, XXIV (June, 1937), pp. 35-42.

³⁷Papers of Andrew Johnson, 1859-1860, Vol. III, Library of Congress, Manuscripts Division, Washington, D. C., pp. 607-609.

son on the morning of January 7, 1861. The strength of the secessionist factions became quickly apparent upon the election of W. S. Barry, an able but rather extreme secessionist, as President of the convention.³⁸ Having prepared a series of arguments justifying the resort to secession as a reasonable redress for decades of abolitionist attacks on slavery, the convention moved to preparation of the ordinance itself. To prepare this important document, which would serve as a sort of declaration of independence, a committee was appointed, chaired by L. Q. C. Lamar.³⁹ Serious debate ensued, but inasmuch as committee debates were carried out in secret session, no accurate record of them exists. The objections of the co-operationists and Unionists on the committee drawing up the ordinance being easily overridden by the majority. the ordinance was submitted to the convention itself. Action at that point again demonstrates the depth of divisions which persisted with such obstinance throughout the life of Confederate Mississippi.

The first of three amendments offered to the ordinance as submitted by the Lamar committee was drawn up by J. S. Yerger, and consisted actually of a substitute ordinance. The title of Yerger's alternate ordinance revealed its purpose: "An Ordinance providing for the final settlement and

³⁸Rainwater, <u>Mississippi</u>: <u>Storm Center of Secession</u>, p. 208.

³⁹Ibid.

adjustment of all difficulties between the free and the slave States of the United States, by securing further gurantees within the present Union." Despite lengthy supporting speeches, Yerger's amendment went down to defeat, by a vote of seventy-eight to twenty-one. 40 Actually, this does not indicate the full strength of those opposed to secession, for as James L. Alcorn later recalled, he and others refrained from voting for the Yerger amendment, because they fully realized that secession would not be stemmed at the convention, and they still hoped to force the inevitable secession ordinance to a vote of the people, where they planned a vigorous campaign against it. To have voted for the Yerger amendment, Alcorn believed, would have placed him and other anti-secessionists in such a position with the mass of Mississippi voters as to have made them totally ineffective.41

The second amendment offered to the Lamar ordinance was proposed by Alcorn, and reflected the co-operationist sentiment. Alcorn's proposal provided that the ordinance not become effective until at least the states of Alabama, Florida, Georgia, and Louisiana seceded from the Union. Through this amendment, the opposition hoped to lay the foundation for an appeal to the people for concerted action, while at

40 Journal of the State Convention (January, 1861), p. 9.

41Quoted in Mrs. Justinia Alcorn Swift, "The Life of James L. Alcorn," from a speech made at Friars Point, Mississippi, July 15, 1876, Alcorn Papers, MDAH.

the same time avoiding the possibility of being branded "submissionists" and traitors to the Southern cause. Alcorn's amendment, like Yerger's, failed by a vote of seventy-four to twenty-five.⁴²

The real nub of the opposition forces centered around the third amendment, offered by Walker Brook of Vicksburg. His proposal was that the ordinance of secession not become effective until ratified by the voters in a special election in February, 1861. Having lost their other attempts to alter the Lamar ordinance, the full Unionist strength at the convention combined to urge the passage of this their final One Unionist, J. F. H. Claiborne, stressed that effort. this amendment was specifically designed "to give the people time for deliberation while we stood on the brink of the vast abyss."43 Following more supportive speeches, this last resort of the co-operationists and Unionists failed of passage by a vote of seventy to twenty-nine. This vote, more than that polled on either of the other proposed amendments, indicated the true strength of the opposition membership of the secession convention.44

After the failure of these three amendments, the secessionists appeared unbeatbale, resulting in a steady de-

42 Journal of the State Convention (January, 1861), p. 9.

⁴³John F. H. Claiborne Papers, University of North Carolina, Chapel Hill, North Carolina.

⁴⁴Rainwater, <u>Mississippi</u>: <u>Storm Center of Secession</u>, p. 211; <u>Journal of the Mississippi State Convention</u> (January, 1861), p. 10.

cline of support for the Unionist position. The final vote on passage of the ordinance--eighty-five to fifteen--did not therefore reflect the true division of sentiment at the convention, but instead demonstrated only the intense pressure to which those who equivocated were subjected. Only two men failed to sign the final ordinance on January 15. Dr. J. J. Thorton flatly refused to sign, and stayed away from the convention on the day he knew the signing ceremony was to occur, while John W. Wood, ill during most of the convention, did not attend on January 15, although he later indicated he would not have signed the ordinance had he been present.45 Alcorn, around whom all the forces opposing secession eventually coalesced at the convention, summed up the work of that body when he later wrote that reason was "dethroned; passion ruled the hour and Mississippi was hurled from its seat of prosperous repose and unquestioned power into the embrace of causeless, cruel, and bloody war."46

Alcorn's assessment proved a terrifyingly accurate prediction of Mississippi's immediate future. With the act of formal secession consumated, Mississippi severed all ties with the Federal Union, and became independent for a brief time.

In the interregnum between secession from the United

⁴⁵Rainwater, <u>Mississippi</u>: <u>Storm Center of Secession</u>, pp. 211-212.

⁴⁶Ibid., p. 214.

States and acceptance of the Confederate Constitution, state officials had the opportunity to legislate a financial program. Upon their action rested the hopes of achieving the deisred goal of true political, social, and economic independence. Whatever program they decided upon, it would have to take into account Mississippi's history of fiscal irresponsibility, as well as serious class differences among Mississippi's citizens.

CHAPTER III

LEGISLATIVE FAILURE

With the act of secession consumated, the delegates to the special convention in January, 1861 turned to providing basic legislation for the new republic. The main tasks facing the delegates, and for that matter state officials throughout the war, were maintaining troops in the field, and supplying the wants of the people at home, particularly the destitute families of absent soldiers. To meet these needs, the delegates constituted a committee of ways and means, whose responsibilities included suggesting to the full delegation ways of raising the additional revenue to meet the requirements of both the armed forces and the citizens.

On January 21, the ways and means committee reported an ordinance which provided for the collection of a special state tax of fifty per cent on the existing state tax, to be collected as soon as possible. In addition, the committee recommended the issuance of treasury notes, or "certificates of loan," to supply the wants of any person "desiring to loan money to the State." The committee further recommended that these notes be redeemable over a period of three years, with one-third falling due in 1862, a third the next year,

and the final portion in 1864. Rounding out the note issuing proposal, the committee, acutely aware of Mississippi's extremely poor record of redeeming its bonded indebtedness, recommended that the proposed notes bear interest at ten per cent, thereby making them immensely attractive to prospective purchasers.¹

At that point in the deliberations, differences among the delegates as to the proper objects of taxation arose anew, again reflecting class interests. This question had never been a harmonious one in Mississippi, with the slaveholders opposing any large tax on slaves or land, while the yeoman farmers and non-slaveholding classes insisted that since slaves and land represented the two foundations of the state's economy, it was fairer to tax them than resort to other types of taxation, such as assessments on personal property, other than slaves.

James Z. George, representing the small farmers and planters, rose in the convention and suggested that the ways and means committee be instructed to report a proposal that slaves be taxed one dollar each, rather than the current rate of half that amount. This motion was laid on the table immediately, indicating the strength of the large slaveholders in the convention.² The determination of the latter group to quell attempts to increase the tax rate on

¹Journal of the State Convention (January, 1861), p. 41. ²Ibid., p. 42.

slaves came under even more serious challenge the next day when S. J. Gholson proposed that the tax on "negroes" be raised to one dollar and a quarter. Gholson went even further and proposed a tax on "all money now vested or that may be employed or deposited out of this State belonging to citizens of this State," as well as "all bonds, bills of exchange, or securities for the payment of money due or to become due, in this State." This represented a direct attack on the financial arrangements of many of the largest planters in Mississippi, as a number of them consistently invested in Northern manufacturing and commercial enterprises of all sorts.³ Gholson's proposal, defeated by the narrow margin of thirty-three to forty-five, demonstrated the determination of the non-slaveholders, and some who held a few slaves, to force the large planting interests to bear their fair share of the tax burden.⁴

But those in opposition to the planter's known aim of shifting the major portion of the tax burden off onto the non-slaveholding classes were not put off so easily. George, nonpulsed by his earlier defeat, again rose to propose a drastic change in the existing tax structure. In order to make the state tax on slaves "equal to the State tax on other personality and on land," he asked that the contemplated tax of fifty per cent on the present state tax should

³<u>Ibid</u>., pp. 42-43. ⁴Ibid., p. 43.

not apply to slaves. Instead, George suggested, the legislature should asses "an additional special tax of one dollar and twenty-five cents" on each taxable slave. To make this proposed change somewhat more palatable, an amendment was offered to it which would exempt from taxation slaves over sixty and under ten years of age, and further, that the tax on the remaining slaves "be the same as on taxable land." This latter amendment was quickly discarded, in favor of voting directly on tabling George's amendment to the planter's chagrin, their effort to lay George's amendment aside failed by a vote of forty-seven to thirty-eight.⁵

To counter George's suggestion, the planting interests quickly offered a substitute amendment which provided that the tax on slaves be made equal to twenty cents on every hundred dollars assessed valuation of the slaves. This substitution, allowing a considerably lower tax rate on slaves, passed by the extremely close vote of forty-five to fortythree. The vote then occurred on the George amendment, which failed of passage by a vote of sixty-eight to seventeen.⁶

George seized one final chance to attempt a revision of the slave tax laws. When an amendment was offered which would alter the existing constitution of the state, George quickly interrupted with a proposal that the tax laws be changed to allow a special tax on slaves, this time in the amount of one dollar and twenty cents: Once again, the

⁵<u>Ibid</u>., pp. 64-65. 6Ibid., pp. 66-67.

planters mustered their forces, and defeated this final proposal by a vote of forty-four to thirty-seven.⁷ For the time being, the planters carried the day, although the opposition showed unmistakable signs of intending to continue the battle for more equitable taxation. After decades of unchallenged leadership, the planter-dominated society in Mississippi faced serious opposition.

Having fought over practically every issue to come before the convention, the delegates finally got around to the creation of what constituted Mississippi's initial financial endeavor of the Confederate period. On January 26, following lengthy debate over practically every section of the final bill, the convention passed and the Governor signed "An Ordinance to raise means for the defense of the State."⁸ This piece of legislation, designed more as a stop-gap measure than a comprehensive program, revealed the direction the state intended to take for the duration of the war.

To defray the expenses of the proposals contemplated, the act initially provided for the collection of a "special State tax of fifty per centum on the regular State tax," in addition to a tax "from every inhabitant of this State of threetenths per centum upon all money owned or controlled . . . and deposited, loaned, or employed in the purchase of notes, bills, stocks, or any securities for the payment of money,

⁷<u>Ibid.</u>, pp. 68-69. ⁸Ibid., p. 126.

without the limits of this State, or kept from use and circulation within the Same. . . "⁹ The money thus collected was to be set aside in a special fund, to be designated as a "Military Fund," for the express purpose of "defense and military service of the State as may be authorized by law, this Convention, or the Legislature," provided that the money "invested in the loan to the State" be exempt from all taxes.¹⁰

Having thus provided a fund for its redemption, the convention proceeded to authorize the issuance of "certificates of loan or treasury notes, to be prepared, signed and issued, in such sums as may be applied for by persons desiring to loan money to the State," to an amount not exceeding one million dollars. Following the earlier suggestion of the ways and means committee, the convention approved the plan of staggering the redemption dates over a three year period, thereby allowing the accumulation of funds in the state treasury sufficient to redeem the notes with interest as they fell due. The notes bore interest at ten per cent per year from date of issuance, and were to be signed and placed in circulation by the governor "from time to time, as the public exigencies may require." As to how he should dispense the notes, the governor received the power to choose any method he 'deemed expedient to afford the people of the

⁹Ibid., pp. 126-127. 10_{Ibid}.

Under ordinary circumstances, the foregoing provisions would have been sufficient to set a financial system such as that contemplated by the convention into full operation. But as the convention delegates were painfully aware, Mississippi's history of fiscal irresponsibility was a far cry from ordinary. The state had belligerently repudiated its plighted faith only twenty years before, and a host of prospective participants in the proposed "loan" possessed the worthless paper to prove it. For these reasons, the delegates realized they must include some commitment, some proof of repentence of past sins and promise of more honorable intentions this time. To meet these embarrassing but necessary requirements, several additional sections were added to the "ordinance" measure.

In a direct reference to past repudiationist actions, section four provided, with no explanatory comment, that as for the notes, "the faith of the State is hereby pledged for the redemption of the same, and no law shall be passed to impair their validity and obligation."¹² Still, the delegates declined to depend entirely upon the strength of their "pledge" not to "repeal" the faith of the state, and therefore included a statement that the notes "shall be negotiable,

¹¹<u>Ibid</u>., p. 128. 12_{Ibid}.

and shall be receivable in payment of any money due to the State in any fiscal year in which they may severally fall due." Certainly the delegates intended to leave nothing to chance: public acceptance of the proposed currency was forced by law.¹³

To further instill public "confidence" in the proposed note issue, the ordinance provided that the special tax of fifty per cent on the regular state tax would be paid into the treasury and there constitute a fund specially for the redemption of the notes. This fund, the ordinance promised, would be "faithfully applied to that purpose," and the tax would be "irrepealable by the Legislature, until such certificates and notes shall be fully paid and satisfied, at which time the collection of the said tax shall cease."¹⁴

In order to close off the last possible avenue of escape for those skeptical enough to refrain from hastening to "loan" their money to the state, the act required each tax payer to subscribe to a sworn oath that he possessed no hoarded funds. Anyone caught lying about his financial status, or refusing to take the oath, was subject to a \$5,000 fine. In the unlikely event that any holders of the proposed treasury notes decided to keep them past their redemption date, in order to collect additional interest, the ordinance provided that interest cease on the day specified on the face of the

¹³<u>Ibid</u>., p. 129. ¹⁴Ibid., pp. 130-131.

note. Also the governor could, by simple proclamation, call in any of the notes he chose at any time and redeem them, should surplus funds accumulate in the treasury.¹⁵

As the final step in placing their financial scheme in operation, the convention delegates set aside \$2,500 to defray the expense of "engraving, issuing, and negotiating" the treasury notes. Since neither the ordinance setting up the Republic of Mississippi's financial program nor any of their other ordinances, acts or resolutions were ever submitted to the voters for ratification, the delegates needed only to obtain Governor Pettus' signature. He did not disappoint them, and with a flourish of his pen a financial system was created.¹⁶ But as events shortly proved, to legislate such a system was one thing; to achieve general public acceptance quite another.

Regarding it certain that the convention meeting in January, 1861, "would dissolve the connection between the State of Mississippi and the United States," Governor Pettus issued a call for the state legislature to meet simultaneously with the convention, since the act of secession would result in "many important changes in the organic law of the State." A new ^{constitution} had to be drawn up, providing for the wants of the state in the "new relation" it was about

¹⁵<u>Ibid</u>., p. 131. 16_{Ibid}.

to assume, as well as ordinary legislation to "provide for the wants of the State." 17

In his message to the legislature, Pettus' tone appeared considerably subdued from the fireating diatribe with which he harangued that body just two months before. In a spirit noticeably sobered by the actual occurance of events he had so vociferously recommended for several years, Pettus reminded the legislature that since their meeting the previous November, "events of the gravest moment have followed each other with unprecedented rapidity." Seven companies of volunteers had been raised and sent to Pensacola for training, and the Governor admitted that the state appeared "pressed by emergencies which were neither forseen nor provided for."¹⁸ He proceeded, however, to paint a rather pleasing picture of the positive response of Mississippi's citizens, reflecting a first flush of cooperation which was all too soon to vanish.

The Governor revealed to the legislature that he had expended only some \$39,000 of the \$150,000 appropriated by the last regular session of the legislature. Supplementing this sum, Pettus proudly announced, were donations of private citizens, including a gift of one hundred bales of cotton by H. C. Chambers, and a draft for the proceeds of the sale of one hundred bales each by Miles McGehee and Charles

17_{Mississippi House Journal} (January, 1861), p. 5. 18_{Ibid}.

Clark. Albert G. Brown, a member of the Confederate Congress from Mississippi, sent Pettus a "bill on New York" for \$500 while John M. Graves donated \$200, Burwell Scott gave \$1,000, and R. S. Rayburn contributed one hundred kegs of gunpowder. Pettus praised the patriotism of these men, but expressed his determination to draw money from the state treasury to repay them, indicating his desire that the state appear perfectly capable of bearing its own financial burdens.¹⁹

Pettus announced another "gift" which, like most, was soon to evaporate. He stated that the Mobile and Ohio Railroad Company had tendered him "the free use of their Road for the Transportation of troops and munitions of war whenever the State may require it, placing at the disposal of the Governor of the State extra trains, when required, free of charge."²⁰ Had this advantageous situation remained in effect throughout the war, considerable expense and trouble would have been spared the state, but like other such "donations" freely given early in the Confederate period, this too soon vanished under the pressures of actual war.

Pettus concluded his brief message with the reluctant admission that "hostilities already exist between the seceding States and the Government at Washington," but he expressed the hope that "Justice and prudence on the part

¹⁹Ibid., p. 7. 20_{Ibid}.

of the Southern people" might yet avert actual war. "We have embarked upon a stormy sea, and much of the peril which attends our voyage is to be apprehended from the thoughtlessness and passions of our own crew," Pettus warned the assemblage.²¹ The Governor's only other recommendation to the legislature was that "prompt and efficient measures be adopted to make known to the people of the Northwestern States, that peaceful commerce on the Mississippi river will be neither interrupted or annoyed by the authorities or people of Missisiippi." This act, Pettus believed, would "materially aid in preserving peace between the Northwestern and the Southern States, if it can be preserved."²²

If Governor Pettus possessed any firm ideas as to how to meet the expenses of his accomplished and proposed action in regard to placing the state in readiness for a possible war, he neglected to mention them to the body upon which the development of a financial program would fall. He may have depended upon the action of the secession convention to create such a program, or alternatively, he may simply not have given it much consideration at all. Regardless, the fact remains that he made no mention of what type of financial system, if any, he favored in early 1861.

Relying on the program established by the convention in the matter of issuing treasury notes to meet the currency

²¹Ibid., p. 8. ²²Ibid., p. 9.

needs of the state, the legislature turned to another pressing problem--that of a "stay law." Many of the volunteers in the state service, particularly those of the poorer classes, left their homes in haste, without making proper arrangements in regard to meeting their financial obligations. Unless the legislature took action, many of these volunteers would return home to find their property sacrificed for un-To avoid this embarrassing situation, the legipaid debts. slature passed on January 22, 1861, a limited bill to stay the collection of certain types of debts owed by absent soldiers. To discourage creditors from seeking to circumvent the intent of the law, the legislature provided for a fine "not to exceed five times the amount of the debt sued for." 23

The only other direct action in relation to strengthening or altering Mississippi's existing economic and financial structure was the appointment of a committee of five men-all wealthy planters--to draw up a short address calling the attention of the planting interests of the state to the "vast importance . . . of home production . . . and to urge upon them especial reference to this subject in planting the crop of the present year."²⁴ With this mild gesture toward the importance of crop diversification, the secession convention adjourned until March, and with the passage of a partial stay law for soldiers, the legislature followed suit.

²³Mississippi Laws (January, 1861), p. 37.

²⁴Journal of the State Convention (January, 1861), p. 36.

After three months, it appeared evident that a great deal more than rhetorical platitudes were necessary if the Republic of Mississippi was to survive, either independently or as part of a Southern Confederacy. In the period from January to March, numerous communications to Governor Pettus insisted that some people in Mississippi, particularly in the central and southern portions of the state, existed on the verge of actual starvation. Further, military affairs. so carelessly adjusted earlier, by March required further attention. These and other serious problems demanded immediate attention from some legislative body in the state, but Pettus had already called the legislature into special session twice since the fall of 1860. Consequently, since it possessed legislative power equal to that of the regular legislature, the so-called secession convention was again called to meet in Jackson in late March, 1861.

In a brief communication to the delegation convened in the state house, Pettus outlined the main problems requiring punctual consideration. Foremost in the Governor's mind was the immediate relief of the "distressing condition of a large portion of the people of the central counties" of the state. Their critical situation, Pettus pointed out, seemed due to the "excessive drought of last summer," which ruined their crops of both corn and cotton. The Governor pointedly referred to the fact that "a considerable number of the people of that district have not enough to enable

them to live, and are without the means or credit to purchase bread." 25

Pettus recommended that the convention delegates consider a three point plan for the immediate relief of the drought victims of the state. First, he suggested that "extraordinary powers be given to the Boards of Police of such counties as are destitute of corn, to use all county funds, school funds, &c, which may be under their control, for the purchase of corn, to be loaned to those who are unable to buy." To provide additional funds if necessary, Pettus asked that the counties be authorized to "issue script bearing such rate of interest as will enable them to dispose of it for the amount of funds required." Finally, Pettus recommended that the "State advance to said counties as a loan in Treasury notes, or money, a sum sufficient to relieve their distress and drive hunger from their door." The Governor concluded his remarks in relation to the lack of food in some areas with the comment that beyond any doubt, "all the powers and resources of the State must be exhausted, before Mississippians are permitted to starve."²⁶

Pettus' only other recommendation was that the delegates appropriate "four or five thousand dollars" additional funds

²⁶Ibid., pp. 31-32.

²⁵Journal of the State Convention and Ordinances and Resolutions Adopted in March, 1861 (Jackson, 1861), p. 31. (Hereafter referred to as Journal of the State Convention (March, 1861).

to provide for the necessities of Mississippi soldiers sent to Pensacola in January. Already it appeared evident that arming troops was far more expensive than either the Governor or the legislature anticipated when they authorized an initial appropriation for the militia in November, 1860. Even in January, Pettus had boasted that he had expended only a small portion of the money earmarked for military preparedness; but in March he reported the fund depleted, and in fact several thousand dollars overdrawn.²⁷

Even though Pettus realized the combined efforts of the executive department, the secession convention, and the legislature had proven inadequate to meet the needs of Mississippians, his proposals in March still lacked any long-range, corrective insights. They were hopelessly temporary, as revealed by a closer examination of the chief points in his proposed program. To meet the immediate needs of starving people, he suggested the use of excess funds existing in the county treasuries, such as the school funds. These amounts, however, were very small in most cases, and would be used up almost immediately. Pettus may have considered his proposal that the county boards of police be empowered to issue interest-bearing script a permanent means of taking care of the problem of destitute families, but the "starving counties" were among the poorest in the state, consisting mostly of unproductive pine ridges and barren, sandy coastal

27_{Ibid}.

soil. The counties might well issue script, but redeeming it would be another question altogether. The same problem prevented the "loan of Treasury notes" by the state free ing a permanent solution, for to pay the high rate of interest on this loan would be quite as impossible as redeeming the county-issued script. Later these shortcomings forced the state to assume the burden of relief of the destitute families in Mississippi, but in March, it appeared to Pettus at least, that each county could adequately supply the needs of its own citizens.

Disregarding the urgency implied by the Governor's remarks, the secession delegates immediately fell to bickering over questions quite irrelevant to feeding the hungry people of the state. The same factions which tangled in January over the main propositions before that assembly, squared off in March to renew the battle. Having lost their earlier fight to force the submission of the secession ordinance to a vote of the people, the Cooperationists and Unionists factions at the March meeting focused their efforts on the most available target--the recently-adopted Confederate Constitution. S. J. Gholson, who had earlier tried to force the tax rate on slaves upward, offered an amendment to provide for the ratification of the Constitution by a vote of the people, but his proposal lost by a vote of fifty-three to thirty-two.²⁸ Following this action, the convention

²⁸Ibid., pp. 33-34.

delegates immediately voted to accept the proposed Constitution--without consulting their constituents in the matter-and thus made Mississippi a member of the Southern Confederacy.²⁹ Then, in a move which revealed their own uncertainties, but presumably reassured the public, the delegates reiterated their former assertion that the ordinance providing for a "means of defense and raising revenue" was to be "irrepealable."³⁰ This would hopefully boost sagging sales of Mississippi treasury notes, which in some areas of the state were negotiated only with great difficulty if at all.

Having dismissed an attempt to strengthen the existing law relating to the suspension of collections of certain classes of debts,³¹ the Convention turned finally to consideration of Governor Pettus' recommendations for relief of the destitute in Mississippi. Actually, the ordinance passed by the convention was merely a ratification of the Governor's suggestions, with no significant addition or deletion of their own. Apparently, the delegation's notions of each county's ability to take care of its own problems paralleled those of the Governor.³²

Insofar as Pettus' request for some action in relation

²⁹<u>Ibid.</u>, p. 77.
³⁰<u>Ibid.</u>, pp. 79-80.
³¹<u>Ibid.</u>, p. 37.
³²<u>Ibid.</u>, pp. 80-82.

to appropriating additional monies for the militia was acted upon at all, the delegates simply included an allowance of five thousand dollars to Pettus to "supply the deficiency in defraying the expenses incidental to the concentration of Mississippi forces at Pensacola" along with an omnibus package calculated to cover the convention's minor expenses.³³ No provision at all was made for a permanent revenue commitment to support the militia. With these partial, spasmodic efforts, the secession convention adjourned, never to meet again in any capacity.

Upon the outbreak of the Civil War, Governor Pettus determined to again convene the legislature in special session to deal with new problems brought on by the "war being waged by the United States against the Confederate States." This war, Pettus avowed, had "so deranged the financial affairs of the country, that property cannot be sold, at forced sales, without ruinous sacrifices" thereby making it the "duty of the state authorities to exert all the powers vested in them to place the people in the best possible condition to bear the burthen . . . imposed by a state of war."³⁴

When the Legislature convened in Jackson in late July, Pettus presented a program which demonstrated that he finally grasped the gravity of the situation. Unlike his earlier

33Ibid., p. 94.

34"Proclamation," July 12, 1861, John J. Pettus, Executive Journal, A, MDAH.

efforts, Pettus in July put forward a more comprehensive, though still inadequate program. After praising the response of the people of his state to the call for troops to withstand the "vandal hordes," Pettus turned to the crux of the problem, which in simple terms consisted of the dire need for a stay law to prohibit the forced sale of land.

Pettus bluntly advised the legislators that "on a former occasion of great pecuniary embarrassment," Mississippians refused to permit forced sales, rendering the "powerless to enforce the law." Unless quick sheriff action were forthcoming, the Governor warned, the people appeared likely to "resort to a similar course in the next few months." Pettus pointed out that the closing of the sea ports by the Northern blockade effectively prevented the debtor from exporting his produce, which in turn guaranteed his inability to meet the demands of his creditors. In such a situation, the Governor pointed out, "the debtor class are hopelessly ruined, and the property of the country passes into the hands of the creditors and money holders at one fourth of its real value." To prevent this, Pettus asked, "ought not the Legislature which brought on this revolution equalize its burthens as near as possible?" Based on these assumptions, the Governor recommended "that a law be passed, postponing the sales of property under all judgments heretofore obtained . . . for twelve months," and further "prohibiting the issuing of executions on judgments hereafter

rendered until twelve months from and after the adjournment of the next regular session of the Legislature."³⁵

Pettus suffered from no delusion that the war would be brief and necessarily victorious for the South. He advised the legislature that the most important factor impelling him to recommend such a stringent stay law was the security of the state itself. He assured his listeners that "the existence of our free institutions demand that all the available means of the whole people should be brought to the aid of the State in the fierce and protracted conflict on which she has now entered." If a stay law were passed, Pettus concluded, the people of Mississippi would not find it necessary to hold a large portion of their cotton crop to meet pressing debts, but would instead "loan it to the government annually until the war is triumphantly closed."³⁶

Pettus' second major recommendation revealed the extent of the paucity of money with which to meet either the demands of the militia, or the needs of the civilian population of the state. The legislature needed to come up with some means of "raising a revenue sufficient to meet the extraordinary demands on the State Treasury for the next several years," the Governor asserted. He reported with pride that private donations amounting to hundreds of thousands of dollars had contributed significantly to raising, arming,

³⁵Mississippi House Journal (July, 1861), p. 7.
³⁶Ibid.

and clothing many of the state's volunteer companies, but this placed a needless hardship on the citizenry, which Pettus regarded as the rightful responsibility of the state. Besides that, the Governor hinted darkly, some people had contributed nothing, and such an ingrate who failed to donate "from patriotic impulse should be required by law to bear his full share."³⁷

To raise the required revenue, Pettus suggested some tax increases would be necessary. He informed the legislators that the income derived from merchandise alone "must fall far short of last year," and if a new assessment of land were made, it would result in the loss of some forty per cent of the income from that source, since land values had fallen steadily throughout the year. To prevent such an eventuality, Pettus suggested the retention of present land assessments until the end of the war, and that further, an additional <u>ad valorem</u> tax of "one-fourth of one per cent on lands and slaves be imposed." This latter tax increase alone Pettus declared would raise the total revenue some $$279,000.^{38}$

As a further method of raising money for the state, Pettus suggested that a tax of three-tenths per cent upon all money loaned, owned, deposited, or used in the purchase of notes, bills, stocks, or other securities outside Missis-

³⁷<u>Ibid</u>. ³⁸<u>Ibid</u>., p. 8.

sippi be collected. This measure formed a part of the "Ordinance to Raise Revenue" passed by the secession convention on January 26, 1861, but was scheduled to die along with the other provisions of that act as soon as the note issues authorized by the act were redeemed. Pettus wanted this tax made permanent, and in addition he asked the legislature to consider a confiscation bill. This appeared to Pettus an acceptable "means of retaliation on a people who are raising large armies for our subjugation." If such a law were passed, the Governor asserted, "Lands to a large amount could thus be taken from those who invade, and become the property of those who defend the state." As an added benefit, Pettus reminded the legislators, "a much larger amount might be placed in the State Treasury by requiring the merchants to give . . . an accurate account of their indebtedness to Northern merchants." Then, by compelling each such Mississippi merchant to pay into the state treasury a portion of the amount due Northern firms, receiving state treasury notes in return, the effect would be to provide additional revenue as well as strengthen the treasury note issues, making them "less liable to depreciation as a currency."³⁹

An examination of the major legislative programs subsequently enacted by the legislature in July reveals that it not only acted upon most of Pettus' recommendations, but even exceeded his requests in some instances. Initially,

³⁹Ibid.

the house and senate of Mississippi began deliberate belttightening, by cutting off funds to selected state programs which they considered superfluous. The three most significant victims of this new legislative tact were the Agriculture Bureau, with its satellite Agricultural Societies; followed by the Geological Survey, and the State Library. None of these agencies formerly enjoying generous state appropriations were to receive additional funds until the end of the war.⁴⁰

In another vein not suggested directly by Pettus, the legislature moved to make the Confederate notes a sort of "legal tender," something which the Confederate Congress adamantly refused to do throughout the war period. On August 2, the Mississippi legislature provided that in the future, tax collectors within the state were "authorized to receive the Treasury Notes of the Confederate States of America in payment of all taxes, and for all monies due the State arising from any source whatever," except for the state military tax, which could only be satisfied by the state treasury notes especially provided for in the Ordinance of January 26, 1861.⁴¹

In yet another move not anticipated by the Governor, the legislature passed a law making it lawful for any trustees "having money or effects which may be invested at interest,"

⁴⁰Mississippi <u>Laws</u> (July, 1861), pp. 42, 72, 73.
⁴¹Ibid., p. 38.

to buy Confederate or state notes or bonds with such funds. This act was especially significant to Mississippians, for in addition to the usual sources of such funds, trustees in the state held immense tracts of land on behalf of Chickasaw and Choctaw Indian orphans whose tribes had long before been exiled to the Indian Territory.⁴² Certainly this act opened considerable potential sources of revenue to state officials.

Before finally turning to Pettus' proposed program, the legislators acted on one other matter which to the planting interests in the assembly, demanded urgent priority. That related to what action to take concerning the Confederate Congress and the growing cotton crop. Since early spring, numerous Mississippi planters, as well as others throughout the South, repeatedly urged the government authorities in Richmond to devise some plan whereby the cotton crop would be purchased or otherwise secured by the Confederates. Such a plan, many planters believed, would contribute significantly to strengthening the Confederate diplomatic effort, and at the same time furnish a domestic market for Southern cotton which the lowering of the blockade necessitated. With these considerations in mind, a memorial was pushed through the Mississippi legislature on August 2, which urged the Confederate Congress to adopt such a scheme. After requesting the Confederate currency be made a legal tender, the memorial represented the "expedience of affording the planters

⁴²Ibid., pp. 38-39.

a market for their cotton and tobacco crops by the purchase of the same or liberal advances to them, by the Government, of Treasury notes."⁴³ This memorial signalized a final effort by Mississippi planters to persuade the Confederate Government to procure part or all of the current cotton crop. Once such a plan appeared beyond the scope of reasonable possibilities, intense pressure was applied to the state government to effect the same end. By the meeting of the regular legislature in November, this pressure had reached such a high point that it demanded top priority. But in July, the planting community still hoped for relief on a national level.

Having completed action on programs which originated with the legislature itself, that body turned to consideration of Pettus' proposals. Of greatest importance was relief for the state's debtors and its growing number of destitute. On August 2, the legislature enacted a law authorizing the county boards of police to levy a special tax, not to exceed one hundred per cent of the state tax of 1859, to be called a "military relief tax." The main purpose to which revenues arising from this tax were to be applied were supply of volunteer companies, and aid for needy families of such soldiers while the latter served in the army.⁴⁴

⁴³Ibid., pp. 34-39; "Original Bills Introduced at Session of Legislature, January 15-July 25, 1861," Ser. I., Vol. III, Manuscript, MDAH; Vicksburg <u>Evening Citizen</u>, December 24, 1861.

⁴⁴Mississippi Laws (July, 1861), p. 31.

Then on August 5, Pettus signed into law a comprehensive stay law, so long urged by a large number of Mississippians of all social ranks. Sweeping in scope, this stay law suspended the collection of debts and liabilities "on bonds, promissory notes, bills of exchange, open accounts, or contracts for the payment of money" until twelve months after the end of the war.⁴⁵ About the only significant class of debts not suspended by this law were judgments--an oversight corrected when the legislature met in January, 1862.

Insofar as general tax relief was concerned, the legislators meeting in July appeared concerned that the burden might prove excessive on some classes of citizens. Actually, the general mood seemed to be that the tax burden lightened, rather than increased as Pettus suggested. Reflecting this feeling, the legislature passed an act exempting all money invested by Mississippians in "Confederate or State Bonds, or other Confederate or State Securities" from taxation.⁴⁶ While this measure served to encourage investment in state and Confederate currency issues, as well as tax relief, another enactment simply provided for the suspension until after the war of a levee tax, collected in most of the river counties.⁴⁷

⁴⁵Ibid., p. 74.

⁴⁶Ibid., pp. 73-74.

⁴⁷John C. Schwab, <u>The Confederate States of America, 1861–1865</u>: <u>A Financial and Industrial History of the South during</u> the Civil War (New York, 1901), pp. 302-303. (Hereafter referred to as Schwab, A Financial and Industrial History.)

In relation to Pettus' recommendation that the property of enemy aliens be confiscated, the legislature appointed a committee to study the feasibility of enacting such a measure. After a period of consideration, the committee reported the power to confiscate property "belongs only to the war making power of a government," and since Mississippi surrendered that particular right when it joined the Confederacy, it of "necessity must give up the power to confiscate property."⁴⁸ By their action, the legislators effectively cut off yet another potential source of considerable revenue.

Despite holding three separate legislative sessions from January to July, 1861, Mississippi lawmakers accomplished very little in the way of providing comprehensive, long-range financial programs for the state. With the prospect of war increasing every day in the early part of the year, with no credit, no domestic circulating medium, and a tax structure so lenient it only produced \$740,276 in revenue in 1860, Mississippi's legislators should have taken a closer look at financial aspects of the state government.⁴⁹ Instead, the combined efforts of the delegates to the secession convention and the concurrent legislature meeting in January produced no significant alteration in the tax structure, except for and across-the-board increase, and provided for the issuance of one million dollars in treasury notes. Efforts by non-

⁴⁸Mississippi House <u>Journal</u> (July, 1861), p. 76.

⁴⁹Journal of the State Convention (January, 1861), Appendix.

planting interests to equalize the tax burden met defeat at the hands of the large planters, thereby alienating a significant part of the middle class citizens of the state at the very beginning. As for the treasury notes provided for in January, none would be of a smaller denomination than ten dollars, thus effectively precluding their use as a viable circulating currency.

Judging from the lack of positive, long-range legislation, it is clear that the secession convention's March convocation either failed to comprehend the gravity of the altered situation faced by both the military and civilian population of Mississippi, or they considered it their only function to flesh out the bare outlines suggested by the chief executive. In either case, their lack of foresight, combined with Pettus' failure to call for comprehensive legislation, left Mississippi about where it stood prior to the March meeting. The planters still pinned their hopes on the Confederate Government to bail them out of what could develop into an economically disastrous situation; consequently, they put little or no pressure on the state legislature pending the outcome of their appeal to "higher authority." The smaller planters and yeoman farmers, traditionally the most self-sufficient of all classes, had not felt any particular pinch, economic or otherwise, in the early spring of 1861. But there were individuals in large numbers, such as those citizens of the drought-ridden areas of central and

southern Mississippi, who did need state aid in early 1861, and who did call upon and look to state officials for help. For this latter group, pitifully little of a positive nature was done by anyone who had the power and the obligation to relieve their wants. This failure might very well be viewed as academic by those who still possessed a sufficience of the necessities of life in March, 1861, but to a significant number of people this neglect meant hunger, want, and deprivation.

By the July meeting of the legislature, war had broken out, and Mississippi authorities finally appeared to grasp the seriousness of the situation. Consequently, the combined efforts of Governor Pettus and the legislature meeting in July resulted in significant steps being taken to provide some tax relief to Mississippians, while at the same time alleviating some of the stress placed on the debtor classes by the exigencies of war. In that sense, the July session considerably advanced prior programs and inaugurated others desperately needed by a majority of the state's population.

Despite these positive accomplishments, other problems existed by mid-summer of the first year of the war which the legislature either ignored, or gave only cursory attention. Chief among these unattended problems were startling price increases in most articles of necessity, such as food and clothing. Scarcity already existed in some classes of goods, and combined with a prevailing spirit of avarice, this pro-

duced widespread hoarding and speculation, which made the acquisition of necessary articles even more difficult. Legislative inaction in these critical areas by autumn produced considerable dissatisfaction with state officials, coupled with already existing dissillusionment appeared to be spawning a propensity toward disloyalty to the Confederate cause. For a great number of other Mississippians, the first few months of war triggered self-sacrifice and a ready willingness to aid the Confederates in any way possible. Altogether, reaction to Mississippi's legislative equivocating represented a mixed situation, where greed and mistrust lived side by side with generosity.

CHAPTER IV

POPULAR REACTION TO INITIAL WARTIME MEASURES

Barry and the other delegates might have suffered from the delusion that their actions indeed reflected the will of the people, but they could not have failed to detect the strength of those who opposed secession. After all, the delegates were not sufficiently convinced of popular support

¹Journal of the State Convention (January, 1861), p. 36.

for this position to dare submit the results of their efforts to the people for a vote of ratification. In this relation, the Natchez <u>Courier</u>, a Unionist newspaper at the time of the January convention, disagreed sharply with Barry's sanguine assessment. "The truth of the business is," the editor wrote on January 22, "that we are in the midst of a revolution; and at present, are governed by an oligarchy of ninety-nine. What they will do, or how far they will go, remains to be seen. If the people have invested them with dictatorial power, so be it. The people will wake up one of these days from that sad delusion."²

If those responsible for creating an evenly-balanced independent government in Mississippi were unwilling to see the vital importance of establishing such a system at the very beginning, the average citizen of the state certainly was aware that financial difficulties had already descended on Mississippi's people. Even before the meeting of either the secession convention or the legislature, financial panic threatened as New Orleans banks, the financial nerve center of the lower Mississippi Valley, began systematically to restrict credit and call in their reserves.³ This financial unease spread rapidly up the river, resounding with measurable tremors among planting and commercial interests in Mississippi. On January 1, 1861, B. L. C. Wailes, a leading

²Natchez Courier, January 22, 1861.

³Schwab, A Financial and Industrial History, pp. 124-125.

planter and geologist, recorded witnessing a Natchez man worth "not less than \$150,000 being taken to a lunatic asylum, a victim of the political and financial excitment. The unfortunate man, Wailes reported, "imagines himself ruined & poor."⁴

Businessmen, following decades of unparalleled prosperity, faced unprecedented difficulties. Thomas Webber, a merchant in Byhalia, recorded in his diary the bitter experiences encountered by a portion of his contemporaries in Mississippi during the early part of 1861. On January 5, he confessed that "money matters are giving me a great deal of trouble," and he admitted to being "pressed almost out of my life for money to meet my pressing engagements." On January 28, Webber reported that the "last thirty days have been the worst on me in all my business career and life has lost all of its sweets to me on account of financial troubles." Blaming his woes on "the accursed Secession movements," Webber admitted on February 28 that he was fast approaching the limit of his resources. "I am confounded I am ruined. My Country is ruined Would to God I had never been born. . . ." One day before he closed his business permanently, Webber vented his feeling of utter frustration in a caustic diary entry: "I will venture to swear that I am never again caught this deep into a credit system. I am miserable. I feel tired of life/.7 It has no charmes or sweets for me. I am

⁴B. L. C. Wailes, Diary, entry for January 1, 1861, Duke University, Durham, North Carolina.

loosing my energy and my health my mind Yes My Soul."⁵

While not all merchants and businessmen suffered as severely as Webber, flagrant social and financial abuses existed by mid-summer which certainly added to difficulties normally faced by these classes during periods of political Such practices as hoarding small coins, which uncertainty. rose early in 1861 and increased rapidly throughout the year, created distinct problems for merchants who daily dealt in transactions of small monetary value. Private citizens contributed to this evil by refusing to part with coins of gold and silver, but far more offensive was the growing propensity of the merchants themselves to engage in speculation, not only in specie coins but in certain classes of merchandise as well. This resulted in the false scarcity of several types of goods urgently needed by Mississippians. Soap. matches, and clothing were among the articles most frequently on the "unavailable" list.

While state legislative action could have helped prevent such practices as the hoarding of small coins and merchandise speculation, Mississippi officials were not altogether to blame for the prevalence of conditions conducive to such practices. The merchants experienced difficulties as a result of ill-conceived Confederate Congressional programs. A. W. Stokes, an attorney of Hernado, brought one

⁵Thomas Webber Diary, entries for January 5, 28 and March 8, 1861, Duke University, Durham, North Carolina.

such type of problem to the attention of Secretary of the Treasury C. G. Memminger in early March. Representing a group of merchants, Stokes pointed out to Memminger that the recently-passed tariff meant that Mississippi merchants must travel to eastern Confederate cities to purchase goods, and pay a tariff on such merchandise before transporting it to their stores.⁶ This forced them to pass the cost of the tariff on the customer. Normally, the purchaser in rural Mississippi would have no choice except to pay the higher prices, but Hernando had a direct railroad connection with Memphis, as well as several dirt road links. So instead of paying the higher prices necessitated by the Confederate tariff, citizens of Hernando and numerous other towns with rail or water connections with Memphis, simply went to that Tennessee city and purchased all their goods, leaving the local merchants with no market for their higher-priced items. Since Tennessee did not belong to the Confederacy in March, 1861, the merchants were forbidden to trade there, but were forced instead to deal exclusively with Confederate wholesalers. Unhappy over such Confederate practices, and receiving little encouragement from state officials, the merchant classes felt little compunction in turning to their own devices later in order to recoup earlier losses. This

6A. W. Stokes to C. G. Memminger, March 7, 1861, R. P. Thian (comp.), <u>Correspondence with the Treasury Department</u> of the Confederate States of America, 1861-1865. Appendix, V (Washington, 1880), p. 7. (Hereafter referred to as Thian, Correspondence.)

accounted for one reason the merchants turned to widespread speculation, but evidence such as the continuation of this practice long after any imagined or real losses were regained, indicated that the profit motive was far more important.

Like the merchants and businessmen, farmers and planters in Mississippi experienced unprecedented difficulties as a result of the unsettled political situation in 1861. Since the prosperity of a great portion of Mississippi's population depended directly or indirectly upon the continued high prices realized from the sale of cotton, anything affecting that staple was of major significance. Unfortunately, prices paid for cotton began to decline in sympathy with the general business slump in early 1861. A Mobile factor reported to Columbus Sykes on January 15 that the Mobile cotton market "is very dull as there is at present a difficulty about shipping." He conjectured, however, that the sluggish cotton market was "temporary," and promised to dispose of Syke's cotton when the price paid for middling again rose to above ten cents.⁷ The New Orleans market, far more important than that of Mobile to Mississippi planters, fared no better. On January 16, Winston, Morrison, and Company informed Governor Pettus, who had shipped cotton to the Crescent City in the hope of exchanging it for gunpowder, that there had been

⁷Toomer & Sykes to Columbus Sykes, January 15, 1861, Columbus Sykes Papers, MDAH.

"but little done in cotton this week, the market is flat middling."⁸

Despite optimism that the depressed cotton market was only temporary, it quickly became apparent that a combination of factors were in operation which could conceiveably keep the market down indefinitely. One important element was the difficulty encountered in shipping, which led to rapid filling of warehouse space. This in turn forced the cotton brokerage houses in both Mobile and New Orleans to practically suspend operations. Early in 1861, it also became apparent to some planters that normal channels for the disposal of Southern cotton could, and probably would be shut off by a Northern blockade, should hostilities break out between the North and South. This knowledge, combined with the cognition that cotton represented the only article of significant worth--therefore power--in the South, led a number of the bigger planters to urge the embryonic Confederate government to formulate some scheme utilizing the South's cotton producing potential to greatest advantage. Before the Confederate leaders ultimately decided, as they did by the autumn of 1861, to base their financial system on something other than the purchase of the South's entire cotton output, a plethora of plans were proposed by anxious planters. One such proposal, quite logical in theory and representative of

⁸Winston, Morrison, and Co., to Pettus, January 16, 1861, Ser. E., Vol. 51, MDAH.

numerous other such propositions propounded by leading Southern planters in 1861, came from a Mississippi planter, Richard T. Archer.

In an open letter to the Mississippi secession convention, as well as to the conventions of the other Southern states, Archer outlined his plan. Firmly convinced that "all Christendom is more or less dependent" upon cotton, he premised his argument on the faith that its continued exportation was absolutely essential to the future economic and political stability of a majority of the world community of nations. Since he was absolutely convinced that "cotton was king," Archer believed the only question to be decided was "how best to develop this great element of our power, how to give it greatest efficacy and controlability." He then suggested a very logical three-part plan which, to his mind, would make best use of the South's awesome potential power. First, Archer proposed that the Confederacy provide a system of cotton factories, controlled by a "bureau on factories," in which every citizen could hold stock in proportion to the tax he paid for the erection of the manu-Secondly, the Mississippi planter facturing establishments. suggested that the Confederate President lay an embargo on all cotton, should exigencies warrant, and that "all this cotton be paid for at the fair market value before embargo, in treasury notes, bearing a reasonable rate of interest, unless the holder prefers to hold it." Finally, Archer con-

cluded, when this cotton purchased by the Confederate Government should have been witheld long enough from foreign commerce to have "conquered an honorable peace, or shall have effected the great object for which this stringent measure shall have been adopted," the excess cotton not needed in the Southern factories should be sold on the open market. Once on the market, the cotton could be sold at "a moderate advance on cost and interest"--which had been paid on the treasury notes--and the profit or loss charged to the profit or loss of the Confederate manufacturing association of states.⁹

If this plan became operational, Archer insisted, the contemplated Confederate treasury notes would "have the character of the best and safest currency known to the commercial world," and would be eagerly sought after as a fund to buy Southern cotton, as the latter would sell for nothing but gold or silver, or these treasury notes. This, Archer asserted, would make the Confederate currency safer than that of "the Bank of England, which is based on credit," while the Confederate money would be based on "a staple commodity indispensible to the commerce of all Christendom; and on the manufacturing labor of the strongest manufacturing association ever known."¹⁰

Archer anticipated the argument some might bring against his plan, that to inaugurate such a scheme would banish gold

⁹<u>De Bow's Review</u>, XXX (1861), pp. 367-368.

10_{Ibid}.

and silver from the South, since the cotton would be purchasable with treasury notes. To avoid this, he proposed that no notes be printed of less denomination than fifty dollars, thereby making gold and silver necessary for smaller transactions. So that this scheme would benefit the yeoman farmer as well as the large planters, Archer proposed to limit the number of shares any individual could hold in the manufacturing enterprises, thereby giving equal opportunity to all, regardless of their economic standing. To further cement the South's interest in this mutual endeavor, Archer's plan called for each state to hold the same number of shares allowed to any individual. If all these suggestions were put into practice, Archer averred, the states would be bound to each other, and each citizen, having a "direct property interest in the faithful administration of government, on account of his stock and his dividends," would be careful to elect wise and prudent officials to head his state government. This in turn would elevate the "character of the population," and public offices "would no longer be eleemosnary institutions." If his suggestions were followed, Archer predicted that the fulfillment of the planter's dearest dream--a steady market with consistently profitable prices-would result. "If the Southern confederate States are true to themselves . . . a destiny is before us unequaled in power and benefaction of the whole people in the annals of history," Archer concluded.¹¹

11_{Ibid}.

Although he and numerous other worried planters who deluged the Confederate and state officials with such schemes were not usually candid enough to specify them, several very real and grim probabilities faced the planting community in 1861. With secession an accomplished fact, Northern sources of capital dried up, leaving the planters at the mercy of a collection of extremely shaky Southern financial institutions. Added to this predicament was the blockade of Southern ports by the Northern navy, which meant the South encountered insurmountable difficulties in marketing a significant portion of the 1861 crop. The only alternative lay in convincing the Confederate Government, or if that failed the state governments, to purchase most or all of the cotton crop. If some plan similar to Archer's was not adopted, many planters made it clear that they would place little "faith" in the "credit" of Southern financial schemes based solely on those two much-abused entities.¹²

By the fall of 1861 it became apparent to Mississippi planters that Confederate treasury plans did not include the purchase of the entire cotton crop. Then, when it seemed to cotton planters that marketing prospects for the cotton

¹²For a representative selection of such plans, see the following: T. J. Dobyns to Jefferson Davis, July 2, 1861, Thian, Correspondence, Appendix V, pp. 184-185; R. M. Gunn to Jefferson Davis, July 17, 1861, Ibid., p. 229; "An Old Merchant," July 25, 1861, Ibid., pp. 246-247; Charles G. Johnson to Jefferson Davis, July 19, 1861, Ibid., p. 294; Charleston (South Carolina) Courier, March 3, 1862; Gray A. Chandler, Letter on the Currency and Public Debt of the Confederate States (Columbus, Mississippi, 1863), pp. 1-8.

crop soon to be harvested were bleakest, they took a turn for the worse. On July 17, a card appeared in the New Orleans <u>Prices Current</u>, the most important commercial index in the gulf South, which produced a shock wave among Mississippi planters. The notice, signed by some 129 cotton factors and factorage houses in New Orleans, stated that "in view of the interests of all parties, <u>/The factors7</u> recommend to their various customers and correspondents not to ship any portion of their crop of cotton to this city, or to remove it from their plantations, until the blockade is fully and entirely abandoned. . . ."¹³

A greater blow could hardly have fallen on cotton planters in Mississippi who, together with Louisiana planters, shipped 1,324,849 bales of the 1860 cotton crop through New Orleans.¹⁴ This not only meant there would be no external market available to the planters, but it also doomed their ability to meet current debts. Under normal circumstances, the planter depended upon his factor to sell his cotton, pay the planter's debts out of the proceeds, then forward any excess profits to the cotton grower. If the factor was unable to dispose of the cotton, he could not meet the planter's debts, which in turn obviated the advancing of future credit. Richard Nugent, a New Orleans factor, pointed this out to

¹³New Orleans Prices Current, July 17, 1861.

14<u>De Bow's Review</u> (New Series), I (February, 1866), p. 202.

C. D. Hamilton, a Mississippi cotton planter, when he informed the latter on September 12 that "being unable to sell any cotton," he could not pay the planter's obligations.¹⁵

Dealing a final blow to lingering hopes by planters that this policy might be eased, the Governor of Louisiana issued a formal proclamation on October 10, 1861, declaring that no more cotton would be allowed through the defenses of New Orleans.¹⁶ Following that proclamation, the Mississippi cotton planter's only hope for salvation from economic ruin lay with the state legislature. Increasingly until November, accordingly, Mississippi planters concentrated unprecedented pressure on state officials to afford some relief--any relief--to bolster the sagging mainstay of Mississippi political, economic, and social institutions.

The initial year of conflict proved quite as disturbing to the poorer classes of citizens as to their more economically prosperous neighbors. These people, composed of subsistence farmers and people dwelling in the backwoods areas of Mississippi had little money early in the year, and as hoarding and speculation rapidly spread over the state prices climbed precipitously, consequently relieving these people of any excess cash they possessed early in 1861. Isaac Smith, a poor farmer exasperated at the alarming economic

¹⁵Richard Nugent to C. D. Hamilton, September 24, 1861, C. D. Hamilton Papers, MDAH.

¹⁶Natchez Courier, October 10, 1861.

situation, poignantly portrayed the deplorable condition of a great number of Mississippians in a letter to Governor Pettus in early April, 1861:

> I take my seat to wright to enform you of my Sad Condition I am bound to appli to you for help and with out your help I am bound to suffer fur I am plum out of any thing to eat but bread i have not a sent of mony nor cant get money nor provision I have money owing to me but I cant get a sent of it I have a family that is bound to suffer without some ones help I would come and see you if i could get moeny to bare my expences but it is impossible for to get aney moeny what ever. . . i have not had a bit of meat in my house in 4 weeks nothing but dry bread thare fore I want you to help me if you will doe it soon for I am in neede and great neede Thare is plenty of provision heare at Crystal Springs at one of thare stores . . . if you can help me to aeny thing to go on arrang it so that I can get it there. . . .¹⁷

The one means of relief suggested by Smith and numerous other Mississippians who appealed to Pettus in the spring and summer of 1861 was a stay law. Declaring that he hardly knew "how to commence the subject," Thomas Wiggin wrote to Pettus in May from Lowndes County in the north-central part of the state, that "people through our Country is very much in debt and thare are mour sewing gowing on a moungst the people than has been for several years." Stating how "rong" he considered the general rise of the practice of suing for debts, Wiggin asserted that "it out to be remembered that thare war a Short Crop maid last year and benear everyman has corn & outher nesaserys to buy that they are compeled to have for the support of thear Family." Wiggin, as well

¹⁷Isaac L. Smith to Pettus, April 4, 1861, Ser. E., Vol. 51, MDAH.

as numerous others who complained to Pettus, placed the blame squarely on the merchants who seemed "all in the Spirit of Sewing it is got started and it seams that every one that has a clame a gainst is neighbor are determined to have his money."¹⁸

A number of similar requests for relief from oppressive debts were received by Pettus throughout 1861. Most came from people representing the lower income brackets, although some planters and even one Confederate Treasury agent urged the Governor to take some action to prevent the massive forced sales of land and other property which appeared eminent unless some positive action were forthcoming from state officials. But despite their grumblings, a majority of the state's poor appeared to have supported the Confederacy with outspoken vigor during the first year of the Confederate period.¹⁹

Despite economic hardships which beset all classes of Mississippians in 1861, the rush to arms was in most areas and among most people greeted with a sense of exhilaration. Decades of sectional strife finally culminated in a contest of arms which if successful for the South, demanded wide

18_{Thomas Wiggin to Pettus, May 18, 1861, Ser. E., Vol. 52, Ibid.}

19For comments on the general economic situation in the state, and suggestions as to how it might be stabilized, see: W. Brooke to Pettus, April 25, 1861, Ser. E., Vol. 51, Ibid.; J. B. Ellis to Pettus, July 7, 1861, Ser. E., Vol. 52, Ibid.; Phil H. Gully to Pettus, July 15, 1861, Ibid.; M. G. Anderson to Pettus, July 21, 1861, Ibid.

voluntary participation by citizens representing all economic classes. Since little planning had occurred with a view toward gearing the state's financial structure for the exigencies of war, voluntary contributions by private citizens appeared essential to provide for the raising, clothing, and arming of military units.

Reflecting the first flush of excitement following the rout of Federal forces at Manassas, people of all stations, ages, and economic condition vied with each other in rendering donations to the Confederate and state authorities. On August 1, William T. Muller wrote to Pettus, informing the Governor that "John G. Fleming, a patriotic citizen of Adams" had donated several hundred pounds of wool, which the ladies of Natchez wanted to manufacture into jeans for the soldiers, provided the wool was spun and woven into cloth at state expense, possibly by inmates in the penitentiary.²⁰ Encouraged by such gifts, and realizing that they were necessary if Mississippi troops were to be clothed and fed properly for the coming winter campaigns, Pettus published an open letter in late August asking for more outright donations. "Our sick and wounded soldiers need comforts, which neither the Confederate nor the State governments have the power to furnish," the Governor asserted. In order to handle anticipated donations, Pettus appointed the probate clerks of the various counties as receivers of all such gifts, and charged them

²⁰Wm. T. Muller to Pettus, August 1, 1861, <u>Ibid</u>.

with the responsibility of seeing that the articles were turned over to the quartermaster general for distribution.²¹

Responding to the Governor's appeal, numerous citizens of Mississippi rushed forward with contributions. One individual donated his entire sugar mill machinery to be cast into cannon shells.²² Others, not possessing material objects of use to soldiers, gave of their talents instead. A group of amateur musicians, visiting in Vicksburg, gave a concern and afterwards forwarded the entire proceeds of seventy-five dollars to Pettus, asking that he use it for "the benefit of the noble Volunteers of your state, now in the field, or ready for active service."²³ Others gave a continuing series of concerts for the benefit of military charity. The Natchez Courier proudly reported in October that "Mr. Dempsey P. Jackson, who has been constantly contributing in one shape or other to the army, found 108 dozen pair of woolen socks in the store . . . and bought the whole lot to send to Jeff Thompson's brave men in Missouri."24

Mississippi's women, particularly, expended great efforts to obtain necessary articles for the soldiers. Most contributed sewing, turned out by such organized groups as

²¹Pettus, Executive Journal, (A), p. 298.

 22 David Pemble to Pettus, September 10, 1861, Ser. E., Vol. 53, MDAH.

²³Charles T. Nash to Pettus, September 21, 1861, <u>Ibid</u>.
²⁴Natchez Courier, October 1, 9, 1861.

the Confederate Sewing Society of Natchez,²⁵ but others preferred to provide money for the purchase of articles with which to fight. On October 8, a woman in Columbus wrote to Pettus, enclosing three hundred dollars and directing the Governor to purchase sabre bayonets, an "almost indespensible weapon" with the money. Unless such arms were provided Mississippi soldiers, the correspondent concluded, it would prove "impossible for them to withstand a charge from a foe, who is armed with all of the implements which Northern ingenuity can suggest."²⁶

Among the more remarkable donations were those by free blacks. The Natchez <u>Courier</u> reported in early November that the free blacks of Natchez had "contributed to the soldiery not less than \$250. in cash, and about \$50. worth of clothing."²⁷ Some Mississippians, having nothing to contribute themselves and discovering the desire of several planters to give food, offered to collect, pack, and distribute "any articles of plantation produce."²⁸

Judging from the number and extent of free offerings by Mississippians of all classes throughout most of 1861, a willingness existed to support the Confederacy and its pro-

²⁵Ibid., November 1, 1861.

 $26_{Miss Mat. E. Morton et al to Pettus, October 8, 1861, Ser. E., Vol. 53, MDAH.$

27_{Natchez} Courier, November 1, 1861.

²⁸Ibid., October 31, 1861.

grams. Although scarcity of some types of articles existed early in the war period, real want and widespread deprivation did not envelop the state until late in 1861. When this occurred, donations quickly dried up, and the state government was left with increased burdens both in supplying the volunteer soldiers and in providing food for the growing number of destitute families left behind by the departing armies.

Economic ability and stable commercial conditions also greatly affected the financial programs instituted by Mississippi's wartime leadership in the first few months of conflict. The degree of acceptance of their financial measures was of extreme importance to state officials, as Mississippi's repudiationist history precluded the possibility of outside absorption of a significant portion of the state's notes and bonds. Consequently, Mississippians themselves would have to readily accept the state issues at or near par in order to provide the necessary stability for future programs.

Since Mississippi was practically destitute of money in 1861, except for issues of notes by banks of neighboring states, the convention delegates believed that the currency authorized by the ordinance of January 26 would be gratefully accepted by most classes of citizens. However, because Mississippi had for decades depended almost entirely upon the issues of banks located outside the state for a circulating

medium, when the convention treasury notes became available many people desired to buy them, but the only currency available was that of the non-Mississippi banks. Some gold could still be found in circulation for the first few months of 1861, but the entire sum proved negligible, and by mid-summer, almost none remained.²⁹ For these reasons, the new Mississippi treasury notes were no sooner offered to the "patriotic public" than Governor Pettus began receiving communications complaining that if he insisted on the treasury notes being paid for in specie or paper issued by specie-paying banks, very few of the notes would be negotiated. In this vein, a man living in Ripley wrote Pettus on February 3, reminding the Governor that "nearly all our whole money circulation is composed of Tennessee bank notes--all of which are now in a state of suspension." There existed no gold nor paper of specie-paying banks in all of northern Mississippi, the informer related to Pettus, but the considerable number of people who wished to invest in Mississippi treasury notes simply could not do so unless Pettus changed his instructions to allow the paper of non-specie paying banks to be taken in exchange. "Our people are entirely satisfied with all that has been done so far by the Governor, Convention, and legislature," Pettus' correspondent concluded, but the matter of what type of notes were receivable for the treasury issue did

²⁹Pettus to Burt, June 4, 1861, Ser. G., Vol. 33, MDAH.

need immediate attention. 30

Others, in the first flush of patriotic support for the Confederate cause, indicated their willingness to invest in the treasury notes with no reservations whatsoever. On March 1, F. T. Leak, a farmer of Salem, informed Pettus that he had a "few thousand dollars" which he had accumulated "for the use of the State or Confederate States, one or both."³¹ A week later, Leak again addressed the Governor, stating that he proposed "giving the State a draft for \$5,000 on the house of E. W. Apperson & Co. of Memphis." Leak assured Pettus he could spare more, but he "felt it a duty to be in a condition to help the Confederate States to a small amount" if need be.³²

The sale of bonds, authorized at the same time as the treasury notes, at first moved quite rapidly too. F. Barksdale, an army agent charged with the disposition of a portion of the state bonds, reported to Pettus on March 12 that he had received from the Governor thirty bonds, worth \$500 each, which he was to "dispose of." Optimistic that the bonds would soon be negotiated, Barksdale told Pettus that he need only call on "two gentlemen who reside 12 or 15 miles" from Yazoo City and the bonds would be sold.³³

 $30_{\mathrm{O}}.$ Davis to Pettus, February 4, 1861, Ser. E., Vol. 51, MDAH.

³¹F. T. Leak to Pettus, March 1, 1861, <u>Ibid</u>.

³²Ibid., March 9, 1861.

 33 E. Barksdale to Pettus, March 12, 1861, Ibid.

As was the case with the treasury notes in north Mississippi, the bonds proved difficult to negotiate in some areas of the state, even though they sold readily in others. G. M. Fowler, another state agent, wrote to Pettus on April 9 from Natchez, reminding him of a previous communication dealing with the difficulty met in trying to sell the bonds in that city. Fowler informed Pettus that he had since traveled to Woodville and its vicinity, "a place noted for its patriotism, wealth, and liberality, and it is with a feeling of much regret that I inform you that no funds are to be raised in that quarter."³⁴ Ignoring the possibility that some people of southwest Mississippi simply did not want to participate in the movement to "loan money to the state," Fowler assigned his failure to negotiate the bonds in that quarter to a simple lack of money. He told Pettus regretfully that "the citizens from whom we expected aid to carry out this movement express themselves wholly unable to command any money at present owing to the unprecedented pressure of the times."³⁵

As Fowler himself pointed out, the area around Natchez and Woodville represented one of the wealthiest in the state, yet the people appeared "unable to command any money at present." Far more important, although if Fowler recognized it he did not allude to the fact, was that this region consisted

34G. M. Fowler to Pettus, April 9, 1861, <u>Ibid</u>. 35_{Ibid}.

of wealthy planters who, in the spring of 1861, still hoped the Confederate Government at Richmond would react favorably to their repeated demands that the government purchase their cotton, giving in exchange bonds and notes of the Confederate States. Many Mississippi planters in the early part of the Confederate period simply ignored the state government as long as they retained any hope for relief from the Confederate Congress. They appeared fully aware that their grip on the state house in Jackson was being pried loose by repeated attacks of the entrepreneural classes, so consequently concentrated on winning control of the central government in Richmond. Only when their efforts to convince the latter to purchase the cotton crop outright failed, as happened in the fall of 1861, did the planters reluctantly attempt to regain their power and influence in Jackson. Meanwhile, they remained content to pay the required lip service for the support of Mississippi's initial financial endeavor of the Confederate period, but when the time came to actually participate, they ruefully expressed themselves "wholly unable to command any money at present owing to the unprecedented pressure of the times."

Despite the planter's hesitancy in responding to the proffered note and bond issues, negotiation of these securities moved along at a satisfactory rate in the poorer sections of the state. A strong supporter of this effort, the Paulding Eastern Clarion editorialized in mid-April that

"Our patriotic people will raise not only the men but the money for our defense." Apparently unaware of the recalcitrance of the planters, the <u>Clarion</u> boldly asserted that not a man existed but "will spend his bottom dollar, and shed his last drop of blood in the holy cause."³⁶

The Clarion's assertion that some people in Mississippi would spend their bottom dollar for the "cause" appeared somewhat born out by the success with which the bonds and notes were being sold by summer. Having determined to take advantage of the pervasive martial spirit of the times, Pettus and the Military Board decided to send out the brigadier generals of the state militia to canvass the state, speaking and selling the notes and bonds. This tactic proved more successful than the earlier plan of dispersing commissioners to sell the treasury issues. General Reuben Davis reported from Aberdeen on July 10 that he believed he would be able to "put in circulation in payment of purchases and exchange for money the whole amount of fifty thousand dollars treasury notes in short time." The people in the northern part of the state, he advised Pettus, "receive them in all transactions, and will deposit money with the Bank, in exchange for treasury notes, with which to pay their debts."37

A week after Davis' report, General A. M. West informed the Governor that up to that time, his success had proven

³⁶Paulding (Mississippi) Eastern Clarion, April 19, 1861.
 ³⁷Reuben Davis to Pettus, July 10, 1861, Ser. E., Vol.
 51, MDAH.

equal to "our most sanguine anticipations," and that "everywhere I have spoken the people have voted unanimously to make the Treasury /notes7... a currency in the payment of debts and in the purchase and sale of all goods, wares, & merchandise." West further assured Pettus that the people had "with singular liberality exchanged money for said notes, considering that there is but a small amount of money in possession of the people save <u>hoarded</u> wealth, which nothing but the strong arm of the law can reach." The day previous, West reported, he had sold some \$12,000 in Mississippi treasury notes and bonds. Before that, in Grenada, the General proudly announced that he had dispensed over one thousand dollars, that being all he had with him, but "could have sold more."³⁸

Not only were the Mississippi notes accepted by the more numerous classes of citizens, but the merchants and manufacturing interests, at least in the beginning, evinced little reluctance to receive them in payment for goods. J. M. Wesson, President of the Mississippi Manufacturing Company, one of the largest textile manufacturing concerns in the state, informed Pettus in July that he felt "no hesitancy in saying that we will take treasury notes of small denominations say five and ten dollars of the state and Confederacy, for what goods we may have to sell."³⁹ Actually, this limited

³⁸A. M. West to Pettus, July 17, 1861, Ser. E., Vol. 52, <u>Ibid</u>.

³⁹J. M. Wesson to Pettus, July 27, 1861, <u>Ibid</u>.

the number of acceptable Mississippi treasury notes somewhat, as the smallest denomination issued was ten dollars.

One factor which limited the amount of Mississippi treasury notes and bonds the state could sell to its citizens was the competition from Confederate issues, being distributed throughout the state simultaneously with the state currency. One tremendous advantage which the Confederate bonds had over state issues was that the former could be exchanged for not only certain kinds of paper money and specie, but also cotton. Like the experience with the state securities, however, those of the Confederate Government got off to a slow start, not so much from reluctance of some classes of people to invest in them, but from disorganization in their distribution. O. R. Singleton wrote indignantly to Pettus on April 15 that he read in the newspaper that he and two other prominent citizens of central Mississippi had been appointed commissioners to receive subscriptions to the Confederate loan. "Who are the Commissioners at Jackson who appointed us? What do they mean by giving us no notice, no instructions?" Singleton grumbled. Plenty of people desired to participate in the loan, he assured the Governor, but "what do they mean by this neglect of the means necessary to get the money?"40

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By April 25, the confusion had subsided somewhat, and

400. R. Singleton to Pettus, April 15, 1861, Ibid.

books opened at various points throughout the state to take the names of subscribers to the Confederate loans. Much was made in the state press of the fact that the first subscriber to the loan in Port Gibson was a slave, who "took fifty dollars of the loan." This seeming anomaly presented no difficulty to the editor of the Natchez <u>Courier</u>, who assured his readers that the "negroes are ready to fight for <u>their</u> people, and they are ready to give money as well as their lives to the cause of their masters."⁴¹ In Vicksburg a short time later, the <u>Whig</u> reported that Henry Lee, "the well known colored barber" and "Bill Newman, another free man of color, have each taken \$250 of the Confederate loan."⁴²

Many of the same problems which plagued the distribution of the state securities operated to the detriment of the Confederate loan as well. Several commissioners in northern Mississippi reported in April to C. G. Memminger that in "consequence of the depreciation of Tennessee money, and, indeed, all other currency except New Orleans, it being now 10 per cent. discount for coin," that they could not "effect much in the way of obtaining loans for the Government."⁴³ Like the experience of the agents attempting to negotiate Mississippi treasury notes and bonds in the counties near

⁴¹Natchez Courier, April 25, 1861.

42Vicksburg (Mississippi) Whig, quoted in the Natchez Courier, April 30, 1861.

 43 W. M. Sea, J. W. Clapp, and W. Goodman to C. G. Memminger, May 27, 1861, Thian, <u>Correspondence</u>, Appendix V, p. 117.

the Tennessee border, the Confederate commissioners quickly discovered that Mississippians in that area accepted the Tennessee currency at par, and were therefore not willing to take a discount on it simply to subscribe to the Confederate loan.⁴⁴

By July, it became apparent that the Confederate loan agents would continue to experience difficulty in obtaining subscriptions in some areas of the state, due mainly to the simple lack of funds. No comprehensive stay law had yet been passed in Mississippi, and as Richard T. Archer reported to Memminger, "We cannot pay our debts and make loans to the Confederate Government with the same money."45 Not only did planters such as Archer realize that some rules regarding the negotiation of the loan needed alteration, but the agents charged with dispensing the Confederate issues quickly formulated their own ideas as to what steps should be taken to affect this object. On July 2, T. J. Dobyns, who identified himself as "one of the agents who are trying to induce our planters to set aside such portion of their growing crops of cotton as they can spare and take the bonds of our Government," proposed his plan to President Jefferson Davis. He suggested to Davis that a sort of national bank be established to regulate all financial affairs of the Southern states. Pausing to assure the President that he was "opposed to such

44_{Ibid}.

⁴⁵Richard T. Archer to C. G. Memminger, July 1, 1861, Ibid., pp. 180-181.

institutions under ordinary circumstances," and that his proposed bank would "be very different from the United States banks," Dobyns suggested that the South's entire cotton production become the basis of a huge banking establishment. He urged that the Confederacy raise through cotton one-half to two hundred millions of dollars, to be used as security for the issuance of up to three times that amount of money. Dobyns proposed that individuals be allowed onethird of the stock, the states a third, and the Confederate Government itself the remainder, thereby at once providing a system of checks and balances and winning the support of three crucial elements in the Confederacy.⁴⁶ The government could hold the cotton until a satisfactory profit could be obtained abroad, and then sell for gold, making the bank's currency issues that much more valuable and desirable.

Dobyn's plan, and similar ones proposed by planters throughout the South in the early part of the war, never received serious consideration by Confederate treasury officials. Instead, the latter chose to base their currency and bond issues on such ephemeral foundations as "pledges to pay," and 'promises to pay the bearer two years after the ratification of a treaty of peace." Had a plan approximating that of Archer or Dobyns been accepted, a powerful diplomatic weapon would have been added to the Connederate arsenal,

 46 T. J. Dobyns to Jefferson Davis, July 2, 1861, <u>Ibid.</u>, pp. 184-185.

for had the Confederacy collected and protected the entire cotton production of the South, instead of ordering it burned to make a dubious point to reluctant potential European allies, these countries might have been more tempted to extend at least recognition, if not direct aid, to the Confederacy.

During the early period of armed conflict, all classes of Mississippians were caught up in the throes of a situation which appeared dangerous, hostile, and altogether strange to any past experience. Torn loose from traditional political moorings, Mississippians became so much flotsam, being pulled this way and that by forces which most of them understood but faintly, if at all. Actual war, rumors of impending invasion, and the ever-present possibility of domestic insurrection added to the uncertainty which prevailed everywhere. Far more tangible, however, were the rapidly deteriorating economic conditions, which led to falling cotton prices. inability of merchants to obtain new goods or to sell those on hand, and a general paucity of money or any reasonable sub-Confederate agents encountered increasing diffistitute. culty in passing their notes and bonds on to the people. Commissioners for the Mississippi treasury note and bond issues fared little better generally, while the issues of both Confederate and state treasuries were passing only at a discount in most areas, including the all-important New Orleans market. Although one financial firm in the Crescent City reported to W. R. Fulkerson of the Port Gibson Bank in June

that if "we can <u>all</u> squeeze along two weeks longer we have got the bugger by the hand," it seemed later in the month that the "bugger" remained at large.⁴⁷ On June 22, the same firm reluctantly informed Fulkerson that Southern money generally circulated only at a discount in New Orleans. Fulkerson received assurances that if he had "gone through for two months what the writer has, you would be as grey as a rat." No matter what remedy was attempted, it seemed that the rat just "got fatter, handsomer."⁴⁸

By the time winter arrived in the first year of the war, Mississippi officials had squandered several opportunities to create a workable, acceptable financial system in favor of a cautious wait-and-see attitude. Despite this, most Mississippians strongly supported the Confederacy during 1861, but by the end of the year, were becoming increasingly restless and demanded more positive action on the part of both state and Confederate officers. In response to this, the legislature which met in November faced the difficult task of creating from nothing a viable financial structure for a state already beset by destitution, deprivation, and war.

⁴⁷J. J. Person & Co. to Wm. R. Fulkerson, June 8, 1861, Port Gibson Bank Papers, MDAH.

⁴⁸Ibid., June 22, 1861.

CHAPTER V

LEGISLATIVE SUCCESS

While the economic programs implemented by Pettus and the legislature in the March and July meetings demonstrated their growing awareness of the complex problems facing Mississippians, it appeared obvious by November that comprehensive, long-range planning must be initiated if chaotic conditions were to be prevented. The commencing of actual war demanded greatly increased expenditures for military pro-By the same token, the additional demands upon Misgrams. sissippi's manpower supply meant a considerable increase in the number of needy families left behind to be taken care of by state and county revenue. Further complicating the domestic scene were the widespread practices of hoarding and speculation participated in by merchants, wholesalers, and planters alike.¹ Specie existed almost nowhere in the state after mid-year, resulting in a dearth of small change with which to carry on minor business transactions.² The smallest denomination of the state treasury notes was the ten dollar

¹Natchez Courier, October 10, 1861; the Macon <u>/Missis-</u> sippi/ Beacon, December 4, 1861.

²Natchez Courier, October 2, 1861; J. W. Watkins to Tho. T. Swann, December 6, 1861, Ser. G., Vol. 33, MDAH. bill, wholly unsuited to most ordinary transactions. Further, these bills achieved only reluctant acceptance in some quarters of the state, while in others they were refused altogether. J. D. Folsom, a regimental commander, reported indignantly to Pettus in September that the leading merchant at Marion Station "refuses to have State Notes at any price," and would accept only Confederate notes in exchange for supplies which only he could furnish to Folsom's troops.³

Adding to the pecuniary embarrassment of a large portion of the state's population were skyrocketing prices, which by late 1861 reached proportions unknown in any previous period of extreme inflation. Flour sold for about seven dollars a pound in September, and bacon went for twenty-five cents-and this when a soldier's pay consisted of about eleven dollars per month.⁴ The Natchez <u>Courier</u> reported on November 12 that "there are parties here who are purchasing the necessaries of life, such as soap, candles, starch, &c. in such great quantities as to make the want of them felt" rather severely. The purpose of these unscrupulous people being, according to the <u>Courier</u>, to send the articles to New Orleans "on speculation."⁵ In the northern part of the state the

³J. D. Folsom to Pettus, September 12, 1861, Ser. E., Vol. 53, MDAH.

⁴Ibid.

⁵Natchez Courier, November 12, 1861.

Macon <u>Beacon</u> reported in early December that many classes of foodstuffs, particularly molasses, rice, wheat, and corn were being hoarded and "speculated in."⁶

Certainly by November additional legislation was urgently called for by Mississippians of all classes, from the planter who frantically pressed for some relief to enable him to dispose of part or all of his cotton, to the small farmer who had left his family and joined the volunteer companies, only to find his wife and children facing winter with no money, and very little food. Under these conditions, complicated by the increasing threat of actual invasion of the state from the north, south, and west, Pettus again sent his recommendations to the legislature meeting in November, 1861, fully realizing that upon subsequent actions rested the hopes and safety of all Mississippians.

The object of the legislature assembled in Jackson late in 1861 was, according to the Governor, to "place Mississippi in the best condition to exert her full force in rendering this conflict sucessful." The most obvious means to accomplish this, he asserted, rested in "the adoption of means to render more comfortable and healthy, and consequently more efficient, the volunteers" who were then in the field. What the brave men in the tented field really needed, Pettus admitted, was food and warm clothing. He confessed that he had previously believed that the law passed by the legislature in

⁶Macon Beacon, December 4, 1861.

July authorizing the county boards of police to provide for clothing for the volunteers would prove sufficient, but subsequent events demonstrated otherwise. Since the law left it up to each county to decide how much they wanted to contribute, Pettus complained, some "patriotic but poor" counties had furnished as many as fifteen companies, while other more affluent counties provided for the support of only two or To correct this obvious injustice, Pettus suggested three. that the state assume the burden of providing the basic necessities for Mississippi troops, which the Governor reported numbered about 30,000 in camps and in the field. All these soldiers, Pettus pointed out with pride, were volunteers, having been constrained to enter the service only out of "patriotic duty to stand between the State and her enemies."7

Pettus then addressed his remarks to financial conditions in Mississippi, which he characterized as "the most pressing want of the country." He assured the legislators that he had exhausted every effort to dispose of the entire sum of \$1,000,000 authorized by the act of January 26, but found this impossible, due mainly to the lack of specie or other ready money. Based upon what he considered the absolute necessity to equip and arm Mississippi's soldiers, Pettus informed the assemblage that he consequently "exercized a discretion which I believe is given me by the ordinance, and caused these notes to be used as money in the purchase of arms, accoutrements, equip-

⁷Mississippi House <u>Journal</u> (November, 1861-January, 1862), p. 10.

age and supplies." In other words, when it proved impossible to dispose of all the notes and bonds by "patriotic appeals," Pettus simply withdrew from the treasury a sufficient amount of the unsold currency and used it to purchase articles needed by the army. Realizing his action lacked legal sanction, and if continued would likely cause sharp depreciation in the currency actually sold, Pettus urged the legislature to devise some "well-digested financial scheme" to obviate the necessity of such extra-legal undertakings in the future.⁸

Although he left it to the legislature to evolve a "welldigested financial scheme," Pettus overtly suggested where it might be well to begin the search for such a plan. Reflecting pressures applied by planters whose every effort to persuade Confederate authorities to purchase their cotton met with failure, Pettus reminded the legislators that since Mississippians "depended almost entirely on the sale of cotton for money," it seemed only logical to look in that quarter for some basis for an additional currency issue. Pettus then rather astutely summed up the glum financial situation in Mississippi:

> Having no large cities whose capital is accumulated, and no bank, and having spent the ready money on hand at the commencement of hostilities, in fitting out their sons for the field, $/\overline{M}$ ississippians/ will be pecularly embarrassed in paying their taxes, unless some plan can be devised by which cotton can be converted into the means of payment.

If this can be done, then all trouble on this

8Ibid., pp. 12-13.

subject vanishes, and the Confederate Government might double the tax, and it would be paid as cheerfully as the most moderate State tax was ever paid; but unless cotton can be thus exchanged, my deliberate opinion is that the present tax cannot be paid.⁹

Pettus reluctantly came to the decision that the state must issue additional paper money, even though he clearly preferred that the Confederate Government assume the responsibility of furnishing the South with a sufficient circulating If a paper currency must be relied upon, as he remedium. gretfully assumed was the case, Pettus suggested it would be cheaper "for the Confederate Government to make that paper currency by issuing Treasury notes to the full amount of the wants of the Government." If this policy were followed, Pettus asserted, "the Legislatures of the several States might materially aid in giving these notes a continued currency by making them receivable at the State Treasury." Later, the tax for their ultimate redemption might "be collected on the raising of the blockade; and if necessary, it might be made double or treble the present rate, and it would be less burthensome and more cheerfully paid."¹⁰

Mississippians might well endure the privations of a few years of war, Pettus confidently assured his listeners, because for them "with returning peace comes renewed prosperiety." As for the enemy, he said "no peace can restore their former prosperity, when bootless and baffled they are driven

9<u>Ibid</u>. 10_{Ibid}. back to survey the ruin brought on their country by their own folly." Clearly concerned about the families of Mississippians daily dying to overcome that foe, Pettus recommended that the legislature take such measures for their relief "as their circumstances may be found to require."¹¹

Governor Pettus concluded his remarks by again warning that he feared the "magnitude and duration of the war" had not been fully appreciated. The North, he asserted, would prove a tenacious combatant, since its stake in the war was nothing less that "absolute control of the hundreds of millions of the teeming annual wealth of Southern fields." This being the case, he predicted northerners would "not be easily driven from their pretensions to the right to plunder" the South, and would "doubtless submit to any sacrifice so long as hope remains of so rich a conquest." Reflecting the general position most Southerners took--that their war effort was strictly defensive--Pettus assured Mississippians that their brave soldiers were "battling in defense of property, honor, life, and all for which freemen should wish to live." Because these were the issues being decided on the field of battle, Pettus said, "we must triumph or perish!"¹²

While Pettus' remarks may have strengthened their resolve, the legislators were already aware of the pressing need for the development of a comprehensive financial program in Mississippi. The state's circulating medium consisted of

¹¹<u>Ibid</u>., p. 14. ¹²Ibid., p. 16.

the convention treasury issue of January, 1861, several Confederate Government issues, some script of private banks, and issues of surrounding Southern states. By November, each of these types of currency issues had proven unsatisfactory to one degree or another in meeting Mississippi's financial needs. The state's own convention treasury note issue had not sold well at all, despite vigorous efforts by numerous state officials to secure the sale of the \$1,000,000 authorized by the January 26 act.¹³ Then in February, 1861, the Confederate Government voted to issue \$15,000,000 in tenyear, eight per cent bonds secured by a tax on cotton ex-In March, the Richmond government supplemented this ports. by authorizing the sale of \$1,000,000 in one-year treasury notes, bearing a little over three and one half per cent interest, and in August, this issue was doubled.¹⁴

Neither the state nor the Confederate notes were intended to be used as a legal tender. Furthermore, the Confederate currency, issued in denominations of not less than fifty dollars and the state notes, issued only in denominations exceeding ten dollars, were consequently unusable as a circulating medium in the ordinary course of business transactions. Print-

¹³Jackson /Mississippi7 Mississippian, March 5, 1862; A. M. West to Pettus, July 17, 1861, Ser. E., Vol. 52, MDAH; Mississippi Senate Journal, July, 1861, pp. 39, 86.

¹⁴Schwab, <u>A Financial and Industrial History</u>, p. 9; <u>The</u> <u>Statutes at Large of the Provisional Government of the Con-</u> <u>federate States of America, February 8, 1861-February 18, 1862</u>, James M. Matthews, Ed. (Richmond, 1864), pp. 42-48, 54-57. (Hereafter referred to as Confederate Statutes.)

ing delays and inefficiency in the distribution of both these types of notes further hampered initial efforts to distribute them among Southerners. Because of uncertainties regarding their acceptance in payment of taxes, both note types early began to pass only at a discount.¹⁵ The Confederate issues were so laden with liabilities that by July 19, only some \$123,000 worth of the bonds authorized in February had been disposed of in Mississippi.¹⁶ As for the state notes, a report dated July 26 indicated only a little over \$174,000 of the entire issue had been taken up.¹⁷ In fact, people generally displayed so little confidence in the convention notes that in September the state treasurer felt constrained to issue a formal statement, guaranteeing that the legislature would pass no law which might impair their value and that they would be accepted in the payment of taxes due to the state.¹⁸

Although used extensively by Mississippians since repudiation forced the abandonment of home-grown financial arrangements, note issues of the surrounding states were by no means satisfactory once the war began. One problem developed because issues of the various banks rose and fell drastically in value during the disturbing early days of the war. Con-

15Schwab, <u>A Financial and Industrial History</u>, p. 9; Auditor's Records, <u>Ser. G.</u>, Vol. 19, MDAH; Jackson <u>Mississippian</u>, March 5, 1862.

¹⁶Bettersworth, Confederate Mississippi, p. 94.

¹⁷Mississippi Senate Journal (July, 1861), pp. 39, 86;
 A. M. West to Pettus, July 17, 1861, Ser. E., Vol. 52, MDAH.
 ¹⁸Natchez Courier, September 18, 1861.

sequently, Mississippi merchants never really knew the rate of discount which the notes whould command. More importantly, only Mississippi convention treasury notes were acceptable for the military tax, and there existed widespread fear that out-of-state issues might not be accepted for other county, city, state, and Confederate taxes. For these reasons, notes of surrounding states proved less desirable as their usefulness became less assured.¹⁹

Aware of these problems plaguing Mississippi's financial system, the legislature which remained in session from November, 1861 to January, 1862, devised multi-faceted financial schemes which far exceeded the Governor's sketchy recommendations. By their action, the legislators virtually created out of "cotton and faith" a comprehensive financial program, designed to meet the pressing needs of all classes of Mississippians. If up to that point legislative action in relation to finance and currency seemed inadequate, their efforts in November, December, and January compensated somewhat for valuable lost time.

Before breaking new ground in devising financial measures to relieve the distress of their constituents, the legislators turned first to the convention treasury note issue of January 26, 1861, with a view toward strengthening and expanding its original provisions. Since only a fraction of the \$1,000,000 authorized by the original act had actually

19Bettersworth, Confederate Mississippi, pp. 94-95; G. W. Brame to Pettus, November 28, 1861, Ser. E., Vol. 54, MDAH.

been sold, and since Pettus had simply withdrawn a portion of the remainder to use as money in securing military supplies, the legislature passed an amendment which essentially legalized the Governor's action, and allowed his continued use of treasury funds if the need arose. Further, the amendment provided for the issuance of more of the unsold treasury notes, with the proviso that they be put in circulation at These additional issues, like those previtheir par value. ously sold, were redeemable in either 1862, 1863, or $1864.^{20}$ In January, 1862, this act underwent further alteration, making future issues of the treasury notes acceptable for taxes in any year, regardless of when they were actually due. In the event such notes found their way to the state treasury prior to their ultimate redemption date, the amended act allowed their re-issuance by the state treasury. By this device, the state increased its circulating medium, without adding to its liability for their redemption.²¹

This decisive legislative action stimulated sales of the treasury notes considerably. Whereas state Treasurer M. D. Haynes reported only some \$209,000 of the notes and bonds sold by November $13,^{22}$ A. B. Dilworth, Auditor of Public Accounts, notified Pettus on December 25 that total sales had

20_{Mississippi} Laws (November, 1861-January, 1862), pp. 45-46.

²¹Ibid., p. 244.

²²Treasurer's Report, Mississippi House <u>Journal</u> (November, 1861-January, 1862), Appendix, p. 2.

jumped to just over \$281,000.²³ Nevertheless, this increase, combined with Confederate, local, private, and surrounding state issues fell far short of furnishing Mississippians with a plentiful circulating medium, adequately adapted to common needs. To meet the exigencies thus presented, the legislators turned next to the most valuable Southern staple of all--cotton.

To look to the great Southern staple for relief represented no drastic departure from past practices for Mississippians in 1861. For decades the plantations of the South were devoted almost exclusively to the production of a single staple crop for sale in a distant market. The proceeds of this crop secured the slave laborers needed to work the land, as well as clothing, food, farm tools and animals, and the comforts and luxuries demanded by the planting aristocracy. To exchange their crop for these items, most planters depended on factors, or commission merchants. Frequently, either because of a desire to increase his holdings or as a result of a partial crop failure or falling cotton prices, a planter desired credit, and to obtain it he usually looked to his The factor in turn, anxious to secure for himself factor. the lucrative commissions incident to marketing the planter's crop, eagerly supplied the required capital, either out of his own reserves or through a loan obtained from other sources.²⁴

²³Ibid., pp. 206-207.

²⁴For a discussion of how the factorage system operated in one important Mississippi commercial center, see Walker, Vicksburg, pp. 4-12, 20-22.

The staple crops, and cotton in particular, had for decades prior to the outbreak of the Civil War furnished the main basis for the Southern credit system. Land and slaves, the other two chief bases of Southern wealth, presented difficulties which prevented their widespread use as security for loans. There were periods of great speculation in land, such as when removal of the Chickasaw and Choctaw Indians from Mississippi in the early 1830's opened vast new tracts of arable land for white settlement, but generally the low value of land coupled with the exhaustive system of cultivation made this form of security peculiarly undesirable. Slaves, while sometimes utilized as security to purchase other slaves, presented obvious limitations in that prices of this human commodity fluctuated so drastically, and they might, after all, die at any time. 25

When economic ruin threatened the plantation system in 1861, Mississippi planters therefore turned quite naturally to cotton as they believed it offered the best hope of staving off the impending crisis. For years, mortgages on the growing crops represented the usual form of obtaining money when the latter commodity became scarce. To relieve the critical situation created by the lowering of the Northern blockade of Southern ports in 1861, Mississippi planters frequently appealed to the Confederate Congress to devise

²⁵For a thorough study of these aspects of Mississippi agricultural operations, see Herbert Weaver, <u>Mississippi</u> Farmers, 1850-1860 (Nashville, 1945).

some scheme whereby most or all of the cotton crop would be purchased outright by the government.²⁶ This action would both relieve the planters pecuniary embarrassments by furnishing an internal market for their staple, and supply the Confederate authorities with a powerful diplomatic and econ-But unfortunately for both planter and governomic weapon. ment, the Confederate Congress declined to purchase the cotton crop of the South outright, and instead passed a "produce loan," whereby \$50,000,000 was set aside to be subscribed by planters who wished to pledge their produce to the Confederates for which they were to receive twenty-year, eight per cent bonds.²⁷ This type of arrangement proved very attractive to the government, as it allowed them to obtain necessary supplies without having to actually advance money for them. However, such a plan left the planters little if any better off than before, for the bonds could only be used as long-term investments, not as a circulating medium which represented the planters' prime necessity. Without treasury notes with which to pay current debts, the planter could neither afford to expand or even maintain his present level of operations,

 27 Schwab, A Financial and Industrial History, p. 12.

²⁶Appeals emanated from all classes in Mississippi throughout 1861, with the preponderance being from the larger cotton producers. Some of the more thorough plans suggested were presented in the following: <u>De Bow's Review</u>, XXX (1861), pp. 367-368; Charleston <u>Courier</u>, March 3, 1862; W. C. Smedes to Jefferson Davis, July 10, 1861, in Thian, <u>Correspondence</u>, Appendix V, p. 204; Charles B. Johnson to Pettus, November 11, 1861, Ser. E., Vol. 54, MDAH; and G. W. Brame to Pettus, November 28, 1861, Ibid.

nor could he subscribe liberally to additional Confederate or state loans. 28

By the November session of the Mississippi legislature, it seemed clear to both Pettus and the legislators that if the planters were to get any real relief it must originate on the state, not the national level. Disillusionment with Confederate Secretary of the Treasury C. G. Memminger motivated one Mississippi agriculturalist to complain to the Governor that "the impotency of Mr. Memminger's administration has lost the country millions, and if he persists, in the course he has adopted, will involve us in utter ruin . . . for all purposes of good the secretary has been a Dummy . . . all of his policies have been pregnant with evil."²⁹ Reacting to rumors that the impending legislature planned to create banks, in the hope they would lend money to the hard-pressed planting community, "a planter" writing in the Natchez Courier warned that in such a scheme where banks were created to loan money to planters for the latter's cotton, the sum advanced would surely be so small that when the blockade was finally lifted, the banks could sell the cotton at enormous prices, pocketing the profits while leaving the hapless planters to suffer severe losses. "Let us beware of that snare,"

²⁸W. C. Smedes to Jefferson Davis, July 10, 1861, Thian, <u>Correspondence</u>, Appendix V, p. 204; and Thomas Dabney to C. G. <u>Memminger, Fall</u>, 1861, Ibid., p. 444.

²⁹Charles B. Johnson to Pettus, November 11, 1861, Ser. E., Vol. 54, MDAH.

the planter urged, "let us still hope, and labor, that the Government may give us a currency, and buy our cotton."³⁰

While the author of that plea probably had the Confederate Government in mind as the body most likely to purchase Mississippi's cotton, it became the state government upon which the burden ultimately fell. Early in December, the senate passed a bill authorizing the issuance of money based upon cotton to be pledged by growers of the staple, but the bill faced stormy debate in the house of representatives. Following four days of speeches, challenges, and attempts at amendment, the bill passed the house by a vote of sixty to sixteen.³¹ Finally, Mississippi possessed the necessary machinery upon which it hoped to construct a sound, effective currency system.

On December 19, Governor Pettus signed into law the farreaching act "authorizing the issuance of Treasury Notes, as advances upon cotton." The total issue being established at \$5,000,000, the notes were to be of a denomination as high as one hundred and as low as one dollar, thereby making them acceptable in ordinary business transactions. The notes were to be advanced upon cotton at the rate of five cents per pound, to any Mississippian who produced satisfactory affidavits attesting to his actual possession of a certain number

³⁰Natchez Courier, November 6, 1861.

³¹Mississippi House <u>Journal</u> (November, 1861-January, 1862), p. 229.

of bales of cotton. The cotton was to remain carefully stored at the risk of the grower until called for by the Governor at such time after the raising of the blockade as the The notes thus issued were to be redeemed out latter chose. of proceeds from the sale of the pledged cotton, which could only be disposed of for gold or silver, or notes authorized by the act itself.³² Reacting to what some planters considered a serious weakness of the Confederate produce loan, which contained no provision for the redemption of the cotton by the planter, 33 the Mississippi law allowed the person who pledged his cotton to redeem such produce at any time by simply repaying in cotton notes the amount of such notes advanced. This meant that if the planter or farmer felt he had an opportunity to sell his cotton at a better price than the five cents allowed by the law, he could simply repay the money advanced by the state, and thereby regain complete ownership of his stored cotton. To prevent planters from dumping the unsold portion of their 1860 cotton crop on the state, the law provided that only cotton produced in 1861 was eligible to be pledged for a cash advance. 34

To increase the attractiveness of the cotton notes, as

³²Mississippi Laws, (November, 1861-January, 1862), pp. 59-66.

 $^{33}\text{W}.$ C. Smedes to Jefferson Davis, July 10, 1861, Thian Correspondence, Appendix V, p. 204.

³⁴Mississippi <u>Laws</u> (November, 1861-January, 1862), pp. 59-66.

they soon came to be called, the law provided for their acceptance for the payment of all dues to the state, with the lone exception of the military tax, for which only treasury notes issued under provisions of the January 26, 1861 ordinance would suffice.³⁵

The basic "cotton note law" underwent some revision on January 29, 1862 when the legislature passed a supplemental act allowing the Governor to have the notes printed by the "electrotype processes," since the engraving procedure normally used proved too slow. To further expedite getting the notes into the hands of the anx'ous cotton planters, the supplemental act approved the hiring of additional clerks to sign the notes for the treasurer and auditor. Also, trustees controlling funds could invest them in these cotton notes. Finally, to defray the expense of printing the notes, each subscriber to the loan must furnish at the time he received the notes one half of one per cent of his advance.³⁶

Desiring both to increase still further the amount of money in circulation and to tap accumulated sources of wealth, the Mississippi legislature in November devised plans which permitted railroads operating in the state to issue script. On December 20, 1861, an "Act to Authorize Railroad Companies . . to issue Notes" won approval by Governor Pettus. This act authorized the issuance of script of no greater denomina-

³⁵Ibid., p. 64. ³⁶Ibid., pp. 247-248.

tion than three dollars, nor smaller than one dollar, thereby furnishing an acceptable medium for small transactions. Six railroad companies, the Mississippi Central, Mobile and Ohio, Mississippi and Tennessee, Southern, West Feliciana, and the Grand Gulf and Port Gibson received authorization to issue a total of \$380,000 in these small "change notes."³⁷ In January, the New Orleans, Jackson, and Great Northern railroad received script issuing privileges, which added another \$300,000 to the previously allowed amount.³⁸

Determined to avoid some of the problems formerly encountered when one bank refused to receive the notes of another, the legislature made the privilege to issue script on the part of the railroads dependent upon the understanding that each road must establish a redemption station within the confines of the state, and each must accept the issue of all the others for transportation and freight costs. Also cognizant of the problems which formerly arose in Mississippi financial history when banks refused to submit their books for inspection by state officials, the 1861 law provided that each railroad accepting the privilege of issuing its own notes must present its books at Jackson when and if called upon to do so.³⁹

Tight controls were also instituted in relation to the

³⁷<u>Ibid</u>., pp. 78-81. ³⁸<u>Ibid</u>., pp. 238-239. ³⁹<u>Ibid</u>., p. 81.

redemption of their notes by the railroad companies. The subscribing railroads were required to redeem their notes at any time, either in specie, Confederate notes, or other "bank notes current at the time and place of presentation." Further, they must accept their own notes and those of the other railroads freely and at par value. In return, the railroads could re-issue their script an unlimited number of times, until one year after the close of the war.⁴⁰

On January 22, 1862, a supplemental act provided for the issuance of an additional \$568,000 by the seven companies which operated railroads in Mississippi. The act also allowed the railroads to issue notes of a less than one dollar denomination; in fact, anything down to five cents would be allowed. Further, the Memphis and Charleston railroad, which traversed the northern part of the state, was granted banking privileges, and received authorization to issue \$200,000 in This supplemental law, like the original, contained script. rather severe penalties for issuance of more notes than specifically allowed each railroad company, and the legislature reiterated its demand that each of the companies accept the notes of the others at par.⁴¹

Another financial scheme introduced into the legislature early in November involved the establishment of a system of private banking enterprises within the state. On November 14,

⁴⁰<u>Ibid</u>., pp. 79-80. ⁴¹Ibid., pp. 211-214.

John Hooker of Holmes County proposed a bill designed to establish "banking in the state of Mississippi," tot failed to win immediate consideration for the measure. Hooker managed to gain a new hearing for his bill in late November, when he obtained its referral to the committee of ways and means.⁴² On December 3, that committee submitted its report, in which it stated that though the plan seemed acceptable, the committee was "unable to arrive at any conclusion touching the practicability and policy of establishing a system of Banking" in Mississippi.⁴³

For a brief time the re-establishment of a banking system in Mississippi appeared doomed, but in early January, 1862, a new movement for the creation of such a system reached fruition and on January 17, Pettus signed into law an act incorporating several banks to operate within the state. The enactment provided for the establishment of ten banks, to be located in the cities of Jackson, Natchez, Vicksburg, Holly Springs, Aberdeen, Grenada, Enterprise, Yazoo City, Columbus, and Brookhaven. Collectively, these banks received authorization to issue stock for a total capitalization of \$6,300,000. Each bank could issue notes based upon its paid-in capital on the basis of one for one, until such time as they resumed specie payments. Thereafter, the law provided that the banks could circulate notes in the amount of two for one on its

⁴²Mississippi House <u>Journal</u> (November, 1861-January, 1862), p. 94.

⁴³Ibid., p. 165.

paid-in capital stock.44

Each of the banks received a twenty-year charter, and each could accept subscriptions to its capital stock in cotton, to be valued at twenty-five dollars per bale. Like the state scheme for advancing money on cotton, the subscribers were to store the cotton until called for following the removal of the blockade, and safe keeping of the staple thus pledged for bank stock remained the responsibility of the subscriber.⁴⁵

Aware of the problems which resulted from the lax nature of the first Mississippi banking system, the legislature determined to prevent possible bank abuses by instituting strict controls limiting freedom of action by the banks. As for privileges, each bank could issue script, deal in specie, Confederate notes, bills of exchange, drafts, promissory notes and the like, charging ten per cent annual interest until specie payments were resumed, at which time only eight per cent could be collected. In the area of control measures, the law required each bank to file with the state treasurer a semi-annual statement of the condition of the bank, in addition to an annual report to the governor, showing the amount of notes in circulation, amount of capital, debts, deposits, and other relevant details. Further, the governor could at his discretion appoint a commissioner to

44Mississippi Laws (November, 1861-January, 1862), pp. 147-163.

⁴⁵Ibid., pp. 147-149, 151-153.

examine the bank books if he suspected they were operating on a less than solid basis. Finally, each of the banks contemplated by this legislative enactment must accept any treasury notes issued by the state or else forfeit their charter.⁴⁶

On January 25, Pettus approved yet another "well-digested financial scheme" devised by the legislature. The Columbus Life and General Insurance Company and the Mississippi Mutual Insurance Company each received banking privileges which collectively added another \$500,000 or so to the growing circulating medium in Mississippi. These companies, according to the prefactory statements in the law, deserved banking privileges because they had "been in successful operation for a number of years," during which time they had paid "a large amount of taxes into the State treasury." Perhaps more to the point, as the preamble admitted, "there has arisen an emergency in the financial affairs of the country requiring the employment of concentrated banking capital or credit."⁴⁷

As with the banks previously chartered by the legislature, the insurance companies were required to file a periodic report to the state auditor, displaying their "true condition." As a further inducement to operate according to sound financial principles, the stockholders possessing securities in note-issuing insurance companies were liable for double the

⁴⁶<u>Ibid.</u>, pp. 154-163. ⁴⁷Ibid., pp. 288-289.

total amount of circulation, upon any failure of the company to redeem the same. Further, the companies must resume specie payments on their notes within ninety days after such action by Mobile and New Orleans banks. In return, the companies were granted the privilege of charging eight per cent interest on their notes.⁴⁸

Having thus created a plethora of banking institutions, the Mississippi legislature far surpassed Pettus' "most sanguine expectations" in providing relief for a great number of Mississippians. The planters finally possessed a market for their produce, and at the same time received treasury notes in exchange with which to carry on daily financial transactions. The original treasury note law underwent revision so as to make the payment of taxes somewhat easier, and to get more notes into the hands of the state's citizens. The largest and most important industries in the state--the railroads--obtained banking prerogatives as did two of the most prosperous insurance companies. In addition, private banking institutions received generous charters from the state. Still, none of these programs provided the state executive with a sufficient fund from which to provision Mississippi's soldiers, a necessary item as Federal troops moved ever closer to the state's boundaries in the fall of 1861.

This last deficiency received legislative attention in the final days of the lengthy session, and on January 29, 1862,

⁴⁸Ibid., pp. 290-296.

Governor Pettus signed into law an act "Authorizing the Issuance of Treasury Notes on Behalf of the State." By the terms of this law, Pettus received permission to contract for the printing of up to \$2,500,000 in treasury notes of denominations ranging from five to five hundred, to be receivable for all dues to the state except the military tax. These notes, secured only by "Faith of the State" were to form a "military fund" to be expended "in the defense of the State." They were fundable in bonds bearing eight per cent interest, payable in ten years, when presented in sums of at least \$500. Anyone holding a minimum of \$500 worth of these notes could at any time exchange them for the eight per cent, ten-The only pledge made in regard to redemption of year bonds. either the notes or bonds was a brief statement that the "faith of the state" guaranteed that they would be redeemed.⁴⁹

This final financial proposal represented a drastic departure from the other currency laws previously passed during the Confederate period, in that in each of the other instances, very specific provisions clearly detailed how and from what source redemption funds would come. Significantly, when these notes appeared, the words "Faith of the State Pledged" appeared on the face of each in a very dim ink, incorporated in a sort of blurred background pattern. Quite understandably, Mississippi's record of living up to "faithful pledges to redeem" left much to be desired, a fact state authorities cer-

⁴⁹Ibid., pp. 286-288.

tainly did not wish to call attention to in 1862.

As the Mississippi legislature moved to expand the state's boundaries of financial responsibility, it became necessary to appropriately revise the existing tax structure. Considerable uncertainty as to what amounts of taxes were due, and which currencies would be acceptable for the various types of assessments led several tax collectors throughout Mississippi to complain to state officials that they experienced confusion and unwanted delay in attempting to collect any significant portion of the taxes currently due.⁵⁰ By mid-December, conditions in relation to tax matters received the attention of the legislature. On December 19, Pettus signed into law a measure extending the time allowed for the collection of all taxes for the current fiscal year, thereby giving some relief to the harried tax collectors. An extension was also granted to the assessors, allowing them considerable extra time in which to prepare their new rolls.⁵¹

Having dismissed an attempt to make cotton receivable for taxes,⁵² and suspended the collection of certain types of local and specific taxes collected in some parts of the

⁵¹Mississippi Laws (November, 1861-January, 1862), pp. 106, 141.

⁵²Mississippi House <u>Journal</u> (November, 1861-January, 1862), pp. 7, 42.

⁵⁰For letters to the auditor and treasurer discussing some of the problems involved in assessing and collecting taxes, see W. H. Mangum to T. T. Swann, December 28, 1861, Ser. G., Vol. 34, MDAH; L. P. Fulton to A. B. Dilworth, December 28, 1861, <u>Ibid</u>; T. Ward to the Auditor of Public Accounts, December 26, 1861, Ibid.

state,⁵³ the legislature passed and Pettus signed on December 16, 1861, the first of a series of comprehensive tax measures designed to relieve the distress of destitute families left behind by army volunteers. The act provided for the collection of a special tax of thirty per cent upon the regular state tax, to be collected by local authorities and turned over to the state auditor, who in turn parcelled the funds out to the counties, according to the number of needy families of volunteers residing in each.⁵⁴

The legislature also turned its attention to the previously-passed stay law, and on December 19, enacted an extension to that law providing that the collection of all judgments of forfeiture previously rendered be postponed until a year after the ending of the war.⁵⁵ This act encompassed the only major class of debts left immediately collectable in 1861, and thus practically obviated the necessity to continue the chancery court system in the state during the remainder of the war.⁵⁶

⁵³Mississippi Laws (November, 1861-January, 1862), pp. 97, 134.

⁵⁴Ibid., pp. 53-56. ⁵⁵Ibid., p. 109.

⁵⁶During the November-January session of the state legislature, some nineteen acts were passed which substantially reduced the fees of various state and local officials. Of these, the majority directly lowered the salaries of probate, circuit, and chancery judges. See Mississippi Laws, (November, 1861-January, 1862), pp. 71-72, 75, 76, 84-85, 86-87, 89, 91-93, 96-97, 108, 126-128, 130.

How to satisfy recently-enacted Confederate tax levies presented yet another problem to the legislature. In August, 1861, the Confederate Congress levied a tax of one-half of one per cent on most classes of property in the South, the major exceptions being money on hand and Confederate bonds. Although this tax fell due on May 1, 1862, the Confederate Congress included a provision in its tax measure which allowed the state to assume the tax burden, rather than allowing Confederate tax officials to collect the levy directly from the people. If the state government elected to follow this suggested mode of payment, the Confederacy agreed to reduce the tax by ten per cent, providing the state met its quota by April 1.⁵⁷ The Mississippi legislature determined to take advantage of the ten per cent rebate, and in December, directed Pettus to borrow an amount sufficient to meet Mississippi's assessment of almost \$2,500,000.58

In a further effort to make it easier for Mississippians to meet the heavily-increased tax burden, the legislature passed a measure in January, 1862, authorizing tax collectors to accept notes of some Tennessee, Alabama, and Louisiana banks. This proved an especial relief to those areas of Mississippi which bordered on these neighboring states, as they had since repudiation in the 1840's depended so heavily on

57_{Confederate Statutes} (February 8, 1861-February 18, 1862), p. 118.

⁵⁸Mississippi <u>Laws</u> (November, 1861-January, 1862), pp. 136-138.

out-of-state issues for their daily financial transactions.⁵⁹

Altogether, the legislative enactments with regard to establishing a financial framework for the Confederate period proved much more complete in the November session than had been the case with the earlier meetings. With the first excitement over secession worn off, and with the grim realities of a protracted conflict more clearly recognizable, the Mississippi legislature realized a comprehensive financial program was essential to the overall war effort. To provide such a program, which at once satisfied the demand for a circulating medium, met the financial demands of the state government, and tapped the main sources of concentrated wealth existing in the state, the several laws relating to money underwent careful consideration prior to their final passage and presentation to the people of Mississippi--upon whose acceptance their fate ultimately rested.

⁵⁹Ibid., pp. 163-164.

CHAPTER VI

DISLOYALTY, DISRUPTION, AND DISSENSION

The legislature that met in late 1861 and early 1862 conscientiously attempted to meet the most urgent financial needs of all classes of Mississippians. Reacting to political, social, and economic events which tumbled upon each other with bewildering confusion during the first year of the Confederacy, the legislators provided the legal framework by which the main source of public and private wealth could be tapped to support the exigencies of a civil conflict. Yet despite the best efforts of the legislative branch of state government, the ultimate success or failure of Mississippi's various financial programs rested with the people themselves. General support by most Mississippians needed to be forthcoming to sustain the ever-increasing financial burden of the war as the Northern armies moved closer to the state's boundaries. Without wide political and economic support, no financial program, regardless of its potential, could succeed.

Initially, most Mississippians lent their united strength to the Confederacy. In the first flush of excitement following the signing of the secession ordinance in January, 1861,

a host of the state's people rushed forward, eagerly donating material, money, and services to Mississippi and the Confederacy.¹ By late 1861, prior to the enactment of the state cotton money scheme, planters generally hesitated, uncertain as to whether they could command the means to meet their personal debts, let alone helping the public cause.² Many families of volunteers looked to their wealthy neighbors for suc-The planters in turn, who appeared willing to help the cor. less fortunate, found that "money pressures" rendered them practically "powerless in affording relief to the distressed."³ But with assistance assured upon the passage of the cotton money law, the planting community, and especially the planter's wives and daughters devoted considerable time, effort, and money to the support of both the soldiers in the field and their families remaining at home.

The Natchez "Free Market," sponsored and operated for the most part by ladies in the Natchez area, offered a wide range of supplies to destitute families. Almost every issue of the Natchez <u>Courier</u> for the spring and summer of 1862 carried a notice that the Free Market contained goods of all descriptions, which the ladies "cheerfully dispensed to any needy people" who called during the appointed hours.⁴ By

¹Mississippi House <u>Journal</u> (January, 1861), p. 7.

²Paulding Eastern Clarion, November 1, 1861; W. C. Smedes to Jefferson Davis, July 10, 1861, Thian, <u>Correspondence</u>, Appendix V, p. 204.

³Natchez Courier, December 27, 1861.

October, however, numerous factors, including drought in a large portion of the state, invasion and occupation of significant areas of the state by Federal armies, and the continued rise of speculation caused the Free Market to practically cease operations. The ladies in charge of the market requested help from "the planting community and others," as "the wickedness of the invader has brought distress to many a once prosperous and happy household." The Natchez market, and similar ones operated in Vicksburg, Jackson, and Meridian, continued sporadically during the fall of 1862, but goods and food became more difficult to obtain as the year wore on.⁵

In addition to organizing a Free Market as did their counterparts in Natchez, a group of Vicksburg women formed the "Ladies Hospital Association," to care for the sick and wounded soldiers who with increasing frequency ended up in their town. As the contending armies moved ever nearer to Mississippi, these ladies not only operated a hospital in Vicksburg, but sent money to other areas of the state to be used in the establishment of additional hospital facilities.⁶ In early April, following the disaster at Shiloh just a few

⁵Natchez Courier, October 8, 1862.

⁶Walker, <u>Vicksburg</u>, p. 68; Morris Emanuel to Elizabeth Eggleston, April 9, 1862, Eggleston-Roach Papers, Louisiana State University, Baton Rouge, Louisiana.

⁴For notices of the Natchez Free Market, see most issues of the Natchez <u>Courier</u> throughout 1862. For a general discussion of the part Confederate women played in the over-all war effort, see Francis B. Simkins and James W. Patton, <u>The</u> Women of the Confederacy (Richmond, 1936).

miles from Mississippi's northern border, the Vicksburg hospital became crowded with maimed and sick Confederate soldiers, a visible proof that the war was demanding daily a greater price in both money and men.⁷

Some people, in place of or in addition to personal service to the Confederate cause, contributed valuables such as jewelry or money. In February, Martha Boddie wrote to Pettus, asking his help in conveying her donation of \$1,000 worth of diamonds to the "Ladies of New Orleans," for the purpose of procuring war supplies for Southern soldiers.⁸ Tn March, James Gillard directed a message to the Governor, informing him of the formation of the "Pontotoc Soldiers Aid Society" by ladies residing near Tupelo, in the northern part of the state. Gillard reported that the ladies had decided, in addition to sewing clothing for the soldiers, to make a "free-will offering of their jewelry, gold, and silver plate" to the Confederacy. Their object in donating jewelry "as dear to them as the bones of their fingers" was "to purchase or assist in purchasing a navy for the Confederacy." Many such donations would be forthcoming from Southern women, Gillard assured Pettus, if the ladies believed it would be "converted into engins of death against the ruthless invaders of our Country." Pettus could greatly assist this noble object, Gillard added, if he would but secure space in the widely-circu-

⁷Mahala P. H. Roach Diary, April 10-23, 1861, University of North Carolina, Chapel Hill, North Carolina.

⁸Martha S. Boddie to Pettus, February, 1862, Ser. E., Vol. 56, MDAH.

lated Jackson <u>Mississippian</u> for a "patriotic appeal" to all Southern women to sacrifice their vanity to save the Confederacy.⁹

By no means all Mississippians supported the Confederate cause with services, money, or for that matter, sentiment. Even prior to the calling of the secession convention in January, 1861, a considerable number of the state's citizens openly disavowed the rhetoric of the fireaters, and called for calm, rational discussion aimed at a peaceful adjustment with the North.¹⁰ In the election of delegates to the secession convention, a number of counties returned clear Unionist majorities, and directed their delegates to vote against secession.¹¹ That this anti-secession sentiment received significant popular support was amply demonstrated in numerous attempts to alter the proposed ordinance of secession, or at least submit it to the people for ratification, both of which movements failed by rather close votes.¹²

Although temporarily stymied by the great rush of excitement following the secession of Mississippi from the Union, sentiment favoring a peaceful readjustment never disappeared.

⁹James H. Gillard to Pettus, March 29, 1862, Ibid.

¹⁰Vicksburg Whig, April 9, 1862, December 1, 1860; Jackson <u>Mississippian</u>, December 5, 1860; Vicksburg /<u>Mississippi</u>/ <u>Sun</u>, December 3, 1860; Natchez /<u>Mississippi</u>/ <u>Free Trader</u>, November 30, 1860; Natchez Courier, December 3, 1860; Paulding Eastern Clarion, December 12, 1860.

11_{Manuscript} records of the Secretary of State, Ser. F., Vol. 83, MDAH: Rainwater, <u>Mississippi</u>: <u>Storm Center of Seces</u>sion, pp. 196-201.

¹²Journal of the State Convention (January, 1861), pp. 9-11.

Rather, the movement only suffered momentary retardation as most Mississippians, regardless of their view of the Union, closed ranks behind the leadership of such fireaters as Pettus, and for a time lent their support to the Confederacy. But as military reverses began to demonstrate that "whipping the yankees" would be no easy matter, and as Confederate military and financial programs increasingly created doubt among the people as to their sagacity, the former Unionist sentiment rose with renewed strength, challenging the Confederates on every side.¹³

In Mississippi, three identifiable views prevailed among those who may be collectively termed Unionist. The majority of such people, although inarticulate and poorly organized, consisted of those who simply opposed the policies of the Mississippi and Richmond Confederate Governments. Because dissatisfaction with these government formed the basis for the opposition of this class, they can be identified as Unionist only insofar as they were anti-Confederates. No single person or small group formed the leadership of this class; rather, it consisted for the most part of poor subsistence farmers of the northeastern hill counties, and similar poor people living in the pine barrens of central Mississippi and along the Gulf Coast.

The second group, and by far the most articulate of the three, were those people who formed a recognized leadership

¹³Paulding Eastern Clarion, April 19, 1861 and September 22, 1861; Georgia L. Tatum, <u>Disloyalty in the Confederacy</u> (Chapel Hill, 1934), pp. 88-90.

class in Mississippi but who opposed the Confederacy on the grounds that the only hope for American survival lay in maintaining the Union, odious as such Union might have become. These men, like the anti-Confederates, were not pro-Northern, but simply pro-Union. They recognized and sympathized with many ideals of the Confederacy, yet sincerely believed that secession offered only war, hatred, dissension and ultimate defeat for the South, rather than the euphoristic promises touted by the Confederate leadership. Among this group were such outstanding men as the Reverend James Lyon, a respected Presbyterian minister; J. F. H. Claiborne, a planter, lawyer, and historian; Judge J. S. Yerger and his brother William, both outstanding attorneys; and Judge William L. Sharkey, formerly a prominent Whig leader.¹⁴ Although often persecuted and scorned during the war, these men continued to openly advocate Unionism and to work for peace at every opportunity.

The third and smallest group of Mississippians who can also be classified as Unionist consisted of men who favored Northern policies much more than the constituency of the other two classes of Unionists. These men, in other words, were not only pro-Union, but pro-Northern, a distinction which brought considerable wrath down on them throughout the war.

¹⁴Ibid., pp. 90-99; Herbert H. Lang, "J. F. H. Claiborne at 'Laurel Wood' Plantation, 1853-1870," Journal of Mississippi History, XVIII (January, 1956), pp. 1-17; John K. Bettersworth, (Ed.), "Mississippi Unionism: The Case of the Reverend James A. Lyon," Journal of Mississippi History, I (January, 1939), pp. 37-52.

While those who held a more moderate view were at least tolerated, since several of them gave both sympathy and blood to the Confederate cause, those persons identified in the public mind as pro-Northern found it extremely difficult to retain both their "disloyal" stand and their physical residence in Mississippi. Representatives of this type of Unionist were the Reverend John Aughey, an outspoken Presbyterian minister,¹⁵ and Dr. Stephen Duncan, a physician-planter and one of the wealthiest, largest slaveholders in the entire South.¹⁶

There existed in Mississippi people who could not be clearly identified as adherents to any of the particular views, but rather fell somewhere between. Obviously Mississippi Unionists themselves recognized no such classifications as those pictured here, yet because of their distinctly differing views of the Union, the Confederacy, and the North, such divisions help to define their place in wartime Mississippi's political and governmental life. Together they formed a significant segment of that state's society, as they collectively made the conduct of financial, social, and economic programs

15John H. Aughey, The Iron Furnace: Or, Slavery and Secession (Philadelphia, 1863). This graphic account written by one of the most outspoken pro-Northern Mississippi Unionists contains the best explanation of the workings of this class of Unionists during the Civil War in Mississippi.

¹⁶William K. Scarborough, "Heartland of the Cotton Kingdom," <u>A History of Mississippi</u>, ed. Aubrey McLemore, I (Hattiesburg, 1972), pp. 343-348; Paul W. Gates, <u>The Farmer's</u> Age: Agriculture, 1815-1860 (New York, 1960), p. 148.

infinitely more difficult to administer than would have otherwise been the case.

Of the many counties where a significant portion of the population opposed Confederate policies to such a degree as to be classified as Unionist, the northeastern county of Tishomingo best typifies this sentiment. Composed mostly of non-slaveholding subsistence farmers, the county's inhabitants evinced little interest in either the slaveocracy which held dominant political power in the state, of in cotton cul-Instead, these hill farmers produced livestock, wheat, ture. corn and peas, while confining their industrial endeavours mostly to lumbering.¹⁷ In the election of delegates to the secession convention in late 1860, Tishomingo County instructed its four delegates to vote against secession.¹⁸ Then in 1861, secession having led to war, many in Tishomingo County joined the Confederate army, only to be severely defeated in the disasters of Forts Henry and Donelson on the Tennessee River.¹⁹ Then came the Confederate defeat at Shiloh in April, 1862, followed by the evacuation of Corinth and the capture of Memphis later in the month. With the fall of these neighboring centers of commerce and transportation, Tishomingo County citizens again turned to Unionism in great numbers. Follow-

¹⁷Bettersworth, Confederate Mississippi, pp. 213-217.

¹⁸Journal of the State Convention (January, 1861), p. 16.

19W. P. Lowry to Pettus, March 11, 1862, Ser. E., Vol. 56, MDAH: Official Records, Ser. I, Vol. 10, Pt. I, p. 792; "Petition of Tishomingo Citizens," Ser. E., Vol. 65, MDAH.

ing the fall of Corinth, John Aughey, a vituperative pro-Northern Unionist, made his way into Tishomingo County, where he felt assured "the great heart of the country still beat true to the music of the Union."²⁰ His estimate received substantiation when in February, 1862, Unionists from Tishomingo and surrounding counties flocked to the banks of the Tennessee River in great numbers to welcome Federal gunboats.²¹

By 1862, Tishomingo County became a sort of neutral ground, where Unionists, Federals, and Confederates roamed at will, raiding the towns and pillaging the countryside with impunity.²² Civil government quickly disintegrated, and the county became the first in the Confederacy in which collection of taxes was suspended.²³

With Tishomingo County leading the way, considerable disaffection occured in neighboring counties in northern Mississippi, including Pontotoc, Itawambe, Alcorn, and Tippah. Like Tishomingo, they possessed little stake in either slvery or cotton, and traditionally eschewed meaningful participation in either state or national politics. The main objective of most of these northern Mississippians consisted of the desire to be let alone.²⁴ The Confederate conscription laws, passed

20_{Aughey}, The Iron Furnace, p. 63.

²¹Official Records, Ser. I, Vol. 7, pp. 155-156,

²²Aughey, <u>The Iron Furnace</u>, pp. 65-90; Jackson <u>Crisis</u>, March 11, 1863.

²³Report of H. T. Garnett, Chief Confederate Tax Collector to C. G. Memminger, January 6, 1863, <u>Official Records</u>, Ser. IV, Vol. 2, pp. 328-329.

24Bettersworth, Confederate Mississippi, pp. 217-218;

in 1862, especially rankled these independent farmers, who deserted the Confederate military in alarming numbers, preferring simply to go home and take care of their starving families.²⁵

Disloyalty also prevailed to a wide extent in the region extending eastward from the Pearl and Big Black Rivers to Alabama. 26 This area, like the northeast, possessed little stake in slavery or the plantation system in general. People living there also maintained a subsistence economy, and when drought or other disasters resulted in short crops, as was the case in 1860, they appealed to the state for aid, but depended mostly upon their own enterprise to overcome their difficulties. Although Pettus asked for and the Mississippi legislature granted paltry sums to purchase corn for these central Mississippians in 1861, the official aid came too late to be of much help, and the farmers had already dispatched agents to and secured some corn from areas in the Midwest to avoid starvation. 27 Then, in 1862, a drought destroyed most of the growing crop in this section of the state, and again the state proved slow to aid their dis-

C. D. Fontaine to Pettus, January 10, 1863, Ser. E., Vol. 59, MDAH.

²⁵Official Records, Ser. I, Vol. 10, Pt. 1, pp. 791-792; J. Z. George to Pettus, November 3, December 25, 27, 1862, Ser. E., Vol. 58, MDAH.

²⁶Bettersworth, Confederate Mississippi, p. 218.

27 Journal of the State Convention (March, 1861), pp. 81-82; Mississippi House Journal (November, 1861-January, 1862), p. 84; Natchez Courier, March 14, 1861; Vicksburg Whig, April 3, 1861.

tressed condition.²⁸ Little wonder then that the loyalty of these people proved so weak when Mississippi appealed to them for help against the "invading hoards." Like their counterparts in northeast Mississippi, these poor farmers deserted the army in large numbers during and after 1862 and returned home, determined to avoid further military service in a cause about which they knew and cared so little.²⁹

The third section of Mississippi in which great numbers of people opposed the Confederacy included the Gulf Coast counties of Jackson, Harrison, Hancock, and Stone. In this area, more than any other, the lack of positive defense actions by either the Mississippi or Confederate Governments led directly to extensive disaffection among the people. This section of the state contained the poorest soil of all, and consequently the people raised little cotton beyond that necessary for family use. Therefore, they too possessed little or no real interest in the slave economy. As in the other two main areas within Mississippi where disloyalty to the Confederacy prevailed, so few blacks lived in the area that even social control of the blacks as a motive for aiding in the maintenance of slavery appeared minimal. Due to the poor soil, most the wealthier citizens of this area owned and

²⁸R. H. Henderson to Pettus, November 8, 1862, Ser. E., Vol. 58, MDAH.

²⁹Aughey, The Iron Furnace, pp. 60-80; Tatum, <u>Disloyalty</u> in the Confederacy, pp. 89-95; Hinds County /<u>Mississippi</u>/ <u>Gazette</u>, August 6, 1862; Mrs. Mary B. Chesnut, <u>Diary from</u> <u>Dixie</u> (New York, 1905), p. 179.

operated sawmills, while the poor became charcoal burners. Except for home-grown vegetables and fruit, these people depended almost entirely throughout the war period upon agents in Mobile and New Orleans as sources of supplies and markets for their excess produce.³⁰

By January, 1862, Pettus had almost entirely abandoned the Gulf Coast counties, maintaining that they were indefensible. Except for a few disorganized bands of "home guards," the Gulf counties were therefore abandoned early to Federal occupation and raiding parties--which action either forced the people living in that district to flee to the interior regions of the state, or submit to the Federals, which meant trading with the latter for the necessities of life.

This resort to illegal trade became especially unavoidable with the fall of New Orleans in June, 1862. Earlier, in April, Biloxi and Pass Christian, the principal coastal towns, fell to Federal assaults, resulting in such widespread neutralization of the area that the Federals did not even bother leaving garrisons, as they knew that the Confederates had little use for the coastal counties.³¹

Early in the war, then, Pettus and other state and Con-

31_{J.} F. H. Claiborne to Pettus, August 15, 1862; W. A. Champlin to Pettus, May 23, 1862; Lewis Pipes to Pettus, June 22, 1862, Ser. E., Vol. 57, MDAH; Official Records, Ser. I, Vol. 6, p. 502.

³⁰J. F. H. Claiborne, "A Trip to the Piney Woods," Publications of the Mississippi Historical Society, IX, pp. 521-522; Goode Montgomery, "Alleged Secession of Jones County," VIII, pp. 13-15.

federate officials found it necessary to carry on their various political, social, and economic programs in a state where at least passive resistance to their course of action found wide support in some areas. Still, this type of opposition to the Confederacy represented a leaderless, wandering, disunified, inarticulate sort of activity, which therefore offered no clear target for attack or reform. These people were the "croakers," the defeatists; those who simply experienced minimal motivation to fight what a great number of them considered a "rich man's war and poor man's fight."³²

The second classification of Mississippi Unionists, those who formed a recognized leadership cadre composed of outstanding social and political figures in the state, were less numerous than those found in northeast, central, and south Mis-Yet, because they represented families of longsissippi. recognized standing in the state, their opposition proved a serious handicap to state officials responsible for creating and implementing financial policies in Confederate Missis-Members of this group of Unionists lacked none of sippi. the political polish so conspicuously absent in the anti-Politically sophisticated, many of these Confederate horde. men recognized and supported some of the ideals for which the Confederacy fought. Some had sons in the Southern army, and a number held slaves; yet their love for and belief in the

³²G. W. Brame to Pettus, November 28, 1861, Ser. E., Vol. 54; Richard Winter to Pettus, June 6, 1862, Ser. E., Vol. 56; Isaac Applewhite to Pettus, July 15, 1862, Ser. E., Vol. 57; H. L. K. to Pettus, July 18, 1862, Ser. E., Vol. 56, MDAH.

necessity for maintenance of the Union led them to work, write, and speak actively for immediate adjustment of differences between the North and South.

One of the more outstanding Mississippians who supported the Union during the Civil War was J. F. H. Claiborne, former state representative and member of the United States Congress. A descendent of W. C. C. Claiborne, Mississippi Territorial Governor, J. F. H. Claiborne operated a plantation on the Mississippi Gulf Coast, where he grew cotton with slave labor.³³ He held a commission from President James Buchanan as timber commissioner of a vast region composed of Mississippi, Alabama, and Louisiana,³⁴ and lived quietly on his plantation. There he personally directed his slaves and wrote historical sketches of well-known Mississippians, as well as book-length biographical studies of General Sam Dale, and the most outspoken of Southern state rights men in Mississippi, John A Quitman.³⁵

Claiborne's decision to support the Union cause during the Civil War was no easy one, for he adhered to many of the ideals and traditions which turned innumerable Southern planters into rabid secessionists. His biography of Quitman, for example, seemed above all else a defense of state rights doc-

³³Lang, "J. F. H. Claiborne at 'Laurel Wood' Plantation," pp. 1-3.

³⁴Ibid., pp. 2-3.

³⁵J. F. H. Claiborne, <u>Life and Times of General Sam Dale</u>, <u>The Mississippi Partisan</u> (New York, 1860), and <u>Ibid.</u>, <u>Life</u> <u>and Correspondence of John A. Quitman, Major General, U.S.A.</u>, <u>and Governor of the State of Mississippi</u>, 2 Vols. (New York, 1860).

trines, so basic to the Confederate ideology.³⁶ As a holder of about one hundred slaves, and a cotton planter, Claiborne believed he had suffered along with his contemporaries under unjust tariff laws; as a slaveholder, he knew full well the failure of the Confederacy would mean financial disaster. Further, his son lost his life fighting in the Confederate army, and some of his best friends, such as Albert G. Brown, served in the Confederate Congress.³⁷

Despite all these ties of friendship, economics, and even blood, Claiborne chose to support the Unionist cause in Mississippi during the war. Perhaps less obvious than the reasons for which he should have supported the Confederacy, Claiborne's Unionist motivation nevertheless dictated his course. He took seriously his duties as an officer of the Federal Government as timber commissioner. He bore a name which stood second to none in the early political history of the old Southwest, and above all, Claiborne, a life-long Jacksonian Democrat, believed that the Union must remain intact if America itself was to survive.

During the war years, Claiborne led a precarious existence as a sort of double agent. To all outward appearances, he overtly supported the Confederacy, purchasing a great number of Confederate bonds and even acting for a time as a Confederate officer responsible for administering oaths, taking

36_{Lang}, "J. F. H. Claiborne at 'Laurel Wood' Plantation," pp. 8-9.

³⁷Ibid., pp. 1-9.

acknowledgement of deeds, and other such trivial duties.³⁸ Yet in reality, Claiborne became the most active Unionist in south Mississippi. In August, 1862, with many people in the Gulf Coast area on the verge of starvation, he pleaded with Governor Pettus to lend some aid to that region. He even wrote "We are now proving our loyalty by starvation --by the tears of our women and the cries of our children for bread!" He asked permission to import necessities of life from enemy-held New Orleans to alleviate these dire conditions.³⁹ Yet, at the same time he appealed to Pettus for help, he maintained a considerable correspondence with Union General Nathaniel P. Banks, in command at New Orleans. His description of "starving neighbors" in letters to Banks presented a rather different picture than had his message to Pettus. To Banks he wrote that people remaining along the coast were "essentially animal," and possessed no idea of government or political principle. They had volunteered "with the hope of plunder," and deserted when the death rate among them proved greater than anticipated. Existing on the verge of starvation, Claiborne assured Banks that such conditions were sure to produce reflection, which would lead to regret, then to repent-"The Union sentiment is spreading," Claiborne wrote, ance. and a "vigorous exclusion would bring this whole seaboard to

38Ibid., pp. 9-10.

 39 J. F. H. Claiborne to Pettus, August 4, 15, 1862, Ser. E., Vol. 57, MDAH.

its allegiance in 3 months."⁴⁰ By December, 1862, Claiborne appeared willing to even surrender his slaves to Federal forces if need be, although he maintained "the Southern views on the subject of slavery."⁴¹

Like other Mississippians who remained, in some respects at least, loyal to their state, Claiborne followed a dangerous course in daring to support the Unionist cause during the early war period, before a great number of his fellow Mississippians turned in disgust from the Confederacy which proved unwilling or unable to feed, clothe, and protect them. Still, despite the well-known Unionist sentiments of such men as Claiborne, Sharkey, Lyons, and the Yergers, they were allowed to remain in the state reasonably unmolested because they were only pro-Union, not pro-Northern. Sometimes persecuted and threatened, these men continued to lead fairly normal lives during the Confederate period, while many around them gave their last measure to support their conception of the purposes of the war.⁴²

The third, and least numerous, type of Unionist in Mississippi during the war years consisted of those individuals of varied background who lent their deepest support to the

40/J. F. H. Claiborne⁷, Memorandum to N. P. Banks, Banks Papers, Essex Institute, Salem, Massachusetts, quoted in Lang, "J. F. H. Claiborne at 'Laurel Wood' Plantation," p. 10.

⁴¹Ibid., p. 11.

⁴²Ibid., pp. 1-16; Bettersworth, (Ed.), "Mississippi Unionism: The Case of the Reverend James A. Lyon," pp. 37-52; Tatum, Disloyalty in the Confederacy, pp. 88-95.

Union as represented by the Lincoln government. These men, who came from the poorest classes in the state as well as from the very richest, firmly believed that the Union must prevail, and they were willing to support their conviction to the dangerous extent of being avowedly pro-Northern. In the case of some, such as John Aughey, being a pro-Northern Unionist meant working actively to gain recruits both for Unionism and peace, and for the Federal armies. Operating mostly in the favorably disloyal climate of northeastern Mississippi, Aughey actively organized bands of Unionists to work among their neighbors, aiming at gaining additional converts to the Unionist cause. Some followed this advice, and fought against the Confederates at Corinth, Iuka, and Shiloh, while others preferred to devote their energies to extensive spying operations along the Tennessee River in the northeastern part of the state, reporting Confederate troop movements to the Federal commanders. Still others demonstrated their loyalty to the Union cause by encouraging and actively aiding willing farmers to sell or trade their cotton to Union army commanders, rather than give, sell, burn, or pledge it to the Mississippi or Richmond Governments.43

Also among the ranks of pro-Northern Unionists in Mississippi were several of the wealthiest planters in the entire South, including Stephen Duncan, William N. Mercer, and L. R.

⁴³Aughey, The Iron Furnace, pp. 60-73.

Marshall.⁴⁴ Of these, Duncan, a Pennsylvania born physicianplanter, demonstrated perhaps most clearly the operations of this type of Unionist whose actions proved so detrimental to the success of Confederate and Mississippi economic and political policies.

Duncan, through shrewd managerial coups and two economically fortuitous marriages, accumulated by 1851 over one thousand slaves which produced during the following decade an average of three thousand bales of cotton per year.⁴⁵ Despite his willingness to extract immense wealth from Southern soil, Duncan never yielded his conviction that the North held advantages far greater than those found in the South. He reported to a friend that the South was no place to bring up children, and that New England seemed "the only place where steady habits are to be acquired."⁴⁶

Yet Duncan continued to reside in Mississippi, collecting huge sums annually from the production of cotton and sugar. In 1861, his incredibly lucrative empire, carved out of the raw southwest, appeared to Duncan unquestionably threatened by secession.⁴⁷ With the outbreak of war, Duncan yielded no

44Scarborough, "Heartland of the Cotton Kingdom," p. 343; Morton Rothstein, "The Antebellum South as a Dual Economy: A Tentative Hypothesis," Agricultural History, XLI, pp. 378-379.

⁴⁵Gates, Farmer's Age, p. 148; Rothstein, "The South as a Dual Economy," pp. 378-379.

⁴⁶Stephen Duncan to Judge Thomas Butler, November 28, 1833, Thomas Butler and Family Papers, Louisiana State University, Baton Rouge, Louisiana.

⁴⁷Rothstein, "The Antebellum South as a Dual Economy," p. 380.

support to the Confederacy, and chose instead to invest his considerable excess capital in Northern securities, particularly railroads.⁴⁸ When the Confederacy appealed to planters to pledge their cotton to the Richmond Government, Duncan refused--establishing himself instead as a purchasing agent for a Liverpool, England, cotton-buying firm.⁴⁹ Beginning in 1861 and expanding his operations in 1862, Duncan accepted pledges of cotton from several wealthy delta planters, keeping careful records of the number of bales pledged, and forwarding money to the planters for the cotton. Despite the presence of the blockade, Duncan managed to ship considerable cottor to England during the early years of the war.⁵⁰ Later in the war period, Duncan returned to the North, leaving his son in charge of their vast joint Southern holdings.

Quite naturally, Mississippi Confederates were most intolerant of the pro-Northern Unionist segment of their society. While Duncan's social position insulated him and other wealthy Unionist planters from direct frontal assault, Confederate raiding parties delighted in surreptitiously destroying whatever Unionist property they could find, and

⁴⁸Scarborough, "Heartland of the Cotton Kingdom, p. 349.

⁴⁹C. Craig to Stephen Duncan, September 15, 1862, Stephen Duncan and Stephen Duncan, Jr. Papers, Louisiana State University, Baton Rouge, Louisiana.

 50 Journal, 1861, Duncan Papers. In this journal, which consisted of scribbled notes, usually without date except for year, Duncan kept an account of planters who entrusted their cotton to him as agent of the Liverpool firm. For a listing of these planters and the amounts of cotton they entrusted to Duncan, see various entries in the journal made throughout the years 1861 and 1862.

impressment officials paid regular calls when the opportunity arose.⁵¹ But for people like Aughey, lacking any intrinsic defense due to social standing, the loyal Confederates reserved their most fiendish measures. Aughey was trailed around the state, hounded wherever he went, and forced to undergo constant persecution and harrassment. He was arrested, beaten, threatened, and jailed; yet he continued to work for the Union whenever respite from Confederate vengance permitted. Aughey and others like him formed the hard core of resistance around which increasing numbers of Mississippians, disillusioned with Confederate policies, coalesced.⁵²

Aughey and others who held similar attitudes continually caused the Confederacy great trouble within the state. Yet far more important to the overall war effort were differences in basic attitudes between Mississippi cotton growers and a number of Confederate policies. The one policy pursued by the Richmond Government which pointed out these sharp differences was that concerning the disposition of vast reserves of cotton in the state. This variance of opinion was closely linked in Mississippi to the disloyal attitude assumed by so many of the planters and farmers who depended upon a steady market for their cotton crop for their economic wellbeing.

⁵¹Duncan's plantation proved a favorite target of such vengeful activity, apparently, as Duncan presented the Confederate Government with an itemized bill for over \$185,000, representing his losses during the first years of the war. See "Record of S. Duncan's Bill Against the Confederate States of America, " Duncan Papers, no date.

⁵²John H. Aughey, <u>Tupelo</u> (Lincoln, Nebraska, 1888), pp.

Therefore, Confederate action with regard to cotton represented an issue of major importance in that upon its settlement rested the determination of whether the vast majority of Mississippians continued to lend wholehearted support to the Confederacy, or assumed a neutral or even hostile position. Inherently, the Confederate and planter's respective objectives appeared at odds from the beginning.

Since cotton represented the most valuable staple of the South, it is not surprising that the Confederate leadership determined early in the war to utilize it as the very foundation of their diplomatic endeavour.⁵³ In the South itself, social and economic institutions rested firmly upon cotton, so Confederate official diplomatic policy looked toward the use of cotton as a lever to force European intervention in the Civil War on the side of the Confederacy--a necessary goal in the eyes of most Confederate leaders if the Southern military effort was to succeed.⁵⁴ Consequently, from the beginning of the war until well into 1863, the Richmond Government's diplomatic policy decisions revolved mainly around this belief in the almighty power of cotton to draw Europe, and especially England and France, into the war.

86-92; and The Iron Furnace, pp. 67, 73-76.

⁵³For a thorough treatment of Confederate diplomacy, with a special emphasis on the part cotton played in that aspect of Confederate Government, see Frank L. Owsley, <u>King Cotton</u> Diplomacy (Chicago, Rev. ed., 1959).

⁵⁴Atlanta /Georgia7 Southern Confederacy; E. Merton Coulter, <u>The Confederate States of America</u>, 1861-1865 (Baton Rouge, 1950), pp. 184-185; Owsley, King Cotton Diplomacy, p. 1.

With the faith in King Cotton pervasive in the South by 1861, Confederate officials based their diplomatic effort almost completely upon Europe's dependence on Southern cotton. Rather than allow the Northern blockade to slowly cut off the supply of that staple to Europe's textile mills, the Confederacy moved quickly and decisively to completely cut off the supply of cotton by implementing a strict e bargo. In newspapers and speeches throughout the South, this policy gained wide dissemination, and practically universal acceptance--at least at first. The Memphis <u>Appeal</u>, the New Orleans Crescent, and the Mobile <u>Register and Advertiser</u>, representing the revailing sentiment in the three commercial centers most vital to Mississippi cotton planting interests, all supported a strict embargo.⁵⁵

Unwilling to impose such an embargo by law, the Confederate Congress nevertheless passed several measures in 1861 which effectively curtailed the exportation of cotton. These acts included a law forbidding commercial intercourse with the North, an act severely restricting the shipment of cotton to Confederate seaports, and the acts providing for produce loans.⁵⁶ For the most part, however, restrictions against

⁵⁵Memphis /Tennessee7 Appeal, quoted in Savannah /Georgia7 Republican, December 4, 1861; New Orleans /Louisiana7 Crescent, March 21, 1862; Mobile /Alabama7 Register and Advertiser, quoted in the Charleston /South Carolina/ Courier, January 15, 1862.

⁵⁶Journal of Congress of the Confederate States of America, 1861-1865, VII (7 Vols.; Washington, 1904), pp. 205-206, 251, 264. (Hereafter cited as Journal Confederate Congress); Schwab, A Financial and Industrial History, pp. 12, 24-25.

exportation of cotton in the early part of the war derived from state and local action.57

A number of Mississippi agriculturalists, in full agreement with the Confederate goal of preventing the export and even cultivation of cotton, urged the growing of corn and other grain crops instead. Others, apparently dispirited over the sudden reversal in attitude toward cotton cultivation, refused to grow much of anything, preferring to allow their land to remain idle. This policy was especially detrimental to the Confederate cause, in that whereas prior to the war the West furnished most of the grain consumed in the South, that particular supply dried up when the West remained in the Union in 1861. Consequently, grain must be grown on land formerly devoted to cotton production in order to compensate for the loss of Western grain.

Reacting to the indifferent attitude toward growing grain crops exhibited by some Mississippi planters, one concerned farmer wrote Pettus in March, 1861, asking that he urge "the people of the State to plant corn, potatoes, peas, beans, everything necessary to subsist the people and the army." Many people, the writer insisted, had "fallen into the idea that it is useless to attempt to make anything more than a bare subsistence until the war is over." If that idea prevailed, the anonymous author concluded, the war would indeed soon be over, "and disastrously to the South."⁵⁸ In this

⁵⁷Owsley, King Cotton Diplomacy, pp. 34-37.

⁵⁸Anonymous to Pettus, March 22, 1861, Ser. E., Vol. 51, MDAH.

same vein, the Paulding <u>Eastern Clarion</u> editorialized in May, 1861, that Mississippians should plant corn instead of cotton, and let the "abolitionists of the west hereafter look to the fanatics of New England for their market."⁵⁹

In December, 1861, the Mississippi legislature took a stand in favor of encouraging the state's farmers to turn to the cultivation of grain crops, both as a way of preventing the growing of cotton and to feed the thousands of state residents faced with the threat of starvation. As for cotton cultivation, the legislative resolutions requested that farmers plant no more than one-fourth the usual number of acres in cotton while the blockade continued, and that county associations of planters and farmers be formed to secure pledges to this effect.⁶⁰

The "resolves" of the legislature urging Mississippians to drastically reduce the number of acres devoted to cotton received wide public support in early 1862. Newspapers throughout the state frequently published articles in support of this policy⁶¹ and while some "disloyal" farmers ignored the plea and refused to reduce the number of bales of cotton grown, most backed the legislative appeal and either sharply curtailed their cotton production or abstained from its cultivation al-

⁵⁹Paulding Eastern Clarion, May 10, 1861.

⁶⁰Mississippi <u>Laws</u> (November, 1861-January, 1862), pp. 77-78.

⁶¹Natchez Courier, December 21, 1861; Vicksburg Whig, December 20, 1861; Hinds County Gazette, January 15, 1862.

together. 62 As the time for planting the cotton crop drew near, some communities held meetings at which farmers "pledged not to raise cotton," and to devote more land to grain crops In March, one such assembly in central Mississippi instead. resulted in former cotton planters pledging themselves "one to another not to plant more than two acres of cotton to the hand for the present year." 63 But in the same vicinity, other, presumably less patriotic citizens prepared to continue planting cotton, regardless of the pressure of public opinion against such a course. V. M. White, a planter and friend of the Governor's, reported to Pettus in late March that the nearness of the Northern army had demoralized the people, who refused to join the militia, demonstrating, according to White, that the former "spirit of volunteering is dead." White, who returned to his home in Hernando after an absence of some months, reported being "shocked at the change in public confidence" in the Confederacy since August, 1861. Insofar as the cultivation of cotton was concerned, White asserted, he feared "that too many are planting crops of cotton for this winter, and everybody is deceiving themselves and their neighbors" in regard to their real intentions to plant cotton. White believed that such a situation, while "somewhat incredible," accurately reflected the mistrust felt

⁶²Dr. H. G. Evans, Diary, (Typescript), MDAH; Robert Bowman, "Yazoo City in the Civil War," <u>Publications of the</u> Mississippi Historical Society, VII (1903), p. 65.

⁶³Macon Beacon, March 19, 1862.

by many farmers in the policies of the Confederate Government.⁶⁴

At the same time Mississippi planters agonized over compliance with the cotton embargo policy of the Confederate Government, that policy was undergoing a rather drastic metamorphosis. By late spring, 1862, it appeared to some high Confederate officials that the embargo had failed in its objective to force European intervention, so a different tact should be taken. Despite the tightening Federal blockade, which threatened to prevent any shipment of cotton to Europe even if such a course were desirable, the Confederates still believed measures could be taken which would yet shock England and France from their lethargy, and bring the entire cotton issue to a decisive head. Confederate leaders consequently, aware that European textile manufacturing nations knew of the tremendous stockpiles of cotton existing in the South, determined to take drastic measures to reduce this growing cotton reserve. Therefore, partly as a result of the obvious failure of a complete embargo, and also to prevent the precious staple from falling into the hands of invading Northern armies, the Confederate Congress passed on March 17, 1862, a law providing for the destruction of any cotton which appeared in the slightest danger of being captured by the Federals.⁶⁵

64V. M. White to Pettus, March 21, 1862, Ser. E., Vol. 56, MDAH.

⁶⁵Journal Confederate Congress, II, p. 69; <u>Official</u> <u>Records</u>, Ser. 4, Vol. 3, pp. 1066-1067.

This new Confederate policy placed Mississippi cotton growers in another dilemma: to comply meant possible destruction of the only product of significant value in the hands of most of the planters, while to defy the Confederate directive meant acting in an illegal, or disloyal manner. Governor Pettus, anxious to obey the spirit of the new law, forced the issue immediately by ordering all cotton in Mississippi which appeared in any danger of falling into enemy hands to be either removed to safer localities, or put to the torch.⁶⁶ Adding urgency to the problem was the Federal capture of New Orleans in April, Memphis in June, and the evacuation of Corinth by the Confederates in May, 1862. This left the southern, western, and northern portions of the state extremely vulnerable to enemy invasion.⁶⁷ Wishing to preclude the possibility that any enemy invaders would confiscate large cotton stores, Pettus, as well as Confederate commanders in the area, ordered immediately burned any cotton susceptible to capture by the Union forces.⁶⁸ This would both bolster the Confederate policy of dramatizing to Europe the South's determination to destroy the cotton supply stored in the South, and prevent any of the precious staple from being captured and sent north to supply raw materials to Federal textile factories. But from the very beginning

66J. C. Wickes to Pettus, March 27, 1862, Ser. E., Vol. 56, MDAH.

67Randall and Donald, Civil War and Reconstruction, pp. 409, 455; Edwin C. Bearss, "The Armed Conflict," <u>A History</u> of Mississippi, I, pp. 450-452.

⁶⁸John J. Pettus to W. I. Pointdexter, May 2, 1862,

of this policy of burning cotton, Mississippi and Confederate officials met considerable opposition from parties within the state. Some, like Stephen Duncan, simply disregarded the order to burn cotton because they did not support the Confederacy, and therefore felt no compunction in avoiding its directives whenever possible. Others, less overtly anti-Confederate than Duncan, yielded to the powerful profit motive, since smuggled cotton often brought prices ranging up to one dollar per pound.⁶⁹

For a variety of reasons, therefore, a considerable number of Mississippians refused to follow orders and burn their cotton. Confederate General P. G. T. Beauregard, in command at Corinth, dispatched an order to General Earl Van Dorn, stationed at Memphis prior to the fall of that city, directing the latter to order "parties under proper officers to go in small steamboats to burn all cotton within their reach along the river." Complaining that planters along the Mississippi "hesitate to burn cotton," Beauregard directed Van Dorn to call on the planters to proceed with the destruction of their crops, keeping an account of the number of bales burnt.⁷⁰

In early May, Pettus determined to see that his proclamation ordering the destruction of all cotton susceptible to Federal capture was carried out. Acting in cooperation with

⁷⁰Official Records, Ser. 1, Vol. 10, Pt. 2, p. 451.

Ser. E., Vol. 56, MDAH.

⁶⁹Bettersworth, Confederate Mississippi, pp. 148-151; Owsley, <u>King Cotton Diplomacy</u>, pp. 43-50.

Beauregard, he directed state militia officers, and civilian officers where no militia authorities could be found, to travel up the Mississippi River and "stir up all the patriotic people," and silence "those who love money more than their Liberties, if such are to be found." Pettus concluded that he would personally "feel every bale of cotton taken from Mississippi a disgrace to the State," and unless he did all in his power to prevent it, he would himself "feel disgraced."⁷¹

Where martial law existed, as it did in a number of counties in the western part of the state, the provost marshals added their authority to that of Pettus and Confederate commanders in an attempt to force compliance with the order to burn exposed cotton. Directives appeared in the newspapers, sternly ordering all cotton within reach of the enemy burned, and this "to be done immediately."⁷² Yet stronger pressure needed to be applied to force compliance in some areas of the state. Appeals to "patriotism" and "duty" too often fell on deaf ears, as David Harrison informed Pettus in early May. The boards of police should have authorization to see to the burning of cotton, Harrison argued, because, due to the propensity of a number of planters to hold on to their cotton despite the orders to burn, "this should not be trusted to

71John J. Pettus to W. I. Pointdexter, May 2, 1862, Ser. E., Vol. 56.

72Natchez Courier, May 9, 1862.

the people." 73

As spring faded into summer, fires from burning cotton continued to light up Mississippi's skies, while the controversy over the efficacy of this desperate policy wore on just as heatedly. D. C. Graham, a farmer living near Meadville, reported to Pettus that a great number of bales of cotton had been shipped to his county from those along the river, and this cotton needed to be protected rather than burnt, which Graham intended to do "if supplied with arms and ammunition."74 Still, Pettus grimly ignored such pleas, and insisted on burning all cotton remotely exposed to Federal capture. The effectiveness of this policy is revealed in reports filed by one man assigned to burn cotton in Yazoo County. He forwarded to Jackson certificates attesting that he personally destroyed over eight hundred bales in Yazoo County alone in a little more than a week.⁷⁵

The factor causing the implementing of harsh policies in regard to cotton, and all the distrust, dissatisfaction and disaffection emanating therefrom, involved the actual invasion of the state by Federal forces. A main objective of the Lincoln Government included capture of the Mississippi River, thus splitting the Confederacy into two parts.⁷⁶ Pur-

73David Harrison to Pettus, May 5, 1862, Ser. E., Vol. 57, MDAH.

⁷⁴D. C. Graham to Pettus, May 21, 1862, Ser. E., Vol. 57, MDAH.

⁷⁵"Certificates of Cotton Burned," located in Ser. E., Vol. 56, MDAH.

⁷⁶Randall and Donald, <u>The Civil War and Reconstruction</u>, pp. 194-195.

suant to this policy, Northern fleets worked their way up the Mississippi and captured New Orleans in April, 1862. Simultaneously, a Federal fleet descended the Mississippi and captured Memphis in June.⁷⁷ While these naval victories crowned Federal efforts, winning control of the entire river with the exception of Vicksburg, General U. S. Grant moved southward into Tennessee, capturing Forts Henry and Donelson on the Tennessee River, and then, following a victory at Shiloh, beseiged Corinth in northeast Mississippi.⁷⁸ Thus, from the Mississippi River, from Memphis and New Orleans, and their bases in northern Mississippi, Federal forces launched repeated forays into the state.

The relative ease and suddenness with which Federal armies captured key posts so near their borders struck fear into the hearts of many Mississippians, who realized their weak defences placed them in a peculiarly vulnerable position. The sea coast counties, all but abandoned by Pettus early in the war, fell victim to Federal raids in December, 1861.⁷⁹ By spring, Federal raiding parties invaded the interior counties with distressing regularity--a fact which gave considerable impetus to Pettus' cotton burning program. When summer came in Mississippi, raids by small Union "foraging parties" were commonplace occurances in most of the counties which

⁷⁷Ibid., pp. 409, 445.
⁷⁸Ibid., pp. 186, 202.

⁷⁹Official Records, Ser. 1, Vol. 6, p. 502; S. S. Davis to Pettus, December 10, 1861, Ser. E., Vol. 56, MDAH.

bordered on the Mississippi, as well as the Gulf Coast counties and those in proximity to Tennessee on the north. Samuel M. Dulany reported to Pettus in late July that the "Federals are plundering this county of provisions, cotton, mules, waggons, and negroes: And immediate action is necessary."⁸⁰ In early August, W. Cooper, writing from near Coffeeville in the northwestern part of the state, informed the Governor that in the "Mississippi bottoms" the Federals infested the country, committing "heavy depredations daily." Further, Cooper reported, the Federal raids demoralized the slaves, captured a number of them, and induced others to run off. As an added insult, according to Pettus' informant, the Federal officers arrested several white Mississippians, including General James L. Alcorn, a leader of the Mississippi militia. But an even greater danger existed, Cooper insisted, and that involved the absence of a sufficient number of whites on the plantations to effectively control the blacks. Cooper assured the Governor that there existed "a great many farms in this village which have large numbers of negroes . . . and not an owner, nor an overseer." "This country is resting on a fearful pivot," Cooper argued, and "a few Yankees may at any day or rather night find their way into the bosom of this community arm the sub population & produce results fearful to contemplate."81

⁸⁰Samuel M. Dulany to Pettus, July 29, 1862, Ser. E., Vol. 56, MDAH.

⁸¹W. Cooper to Pettus, August 9, 1862, <u>Ibid</u>.

As autumn approached, Federal raiders became bolder, often driving deep into Mississippi's interior, raiding and pillaging with impunity. There appeared little military importance in these raids: rather. from the nature of the acts committed by the raiders, they seemed designed as a means to gain legal plunder, and at the same time demoralize the state's population by demonstrating the inability of the Confederates to protect their own. Captain James E. Matthews of the Mississippi militia reported to General T. C. Tupper in late August that the Federal raiders "had desolated the country wherever they have gone, taking off all the cotton and negroes except the aged and infirm, throwing down the fences and turning the stock in growing crops, and burning the gins, mills. and dwellings of the planters." As for the white population, Matthews related, "Families were seen flying from their homes . . . and such planters as could not get off in time are either prisoners in the hands of the Enemy, or are at home on parole and dare not leave." Confederate or state forces in the area were simply not strong enough to challenge the Federals, Matthews complained, otherwise he assured Tupper, "we would keep the cowardly robers $\sqrt{sic7}$ and thieves off of our defensless citizens!"82

Disposition of the increasing stores of cotton led to a continuing conflict between Mississippi growers of that staple and the Mississippi and Richmond Government. The resulting

⁸²James E. Matthews to T. C. Tupper, August 21, 1862, located in Ibid.

dissatisfaction of a number of the farmers, coupled with opportunities for graft and disloyalty presented by the nearness of Federal forces after late 1861, proved sufficient motivation to provoke even more widespread disloyalty in Mississippi. This disloyalty manifested itself not only in overt acts of treason against the Confederate Government, but in more subtle ways as well. One example, which created intense problems for Mississippi officials throughout the war period, involved the early rise in speculation, inflation, and extortion practiced by a great number of Mississippians. This proved a powerfully disruptive factor of the cooperative spirit beginning very early in the war.

In November, 1861, G. W. Brame informed Pettus that in north Mississippi "Speculators are buying up the hogs and the cattle of the country, and are doubtless using every effort to buy up all the corn and wheat raised," with the result that "corn and wheat are at a new high in the face of a very large grain crop."⁸³ Fully aware of the prevalence throughout the state of conditions such as those described by Brame, the Mississippi legislature passed a bill in December, 1861, aimed at preventing or at least retarding further growth of the speculative mania which appeared to have seized a considerable number of Mississippians.⁸⁴ The practice was so wide-

 $^{83}\text{G.}$ W. Brame to Pettus, November 28, 1861, Ser. E., Vol. 54, MDAH.

 $84_{MISSISSIPPI}$ Laws (November, 1861-January, 1862), pp. 144-145.

spread that on Christmas day, 1861, the Natchez <u>Courier</u> editorialized that the presence of "sharpers" prevaded the state, spreading mistrust and fear among the people, resulting in ravages "more terrible than the 'grand armies' of Lincoln."⁸⁵

Since cotton represented the most valuable class of goods in Mississippi, speculators concentrated especially on that staple. J. T. Blair, writing from Columbus in the northern part of the state, informed Pettus on March 26 that his proclamation regarding the burning of cotton was being "taken in bad part by the speculators," who seemed disposed to "disregard it by their assuming that the Tombigbee is not a navigable stream," and therefore not subject to Union raids. Blair assured Pettus that such was not the case, and that the only people who refused to remove their cotton were the speculators, who maintained their storage of several thousand bales of cotton at Columbus. The indignant Blair even offered to act as Pettus' agent, "without a cents cost to the state" to see that the Governor's order received closer attention.⁸⁶

By late spring, 1862, extortion and speculation had spread throughout Mississippi, causing several of the state's leading newspapers to decry the activity, and plead for unity in the face of eminent Northern invasion. In April, the Vicksburg <u>Whig</u> chided its readers for thinking "in the inno-

85_{Natchez} Courier, December 25, 1861.

86J. T. Blair to Pettus, March 26, 1862, Ser. E., Vol. 56, MDAH.

cence of their verdancy" that extortion represented no sin. but a simple taking advantage of proffered opportunities. The Whig argued against such complacency, asserting that in "the Holy Book," extortioners were "classed with murderers, adulterers, and liars, and not with common sinners." Even the apparently pious were guilty, asserted the Whig, which castigated church members who sold articles "at one hundred times their value," thus "preying upon the life blood of the people, and seriously jeopardizing the liberties of the country."⁸⁷ The Brandon Republican joined in urging the speculators to cease their wicked ways, decrying the veritable "furor for speculation" which gripped merchants generally. Such extortionary practices were leading to a society which presented "one vast scene of wild distraction," the Republican declared, yet speculators only grin "with horrible satisfaction" at the thought that they collect fortunes, while "the poor soldiers are toiling in defense of their property at fifteen dollars per month." These men should be dealt with quickly and severely, the Republican concluded, as they but "laugh at the censure of good men and deride the potency of public opinion."88

While civil authorities equivocated in the face of the desperate situation presented by the prevalence of speculation and extortion, the military authorities moved to slow down

⁸⁷Vicksburg Whig, April 9, 1862.

⁸⁸Brandon /Mississippi7 Republican, May 15, 1862.

the dizzying pace of the inflationary spiral. In early May, A. K. Farrar, Provost Marshall in Natchez, issued a proclamation declaring that all "dealers in provisions, groceries, and Family Supplies," must sell such provisions at a reasonable profit, "to wit: Twenty-five cents on cost." Anyone violating his order, Farrar warned, would be subject to having his goods confiscated.⁸⁹ In July, General Earl Van Dorn, Confederate commander in Vicksburg, placed sixteen western and southern Mississippi counties under martial law, and issued a detailed directive, which clearly set forth certain rules he intended to enforce in those counties. Van Dorn's rather severe order, although shortly invalidated by Confederate authorities in Richmond, provided that anyone who traded or attempted to trade with the enemy would suffer death; anyone who refused to accept Confederate money, or who dared to "do, or say, or write anything calculated to depreciate the same" should be subject to fine or imprisonment or both; any editor who published troop movements might suffer fine or imprisonment; and anyone asking exhorbitant prices "such as would indicate a want of confidence in Confederate money" might have his goods confiscated, be fined or imprisoned or all three.⁹⁰ Although Van Dorn's order was repudiated by his superiors,⁹¹ its stringent measures indicate the serious

⁸⁹Natchez Courier, May 1, 1862.

⁹⁰Fayette /Mississippi7 Gazette, August 2, 1862.
⁹¹Official Records, Ser. I, Vol. 15, p. 771; Ibid., Vol. 17, pt. 2, p. 694.

nature of the problems he attempted to deal with in the summer of 1862.

As early as November, 1862, speculation reached crisis proportions throughout the state. By that time a refined art, it appeared to some to be the invention of certain classes of people. R. C. Saffold complained to Pettus on November 3 that the "Speculators generally, or especially the foreigners, Dutch, Jews, etc. seem determined to win us, and our own people seem not slow to follow the example." Unless the legislature moved to "open the corn cribs that are now closed against the widowed and orphaned, and soldiers families who are destitute," Saffold warned, "I know that we are undone." When a mother stands helplessly by while her children starve for want of bread with "corn in sight but not to be had because of the deamon, love of gain, our country is certainly lost." He felt greater anxiety over this monopolization of food supplies than over all else, Saffold concluded, because he feared it was "not sufficiently appreciated amid the thunder of cannon & the collision of armies." Rather prophetically, he advised the Governor that "upon these silent and apparently unnoticed causes depend the fate of nations."92

The first two years of war proved pivotal ones for Mississippi in its struggle to develop an acceptable financial, economic, and governmental structure. Factors which could have been controlled at least partially by decisive state

 $^{92}\text{R.}$ C. Saffold to Pettus, November 3, 1862, Ser. E., Vol. 58, MDAH.

action, such as inflation and speculation, were instead largely ignored by state officials, except for ineffective rhetorical admonitions. Other elements, including invasion by Federal armies, and Confederate policies relating to the disposition of cotton lay essentially outside the realm of effective manipulation by Mississippi officials. Unionism also represented a development which added greatly to the state's difficulties, both in spite of and in part because of state action. A number of Mississippians simply did not believe from the beginning that secession and war offered any real hope for a better situation for themselves; others embraced disloyalty out of frustration over the inability of Mississippi governmental officials to deal with the basic needs of most of the state's people. Mainly, these needs involved minimum protection against Federal raiding parties, and the furnishing of food and clothing to the growing number of indigent families. Adequate stores of foodstuffs existed in most areas of the state; yet starvation stalked the countryside. Most white Mississippi men were called into militia camps, and either remained there, inactive while their crops ruined and their families fell victim to Federal raids, or else they were transported out of the state to fight the invading Union armies far from home. And this while Federal raiding parties pillaged their homes and communities with impunity.

All these difficult problems--starvation, inflation, speculation, invasion, and disloyalty--presented Mississippi

officials with a situation so complex, so constantly changing, that to concentrate on any particular problem was to allow the others to get out of control. Yet, in attempting to deal simultaneously with all these problem areas, harrassed state officials found their resources inadequate to effectively control any particular one. Consequently, while some steps were taken to check inflation, prices continued to rise. Speculators, usually subjected to nothing more harsh than castigation in the public print, continued to allow personal greed to prevent their aiding the needy in the state. Since some of the state's most influential, respected, and wealthiest citizens adhered to Unionist sentiments throughout the war period, that problem proved an especially delicate one.

CHAPTER VII THE COURSE OF MONETARY ACCEPTANCE

Mississippi legislators, who virtually created from nothing a financial system for the state in the final session of 1861, apparently realized that their program might fail in its aim of stabilizing the state's economy. To determine, therefore, the effectiveness of their enactments, the legislature passed a resolution requiring the treasurer to keep careful accounts of the operation of the various tax and money measures, and report his findings to the next legis-The treasurer was also to "suggest such lative session. amendments or additions thereto as in his jungment /sic7 will most conduce to increase or diminish the revenue arising under the law at present in force" in the state.¹ What did occur during 1862 which drastically effected the operation of the state's financial schemes was, for the most part, impossible to assess and commit to debits and credits in a ledger. With inflation and speculation rampant, specie practically disappeared altogether. Severe depreciation brought currency issued by the Confederate Government plunging downward. Invasion of the state by Federal detachments brought the intro-

¹Mississippi Laws (November, 1861-January, 1862), pp. 217-218.

duction of greenbacks, which eventually became far more valuable than any of the dozens of issues of Confederate currency. Still, some hopeful developments occurred which appeared for a time to bolster Mississippi's own issues of paper money and bonds. But as a whole, the state's financial schemes, so optimistically inaugurated in early 1862, faced a real acid test as Mississippians survived the second year of war.

Early in 1862, specie practically disappeared from circulation in Mississippi. This was due partly to the scarcity of gold and silver in the South prior to the War, and partly to hoarding by those few who possessed hard currency. Some newspapers placed the blame for the paucity of specie on "parties in the South who are buying it up to pay for goods that they are smuggling through from the North," and advised that such persons were depreciating Confederate currency and "should be watched."² As late as May, some Mississippians still paid a small part of their taxes in specie, 3 but the Confederate tax collectors in Mississippi appeared to get almost no gold or silver in payment of taxes. In his statement of taxes collected in one district of Mississippi in late May, F. A. R. Wharton reported accumulating \$97,010.00 in "notes," and only \$768.30 in coin. By September, his report indicated he had recently collected \$605.00 in various types of paper

²Hinds County Gazette, January 15, 1862.

³T. L. Sumrall to A. B. Dilworth, April 25, 1862; Samuel B. Matthews to A. J. Gillespie, May 8, 1862, Ser. G., Vol. 35, MDAH.

currency, but only $$1.67\frac{1}{2}$ in specie.⁴

With the gold supply drying up early in the war, Pettus determined to push the state's paper money issues, hoping to achieve their wide acceptance in order to establish some basis for trade both within and without the state. The most difficult problem to overcome in negotiating Mississippi's bond issues was the fact that the state's bonds repudiated twenty years prior to the war remained unredeemed. Although some effort was mounted to try to persuade the state to make some settlement of the Union and Planter's bank bonds, the state leadership adamantly refused, thereby obviating any possibility that Mississippi's bonds could be negotiated a-broad.⁵

This problem was partly solved when Mississippians themselves accepted a large number of the bonds, purchasing them with state treasury notes. Several of the railroads operating in the state, seeing an opportunity to both aid in the disposal of the state bonds and reduce the interest due on their indebtedness to the state, bought up a considerable number of the bonds.⁶ Despite the willingness of Mississippians to purchase their own bonds, these never did sell well,

⁴Receipt of C. S. A. War Tax, signed by Jno. Handy, F. A. R. Wharton Papers, Mississippi Department of Archives and History, Jackson, Mississippi.

⁵G. Holland to Pettus, January 20, 1862, Ser. E., Vol. 56, MDAH.

⁶Wm. Murdock to Pettus, September 19, 1862, Ibid.

and consequently never became very important in the state's financial program.

The state issues, as well as those of the Confederate Government, suffered considerable depreciation due to the widespread practice of counterfeiting. Even though elaborate precautions were taken with all the early issues of both the state of Mississippi and others within the state issuing paper money, counterfeiting flourished throughout the war." Each note, for example, was initially individually signed by both the treasurer and auditor, but as the number of issues became greater, these officials hired clerks to sign the notes for them, thereby defeating the purpose of having the notes signed by hand. Since so many different people legally signed the notes, it became easy for counterfeiters to forge the signatures of state officials. Crude printing methods, including the use of poor-quality paper and ink, made the task of those who practiced this particular mode of deception quite easy. Although other preventive measures were tried, such as the frequent change in design in the notes. none completely eradicated counterfeiting, and therefore from the very beginning, this problem plagued state officials.⁸

Another factor which operated to the detriment of the state's financial program involved the different reaction of the people to the various types of money offered or authorized

⁷Natchez <u>Courier</u>, September 23, October 28, 1862.

⁸Richard Cecil Todd, <u>Confederate Finance</u> (Athens, Georgia, 1954), pp. 98-100, 116-117.

by the state. Some types of notes early achieved general acceptance, and even passed at a premium, while others steadily sank in value from their initial appearance on the market. This, too, added to the general confusion which grew in intensity during 1862.

Without question, the so-called "cotton money" quickly became the most popular currency in Mississippi, either state, private, or Confederate. Upon passage of the act, some scoffed at the idea that planters would pledge their cotton to the state, arguing that the notes would be useless when obtained, as no merchant would accept them.⁹ But once the notes appeared, planters proved such pessimistic predictions unfounded, for by summer over eight thousand applications for advances on cotton were recorded in the auditor's office.¹⁰ Some pledged as little as a single bale, while others pledged from one to two hundred bales. Many of the requests for advances on cotton specifically asked that most of the notes sent them be of small denominations, indicating that they intended to use them in the course of ordinary transactions.¹¹ Some farmers in sending their own request forms to the auditor asked that functionary to return to them a number of addiin order that they might be distributed tional blank forms,

⁹Hinds County Gazette, January 15, 22, 1862.

10"Cotton Bonds and Receipts for Cotton, 1862," Ser. GG, Vol. 2, MDAH.

¹¹C. T. Buntin to John Echols, March 11, 1862; James Tanner to John Echols, March 1, 1862, Ser. G., Vol. 35, MDAH.

among their neighbors.¹²

Those Mississippians participating in the cotton loan arrangement represented all social and financial classes in the state. A great number of people sent in their requests for one or a few bales, but a large number also participated who pledged huge lots of cotton to the state, receiving cotton notes in exchange. John D. McLemore, one of the largest slaveholders in the state, pledged a considerable portion of his 1861 cotton crop in return for the notes.¹³ R. O. Edwards, another of Mississippi's largest planters, pledged five hundred bales, receiving in return \$10,750.00 in cotton notes.¹⁴ An analysis of the records of fifty participants in the loan, selected at random from the auditor's archives, revealed that twenty-one farmers pledged less than ten bales; fifteen pledged from ten to twenty; seven promised from twentyfive to fifty; four received notes on from fifty to one hundred bales, while three pledged from one hundred to two hundred bales of cotton.¹⁵ This representative selection indicated wide participation in the Mississippi cotton note currency scheme by agriculturalists representing all economic

¹²I. D. Gibbs to A. J. Gillespie, March 13, 1862; Geo. K. Morton to John Echols, March 13, 1862, Ser. G., Vol. 35, MDAH.

 $13 \, J.$ D. McLemore to A. J. Gillespie, May 30, 1862, Ser. G., Vol. 35, MDAH.

14"Exhibit B," Receipt of R. O. Edwards, Ser. G., Vol. 196, MDAH.

15"Cotton Bonds and Receipts for Cotton, 1862," Ser. GG., Vol. 2, MDAH.

classes in the state.

As the cotton notes gained wider circulation during the summer, their advantages proved so great that they soon passed at or above par, unlike all issues of the Confederate Government, as well as other types of notes issued by the state. The main attractiveness of the cotton notes lay in their ability to relieve part of the heavy tax load, and to furnish a much-needed circulating medium to Mississippians. With regard to taxation, the cotton money law acted somewhat like direct suspension of taxes. For example, if an individual owed one hundred dollars in taxes to the state and county, he could pledge five bales of cotton, receiving in return a one hundred dollar note from the state, which represented the required rate of advancing five cents per pound for the cotton pledged. The farmer then took the one hundred dollar note, paid his tax bill of equal value, and took a receipt in return. Thus, his taxes were paid, not a dollar passed hands, and yet it was as though the farmer had pledged his cotton directly in liquidation of his tax bill.¹⁶

At that point, the cotton note's second advantage became apparent, for the one hundred dollar note, received for pledged cotton and paid back into the treasury for taxes, did not remain there, idle and cancelled. Instead, the state could at that point pay the note out for its own indebtedness, thus placing the note in circulation, satisfying the need for a

¹⁶Natchez Courier, July 16, 1862.

currency with which to carry on daily transactions. As for security, the cotton drought caused by the blockade would raise the price of cotton to a figure many times larger than the five cents per pound advanced under the terms of the law. As additional security, each person desiring to pledge cotton to the state was required to obtain two additional signers to his loan, pledging to meet any indebtedness arising from the defalcation of the party who actually obtained the advance.¹⁷

As a final pillar supporting the cotton money issued by Mississippi, the law provided that upon the raising of the blockade and the call of the governor which would cause the cotton to be transported to market, it could only be sold for specie or notes issued under the act, that is, gold or silver or the cotton notes themselves. With this shrewd device, state officials were assured that the cotto⁻ notes would remain popular, and circulate at or near par.¹⁸

At its first appearance, the cotton money issued by Mississippi passed at a discount. But as the summer brought sharp rises in the price of cotton, and the blockade tightened, it appeared the price would continue to rise and the money issued for pledged cotton rose in value. By September, many of those who had pledged cotton to the state in the

¹⁷Mississippi <u>Laws</u> (November, 1861-January, 1862) pp. 60-62.

¹⁸Ibid., p. 63.

spring now desired release from their pledge, which could by the terms of the original cotton loan law be obtained only by use of the cotton notes, or specie. No specie was to be found, and most of those who received the cotton notes for their pledged cotton had either returned them to the treasury for tax debts, or passed them along to their creditors, mostly merchants. Consequently, some planters, wishing to obtain additional cotton notes with which to achieve such redemption. appealed to the Confederate Government for relief. The main hope of such appeals seems to have been based upon convincing the Confederates that the popularity of the Mississippi cotton money acted to depreciate Confederate issues. B. F. Moore, a Mississippi planter, wrote to Memminger, urging the Confederate Secretary of the Treasury to use his influence with Pettus to persuade the state officials to accept Confederate money in redemption for pledged cotton in Mississippi. As matters stood, Moore warned, merchants, who held most of the cotton money, demanded a premium for it over Confederate money, thereby depreciating the latter. "If this is allowed," Moore advised Memminger, "the State of Mississippi will be the first state in the Confederacy to depreciate its money. The consequences of it will be a total bankruptcy of the Confederacy." Unless Governor Pettus was "called to his duty to the Confederate Government," Moore concluded, and persuaded to accept Confederate money in redemption of cotton pledged to Mississippi, the "consequences will be horrible

to contemplate."19

Such an unwarranted interference in state finances never occured, but it is ironic that the Mississippi cotton loan scheme resulted in cotton notes rising well above Confederate currency in value; and the Confederacy had initially been urged to establish just such a program of cotton money. Instead, the Confederacy resorted to the "printing press" method of financing, and its notes quickly fell far below those issued on cotton. By the autumn of 1862, Mississippi cotton money commanded a premium of ten per cent over most Confederate issues, and the dichotomy continued to grow throughout the winter as cotton prices soared.²⁰ The disparity became so marked that when the Mississippi legislature met in December, 1862, any further issuance of cotton notes was prevented, because of the damage the popular cotton notes appeared to cause both Confederate money and other issues of the state. 21

As for the state treasury notes, issued under the convention ordinance of January 26, 1861, confidence and necessity dictated their course during the first two years of the war. While some people feared that notes of the surrounding states, particularly Louisiana, would cause the depreciation

¹⁹B. F. Moore, Jr. to C. G. Memminger, September 29, 1862, Thian, <u>Correspondence</u>, Appendix V, p. 643.

²⁰Thomas B. Carroll and others, Historical Sketches of Oktibbeha County (Gulfport, Miss., 1931), p. 107.

²¹Mississippi House Journal (December, 1862), pp. 20, 30.

of this particular issue of Mississippi,²² this apprehension proved groundless as these treasury notes, like those issued for pledged cotton, remained at or near par value throughout 1862.²³ Two factors contributed to these notes maintaining their value: they paid the extremely high rate of ten per cent interest, and only they or specie were acceptable for the Mississippi military tax. Since specie all but disappeared early in the war, these treasury notes were the only practical method of meeting the military tax when the first assessment fell due in June, 1862.

Speculators, so eager to capitalize on rumors, took advantage of the widespread confusion in Mississippi over taxes and which types of notes would be acceptable for certain tax assessments. Newspapers, aware of this type of speculative activity, warned their readers to hold onto their military notes, as they and only they would be acceptable for the state military tax. Many people, reacting to rumors that the tax providing funds for the redemption of these military notes was about to be suspended, readily sold their treasury notes to speculators, who seemed only too aware that these notes were bound to rise in value, as gold disappeared and the deadline for collection of the military tax approached.²⁴

²²Mississippi House <u>Journal</u> (November, 1861-January, 1862), p. 323.

 23 J. H. Jones to Pettus, March 31, 1862, Ser. E., Vol. 56, MDAH.

²⁴Macon Beacon, January 8, 1862.

J. H. Jones, Sheriff of Panola County, advised Pettus that many of these treasury notes fell into the hands of "Sharpers" who then asked "50% to 60% for them," that some people were refusing to pay their tax, and "Swear resistance to its Collection." If only Pettus would agree to accept other types of money for the tax, Jones suggested, it would be "a great blessing to the People & a Sharp rebuke to the money Shavers."²⁵

But Pettus and other state officials stood by the terms of the act, and required the collection of the military tax either in specie or in notes issued under the provisions of the act. The Natchez Courier, alarmed over the approaching deadline for payment of the military tax, advised its readers who found themselves with no treasury notes on hand with which to pay the tax to "sacrifice their household silver," and let it "be melted into bullion and be placed in the vaults of the Treasury." Since this military tax collection in June, 1862, represented Mississippi's first effort at redeeming any of its currency, it appeared to the Courier most important that the debt be met promptly, if only for the sake of the future stability of the state's other types of currency. So, as a consequence of their exclusive acceptance for one type of tax, and because the high rate of interest on them was paid on time by state officials, these notes continued to remain a popular currency in Mississippi.²⁶

Notes issued by the various railroads operating in Mississippi also proved a popular currency. These issues were

25J. H. Jones to Pettus, March 31, 1862, Ser. E., Vol. 56, MDAH.

²⁶Natchez Courier, April 8, 1862.

in notes of denominations as low as five cents, which made them tremendously popular as "change notes." Also, since each railroad accepted the notes of the others, these notes could be used throughout the state, unlike some of the script issued by the counties or cities, which circulated only at large discounts outside their immediate area of issuance.²⁷

From the beginning of 1861, when it became apparent that issues authorized by the state treasury were limited to denominations of one dollar or more, the popular clamor for small "change notes" increased. Pointing to their advantage in preventing "worthless and irresponsible rags which are now manufactured at distant points" from circulating as change notes in Mississippi, the Hinds County <u>Gazette</u> urged the local board of policy to sponsor the issuance of smalldenomination notes. Otherwise, "New Orleans hucksters must furnish us with a change currency, as the New Orleans banks furnish us with paper money of large denominations--they pocketing all the profits, and we submitting to all the losses."²⁸

Several of the cities and counties issued such small currency, which provided a much-needed supplement to the higher denominations state issues. For example, Natchez issued \$25,316.30 in these change notes in 1862, including notes of denominations from five dollars to ten cents, with the preponderence of the notes being of ten and twenty-five cent

27Vicksburg Whig, quoted in Natchez Courier, February 7, 1862.

²⁸Hinds County <u>Gazette</u>, January 8, 1862.

denominations.²⁹ Given the need for such small notes, this type of currency circulated freely in Mississippi throughout 1862.

In some cases, private mercantile houses printed and issued their own script, which also alleviated the paucity of notes of small denominations. Even though this type of private issue script saw limited use for a brief time in 1862, it proved popular among the people who needed such notes. A Natchez newspaper in its columns praised W. A. Britton, a banking firm in that city, "for their issuance of small notes to meet the constant exigencies of trade."³⁰

These small change notes became very popular, which encouraged some citizens to hoard them, and the ever-present speculator to collect them in great quantities, hoping for scarcity to force the price of such notes upward. This practice of hoarding became so widespread in Natchez, where the notes were quite popular, that the <u>Courier</u> queried wearily, "Can anything get below this in smallness of soul?"³¹

The extreme popularity of the notes also led to counterfeiting of these usually poorly-printed notes, which only added to existing confusion created in the state by the circulation of literally dozens of varieties of legitimate notes. Counterfeiting and graft became so prevalent that some of the

²⁹Natchez <u>Courier</u>, July 10, 1862.
³⁰<u>Ibid</u>., December 18, 1861.
³¹Ibid., April 3, 1862.

railroads "resolved to take no more shinplasters of individual issue," although they continued accepting those of companies, banking houses, and cities as before.³² Abuses in relation to these change notes became so flagrant that the legislature meeting in December passed a bill taxing such issues one hundred per cent, if they remained in circulation after March 1, 1863. This law, which applied to all issues of small notes except those of the counties, or cities, or others authorized specifically by the legislature, effectively curtailed many of the illegitimate practices concerning such notes.³³ Still, this law contributed to further hoarding and speculating, in that it drastically reduced the number of such notes in circulation, thereby creating greater demand for those which remained.

Notes issued by the Confederate Government were never as popular in Mississippi as those issued by the state. The fact that the state issued money based upon a saleable commodity, such as the cotton money, or redeemable by a tax, such as the treasury notes, contributed to the belief among Mississippians in the relative high value of their currency. Lack of these same types of foundations led to quick and sustained depreciation of the Confederate issues. Then in 1862, Federal armies penetrated deeply into some areas of the Confederacy, especially in the Tennessee-Mississippi-

³²Fayette <u>Gazette</u>, October 3, 1862.
³³Mississippi <u>Laws</u> (December, 1862), p. 77.

Louisiama area. This apparent inability of the Confederacy to protect its own citizens from Northern aggression, coupled with a variety of other reasons, led in 1862 to widespread disaffection and outright Unionism in Mississippi--which in turn meant a growing general reluctance to accept Confederate currency. Even those loyal to the Confederacy, those "most sanguine and strongest believers in the righteousness of the cause," one Mississippian asserted, "had ever present before them the fact that the odds were largely against success; that the element of luck was too large a factor" in Confederate chances of success.³⁴ Horace Fulkerson, an agent and sometime purchasing officer for the Confederate Government, after the war asserted that the belief that "Arithmetically we were whipped from the start, and this fact was within the conprehension of all." He found it no wonder, then, "that Confederate money was held to be worthless except as a convenient medium of exchange for properties at exorbitant prices." Except for the convenience factor, Fulkerson stated, "it would have been discarded entirely and the primative mode of bartering one product for another directly would have been resorted to."³⁵

Fulkerson, and a number of other officials of the Confederacy, claimed to have been convinced early in the war that European intervention represented an idle dream; "that the

³⁴H. S. Fulkerson, <u>A Civilian's Recollections of the War</u> Between the States, ed. Percy L. Rainwater (Baton Rouge, 1939), p. 112.

35Ibid.

chances of aid were too remote and the contingencies of it entirely beyond" Confederate control.³⁶ As early as June, 1862, articles appeared in some of the leading newspapers of the South expressing serious doubt that Europe had any intention of intervening. "The error is counting upon outside influence and upon discord in the country of our enemy," the Richmond <u>Dispatch</u> declared in a story which the Natchez <u>Courier</u> reprinted, adding its editorial approval.³⁷ Since the main thrust of Confederate diplomacy and hope of ultimate military victory rested so heavily on the hope of foreign intervention, when chances of such interference became more remote, as they did in 1862, many people refused to have anything more to do with the Confederacy, including accepting its currency.

Mississippians joined others in the South in refusing to accept Confederate money, a movement which gained momentum in 1862 as it became clear such currency was based on little more than hope. Some Mississippians deplored this tendency, and as one resident of the coast area informed Pettus, he "would toil day and night on barely enough to sustain life rather than receive money from those who suck the life blood of the noble sons of the South." E. A. Pierce begged the Governor to take steps to "force people on the Coast to sell

³⁶Ibid., pp. 112-113.

 $37_{\text{Richmond Dispatch}}$, quoted in the Natchez Courier, June 7, 1862.

provisions, for Confederate money," or risk total disaffection when the Federals offered the only source of money and provisions available.³⁸ Others, like Confederate Captain J. M. Montgomery, "scorned the filthy lucre" when opportunity arose for them to obtain the hated "yankee money."³⁹ Yet, a growing number of Mississippians refused to accept any Confederate money, thereby creating problems for both the state and Confederate Governments.

By April, 1862, so much opposition existed to the Confederate monies that an effort was undertaken in some areas of the state to force its acceptance. A. K. Farrar, provost marshall in Adams County, issued a directive stating that anyone refusing to accept Confederate money, or who "otherwise depreciate such notes below their legal standard," would be "regarded as inimical to the Confederate States, and as giving aid to the enemy, by impairing the credit of the Confederate States, and will be dealt with accordingly."⁴⁰ Despite such warnings, the practice of refusing Confederate money spread throughout the state. McGehee's textile manufacturing firm, according to one merchant, sold cloth in the autumn of 1862 only in exchange for meat, lard, and other

 38 E. A. Pierce to Pettus, July 10, 1862, Ser. E., Vol. 57, MDAH.

³⁹J. H. Montgomery, "Reminiscences of a Cavalryman," <u>Memoirs of Henry Tillinghast Ireys</u>: <u>Papers of the Washington</u> <u>County Historical Society, 1910-1915</u>, eds. William D. McCain and Charlotte Capers (Jackson, 1954), p. 143.

40_{Natchez} Courier, May 8, 1862.

types of provisions. They would not sell for Confederate money, as it was "sinking in value every day."⁴¹

By late 1862, Mississippi's financial and economic situation appeared every bit as serious as it had a year previously when the legislature met and created such a plethora of "well-digested financial schemes." Adding to the problems of widespread Unionism, disloyalty, disaffection, inflation and speculation was a growing feeling among a number of people from the poorer classes that the war then raging "was a rich man's war and a poor man's fight."⁴² One apparently dissatisfied backwoodsman expressed a very common feeling when he complained to Pettus in July that "it pears hard that some of us have to gow off to war and others stay hat home swaring the will not go and thare is not Jeff Davises nor bauagardes a nuff to get them to ware."⁴³ Others complained of "treason" among the large planters, including one of the very largest, Miles H. McGehee who, according to W. R. Steward, "had several interviews with Fitch the commander of the expedition of Yankee Gun Boats down the river," and he feared "too great an intimacy exists between them." The same correspondent also named several other wealthy Delta planters as being altogether "too friendly" with the Federals.⁴⁴ These

41_{Mrs. B.} Beaumont, <u>Twelve Years of My Life</u> (Philadelphia, 1887), p. 186.

⁴²Isaac Applewhite to Pettus, July 15, 1862, Ser. E., Vol.
57, MDAH; Fulkerson, <u>A Civilian's Recollections</u>, pp. 106-107.
43_H. L. K. to Pettus, July 18, 1862, Ser. E., Vol. 57.

⁴⁴W. R. Stewart to Pettus, July 20, 1862, <u>Ibid</u>.

sorts of complaints found their way to the Governor throughout the war period, but no full-scale class movement, or anything approaching it, ever developed as a result of either real or imagined class discriminations.

Impressment of slaves, and their subsequent abuse at the hands of Confederate officers unfamiliar with handling that species of property, led to further dissatisfaction among Mississippi slaveholders of all classes,⁴⁵ as did apparent favoritism in the burning of "endangered cotton."⁴⁶ Complaints to Confederate officials of depredations committed by their troops all too often received no attention, which led one irate victim to exclaim if "that is the way our friends treat us, Lord deliver me from our friends."⁴⁷

Aware of these problems, Pettus determined to call the legislature again into special session in December. His brief message to the assembled delegates contained recommendations for conscripting all whites in the state from "sixteen to sixty years of age" into the state militia; a plea to hunt up and return to the army the hundreds of deserters who roamed the state; and a request that he be given power to impress slaves to work on fortifications when the need arose. The

45Official Records, Ser. I, Vol. 10, pt. 2, pp. 430-431; Mississippi House Journal (December, 1862), pp. 6, 23, 41; M. L. McGuire and others to Pettus, March 23, 1863, Ser. E., Vol. 60, MDAH.

46Wailes, Diary, entry for August 23, 1862.

47Beulah M. D'Olive Price, ed., "Excerpts From the Diary of Walter Alexander Overton, 1860-1862," Journal of Mississippi History, XVII (July, 1955), p. 202. Governor also pleaded for more state aid to the growing number of destitute families in the state, and he urged the legislature to make some appropriation for obtaining salt, which he characterized as "the most pressing want of our people."⁴⁸

Pettus had little to say concerning financial matters. He urged the legislature to take some action in regard to inflation and speculation, or risk the transfer of the wealth of the state "to the hands of the worst and least patriotic of our population." The Governor proudly pointed out that all the notes authorized to be advanced on cotton had in fact been paid out, asserting that this act "for the relief of the people and for supplying a sound circulating medium for the State has accomplished all that its most sanguine friends expected." The only other comment made by Pettus relating to financial affairs was to inform the legislature that only \$381,534 of the "Faith of the State" treasury notes had been dispensed, and that he anticipated no further expenditure from that fund.⁴⁹

One of Mississippi's most urgent needs involved some governmental control of inflation and speculation. Pettus recognized this, and recommended the passage of legislation prohibiting the buying and selling of food grain for profit.⁵⁰

⁴⁸Mississippi House Journal (December, 1862), pp. 9-10.
⁴⁹Ibid., pp. 11-12.

⁵⁰Mississippi House Journal (December, 1862), p. 11.

The legislature, however, took no action on Pettus' suggestion, but did pass several important measures designed to afford some relief to the growing number of Mississippians impoverished by high prices and speculative activity. Reacting to the growing crisis produced by the paucity of salt, the legislature appropriated \$500,000 to be used to procure this precious article for the destitute.⁵¹ As a further relief to those who sacrificed their land for lack of money to pay the higher rate of taxes, a law was enacted which extended the time for redemption of land sold for taxes until two years after the close of the war.⁵² Finally, the legislature suspended until a year after the close of the war the collection of the military tax imposed under the ordinance of January 26, 1861.⁵³ This "irrepealable" tax was supposed to be used to fund the treasury notes issued under the act, but the realities of war interferred to so alter the situation within the state that as the legislature admitted, it was "a physical impossibility to collect this tax in gold and silver." Lest its action be interpreted as outright repudiation, an extremely sensitive subject in the light of the state's financial history, the legislature published detailed "resolutions" in regard to the suspension. These statements were designed to demonstrate the dichotomy between its action and that of the

⁵¹Mississippi Laws (December, 1862), pp. 79-81.
⁵²Ibid., p. 78.
⁵³Ibid., pp. 77-78.

repudiationist legislature in 1842. The resolution made it very clear that the present act was only a temporary suspension, necessitated by the exigencies of war, and that collections would resume as originally provided one year after the cessation of hostilities.⁵⁴

An examination of several of the more important legislative enactments passed by this December, 1862 session of the legislature reveal a definite shift of emphasis from predominantly military concerns to more civilian-oriented needs. Salt, for example, represented a basic and absolutely necessary item for all Mississippians, regardless of their social standing, as the main staple in almost everyone's diet was salted meat, particularly bacon. This bacon could only be cured by the use of quantities of salt, and by late 1862, almost none existed in Mississippi. Increasingly, Mississippians of all social classes urged Pettus to take some action to provide salt, the price of which had risen from about \$1.50 per sack in 1861 to \$15 for the same amount by January, 1862. Later in the year, salt sold in some areas for as much as \$100 per sack.⁵⁵ The legislature, reacting to the dire need for salt, authorized the Governor to withdraw a half million dollars from the military fund to use in an effort to procure salt. The act even authorized Pettus to impress slaves and trains if necessary to expedite this essential project.56

⁵⁴Ibid., pp. 97-99.

55Vicksburg Whig, January 9, 1861; Aughey, <u>Tupelo</u>, p. 91. 56_{Mississippi Laws (December, 1862), pp. 79-81.}

The new emphasis on civilian needs also surfaced in the matter of tax reform. Whereas the general trend definitely pointed toward a lightning of the tax load, 5^7 the legislature nevertheless created a new tax, equal to one half of the current state levy, for the sole purpose of better providing for destitute families. 5^8 Other detailed measures provided for the distribution of this additional revenue among the destitute, particularly those families of soldiers serving in Confederate or state armed forces. 5^9

Meanwhile, Confederate fiscal policies led to consequences with which the Mississippi legislature found it necessary to deal. Throughout 1862, the Confederate Government continued to issue huge amounts of notes, which only added to the already redundant issues.⁶⁰ This policy contributed to a greatly increased rate of inflation; such that by December, Confederate notes were passed in Mississippi at a discount of approximately sixty per cent.⁶¹ In a desperate effort to curtail this critical situation, Confederate officials in late 1862 requested the state to consider legislation guaran-

⁵⁷<u>Ibid</u>., pp. 77, 78-79. 97-98.

⁵⁸Ibid., p. 70.

⁵⁹Ibid., pp. 70-72.

⁶⁰Matthews, <u>Public and Private Laws of the C.S.A.</u>, Acts of April 18, 1862, pp. 28-29; September 23, 1862, p. 59; Todd, <u>Confederate Finance</u>, pp. 107-109; Schwab, <u>A Financial and</u> <u>Industrial History</u>, p. 45.

 61 Freeman Jones to Pettus, December 24, 1862, Ser. E., Vol. 58, MDAH.

teeing a portion of the growing Confederate debt.⁶² Some Mississippians objected to this, on the grounds that it would tend to strengthen Confederate currency at the expense of state issues. After all, many argued, the Confederacy's irresponsible fiscal policies had caused their own woes, and had Memminger only listened to the suggestions of those who urged the creation of a "sound" Confederate currency, based on cotton, for example, the present crisis would have been avoided altogether.⁶³ Nevertheless, the Mississippi legislature in January, 1863, voted to endorse the state's portion of the Confederate debt, based upon Congressional representation in the Congress in Richmond. In order to secure time to see how other states reacted to this measure, however, a clause was inserted in this act which required its affirmation by the next legislative body.⁶⁴

By the end of 1862, Mississippians found their economic and financial--to say nothing of their political--situation critical. In general, fiscal programs designed a year earlier weathered invasion, inflation, speculation, and disaffection surprisingly well, yet the state's overall condition steadily worsened. Mississippi's own financial programs proved relatively successful, but certain factors--including a drought in portions of the state, Confederate fiscal irresponsibility,

62_{Todd}, <u>Confederate Finance</u>, pp. 69-70.
63_{Bettersworth}, <u>Confederate Mississippi</u>, p. 108.
64_{Mississippi} Laws (December, 1862), pp. 75-76.

and Federal invasion--made any strictly state effort particularly difficult. Stronger state action in the areas of inflation and speculation would have helped, however, in the solving of some problems--problems which unchecked drove a significant number of Mississippians to reluctantly turn to the enemy for succor. This represented the greatest failure of state officials in the early years of the war, and made their task in the remainder of the Confederate period much more difficult.

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CHAPTER VIII

POLICY CONFLICTS BETWEEN MISSISSIPPI AND CONFEDERATE OFFICIALS

As Mississippians entered the third year of the war, signs pointing to increasing social and economic disruptiveness appeared far more frequently than during the first two years of civil conflict. Disease, disloyalty, and drought had left their mark on Mississippi's once optimistic people. Federal raids into the interior regions of the state demonstrated both the growing strength of Federal power, and the proportionate decline in the Confederacy's ability to protect The wake of devastation which followed the its citizens. footsteps of the Union soldiers was to be expected, if not welcomed. The thoroughness with which the Northern fighting men stripped the countryside of food, livestock, and all other portable valuables inevitably created consternation among Mississippi ns.¹ but far more demoralizing than these expected Federal depredations were similar forays mounted by soldiers of the Confederacy against their own people. Scarcity reigned throughout the South, and Confederate soldiers in-

¹Mrs. Hugh Miller, "Reminiscences of Argyle, the Home of William R. and Margaret Campbell," McCain and Capers, eds., <u>Memoirs of Henry T. Ireys</u>, p. 169. Richard T. Archer to Pettus, June 17, 1863, Ser. E., Vol. 61, MDAH. creasingly found themselves in a position of having to depend upon the produce of whatever area they were in for sustenance for themselves and their livestock.

Such Confederate raids, sometimes under the guise of impressment or conscript parties, but as often as not results of individual caprice or greed, occurred with distressing frequency as thousands of deserters and draft dodgers took to the hills and swamps of Mississippi. Parties organized to search out and return these deserters to their commands often deteriorated into orgies of vengence and theft. Such actions resulted in frequent pleas by the victims to state and Confederate officials for aid in putting a stop to depredations by these relatively small bands of deserters or disgruntled soldiers, but more often than not such requests This led to further dissatisfaction, which were ignored. brought on demoralization and disaffection, so that by the end of 1863, Mississippians had lost much of the fervor so characteristic of the first two years of the war.² What many failed to realize, however, was that the failure of several Confederate revenue programs, due to enemy invasion and some domestic squabbling, had necessarily forced Confederate field commanders to resort to extensive impressment to provide the basic forage for their men and animals.

²L. B. Gaston to Pettus, January 30, 1863, Ser. E., Vol. 59; Richard T. Archer to Pettus, Ser. E., Vol. 61; Theodora B. Marshall and Gladys C. Evans, <u>They Found it in Natchez</u> (New Orleans, 1939), pp. 162-165; Walker, <u>Vicksburg</u>, pp. 216-218; Price, ed., "Excerpts From the Diary of Walter Alexander Overton, 1860-1862," p. 202; Wailes, Diary, entry for August 23, 1862; Fayette Gazette, August 2, 1862.

Further complicating the situation in Mississippi during the final years of the war was a growing tendency toward direct conflict between Confederate and state authorities over a wide variety of issues. It appeared to some state officials that Confederate lenience in such matters as control of scouting, conscription, and impressment parties were the main causes which drove citizens of the state to dissassociate themselves from the Confederate effort. This in turn made the task of state officials in trying to successfully implement their own programs exceedingly difficult, as people living in the outlying districts usually drew no distinction between Confederate and state troops when their property was destroyed or impressed. Other differences between the Mississippi and Richmond Governments manifested themselves clearly by 1863, which generally disrupted Confederate-state relations to the point of significantly reducing the overall war effort. After all, Confederate policy differed significantly from those programs favored by state officials in a number of instances, and in the implementation of such dichotomous policies, disagreements were bound to arise. Still, whether these differences be regarded as conflicts over policy directions, state rights, state sovereignty, or simple jealousy, the effect was the same--a distinct cooling of Confederate-Mississippi cooperative relations which redounded to the detriment of both governmental entities.

Of the recurring problem areas causing friction between

Confederate and Mississippi authorities, none proved more constant or bitter than that of control over Mississippi's fighting men. Pettus was understandably most concerned with protection of his own state, a twofold problem concerned mainly with keeping enough men scattered throughout the state to prevent possible slave insurrections, and to protect the exposed borders of the state from Federal attack.³ Confederate policy, on the other hand, looked toward using massive concentrations of armed men to prevent attacks of similarly massed Northern armies, regardless of whether such enemy forces threatened in Mississippi or in another of the Confederate states. Nevertheless, considerations regarding disposition and control of Mississippi's fighting forces caused both Pettus and his successor in the governor's chair, General Charles Clark, to withhold men, arms, and supplies from the Confederate forces throughout the war.

In 1861, the main conflicts between Mississippi and Confederate authorities concerned control of the state's troops which had been sent outside the confines of Mississippi to aid in the defense of some of the border states, particularly Kentucky. Mississippians were recruited for sixty days--a short enough time to induce many to enlist, but too brief a period to be of any real use to Confederate commanders--and placed under the command of Mississippi militia major gener-

³Bettersworth, Confederate Mississippi, p. 61.

 $als.^4$ Once these officers and troops arrived outside the state, Confederate generals often attempted to issue orders to them so as to coordinate the activities of their entire force, but such action aroused the ire of the Mississippi generals. Brigadier General James L. Alcorn, sent to Kentucky with the First Mississippi Brigade in October, 1861, expressed the feeling of many officers and men toward the Confederate generals when he declared in exasperation that his "service as brigadier-general of Mississippi is due that State only. If the Confederate Government wished me, I would be appointed. This not being done, I am an intruder. My self-respect, my own honor, is dearer to me than country or life itself." His bitter experience with the Confederate officers led him to conclude, "I had about as soon be shot as to leave here, but would rather be shot as remain a hermaphrodite in the service."⁵

Confederate military practices in 1862 proved even more unpopular in Mississippi than had their earlier programs. Since the initial strategy of requisitioning troops from the states had failed to provide adequate personnel for the Confederate service, Richmond authorities in 1862 sponsored the passage of a conscription act. This act raised the age limit to forty-five, thereby including a number of soldiers enrolled

⁴Theodore Mandeville to Rebecca Mandeville, December 29, 1861, Henry Mandeville Family Papers, Louisiana State University, Baton Rouge, Louisiana; Davis, <u>Recollections</u>, pp. 422-426; Official Records, Ser. 1, Vol. 7, pp. 688-689.

⁵Official Records, Ser. 1, Vol. 4, pp. 464-467.

in the Mississippi militia. These Pettus refused to release, claiming them necessary for the defense of the state, particularly since the Federals appeared about to launch a concerted attack on Vicksburg.⁶ Complicating this tense situation further, the Confederate exemption laws failed to make provision for an overseer to remain on each plantation, except for some of the larger ones. This resulted in an outcry in Mississippi, where not only were slave insurrections inordinately feared, but state law required the presence of at least one white man on each plantation.⁷

Pettus chaffed under this Confederate conscript law, but determined to provide protection to the plantations despite it. He detailed groups of state troops, organized as "partisan rangers" to guard the unprotected plantations, complaining all the while that in the matter of exemptions, "state authorities are entirely ignored."⁸ From the Confederate point of view, however, such conscriptions were necessary to fill the depleted ranks of the Southern armies which by then had suffered terribly at the hands of experienced Union armies.

Considerably demoralized at being derided as inferior

⁶Bettersworth, Confederate Mississippi, p. 64.

⁷A. B. Longstreet to Pettus, June 7, 1862, Ser. E., Vol. 57, MDAH.

⁸Official Records, Ser. 1, Vol. 52, pt. 2, p. 309; note on letter of A. B. Longstreet to Pettus, June 7, 1862, Ser. E., Vol. 57, MDAH.

whenever they came into contact with regular Confederate troops, the Mississippi militia suffered a more serious problem due to state action in the summer of 1862. Fearing an attack on Vicksburg, Pettus called out the state militia, and retained them idly in camps throughout most of the planting season. Farmers, who composed most of the militia forces, especially decried this action, as they were forced to sit in camp while their crops went unattended. Many of these state troops, including officers as well as enlisted men, sent petitions to Pettus, asking that they be allowed a brief furlough to go home and attend to their crops, but the Governor, fearing a Federal attack at any moment, refused, thereby alienating a number of Mississippians.⁹ Some left anyway, and refused to again muster at the call of the Governor during the war years. Even Jefferson Davis asked Pettus to reconsider and allow some of the men to return home long enough to cultivate their crops, but Pettus adamantly refused on the grounds that the troops must remain in the field to protect the grain and meat producing areas of northern Mississippi.¹⁰

¹⁰Pettus to Jefferson Davis, April 16, 1863, Ser. E., Vol. 60, MDAH.

^{9&}quot;Petition," signed by thirty-six officers, January 16, 1863; H. Johnson to Pettus, February 21, 1863, Ser. E., Vol. 59; For representative letters asking that soldiers be allowed time to go home and see to their crops see W. V. W. McLendon to Pettus, March 12; Phil. Gully to Pettus, March 11; J. R. Bowles to Pettus, March 12; A. L. Crumby to Pettus, March 11; B. A. Smith to Pettus, March 19; S. J. Gholson to Pettus, May 21, 1863, Ser. E., Vol. 60, MDAH.

With the coming of 1863, conflicts between state and Confederate authorities over military matters reached crisis proportions. Confederate General Lloyd Tilghman even went so far as to arrest Mississippi militia General James Z. George when the latter refused to allow his soldiers to obey an order which George considered demeaning.¹¹ Following immediately on this touchy situation came reports of serious difficulties between Colonel Willian C. Faulkner, a Confederate officer trying to recruit northern Mississippians into the service, and state agents sent into that area for the same purpose. Ultimately this conflict was settled when Confederate authorities agreed to abandon their recruitment efforts in the border areas, leaving those regions to state agents.¹²

Later in the summer, when the loss of Vicksburg left Mississippians especially depressed as to their future, new conflicts arose between state and Confederate authorities. General S. J. Gholson, in command of Mississippi militia forces, supported by Pettus, strenuously objected when Confederate General Gideon J. Pillow attempted to renew Confederate conscription agent's efforts to recruit in the exposed areas of the state.¹³ Both Pettus and Pillow appealed to President Davis for support, and ultimately a compromise was reached, whereby Pettus agreed to transfer all of Gholson's

¹¹J. Z. George to Pettus, March 4, 1863, <u>Ibid</u>. ¹²W. C. Faulkner to Pettus, March 9, 1863, <u>Ibid</u>. ¹³Official Records, Ser. 1, Vol. 30, pt. 4, p. 718.

troops to the Confederate army, provided their military organization remained intact. Even this did not end the controversy, as Pettus almost immediately decided to retain a portion of the state troops under his command, as well as all of the horses formerly belonging to the militia.¹⁴ This conflict remained in abeyance, however, as in the midst of it former Confederate General Charles Clark assumed the governorship of Mississippi. More familiar with the needs and procedures of the military than his predecessor, Clark managed during the remainder of the war period to calm conflicts over military jurisdiction between the state and Richmond governments. Eventually, near the end of the war, all state troops were transferred to the Confederate service, but by then defeat was so near as to make such a move meaningless.

Equally as detrimental to cordial Confederate-Mississippi relations as conflicts over military control of state forces were those related problems which involved civil rights. The initial action in this area occurred in 1862, when Congress authorized Davis to declare martial law and suspend the privilege of the writ of habeas corpus in cases of emergency. Acting under this authority, Grenada and even Jackson, the capital of Mississippi, were placed under martial law in the spring of 1862, while eleven counties in the river area, including the cities of Natchez and Vicksburg underwent the same action later in the summer.¹⁵ Although this latter case

14Ibid., Ser. 4, Vol. 2, pp. 759-760.

15_{Official Records}, Ser. 1, Vol. 10, pt. 2, p. 373; <u>Ibid.</u>, Vol. 15, pp. 771-772.

was overthrown when it became apparent that General Van Dorn, Confederate commander responsible for institution martial law, had acted without Davis' sanction, the precedent was there, and state authorities were quick to see where such action might lead.¹⁶

Jealous of their few remaining powers, Mississippi state courts commenced circumventing Confederate conscript officers by granting writs of habeas corpus wholesale to applicants who intended avoiding being forcibly enlisted in the Confederate army.¹⁷ Observing this trend, the Confederate Bureau of Conscription in January, 1863, appointed Wiley P. Harris, an outstanding Mississippi attorney, to represent the Richmond Government in state cases involving the granting of habeas corpus in Mississippi courts. The Bureau even went so far as to actually direct Harris to do all in his power to get around the jurisdiction of state courts, including appealing all adverse decisions handed down by these judicial bodies to higher courts.¹⁸ Governor Clark, while a strong guardian of state prerogatives, mostly agreed with the Confederate contention that cases regarding conscription should be tried in Confederate courts. But other state officials, notably Attorney General T. J. Wharton, disagreed with Clark, and protested vehemently that this represented an outright usurpation of

¹⁶Ibid., Vol. 18, pt. 2.

17Bettersworth, Confederate Mississippi, pp. 78-79.

¹⁸J. A. Campbell to M. R. Clark, January 16, 1863, located in Ser. E., Vol. 59, MDAH.

state authority.¹⁹

The Mississippi legislature meeting in November, 1863, took cognizance of the fact that Confederate officials had deliberately attempted to evade the jurisdiction of Mississippi courts by, among other expedients, rushing conscripts onto trains and transporting them beyond state lines before the conscript had a chance to apply for a writ. This proved more than the legislature would tolerate, and they consequently passed a law which allowed each conscript a minimum of five days after suing for a writ before he could be removed.²⁰

Another continuing problem which greatly aggravated already strained relations between the Confederate authorities and Mississippi officials involved the tendency of the former to practically take over and completely monopolize railroads in the state exclusively for military purposes. From the beginning of the war, Confederate authorities utilized the railroad facilities to a large extent, and as more troops concentrated in the Vicksburg vicinity in 1862, Confederate demands upon the railroads increased. By the winter of 1862-1863, Confederate General John C. Pemberton, a Northern-born man who replaced the popular Mississippian, General Earl Van Dorn, in command at Vicksburg, went so far as to issue an order forbidding the shipment of any private freight over

19Ibid.; T. J. Wharton to M. R. Clark, December 21, 1863, Ser. E., Vol. 65, MDAH.

 20 Mississippi <u>Laws</u> (November, 1863), p. 159.

the railroads.²¹ This act brought quick criticism upon Pemberton, and a number of complaints to Pettus to try to get the order revoked.²² Eventually, complaints over Pemberton's order reached Richmond, resulting in a review of the policy which in operation allowed empty cars to be pulled along the road for want of cargo while citizens within sight of the railroad starved.²³

On January 8, 1863, the Adjutant and Inspector General's office in Richmond issued a directive ordering military authorities to permit the transportation of civilian freight whenever space permitted.²⁴ Pemberton's quartermasters and commissaries continued to prohibit most such shipments, however, which led Mobile and Ohio Railroad officials to take steps on their own designed to implement the Richmond order. At a meeting of the directors of the railroad in February, it was decided that because Pemberton's agents had "involved the shipment of corn and Provisions in endless difficulties, producing great suffering in the community for want of necessary supplies," henceforth the directive emanating from Rich-

²¹Jackson Daily Crisis, January 8, 1863.

²²L. B. Gaston to Pettus, January 30, 1863, Ser. E., Vol. 59; A. M. West and S. J. Gholson to Williams & Hull, December 3, 1862, located in Ser. E., Vol. 58; George Wood to Pettus, January 9, 1863, Ser. E., Vol. 59, MDAH.

 $23_{L.}$ J. Fleming to Pettus, February 1, 10, 1863, Ser. E., Vol. 59; J. M. Rives to J. C. Pemberton, March 9, 1863, Ser. E., Vol. 60, MDAH.

²⁴Unidentified newspaper clipping attached to letter of L. J. Fleming to Pettus, February 10, 1863, Ser. E., Vol. 59, MDAH.

mond would be taken as the proper guide by railroad officials. This would, hopefully, effectively circumvent Penberton's agents, who seemed bent upon "seeking absolute control over the shipment of private freights."²⁵

Even this decisive action did not prevent Pemberton from often usurping the railroads for his own exclusive use. Occasionally throughout 1863, Pettus found it necessary to remind the Confederate commander that destitute people were to be allowed to ship freight on the cars of the railroad whenever possible. Otherwise, as some of his correspondents informed the Governor, a good possibility existed that actual violence would occur, resulting in destruction to the tracks and rolling stock of the railroads.²⁶

Still another series of disagreements between Mississippi and Confederate authorities developed over the practice of impressment, which first became an issue in 1863. Since the Federal attack on Vicksburg launched in the summer of 1862 ended in failure, Confederates believed an even greater military effort against the last Confederate bastion obstructing the Mississippi River would be launched the following year. To prepare the defenses of Vicksburg for such an eventuality, therefore, Confederate agents began urging Mississippi slave-

25"Resolutions," passed at a board of directors meeting, in <u>Ibid</u>.

26L. Mims to "Quartermasters on the M & O Rail Road," located in Ser. E., Vol. 59; J. M. Rives to L. T. Fleming, August 11, 1863, Ser. E., Vol. 61; J. Lowry to Pettus, Ibid.

holders to volunteer the services of their chattels early in January. Planters were urged to send "one half of their men force, with Axes, Spades, and Shovels, and rations to last them to Port Hudson" in order to work on fortifications at that place.²⁷ Most area slaveholders responded generously to this request at first, usually sending white overseers along with their slaves.²⁸ Following the initial request at Vicksburg, Pemberton issued calls for Mississippians to volunteer their slave laborers to work on fortifications at other vulnerable points in the state, and these requests likewise elicited generous initial response.²⁹

By the middle of February, however, a serious problem developed when slaves began showing up back at the plantations, maimed, sick, and determined to risk severe punishment for running away rather than remain at work on the fortifications. As the story unfolded, it appeared that upon arrival at the assigned work area, the slaves had been taken from control of overseers sent along with them, and placed instead under Confederate military authorities, who proceeded to abuse this very expensive species of property in a shameful manner. "The negroes are returning now by droves sick and numbers of them

²⁷Natchez Courier, January 6, 1863.

²⁸John Ghney to A. M. Cummings, February 17, 1863, Cummings-Black Family Papers, Tulane University, New Orleans, Louisiana; Natchez Courier, January 3, 1863.

29"Special Requisition," signed by Gen. Daniel Ruggles, located in Ser. E., Vol. 59, MDAH.

have died of pneumonia," John Ghney complained.³⁰ Reports of maiming and excessively cruel treatment poured into Pettus' office. M. L. McGuire and some of his neighbors wrote to Pettus in March, expressing their determination to answer no more calls for slaves as those whom they had sent "were put under Military overseers, who we learn treated them badly & roughly using cudgels or sticks in chastisement which after the expiration of three or four weeks caused the almost entire number to run off home, leaving their tools, and some their bedding."³¹

Other impressment practices of Pemberton led to more difficulties for Mississippi officials. In April the Confederate commander issued an impressment order for the collection of horses and other livestock. When his officers appeared slow in collecting the required number, Pemberton voiced his dissatisfaction, and ordered them to get the horses immediately, regardless of the means required.³² This led to indiscriminate impressment and numerous complaints that the Confederates were creating intense hatreds for their cause by such gross methods. The impressment process was so abused by Confederate officers in Greene County that a grand jury

 31_{M} . L. McGuire and others to Pettus, March 23, 1863, Ser. E., Vol. 60, MDAH.

³²J. C. Taylor to Pettus, April 27, 1863, Ser. E., Vol. 60.

³⁰John Ghney to A. M. Cummings, February 17, 1863, Cummings-Black Papers; M. L. McGuire and others to Pettus, March 23, 1863; O. P. Anderson to Pettus, March 22, 1863, Ser. E., Vol. 60, MDAH.

found several bills against the agents for "Cow Stealing," and other illegal acts. Agents "ran the cattle off," then "offered the owner less than half the market value." At one point, the Confederate agent in that county reportedly ordered the sheep owners to hurry up and shear their animals, as he was coming for them immediately. A. E. Lewis, who informed Pettus of these atrocious acts in Greene County, asserted that he and his neighbors were "perfectly willing to give the government the preference of all they can spare, but insist on being seen & heard on the disposition of their private property." These and similar incidents by impressment agents, Lewis stated, had created "a reign of terror" such as never before witnessed, even among the Federals.³³

When Pemberton's agents began halting trains and impressing the private freight Pettus had worked so hard to obtain permits for, the Governor reached the end of his patience. In the summer of 1863, after many reports reached Pettus complaining of this sort of activity, the Governor angrily demanded of Pemberton that he order his agents to cease and desist. In one instance, members of a community in north Mississippi combined their resources and sent one of their number in search of wheat. The agent located three hundred bushels of wheat, bought it for three dollars per bushel, and loaded it on railroad cars for shipment home. Confederate agents swooped down at that point, and claiming that the wheat

33A. E. Lewis to Pettus, April 21, 1863, Ser. E., Vol. 60, MDAH.

was purchased on behalf of a "notorious speculator," seized it in the name of the Confederate Government. Upon hearing of this incident. Pettus demanded that the Confederates immediately release the wheat. Grudgingly, the impressment agents agreed to release "20 or 30 bushels" to J. Lowry, from whom they had seized it, if he "could prove his ownership." This angered Pettus even more, and he ordered the release of all of the wheat immediately, saying that he had studied the records of the case, and remained convinced that the wheat "belongs to widows & orphans and was seized illegally." Pettus assured the Confederates that he would do all in his power to aid them in their continuing effort to prevent speculators from using the available railroad cars for their own devious purposes, but insisted the agents "must keep their hands off . . . bread which lawfully belongs to the destitute families of soldiers." Several similar incidents occurred during 1863 which together contributed significantly to a decline in respect for and willingness to aid the Confederacy.³⁴

Confederate officials also continued the policy of burning cotton in the exposed districts of Mississippi during the last two years of the war. As in all of their other policies, the Confederates somehow managed to arouse considerable opposition to this continuing program, chiefly among people who complained of partiality in its operation, and of course

³⁴J. Lowry to Pettus, August 20, 1863; John T. Shaff to Pettus, September 9, 1863; Pettus to John T. Shaff, September 27, 1863, Ser. E., Vol. 61, MDAH.

among those who planned extensive speculation in the precious staple.³⁵ Since this Confederate policy usually devolved upon low-grade field military commanders for execution, the practice at times doubtless proved unfair in operation, but the scattered nature of the Confederate garrison in the Mississippi area prevented really adequate communication, and therefore control, over the carrying out of the cotton burn-Some Mississippians, however, objected to the ing program. practice of burning cotton on principle, as well as in particular methods used. Planters in this richest of all cottonproducing areas were still convinced, despite the failure of cotton to bring expected European intervention, that it should then be used to some positive advantage, rather than burned as a sort of ill-conceived revenge upon recalcitrant Euro-T. A. Ventress expressed this general feeling when peans. he rhetorically asked the recently-elected Governor Clark "Does not the Government know full well, that the two great sinews of war, are Men and Money, and that each is powerless without the other?" Has the Richmond Government forgotten, Ventress wondered, that "National wealth is naught else than the sum of the wealth of the individual Citizens of the nation?" "In a word," he concluded, "destroy our cotton and you sever the tendon Achilles of the war--there can be no further progression; the sword of the warrior will drop from his

35C. R. Dickson to Jefferson Davis, June 13, 15, 1863, Jefferson Davis Correspondence, Duke University, Durham, North Carolina.

hand . . . our Country will be no more."36

Beginning fairly early in the war period, then, in its official policies, the Confederate Government appeared determined to pursue a path of narrow self-interest, disregarding somewhat the physical and psychological needs of Mississippi's citizens. Minor irritations, normal between two governmental units in wartime, seemed magnified in the disturbed conditions which prevailed in Mississippi. Fights over control of troops, civil rights controversies, monopolization of the state's railroads, impressment abuses, the continuance of a drastic cotton burning policy--all combined to create in Mississippi wide-spread distrust in and disgust for Confederate programs generally. Dislike for one or more Confederate policy decisions caused many Mississippians, though loyal to the Confederate ideal, to turn in dismay from further support for Confederate policy in practice. Somehow, in carrying out their government's programs, the Confederate representatives in Mississippi managed to alienate about everybody in one way or another, and although a great number continued to lend support to the Confederate war effort, such support was being offered more grudgingly as the war dragged on.

As a final humiliation causing innumerable Mississippians to turn forever from any further support for the Confederacy, the Northern-born commander of Confederate forces at Vicks-

³⁶T. A. Ventress to Charles Clark, February 6, 1864, Ser. E., Vol. 65.

burg, General John C. Pemberton, surrendered his entire army to Federal General U. S. Grant, thereby yielding the last significant Confederate fortress in Mississippi. Adding to the defeat at Vicksburg, Jackson fell to Federal forces in 1863 also, forcing state officials to begin a nomadic existence for the remainder of the war.³⁷

In short, Confederate policies demanded great sacrifices on the part of the Southern people, and in Mississippi at least it appeared, offered almost nothing in return. Consequently, Mississippians increasingly turned away from anything to do with the Confederates, including taking their money. Even in the matter of finances, Confederate authorities seemed determined to pursue a program of self-defeat. For example, at a time when many Mississippi merchants began to accept Confederate money only with reluctance, and then at a discount ranging from fifty to ninety per cent, the Confederate treasury officials themselves admitted that counterfeiting of their notes had become so prevalent that Secretary Memminger felt compelled to make special provision for the replacement of large portions of some Confederate issues.³⁸ Due to the Confederate's seeming distrust of their own issues, several Mississippi merchants simply refused to accept certain of these notes. C. A. Dubissen addressed a communication to

³⁷Francis V. Greene, <u>The Mississippi</u> (New York, 1882), pp. 143-150.

³⁸Todd, Confederate Finance, pp. 98-100.

Memminger in February, 1863, advising the Secretary that some "of the leading merchants of Yazoo City have refused to take Treasury notes of the Hoyer & Ludwig plate; others, following their example, also refused, and this class of notes have ceased to be currency."³⁹ In this instance particularly, Confederate policy fostered bad feelings among local residents, for the paymasters continued dispersing those types of notes which the merchants rejected, and the Confederates themselves then refused either to provide agencies where the notes could be exchanged for goods or other, more acceptable issues. For soldiers subsisting on fifteen dollars per month--when a single pair of shoes cost twice that amount--being forced to take what amounted to worthless notes creates serious problems of morale in the ranks.⁴⁰

For some, reasons for refusing to have anything further to do with Confederate money went much deeper than the mere fact that most of such money either passed at large discounts, or not at all. Mississippians, in their own minds, connected all the Confederate programs--military, social, as well as strictly economic--together, and basing their decision upon this combination of factors, denied further support for any of these policies. "I have taken this abuse at their hands as long as patience will allow," W. L. Copeland declared in

³⁹C. A. Dubissen to C. G. Memminger, February 19, 1863, in Thian, Correspondence, Appendix V, p. 26.

40 Ibid.; W. J. Taylor to C. G. Memminger, April 2, 1863, in <u>Ibid.</u>, p. 72.

October, 1863. "Those rascally conscript renegades hound my neighbors, men representing themselves as impressment officers run off my stock, steal my horses, and throw down my fences. Now they offer me a paltry pittance in their filthy rags in return, not one of which is worth the paper and ink used in its ill-begotten manufacture. No by God, I've had it."⁴¹

And so had a lot of other Mississippians "had it." Of course, not all of the increasing disaffection manifested in the later war years could be blamed on obstinate, arbitrarily-administered Confederate programs, but these certainly contributed significantly to the growing mood of despair and defeat. "At Brandon, Canton, and Jackson all act as though the thing were ended," Federal General William T. Sherman reported in July, 1863, after the fall of Mississippi's capital city.⁴² Indeed "the thing was ended" for a lot of the state's citizens who reluctantly concluded, with the fall of Vicksburg and Jackson in Mississippi, and the Confederate defeat at Gettysburg, that the Confederacy was doomed to failure.

As realistic hope for victory receded, more and more Mississippians turned to a search for peace in the midst of war. Mississippi soldiers by the thousands, disgusted with the failure of either state or Confederate authorities to

41W. L. Copeland to Pettus, October 10, 1863, Ser. E., Vol. 61, MDAH.

42Official Records, Ser. 1, Vol. 24, pt. 2, pp. 530-531.

provide adequate sustenance for their families, simply left their commands, returned home to seek supplies to prevent starvation, and refused to return to the army when summoned. Early in 1863, General Gideon Pillow, acting under orders from General Joseph E. Johnston, moved into the northern part of the state, and commenced a massive man-hunt for these deserters. Pillow's tactics, which some compared to a steamroller, caused even greater consternation among the populace than the presence of the deserters, with the result that the War Department in Richmond ordered him to cease his operations.⁴³ Southwestern Mississippi also harboured "swarms of deserters" in such numbers as would require, according to one estimate, "a good force of well-disciplined cavalry to get back into the army."⁴⁴ Following the debacle at Vicksburg in July, even greater numbers deserted the army, and returned to their homes, disgusted with their Confederate commanders. Desertion became so commonplace that by August, one conscript officer estimated the number of men absent without leave from the army in Mississippi alone to be about five thousand.⁴⁵

Deserters received considerable encouragement from Mississippi Unionists representing the upper social classes. Following the fall of Vicksburg and the loss of Jackson, several of these Unionists, among them Judges William Yerger and Wil-

43 _{Ibid} .,	Ser.	4,	Vol.	2,	pp.	403-	-404	4.
44 <u>Ibid</u> .,	Ser.	1,	Vol.	52	, pt	2,	p.	493.
45 _{Ibid} .,	Ser.	4,	Vol.	2,	p. 7	717.		

liam Sharkey, met in Jackson to discuss plans to organize a peace party in the state. General Sherman actively encouraged their efforts, and urged General Grant to allow him to give substantial rations to "some 800 women and children" at Jackson who would "perish unless they received some relief." Grant agreed, and Sherman reported with pride that their plan to use this gift of provisions to further encourage the prevailing dissatisfaction of the people with the Confederates appeared to be succeeding. "I profess to know nothing of politics," Sherman asserted, "but I think we have here an admirable wedge which may be encouraged . . . If prominent men in Mississippi admit the fact of being subdued, it will have a powerful effect all over the South."⁴⁶

In addition to the destitute who deserted in great numbers, and those Mississippians like Sharkey and ex-Governor A. G. Brown who actually took the oath of allegiance to the United States in the summer of 1863,⁴⁷ many wealthy planters in the river counties felt secure enough to openly express the Unionist sentiments which they claimed to have repressed earlier. Lavish parties were arranged in the homes of these planters, where such notables as Grant and Sherman were feted.⁴⁸ In return, the Federal officers granted their protection to

⁴⁶Ibid., Ser. 1, Vol. 24, pt. 2, p. 531.

47James W. Garner, <u>Reconstruction in Mississippi</u> (New York, 1901), pp. 51-53.

 $48_{Marshall}$ and Evans, They Found it in Natchez, pp. 162-167.

the property of these planters, offering to establish regular trading posts in the area if either Confederate General Joseph E. Johnston or President Davis would agree that no "Confederate soldiers or guerrillas will operate west of Pearl River."⁴⁹

Confederate policy in regard to impressment, railroads, civil rights, troop control, confiscation of private property, and cotton burning all contributed significantly to a great decline in support for the Confederacy among Mississippians by 1863. Since Confederate currency formed so vital a part of the overall Southern program, when Mississippians rejected so many of their other policies, they also rejected Confed-Thus, when a growing number of Mississippians erate money. refused to accept Confederate currency, that currency fell in value. The fate of fiscal policies, in other words, fell in the estimation of the people along with other programs not directly related to money matters. As a result, there occurred a widespread return to barter among Mississippians -including trading with the enemy, who appeared the only source of so many necessary articles in the later war years.

⁴⁹Official Records, Ser. 1, Vol. 24, pt. 2, p. 531.

CHAPTER IX

THE ADVENT OF SERIOUS DISILLUSIONMENT

A main cause of the deteriorating morale which became so evident among Mississippians by late 1863, involved serious confrontations between Confederate and state authorities. Yet Mississippians expressed a growing dissatisfaction as well with some policies carried out by state officials. After all, Pettus, like the Confederates, resorted to the always unpopular expedient of impressing both slaves and supplies to meet defense needs. Also, the inability of state officers to arrange for the importation of necessities, particularly salt, led a number of citizens to seek their own avenues of supply--which meant trading with the enemy. This humiliating necessity promoted the introduction of Federal money, commonly known as greenbacks, into Mississippi, which tended to further undermine both state and Confederate cur-Thus scarcity of essentials, coupled with the almost rency. daily decline in the value of Confederate money boosted in-With inflation came greater opportunities for colflation. lecting huge profits, which led to more speculation. This deadly cycle, which achieved significant proportions in 1862, grew to vigorous maturity during the third year of the war,

and continued unabated until the end of the conflict.

Neither Confederate nor Mississippi officials resorted to direct confiscation of property belonging to Southerners loyal to the Confederate cause during the Civil War. Yet in operation, the policy of impressment came very close to confiscation in that it was occasionally used as a tool to "punish" those even suspected of disloyalty. At best, it proved unfair in that the general policy of impressment agents seemed to involve obtaining goods and slaves from those who resided nearest to military camps or along main lines of communication and transportation. Other avenues for abuse were opened when wide discretion was allowed low-ranking officers charged with actually collecting the impressed property. These officers were sometimes guided by motives of jealousy and personal prejudices rather than a sense of fairness.¹

The impressment law passed by the Mississippi legislature in January, 1863, provided rather strict guidelines regarding the mode of impressment, payment for goods or slaves impressed and otherwise stated clearly the conditions under which such items might be taken and used for purposes of state defense.² Yet, almost immediately complaints started coming into the Governor's office, relating instances of overt partiality shown by the impressment agents operating in the

¹For a general discussion of impressment see Coulter, The Confederate States of America, pp. 251-253, 258-260; Owsley, State Rights in the Confederacy, p. 219ff.

 2 Mississippi Laws (November, 1863), pp. 81-86.

field. In some instances the main objection was that the agents simply impressed slaves and other necessities from those in the community whom the agents disliked, leaving others completely undisturbed.³ In some cases, however, the agents appeared to have far overstepped their actual authorization, and proceeded to impress as much property as whim suggested, rather than abiding by the actual instructions of state officials. Richard T. Archer, a planter of some standing in the state, complained to Pettus in February that the agent collecting property in his county resorted to the simple rule of impressing exactly twice as many slaves as were called for. Archer, obviously agitated over such tactics, vigorously protested "against this illegal and despotic" practice. "Between the petty tyrannies of small sinecurists and speculators both official and non-official the people are being ground under oppression," Archer explained to the Governor. Like most of his fellow planters, he concluded, he was willing to "suffer much for our beloved country, but it is unnecessary that we be oppressed to gratify avarice or malice."4

Eventually, it became more and more difficult to get the farmers and planters who formerly loaned their slaves willingly to Confederate and Mississippi authorities to continue to

³M. L. McGuire and others to Pettus, March 23, 1863, Ser. E., Vol. 60; F. Dillard to Pettus, February 18, 1863, Ser. E., Vol. 59, MDAH.

⁴Richard T. Archer to Pettus, February 25, 1863, Ser. E., Vol. 59, MDAH.

do so. O. P. Anderson, Sheriff in Goodman, informed Pettus of some of the main reasons for this change in attitude toward impressment. According to Anderson, the county had been "under impressment" since the preceeding fall, and the people now wanted their hands at home to help in spring planting. Equally important however, the Sheriff reported, was the fact that those slaves already impressed often returned home maimed or sick from lack of attention or outright abuse at the hands of military officers put in charge of overseeing the labor of slaves. Given this state of affairs, Anderson informed the Governor, the only way additional slaves could be impressed from his county involved the use of an armed possee.⁵

As the spring of 1863 dragged on, Pettus changed his tactics from force to persuasion, due mainly to the fact that his agents repeatedly returned from impressment searches empty-handed. One state militia officer reported to Pettus in May that he and his men rode for three days, without finding a single horse fit for service. This resulted from a dual situation: first, volunteer drives and repeated impressment forays had literally drained the state of livestock, and more importantly for state efforts, the Confederate agents usually paid cash on the spot for horses impressed, while the state officers could but issue warrants, and leave it up to

⁵O. P. Anderson to Pettus, March 22, 1863, Ser. E., Vol. 60, MDAH.

the owner to collect when and how he could.⁶ Cognizant of such practices, Pettus changed his methods when the state capital appeared imminently threatened in early May. He issued a simple appeal to the "patriotism of the people as no impressment is deemed necessary." Pettus made it very clear his "appeal" should receive due attention, however, as his proclamation carried the warning that the "names of those who fail to respond . . . will be handed to me."⁷

This change in tactics proved a fortuitious one, as people again forwarded their slaves and other property to Jackson to aid in the construction of fortifications about the city.⁸ Still, serious harm resulted from impressment practices of both Confederate and state agents during and after 1863. Originally, both the governmental units resorted to impressment as a substitute for additional taxes, yet the end result proved very detrimental as in practice impressment antagonized a great number of Mississippians, and contributed to a further loss of confidence by the average citizen in the sagacity of this particular state and Confederate program. Opposition became so widespread by December that the Mississippi legislature took decisive action to at least curb some of the abuses so prevalent in the matter of impressed prop-

⁶P. Henry to Pettus, May 1, 1863, Ser. E., Vol. 61, MDAH. ⁷"Proclamation of Governor Pettus," May 3, 1863, <u>Execu-</u> <u>tive Journal</u>, p. 387, MDAH.

⁸H. C. Bennett to Pettus, May 5, 1863, Ser. E., Vol. 61; Canton /Mississippi7 Tri-Weekly Citizen, December 1, 1863.

erty. The more stringent legislative enactment made the impressment of private homes dependent upon the owner's consent, and extended the prescribed time limitations for bringing court action to recover property. The law further requested the governor to intervene when possible to prevent illegal seizures by Confederate officials, and provided heavy penalties for violating Mississippi's own laws with regard to impressment. Finally, the legislature demanded that Confederate authorities make a reasonable settlement of all outstanding claims of Mississippi citizens against the Richmond Government for property impressed.⁹

While impressment practices produced a critical shortage on many farms and plantations of labor, tools, and livestock, the scarcity of other items proved just as productive of discontent among the state's people. Chief among the absolutely necessary items which practically disappeared early in the war was salt. This element not only made the meagre diet enjoyed by most Mississippians more palatable, but was essential in the curing of meat, especially bacon which formed a basic staple of consumption of most of the state's population, regardless of social standing or relative wealth. Although initially state officials were expected to furnish salt, this staple was one that the people determined to have, regardless of the source.¹⁰

⁹Mississippi <u>Laws</u> (November, 1863), pp. 106-107, 129-138, 156, 226, 228.

¹⁰Garner, <u>Reconstruction in Mississippi</u>, p. 46; M. M. Fortinberry to Pettus, December 1, 1862, Ser. E., Vol. 56.

Placing it above all other necessities, Pettus declared in December, 1862, that the "most pressing want of our people at the present time is a supply of salt." He had dispatched agents to Virginia, Alabama, and Louisiana the previous summer in an effort to locate an adequate supply, but except for the mission to Louisiana, they failed utterly.¹¹ Augustin Chein, whom Pettus sent to New Iberia, Louisiana, reported to the Governor that most of the salt presently being produced in that state was being consumed by its own citizens, and that in addition, prices asked on the little available for export far exceeded Mississippi's ability to pay.¹² Nonpulsed. Pettus dispatched Captain D. S. Pattison about a month later, together with \$20,000 and a steamboat with which to attempt to purchase and transport some salt from the Louisiana mines. Pattison succeeded in procuring a boatload of the precious salt, but upon his return voyage, was stopped by Confederate agents, who warned that he and his cargo stood in imminent danger of capture by Federal gunboats. While Pattison could probably have completed his journey unharmed if allowed to go unmolested by these Confederate agents, they managed to delay his departure from the bayou where he was detained until Federal boats indeed proceeded to blockade the mouth of the chan-Despite this unexpected turn of events, Pattison smuggled nel.

11_{Mississippi} House Journal (December, 1862), p. 10.

12Ella Lonn, Salt as a Factor in the Confederacy (New York, 1933), pp. 92-93.

forty thousand pounds of his precious cargo out of the bayou and into Vicksburg, where it was distributed to the destitute.¹³

Although he contracted with a Mississippi firm to manufacture salt from a small mine in central Mississippi, Pettus determined to prosecute his search for adequate supplies further.¹⁴ He asked and the legislature granted permission in January, 1863, to use \$500,000 of the Military Fund to purchase salt--if it could be found anywhere. Using a portion of these funds, Pettus also sent an agent into Alabama to try to buy salt there, but although contracts were entered into, they were never fulfilled.¹⁵

Meanwhile in the fall of 1862, Pettus conceived the idea of trading cotton directly for salt. Planters throughout the state, believing the Governor would be able to consumate this plan, rushed to Jackson, eager to supply the needed cotton in exchange for salt. But in this instance also, the Confederate authorities stepped in and refused to allow the exchange. Pettus appealed directly to Jefferson Davis to have mercy on starving Mississippians and allow the trading to proceed, but the Confederate President, having sent Pettus' letter to Secretary of War George W. Randolph for his opinion, upheld the latter's assertion that such trading constituted a breach of

13Mississippi House Journal (November, 1863), pp. 94-95. 14<u>Ibid</u>., p. 95. 15_{Ibid}. the Constitution, and forbade Pettus to carry out his scheme.¹⁶

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Although chagrined by Davis' negative attitude, Pettus proceeded nevertheless to contract with a French citizen, Adolphus Minnet, to furnish the latter with cotton to be shipped to some European port and there exchanged for salt. Confederate authorities again stepped in and ordered this operation stopped, which brought a temporary halt to state efforts to obtain salt.¹⁷ When this happened, it appeared to many Mississippians that the only remaining recourse was to open trade with the Federals in the area.

Thus because of the intransigence of Confederate officials and the inability of state authorities to effectively circumvent such obstructionist policies, illicit trade with the enemy received considerable impetus. Some people first resorted to digging up the packed earth forming the floor of their smoke houses and boiled the dirt, thereby obtaining a quantity of useable salt, but when this source dried up, another had to be found.¹⁸ Since cotton represented the one product owned by most Mississippians which the Federals desired, and since the latter willingly furnished salt, clothing, and even food in exchange for it, trade with the hated "aboli-

¹⁶Official Records, Ser. 4, Vol. 2, p. 126; J. G. Carroway to Pettus, October 16, 1862, Ser. E., Vol. 56.

¹⁷"Contract," in favor of Adolphus Minnet, signed by Pettus, Ser. E., Vol. 56, MDAH; Mississippi House <u>Journal</u> (November, 1863), p. 94.

18Wailes, Diary, August 28, 29, 1862; Bettersworth, Confederate Mississippi, p. 155.

tionist hoards" became a commonplace occurence in Mississippi by 1863. This represented no easy matter to those loyal Confederates who had for decades nurtured a festering hatred for people in the North. Most Mississippians would sacrifice a great deal to remain faithful to the Confederate cause, but there existed a point beyond which even dedicated Southerners refused to go.¹⁹ For most, that point was the verge of actual starvation and physical discomfort incurred from lack of proper nurishment and clothing. In the case of some, trade with the enemy proved easy to justify the a number of grounds, including widespread loss of confidence in the possibility of a Confederate victory, disillusionment with Confederate and state officials who appeared utterly incapable of defending their property against constant raiding, and the absolute impossibility of obtaining necessary articles within the Confederacy.²⁰ For Unionists, whose numbers were continually augmented throughout the war period, trading with the Federals was not looked upon as either a moral or physical dilemma, but rather embraced as a welcome relief from the

²⁰Moses Jordan to Pettus, January 23, 1863, Ser. E., Vol.

¹⁹B. F. Meek to Mamie Meek, March 21, 1863, Samuel M. Meek and Family Papers, Mississippi Department of Archives and History, Jackson, Mississippi; Natchez Courier, March 17, 1863; Alexander B. Swanson to Maris Swanson, December 8, 1863, Swanson Family Papers, Mississippi Department of Archives and History, Jackson, Mississippi; O. J. E. Stuart to Secretary of War, January 10, 1863, Mayes-Demitry-Stuart Papers, Mississippi Department of Archives and History, Jackson, Mississippi, O. J. E. Stuart to General Joseph E. Johnston, January 10, 1863, in Ibid.; M. M. Fortinberry to Pettus, December 1, 1862, Ser. E., Vol. 56; Moses Jordan to Pettus, January 23, 1863, Ser. E., Vol. 59; W. M. Haley to Pettus, March 7, 1863, Ser. E., Vol. 60, MDAH.

scarcity which stalked the Confederacy.²¹

Opinion towards the growing illegal trade appeared divided in the higher circles of command in and around Mississippi by early 1863. General Pemberton, in command of Confederate forces at Vicksburg, frequently reported to his superiors in the War Department that real necessity caused a great number of Mississippians to trade with the enemy, and since this could not be stopped, he urged a policy of tacit non-interferency.²² General L. L. Polk, also operating in the area in 1863, favored going so far as to license the illegal traffic, on the grounds that such a move would help in the fight to defeat inflation and speculation. In a confidential letter to Confederate General Wirt Adams, Polk advised the latter to "see that the Yankees get cotton now and then, but not faster than suits our purposes."²³

In some instances at least, Richmond authorities agreed with the policy line suggested by Pemberton, Polk, and others. One confederate soldier reported receiving orders directly from the Secretary of War to escort a train load of cotton to Fed-

59, MDAH; O. J. E. Stuart to General Joseph E. Johnston, January 10, 1863, Mayes-Dimitry-Stuart Papers; Mrs. B. Beaumont, Twelve Years of My Life, pp. 207-208.

²¹Aughey, Tupelo, pp. 91-92.

²²Official Records, Ser. 1, Vol. 52, pt. 2, pp. 453-454, 460, 465.

²³Ibid., Ser. 4, Vol. 2, p. 242; Schwab, <u>Industrial and</u> <u>Finanacial History</u>, p. 263; Samuel J. Bartlett to Mary S. Bartlett, September 22, 1863, Bartlett-Basore Papers, Folder 6, Tulane University, New Orleans, Louisiana.

eral gunboats in Lake Maurepas, where it was intended to trade it for medicines and other supplies.²⁴ This policy seems never to have been adopted generally, however, as requests by substantial citizens to be allowed trading privileges with Federal authorities in New Orleans were denied.²⁵

Pettus and other state officials discouraged trading with the enemy, although they realized how wides pread the The Governor was willing to engage in practice had become. such illicit trade as long as it fell under the control of state officials, and for limited objectives, but in principle disapproved of such activities being carried out privately.²⁶ Brigadier General James Z. George of the Mississippi militia reported to Pettus in late March, 1863, that considerable contraband trade existed with Memphis, and urged Pettus to use his authority to suppress it. George complained that the military authorities in north Mississippi had adopted a rule which actually encouraged the trade by exempting from seizure goods which though evidently brought through the lines, had been purchased within the Confederate territory. This rule meant, according to George, that speculators "and traitors" went into Memphis, bought Federal goods with cotton, transported them through Confederate lines, then quickly sold them to a middleman, thus meeting the requirement that the goods

²⁴McCain and Capers, eds., <u>Papers of the Washington</u> Historical Society, p. 187.

250.J.E. Stuart to General Joseph E. Johnston, January 10, 1863, Mayes-Dimitry-Stuart Papers.

26This is evidenced by Pettus' plea to Jefferson Davis to allow the trading of cotton for salt in the winter of 1862.

had been bought within the Confederacy. Then the goods could be parceled out at leisure to anyone who brought cotton to the trading posts, with no danger of confiscation by Confederate officers.²⁷

Such practices, born of necessity and fostered by greed, avarice and disloyalty acted to greatly demoralize Mississippians. Reasons for the trade, though often sufficient in the minds of the participants, proved very harmful to Confederate and state financial measures. Anything which adversely effected already low morale consequently lessened respect for and faith in the Confederacy. This was especially true in Mississippi after the fall of Vicksburg, when a great number of Mississippians believed defeat imminent: therefore it seemed foolish, if not downright criminal, to sacrifice the health and wellbeing of their families needlessly. Under such conditions, anything which aided the fight to survive appeared justified -- including trading with the hated enemy, deserting the army, and refusing to pay taxes to the Mississippi or Richmond Governments.²⁸

Matters of finance were inextricably involved in all these perplexing questions of inflation, speculation, illegal trade, scarcity and disloyalty. With the fate of the Con-

²⁷James Z. George to Pettus, March 24, 1863, Ser. E., Vol. 60, MDAH.

²⁸Beaumont, <u>Twelve Years of My Life</u>, p. 207; Moses Jordan to Pettus, January 23, 1863; J. Fleming to Pettus, February 1, 1863, Ser. E., Vol. 59, MDAH.

federacy itself increasingly evident, upholding the value of practically worthless money based on nothing more substantial than faith, hope, and a "promise to pay two years after the end of the war" hardly appeared reason enough for accepting Confederate currency. And since if the Confederacy collapsed so too would the Mississippi government founded under its protection, the state issues also fluctuated according to the shifting tide of Confederate fortunes. Then there remained the problem of the increasing flow of Federal greenbacks into the state as the volume of trade picked up sharply after the fall of Vicksburg and Jackson in 1863. This "contraband money" rose in value even as those issues of the Confederacy and Mississippi fell correspondingly.²⁹ This situation led to increasing inflation, which caused an astronomical rise in prices in the third year of the war, both in Mississippi and throughout the South. 30

As the Confederate financial structure began to crumble in 1863, Mississippians renewed their earlier efforts to persuade the Confederate Congress to make fuller use of the immense amounts of cotton stored in the South. In January,

²⁹Beaumont, Twelve Years of My Life, p. 207.

³⁰Riley, ed., "Diary of a Mississippi Planter," p. 481; Louisa M. Blyot to Pettus, April 15, 1863, Ser. E., Vol. 60, MDAH; Jackson Crisis, January 15, 1863; Natchez Courier, February 26, 1863; Jackson Mississippian, March 11, 1863. For a treatment of prices throughout the South generally during the war, see John C. Schwab, "Prices in the Confederate States, 1861-1865," Political Science Quarterly, XIV (1899), pp. 281-304. 1863, Confederate Senator James Phelan of Mississippi introduced a bill in Congress which would provide for the seizure of all cotton in the South, to be paid for at the rate of fifteen cents per pound in Confederate bonds. This would end speculation and illegal trading in cotton, as well as bolster the seriously sagging Confederate financial structure. Congress, however, rejected Pehlan's plan, though the legislators did continue the produce loan and even obtained some foreign credit on cotton already hypothecated.³¹

In Mississippi, the movement urging a fuller use of cotton gained new momentum as Confederate and state financial programs faltered. Gray A. Chandler, an outspoken advocate of the use of cotton as a financial basis, published in the winter of 1862 a Letter on the Currency and Public Debt of the Confederate States. His main argument urged immediate funding of the Confederate debt, and like Phelan, he advocated the purchase by the Richmond Government of the South's cotton stores.³² Throughout the state, newspapers picked up Gray's argument, and pleaded for a currency based upon cotton. "Cotton is the peer of gold," the Jackson <u>Mississippian</u> asserted, and the "value of our currency compared with cotton, is nearer the truth than its value compared with the gold that is now in this country."³³

³¹Natchez Courier, February 25, 1863; Jackson <u>Crisis</u>, February 21, 1863.

³²Gray A. Chandler, Letter on the Currency and Public Debt of the Confederate States (Columbus, 1863).

³³Jackson Mississippian, April 9, 15, 1863; Natchez

Rejecting all pleas to reexamine their financial structure, which by July, 1863, was circulating notes which generally passed at a discount of around ninety per cent of their face value,³⁴ Confederate treasury officials instead attempted to check the downward slide of the currency by funding measures. In March, 1863, the Congress passed a compulsory funding measure by which it hoped to revitalize the sagging By the terms of this act, all Confederate non-incurrency. terest bearing notes, dated before December 1, 1862, were to be funded in eight per cent bonds until April 22, 1863. After the latter date, these notes could be exchanged only for seven per cent bonds until August 1, and after that date, they could only be utilized in paying debts to the Confederate Govern-In addition to these stringent measures. the act proment. vided that all notes issued after December 1, 1862, and before April 6, 1863, must be funded in seven per cent Confederate bonds prior to the first of August; after then, only four per cent bonds could be obtained in exchange for this class of notes.³⁵ By these measures, the Confederate officials hoped to withdraw from circulation some of the more worthless of their issues, and at the same time, force people to accept the Confederate bonds. Since these bonds need not

Courier, February 25, 1863.

³⁴Carroll and others, <u>Historical Sketches of Oktibbha</u> <u>County</u>, p. 107.

³⁵Todd, Confederate Finance, pp. 70-72.

be redeemed immediately, the treasury officers were in effect buying time in which to stabilize their currency. However, continuing their standard policy of undermining their own programs, the funding measure also allowed treasury agents to issue up to \$50,000,000 in new notes each month, thereby nullifying any positive effects compulsory funding might have had on the depreciated Confederate currencies.³⁶

In addition to compulsory funding measures, the Confederate Congress in 1863 resorted to taxation, which it had earlier rejected as a major policy direction. In April, 1863, a new tax measure passed the Congress which provided for a direct eight per cent levy on all real and personal property, an income tax, a graduated tax on professional license fees, an assessment on profits realized from the wholesale traffic in provisions, and a tax in kind on a tenth of the total agricultural production of 1863.³⁷ These tax measures, coming as they did at a time when taxes were already excessively burdensome, particularly state and local taxes, dealt a severe blow to most Mississippians. In fact, Mississippi still owed some \$200,000 in previously assessed Confederate taxes. Then in the summer of 1863, Vicksburg fell to Federal attacks, thereby removing the last significant commercial center in the state from the control of state officials. Further, the Gulf Coast, all the river counties, and most of northern

36Ibid., p. 71.

37Public Laws of the Confederate States of America, Sec. 1, pp. 115-126; Todd, <u>Confederate Finance</u>, pp. 140-142.

Mississippi were in the hands of the Federals, making tax collections in those areas practically impossible. As a consequence of these factors, the new Confederate taxation measures proved especially difficult for Mississippians to obey. 38

In their zeal to collect the additional tax levies, Confederate agents, who appeared to one harrassed Mississippian like an "army of Barnacles" sent in "swarms like the locusts of Egypt," contributed to even greater inflation of prices. These agents, anxious to collect their commissions, "offered four prices" for articles wanted by the Confederacy, with the result that "from that hour <u>that</u> article was raised to <u>that</u> price to every poor family in the land!" Merchants and farmers, quick to perceive the opportunity thus presented for raising their profit margin, held on to their goods, trying to drive the prices up even higher.³⁹

Once Mississippians generally caught on to what was happening as a result of the Confederate tax measures, particularly the tax in kind, complaints and suggestions for remedial action poured into the Governor's office. Newspapers reported that citizen groups were compiling a list of those guilty of extortion and speculation, ostensibly to be used after the war to bring justice upon these miscreants.⁴⁰

³⁹Jackson Crisis, January 16, 1863.

⁴⁰Natchez Courier, April 10, 1863; John G. Humphries to

³⁸Brough, "Taxation in Mississippi," pp. 189-190; Schwab, <u>Confederate Finance</u>, pp. 304-305; <u>Official Records</u>, Ser. 4, Vol. 2, pp. 328, 576.

In some cases, outright confiscation of goods of the worst offenders was advocated.⁴¹ These efforts were scattered and sporadic however; the only really effective control over such circumstances must be brought about through legislative action.

When the Mississippi legislature convened in November, 1863, Mississippi's position appeared a great deal changed from what it had been when the legislators gathered the previous December. Vicksburg and Jackson were lost. With the abandonment of the latter city, state officials began a nomadic existence, first being shuttled to Enterprise, then Meridian, and finally to Macon. Even with these moves, often one jump ahead of the Federal armies, it proved impossible to collect all the state offices in Macon, which forced the legislature to meet in Columbus. State records were scattered here and there in warehouses, which made the business of conducting state affairs even more difficult.⁴² Despite these handicaps, the legislature managed to undertake the task of reforming the state's financial programs with at least a modicum of success.

Of all the urgent problems facing Mississippians in the winter of 1863, the two most requiring the attention of the legislature were speculation and the overall financial structure. Pettus, who had not run for another term in the guber-

Pettus, June 13, 1863, Ser. E., Vol. 61, MDAH.

⁴¹Bettersworth, <u>Confederate Mississippi</u>, p. 113.
⁴²Mississippi House Journal (November, 1863), p. 89.

natorial election held earlier in the autumn, all but ignored both these matters in his final message to the legislature. Instead, he confined his remarks almost exclusively to sweeping generalities, including generous blame for the failure of some of his programs on the state press and the people as a whole. He singled out "opposition of a part of the press" as a main cause of his failure to protect the state against Federal raiding parties. Had his efforts to organize the state troops only "received that support which . . . I had a right to expect," Pettus grumbled, "the condition of Mississippi would now be much better than it is."⁴³

The legislature, composed of more conservative men than any since the beginning of the war,⁴⁴ followed Pettus' lead and refused to deal directly with the complex problems of inflation and speculation, on the grounds that such action would be "inexpedient and unconstitutional."⁴⁵ At that point in time, those Mississippi officials labeled "conservative" represented a change from the "fireaters" who had led Mississippi into conflict with the North. The conservative position included less dependence upon blind rhetorical platitudes regarding the inevitability of a Confederate victory, and a

43Ibid., p. 99.

⁴⁴Lock E. Houston, a conservative, won election as speaker of the Mississippi House of Representatives, and in the election for Confederate Senator, a former Whig, J. W. C. Watson was elected over the Democratic encumbent. Mississippi House Journal (November, 1863), pp. 85, 141-151, 167-171.

⁴⁵Ibid., p. 190.

much greater emphasis instead upon actually taking care of the basic physical needs of the state's citizens. Conservative opinion regarded trading with the enemy, for example, as a valid means of replenishing the depleted supplies of a number of necessary articles, including salt and medicines.

Despite their failure to deal meaningfully with speculation and inflation, the legislature passed a series of acts which, combined, altered considerably the existing financial structure. In relation to taxes, for instance, the legislature faced two problems: relief for some Mississippians from burdensome tax assessments, and raising additional revenue to meet increased state expenditures. Addressing the question of tax relief first, several acts were passed designed to alleviate excessive tax burdens in some areas. Of special concern was relief for some twenty-four of Mississippi's counties which lay wholly or in part behind enemy The Confederate tax in kind law demanded the payment lines. of cash where goods themselves could not be collected. Since it proved impractical for state tax agents to collect in those counties held by the Federals, the Mississippi legislature "resolved" to urge Congress to amend the tax in kind law "until such time as . . . produce can be made available to the Government.46

Even in counties ostensibly under the control of state and Confederate officers, inflation, speculation, and raiding

46_{Mississippi} Laws (November, 1863), p. 109.

forced the legislature to extend the time for collecting taxes for 1862.⁴⁷ In addition, assessors were allowed extra time in which to prepare their rolls for 1863.⁴⁸ In some counties, collection of the levee taxes were suspended, while in all cases property seized by the enemy was exempt altogether.⁴⁹ Finally, while the legislature allowed the condemnation and sale of property upon which overdue taxes were not paid, it forbid such action in regard to property held by soldiers in the army.⁵⁰

The legislature went further than mere tax relief in the serious matter of providing for the indigent families of soldiers. On December 2, a lengthy act was passed whereby the tax assessed for care of indigent families was raised to one hundred and fifty per cent of the regular state tax. In order to ease the burden such increased tax levies might create on those who possessed little cash, the law provided for a partial payment of this tax in produce and goods, instead of money. To insure its fair distribution, commissioners were to be appointed in each county to administer these tax revenues.⁵¹

With expanded aid in the forms of direct tax relief and

⁴⁷<u>Ibid</u>.
⁴⁸<u>Ibid</u>., pp. 109-110.
⁴⁹<u>Ibid</u>., pp. 123-124.
⁵⁰Ibid., pp. 112-113.
⁵¹<u>Ibid</u>., pp. 113, 117.

increased assessments for the benefit of the indigent, Mississippi treasury officials urged the passage of a law providing for tax collections on a great number of items either presently exempt or lightly taxed. In response to this need, the legislature early in December, 1863, passed a measure which represented the first reworking of the tax structure since 1861. Confederate bonds, bills, and notes--all formerly exempt--were added to the list of taxable items. In addition, taxes were either instituted or increased on dozens of other items, including most classes of merchandise, whiskey, livestock, slaves, carriages, theatres, bowling alleys, pianos, bridges, and ferries.⁵²

Having thus reorganized the state's tax structure the legislators turned to Mississippi's various currencies, with a view toward evaluating their success. The most popular issue continued to be the cotton money, long since subscribed in full and currently forming the most acceptable currency in the state.⁵³ Resisting the temptation to issue additional amounts of these popular notes, the legislature determined to avoid the problem of overissue which plagued Confederate notes, and instead ordered burned any cotton notes which found their way into the treasury in redemption of cotton pledges.⁵⁴

In relation to the convention treasury notes, they too

52Ibid., pp. 153-155.

⁵³Mississippi House <u>Journal</u> (November, 1863), p. 97.
⁵⁴Mississippi Laws (November, 1863), p. 217.

had been issued in the maximum amount authorized. Despite the suspension of the special tax levied to pay the interest on these notes, state officials determined to uphold the integrity of this initial wartime issue. Accordingly, the treasurer announced in November that about \$304,610 of these notes had been redeemed.⁵⁵ Then in December, Governor Clark issued a proclamation announcing that holders of any of this class of notes upon which interest had been due in June, 1862, could now receive their interest in specie.⁵⁶

The "Faith of the State" treasury note issue of January 29, 1862, was not yet exhausted, therefore no particular action appeared necessary with regard to that fund. One problem in relation to redeeming these notes did, however, receive the attention of the legislature. It developed that while the original act authorizing these notes called for their redemption in eight per cent bonds, the exact form of the bonds was never decided upon. As a result of this negligence, a number of these notes had collected in the state treasury, which could not reissue them since they remained unredeemed. Desirous of releasing these idle funds into circulation, as well as satisfying the demands by holders that they be redeemed as originally promised, the legislature settled on a form for the bonds, and ordered that they be pre-

⁵⁵Bettersworth, Confederate Mississippi, p. 115.

56"Proclamation," December 9, 1863, Executive Journal, p. 431.

pared.⁵⁷ This action served to both increase the amount of state notes in circulation, and strengthen public faith in the determination of state officials to uphold the credit of their treasury issues.

Although the legislature did not provide for any additional issue of its various notes, county boards of police did receive authorization to issue warrants to circulate as money.⁵⁸ In addition, the Columbus Life and General and the Mississippi Mutual Insurance Companies, both of which already possessed money-issuing privileges, received authority to issue new notes to replace some of their earlier issues.⁵⁹ These laws, like that regarding funding the treasury notes, acted to increase the actual amount of currency circulating within the state.

One motive behind legislative enactments placing additional state-authorized notes into circulation involved a desire to replace some of the almost worthless Confederate currency which inundated the state. Despite the creation of societies in Mississippi pledged to receive Confederate money at par, coupled with legislative threats to impose heavy penalties on people who refused to do likewise, that particular currency continued to fall in value throughout the

⁵⁷Mississippi Laws (November, 1863), pp. 215-217.
⁵⁸Ibid., pp. 119-120.
⁵⁹Ibid., pp. 184-185.

state.⁶⁰ Actually the legislature itself at least tacitly recognized the general valuelessness of Confederate money when it forbade the investment of school funds in such notes.⁶¹

In a final effort to salvage something from the wreck of Confederate finances, the Mississippi legislature in one of the last acts of the 1863 session, urged the Confederate Congress to "retire from circulation the present outstanding Treasury notes," and issue new ones which would "be declared a legal tender."⁶² But Memminger always opposed such a move as unnecessary, and never throughout the war period did Confederate currency receive even this token support it so desperately needed.⁶³

Altogether, 1863 proved a disastrous year for finance in Mississippi. Never after then did financial measures inaugurated by either Confederate or Mississippi officials receive anything approaching general acceptance, but rather these structures continued to crumble at an increasing rate until the end of the war. This was in consequence of a number of factors, some of which Mississippi officials could have dealt with meaningfully; but it resulted more from policies and incidents over which state authorities exercised

⁶⁰T. Otis Baker Diary, T. Otis Baker Papers, Mississippi Department of Archives and History, Jackson, Mississippi; Mississippi Senate Journal (November, 1863), p. 117; Mississippi House Journal (November, 1863), p. 195.

⁶¹Mississippi Senate Journal (November, 1863), pp. 127, 140.
⁶²Mississippi Laws (November, 1863), p. 234.

⁶³Todd, Confederate Finance, pp. 118-119.

no control whatsoever. The legislature could have taken positive steps to curb the evils arising from unchecked inflation and speculation. Also, rather than entering into competition with Confederate loan, tax, and impressment agents, Pettus and the legislature could have instituted price controls, and enforced them with outright confiscation being the penalty for noncompliance.

In the matter of illegal trade with the enemy this too could have been strictly controlled by the state, and used to obtain necessary medicines, salt, and food, or it should have been forbidden altogether. As it stood, both Confederate and state officers sometimes ignored the trade, and in other instances extracted extreme penalties from those caught participating in it. This inconsistent policy contributed to a decline in respect for the integrity of both state and Confederate officials which combined with the loss of the last important Mississippi cities to the Federal armies in 1863, led to widespread dissatisfaction and disaffection. Thus. each area where Confederate or state officials actually did or even appeared to fail in their function as protectors of the rights and property of their citizens compounded the difficulty of the total war effort. In Mississippi, this general dissatisfaction manifested itself in a dramatic leadership change which occurred in the fall elections. From November when the new administration took office, Mississippi assumed a rather different course for the remainder of its brief existence as a Confederate state.

CHAPTER X

THE DOWNFALL OF A DREAM

Governor Pettus' final year in office proved a disastrous one for Mississippi. This did not result directly from the backwoods Governor's policies, but nevertheless the fall of Vicksburg and the reduction of vast portions of the state to neutral territory, traversed freely by Federals, Confederates, and deserters made the Governor appear largely to blame. The daughter of Pettus' successor expressed the resultant feeling of deep frustration when she asserted that a majority of the state's people were now convinced of "their mistake in being guided by the 'hot heads' who had led them into this disastrous war."¹

Realizing the unpopularity of many of his programs, Pettus refused to run for another term in office, leaving the field to several leading contenders. General Charles Clark, wounded at Shiloh and again near Baton Rouge, had retired from the service, crippled for life, and now determined to make the race for the governor's chair on a conservative platform, eschewing the fireating rhetoric which had led to the

¹ Annie E. Jacobs, "The Master of Doro Plantation," p. 92, quoted in Bettersworth, Confederate <u>History</u>, p. 51.

institution of policies inimical to the best interests of the state. Clark's campaign instead stressed the need to take care of families of wounded and dead soldiers, regardless of the means necessary to achieve this end. Other leading candidates included A. M. West and Reuben Davis, both of whom suffered from close identification with the Pettus administration, particularly the latter's benighted militia policies. West, in addition, represented the old Whig party, while Davis was understood to be a fireating Democrat.²

When the votes were counted, Clark, the Delta planteraristocrat won by a count of 16,428 to West's 4,863 and Davis' 2,009. Clark's victory, coupled with the subsequent defeat of several fireating members of Congress, appeared a triumph for conservatism in Mississippi.³ At that point, the conservative position differed from the "fireating Democrats" in that the former stressed much more moderate programs, including for instance a compromise position on trading with the enemy. Also, Clark and the other conservatives elected in the fall of 1863 were willing to work more cooperatively with the Richmond Government in the areas of military cooperation than had Pettus.

The same spirit of conservative cooperation which characterized Clark's brief administration was also manifested

²Biographical and Historical Memoirs of Mississippi, I (Chicago, 1891), p. 1094.

³Mississippi House Journal (November, 1863), pp. 112-114; Natchez Courier, October 23, 1863.

in the newly-elected legislators who promptly installed Lock E. Houston, known to lean toward more conservative policies, as speaker of the house.⁴ Confederate Senator James Phelan, who among other activities had introduced a bill providing for the confiscation of all the South's cotton crop in Congress some months earlier, withdrew from the race for reelection when his strength in the new legislature dwindled to only eight votes at one point. Likewise, Samuel J. Gholson and John J. McRae, both fireating Democrats, went down to defeat in their bid for Congress at the hands of a conservative and former Unionist respectively.⁵ Clark's programs, certainly more flexible in approach than those instituted by Pettus, received much vital support in the final depressing phase of Mississippi's war effort as a result of the more conservative, traditional make-up of this last of Mississippi's wartime legislatures.

Charles Clark--urbane, quiet spoken, and aristocratic-appeared the very antithesis of Pettus, the abrupt, tobaccochewing former backwoods hunter. A well-educated man, Clark never firmly believed that secession represented the only honorable reaction to Northern aggression, but nevertheless fought valiantly in the Confederate service once hostilities erupted.⁶ His inaugural speech clearly pointed up his deter-

⁴Mississippi House <u>Journal</u> (November, 1863), p. 85.

⁶Russell, My Diary North and South, pp. 299-300, 308.

⁵Biographical and Historical Memoirs of Mississippi, I, p. 1094; Mississippi House Journal (November, 1863), pp. 141-151, 167-171.

mination to prosecute the war to a successful conclusion if possible, as failure would mean reconstruction in which, Clark assured his auditors, "we shall reach the climax of infamy." To prevent such an eventuality, the new Governor suggested a plan designed to completely reorganize and upgrade the state's militia. But just as important in the Governor's comprehensive plan was a reworking of the state's financial structure. То achieve this latter goal, Clark actually suggested resorting to illegal trade with the enemy, if found necessary to procure vital medicines and cotton and wool cards. Then in February, 1864, when the Confederate Congress instituted a forced funding act, Clark again demonstrated his determination to take care of the state's poor by recommending measures which appeared drastic, even in those troubled times.⁷

The Mississippi legislature, in an attempt to urge the Confederate Congress to take some positive action with regard to its rapidly-deteriorating financial structure, recommended in November, 1863, that the Confederate Treasurer call in all old, depreciated issues and replace them with new notes which would be made a legal tender.⁸ While the Confederate officials refused to go as far as the Mississippi legislature desired, it did pass a "forced" funding act in February, 1864. This represented the only really comprehensive reorganization

⁷Jacobs, "The Master of Doro Plantation," p. 56; Mississippi House Journal (November, 1863), p. 159, 202-204; Mississippi House Journal (March, 1864), pp. 43-45.

⁸Mississippi Laws (November, 1863), p. 234.

of the Confederate treasury during the entire war. By the terms of this stringent piece of legislation, Confederate notes issued prior to the passage of the act of 1864 could be funded in a variety of ways, depending upon denomination. Notes of the denomination of one hundred dollars or more could be exchanged for four per cent bonds until the first of April, after which time they would be taxed one third of their face value, plus ten per cent, each month until they were either funded or worthless. Notes in the denomination of five dollars to one hundred dollars must be exchanged for four per cent, twenty-year bonds before April 1, after which they would be taxed one third face value until January 1, 1865. After the latter date, this class of notes would be taxed one hundred per cent. One advantage of this type of four percent bonds lay in their acceptance at Richmond for taxes--except the cotton export tax--throughout 1864. As for notes of less denomination than five dollars, they would be fundable at par until July 1, after which they would be taxed one third face value. They too could be exchanged, at their reduced rate. for notes of the new issue.⁹

The funding act of February 17, 1864 provided that the states could exchange their "old issue notes"--that is those issued prior to the date of the act--for "new issue notes," those provided by the terms of the act, any time prior to January 1, 1865, for six per cent, twenty-year bonds. If a

⁹Schwab, A Financial and Industrial History, p. 65.

state accepted any of the old issue notes after that date, according to the funding act, they would be discounted if presented for taxes just as if they emanated from private sources.¹⁰

Mississippi officials, determined to salvage whatever possible from the old issue Confederate notes deposited in the state treasury, immediately established depositories throughout the state to provide the necessary machinery for funding. Mississippians, rushing to these depositories to unload their depreciated Confederate currency before the April 1, deadline, inundated state treasury officials with so many of these notes that ultimately it became impossible to even count the money turned in. Receipts were hastily written out for funds received, with the counting postponed until later.¹¹ Clark, determined to keep the inevitable loss resulting from this funding measure to a minimum. issued a circular to all the sheriffs throughout the state, urging them to hasten their collections lest they be caught after the deadline with the sharply depreciated Confederate issues. 12 Despite hiring special emissaries to deliver his notice, Clark discovered that a number of the sheriffs did not receive his instructions in time to meet the required date for their re-Fearing the effect such failure might have on the demption.

¹⁰Ibid.; Todd, Confederate Finance, pp. 74-77.

¹¹F. W. Williams to Memminger, April 2, 1864, in Thian, Correspondence, Appendix V, pp. 347-348.

12"Circular," Executive Journal (A), p. 431.

already low morale of the state's citizens, Clark determined to call the legislature into special session to try and alleviate some of the severe problems created by the latest Confederate effort at currency reform.

Blaming the Confederate Congress for necessitating an extraordinary meeting of the Mississippi legislature, Clark made it very clear that while he felt many of the funding provisions ill-advised, he nevertheless believed that as long as such legislation remained in force, it must be obeyed.¹³ Clark particularly pointed out the inadequacies of the proposed six per cent bonds, observing that no arrangement was made for paying the interest thereon. Further, they were not receivable in payment of public dues, nor were they assign-In other words, as far as their usefulness in meeting able. the debts of the state, or as investments drawing interest, they were useless, therefore undesirable. As for the four per cent bonds comtemplated in the "ill-digested" currency funding act, Clark pointed out that since they were taxable to the full extent of their interest, they too would be "worthless in the market" after January, 1865.14

Agreeing with Clark that the lack of proper communication would delay the reception by many county sheriffs of his circular, the legislature provided for the state treasury to accept the old issue notes for a month after the original

 13 Mississippi Senate Journal (March, 1864), p. 7. 14 Ibid., pp. 7-8.

deadline, provided the sheriff swore an oath that he had not received Clark's notification prior to April 1.¹⁵ Cognizant of the doubtfulness of the future worth of the six per cent bonds, the legislature determined to rid itself of them as soon as possible, and consequently authorized the Governor to sell them on the open market for whatever he could get for them.¹⁶ As for the four per cent bonds, the legislature also agreed with Clark's estimation of their future value and authorized the investment of only \$400,000 in old issue notes for this class of bond. The remainder of Mississippi's old issue notes the legislature determined to exchange for notes of the new issue, with the rest turned in for the highly undesirable six per cent bonds.¹⁷

Regardless of the distribution of its old issue notes relative to the alternatives presented by the forced funding act, Mississippi could only lose valuable money reserves in the transaction. Since this came at a time when increased levels of fighting daily added additional names to the lengthening lists of indigent families of soldiers in the state, the only alternative appeared additional taxation. Although reluctant to increase the already heavy load on those still able to bear any taxes at all, Clark felt strongly that his and the legislature's first duty was to adequately provide for the state's needy. Yet, Governor Clark believed this

16_Ibid., pp. 51-52. 17_Ibid., pp. 27-28.

method of replenishing the state treasury should only be utilized as a last resort, since Confederate taxes had recently been raised considerably. In February, the Confederacy placed taxes on solvent credits, corporation shares, coin, bullion, gold and silver plate, and currency other than Confederate which was not taxed already.¹⁸ Clark particularly felt the tax on solvent credits reprehensible, since he believed it would force what little industry existed in the Confederacy out of business. Thus despite his act, Clark recommended that the legislature refrain from levying additional taxes above an absolute minimum necessary to carry on vital programs within the state. Clark estimated that prudent spending would necessitate the raising of no more than \$2,000,000 for the coming fiscal year. To raise this needed revenue, the Governor suggested the issuance of half that sum in six per cent bonds, rather than a tax increase. That way, Clark pointed out, only those who could bear the additional burden need participate, leaving those too poor to buy bonds or pay taxes alone.¹⁹

Although the Ways and Means Committee advised the full membership of the house to go along with Clark's suggestion,²⁰ the legislature instead authorized the Governor to reissue old

18Todd, Confederate Finance, pp. 149-150.

¹⁹Mississippi Senate Journal (March, 1864), pp. 9-11.
 ²⁰Mississippi House Journal (March, 1864), pp. 114-117.

"Faith of the State" treasury notes of the January 29, 1862 issue, provided the executive felt such action absolutely necessary to meet outstanding state warrants.²¹ To supplement this possible source of revenue, the legislature also authorized the treasurer to have printed \$500,000 in treasurer's "change warrants" as they came to be called. These notes were to be paid out upon demand in redemption of any other types of outstanding state treasurer's notes. As for their own redemption, no provision was contained in the law authorizing their issue, except that they would be "redeemed in current money when the sum of ten dollars" was presented. These notes were to be of twenty-five cents to three dollars denomination, thus readily useable as a change currency.²²

While the legislature met in the spring of 1864, general conditions in war-torn Mississippi continued to deteriorate rapidly. Taxes could not be collected at all in some counties, while in others collectors were threatened if they attempted to carry out their assigned duties. G. W. Bradley, Sheriff of Perry County, reported to Clark in February that to attempt to collect state and county taxes would be "at the risk of my life." Deserters roamed the country freely, Bradley pointed out, and Confederate soldiers sent to arrest them neglected their duty in favor of "frolicking and stealing."²³ E. M.

 $21_{Mississippi}$ Laws (March, 1864), pp. 51-52.

²²Ibid., pp. 37-38.

 23 E. M. Devall to Clark, March 21, 1864, Ser. E., Vol. 65, MDAH.

Devall, Sheriff of Jones County reported similar conditions existed there, which prevented his collecting any of the taxes then due. According to Devall, deserters in his county held open meetings, and determined not to pay any taxes, either county, state, or Confederate. Furthermore, they constantly plundered warehouses sheltering government stores and produce collected under the tax in kind laws. Two government agents, the harried Sheriff reported, were shot and killed when they attempted to drive government stock out of the county.²⁴

Also despite the latest legislative efforts, aid to the destitute appeared unacceptably slow in reaching the needy in some areas of the state. The commissioners charged with obtaining and distributing supplies in some counties found such supplies impossible to locate and purchase. From Choctaw County came the report that the commissioners had "tried in vain to buy meat but they cannot for neither love nor money because it is not to be had in the country." This was due partly, according to one informant, to the Confederate tax in kind, which together with the impressment agents literally stripped the country of any meat, vegetables, or grain which might otherwise be obtained for the benefit of the destitute.²⁵

Throughout the spring and early summer of 1864, Mississippi officials continued their efforts to supply the want

 ^{24}E . M. Devall to Clark, March 21, 1864, Ser. E., Vol. 65, MDAH.

²⁵The /Greensboro, Mississippi7 Southern Motive, May 7, 1864.

of the state's needy, particularly the distribution of funds as provided for by various statutes. Still, the Confederate treasury authorities constantly shifted the ground under their own financial schemes and eventually, it became impossible for Mississippi officials to distribute the money so desperately needed by the destitute. The main reason for this inability involved changes in the February funding act, which by alterations approved by the Congress in June, made it possible to exchange old issue Confederate notes for the new issue notes and four per cent bonds--rather than the much less desirable six per cent bonds as originally provided.²⁶ Since the state would lose less money by taking advantage of these changes in the law, Clark determined to hold Confederate old issue notes in the state treasury until the new Confederate bonds could be prepared. But such a course presented the Governor with a knotty problem; while he waited for the additional bonds to be prepared, the time came when state law demanded the distribution of about \$600,000 to the destitute in Mississippi. Since the funds were collected specifically for distribution to the needy, and since the time for such distribution had arrived, Clark felt obliged to make such disbursement. Yet he could not dispense old issue Confederate notes, since they must be exchanged or become worthless -and the treasury contained insufficient state notes to meet the distribution obligation. 27

²⁶Todd, Confederate Finance, p. 77.

 27_{M} ississippi House Journal (August, 1864), pp. 6-7.

Reluctantly, Clark again assembled the legislature in special session to deal with these urgent financial matters. Having informed the legislators of Confederate action which necessitated a reviewing of Mississippi's funding measures, the Governor recommended that the Confederate notes in the state treasury be funded and exchanged as provided for by the June revision in the funding law, since this would save the state a considerable loss in the transaction. Then, to meet the demands of immediate distribution to the needy, Clark suggested that the bonds thus obtained be held in the treasury until they could "be sold out or sold at par," and that a further issue of state paper be authorized to meet the pressing requirements of the needy.²⁸

Responding positively to Clark's suggestions, the legislature immediately authorized the Governor to exchange the old issue Confederate notes and bonds for the new issue and the four per cent bonds.²⁹ Then, to provide for the immediate needs of the destitute, the legislature authorized the issuance of \$2,000,000 in ten-year, eight per cent state bonds. Realizing that the credit of the state and the Confederacy had fallen so low as to make the negotiation of such bonds difficult, the act allowed the Governor to dispose of these bonds for any price, so long as they sold for at least half their face value. If these bonds could be successfully dis-

28_{Ibid}., p. 7. 29_{Ibid}., pp. 13-14.

posed of, then the Governor might cause to be issued a sufficient amount of "Faith of the State" treasury notes under the same regulations as stipulated in the original act of January 29, 1862, provided the total issue of such notes and eight per cent bonds not exceed \$2,000,000.³⁰ Ultimately, Clark did resort to the issuance of \$180,000 in these notes.

In the midst of these fiscal difficulties, it became apparent that irregularities might have occurred in the operation of the treasury department of Mississippi, since that official's books had not been properly kept. Even as early as December, 1863, the legislature had been trying to obtain an accurate report of the treasurer's records, but for a number of reasons, this effort had proven unsuccessful.³¹ The frequent moves by the state government from one town to another resulted in confusion and misplacing of documents, and competent clerical help was difficult to obtain. In addition, the treasurer had failed, through no fault of his own, to obtain proper account books, and so no record existed as to the daily operations of the treasury department. 32 Determined to obtain a complete record of the operations of the treasury, the legislature in December, 1863, authorized the appointment of a committee of businessmen to investigate the financial activities of the treasurer's office.³³ In the

30Ibid., pp. 21-24.

³¹Mississippi House <u>Journal</u> (November, 1863), pp. 217, 298. ³²Ibid., p. 310.

³³Mississippi Laws (November, 1863), pp. 218-219.

autumn, this committee reported a deficit in the treasurer's records,³⁴ and despite his confidence in the honesty of M. D. Haynes, who held the office, Clark asked for the treasurer's resignation. In early January, 1865, Haynes complied, and that same night, committed suicide.³⁵ Upon further investigation, the shortage in Hayne's books was determined to be a result of unreported warrants from before the war not being properly credited. Despite this discovery, the treasurer's office remained under a cloud throughout the rest of the war period.³⁶

As the war's end drew near, Confederate money became practically worthless, and the state treasurer's office appeared tarnished. Still, most Mississippians continued to prefer state issues to any other. "State money buys every thing to be had in the County," R. Barksdale assured Clark shortly after the latter assumed office.³⁷ Often those who lost horses and provisions to impressment officers requested state issues specifically, when attempting to collect the money owed them. As had always been the case, the issue of state treasury notes based on cotton remained the most popular of all types.³⁸

 $34_{\rm Mississippi}$ House <u>Journal</u> (February, 1865), pp. 25-27. $35_{\rm Executive}$ Journal, (A), pp. 493-494.

³⁶Mississippi House Journal (February, 1865), pp. 25-27.

 37_{R} . Barksdale to Clark, June 29, 1864, Ser. E., Vol. 65, MDAH.

³⁸Jno. M. Greaves to Clark, July 24, 1864, Ibid.

As the final drama of civil conflict played itself out in early 1865, the plight of Mississippi's destitute families became even more severe. "Where the want is greatest your money is of least value, and those who have hoarded supplies will not sell," Clark informed the legislature which again assembled in special session in late February, 1865.³⁹ Starvation conditions prevailed in some parts of the state due to crop failures, and in others enemy incursions, coupled with consumption by the Confederate armies had "drained the country and raised prices to fabulous rates." To alleviate the resulting situation, Clark urged the delegates to take strong measures to provide for that class who, he reminded the legislators, "are your special care--the families of our soldiers."⁴⁰

Heeding Clark's admonitions, the legislature indeed passed in the waning days of the Confederacy a massive and comprehensive relief measure, aimed at overcoming the limitations of the previous piecemeal approach. Resorting to measures similar to those employed by Confederate authorities, the legislature provided for the raising of a two per cent tax in kind on corn, wheat, and bacon to be collected on all but the smallest productions. In addition, a special tax equal to one hundred and fifty per cent of the regular state tax was assessed, the proceeds to constitute a "reserve fund" to be used for unspecified purposes. A two per cent gross profits

 39 Mississippi House Journal (February, 1865), p. 6. 40 Ibid.

tax was levied on iron foundries, machine shops, carpenter shops, and the like, which coupled with a similar amount assessed "dealers and speculators in grain, provisions, tobacco, salt, horses, mules, hogs and cattle" was expected to raise considerable revenue. To provide for a deficit remaining in the 1864 indigent fund, county boards of police were required to meet as soon as possible for the purpose of levying a one half of one per cent tax in kind on all corn, wheat, and bacon grown and produced in 1864. In addition to these tax measures, another twenty-five per cent on the regular state assessment was to be raised and added to the "military relief fund." Finally, county commissioners responsible for the collection and distribution of aid to the indigent were required to draw up new rolls of the destitute, dividing them into three classes according to the extent of their needs. Having done this, the commissioners were instructed to impress in the communities the necessary articles from producers, and even require the latter to deliver the impressed goods to whomever the commissioners designated. Failure of the producers to accept this responsibility would result in their being assessed twice the amount regularly required.⁴¹

In passing such sweeping and extraordinary relief measures, the legislature appeared little concerned with consequences or complaints from those identified as "producers," on whom the great burden of the tax fell. This represented drastic measures, but then the times were also extraordinary and the

⁴¹Mississippi <u>Laws</u> (February, 1865), pp. 3-10.

needs of the indigent urgent. Before much could be accomplished by way of instituting the harsh measures required by this act, the war ended, signaling a new era in the tax structure.

Meanwhile, with the cost of necessary goods outrageously high as early as 1862, it is little wonder that a large number of Mississippians, disloyal as well as loyal, began to actively seek opportunities to participate in illegal trade with the enemy, rather than depend upon state or Confederate officials to supply their basic needs. The loss of Memphis and New Orleans to the Federal armies in the spring of 1862 added greatly to the temptation to trade cotton and other items for goods and food so desparately needed by many people in Mississippi.⁴² Dire necessity on the part of even loyal Confederates, coupled with eagerness by the disloyal, and opportunity once the two main commercial cities of the Mississippi River lay within Federal lines, combined to foster a steady growth of illegal trade by Mississippians. G. R. Fall reported to Pettus in July, 1862, that even "men of wealth and high position do not hesitate to declare that they will trade with the enemy."43

Initially, Mississippi and Confederate officials attempted to put a stop to the illegal trade with the Federals. During the summer of 1862, Confederate Generals Earl Van Dorn

⁴³G. R. Fall to Pettus, July 11, Ser. E., Vol. 57, MDAH.

⁴²Schwab, <u>A Financial and Industrial History</u>, pp. 260-261; <u>Officials Records</u>, Ser. 1, Vol. 52, pt. 2, pp. 387, 412, 453, 460, 465.

and Daniel Ruggles issued strict orders against such illicit trade, and those guilty of countervening these orders were in some instances dealt with rather severely.⁴⁴ A detachment of Confederate soldiers, upon discovering a party of some twenty-five persons returning from the enemy's lines with goods purchased from the Federals, summarily executed eight of the "criminals."⁴⁵

Although General U. S. Grant, Federal commander in the Mississippi area, directed his officers to allow no goods through the lines when there was danger of their being carried south, the order appears to have been generally ignored.⁴⁶ Later in 1862, this policy underwent revision, and permits were even issued to persons engaged in illegal trading.⁴⁷ In November, James L. Alcorn, a Mississippi militia general, wrote his wife that a number of planters in Cahoma County traded with the Federals quite openly, little fearful of interference from either Federal or Confederate authorities.⁴⁸ Altogether, the trade benefitted both the Confederates, who seemed unable to furnish the necessaries of life to their people, and were unwilling to take the drastic steps neces-

⁴⁴Official Records, Ser. E., Vol. 15, pp. 805-806.

⁴⁵Bettersworth, <u>Confederate Mississippi</u>, p. 174.

⁴⁶Corinth /Mississippi7 War Eagle, August 7, 1862.

⁴⁷Official Records, Ser. 4, Vol. 3, p. 647; Bettersworth, Confederate Mississippi, pp. 174-175.

⁴⁸Percy L. Rainwater, (ed.), "Letters of James Lusk Alcorn," Journal of Southern History, III (1937), p. 198.

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sary to effectively curtail spiraling inflation, and the Federals, who desparately needed cotton to supplement the dwindling supplies of Northern textile mills. As these causal factors increased in severity throughout the year, restrictions were gradually relaxed, although neither side overtly condoned the demoralizing traffic.

Then with the fall of Vicksburg and Jackson in the spring and summer of 1863, trading with the Federals increased greatly. With the loss of these cities, little remained worth keeping large concentrations of Confederate or state troops in the area. Consequently, after about the middle of 1863, Mississippi became to all intents and purposes neutralized. Army details sent to arrest and return the thousands of deserters often joined them instead.⁴⁹ Morale, already low, disintegrated in 1863 and for all practical purposes, after that date a great number of Mississippians simply rode out the war, trying only to survive and save whatever possible of their property.

Under these conditions, with Confederate money practically worthless and state currency also falling in value, legislative enactments aimed at bolstering the financial structure had little effect. New issues might appear, and old ones be stamped "reissued," but unless merchants, speculators, planters

⁴⁹Official Records, Ser. I, Vol. 32, pt. 2, pp. 622-623; <u>Ibid.</u>, Vol. 49, pt. 1, pp. 944-945; William P. Chalmers, "My Journal," <u>Publications of the Mississippi Historical Society</u>, Centenary Series, V (1917), p. 314.

and other "haves" accepted such money in exchange for necessary goods, laws and new currency issues meant nothing. Since the fate of the Confederacy appeared sealed to many Mississippians, and since money, regardless of whether printed by the state or Confederate authorities would therefore be worthless, such currency ceased to be more than a "convenient medium of exchange" by the time Clark took office. As a result, with the main objective of a majority of the state's citizens consisting of mere survival, a widespread return to the barter system became the only viable method of obtaining necessary goods such as food, salt, and medicines. Sometimes these articles might be procured--although at ruinous prices-from local suppliers, but increasingly in the final years of the war the only feasible source of such essential items became the hated enemy. Consequently, by 1864, trade with the enemy--both official and private--represented the main concern of Mississippians generally.

The Mississippi legislature tacitly recognized the impossibility of obtaining some classes of necessary articles within the Confederacy when in December, 1863, it appropriated \$100,000 for use of the governor in "securing a sufficient supply of cotton and wool cards for the families of soldiers and citizens" who so desperately needed these items. While the law authorized the governor to enter into contracts "with any responsible manufacturer of cotton or wool cards," no mention was made of where the cards should be obtained. One thing seemed certain; no sufficient supply existed in the

Confederacy. Also, the act authorized the governor to appoint an agent "for the purchase or exchange of cotton for cotton or wool cards" who would submit acceptable surities, then be allowed to work out his own trades with whomever he could.⁵⁰ Although the legislators certainly knew of the extensive trade being carried on between private citizens and Federal agents, no effort was made to attempt to prevent or even curtail such illegal trade.

Following this legislative directive, the already extensive trading with the enemy increased greatly throughout the remainder of the war period. Actually, the trade consisted of two types: official intercourse between agents appointed by the governor and Union contacts, and the surreptitious exchanges between private individuals and persons within Federal lines. Sometimes condemned and sometimes encouraged by Federal, Confederate, and state officials, the trade proved both beneficial and detrimental to all concerned. The North desperately needed cotton, while the South suffered severely from the want of certain necessary articles, particularly salt, medicines, and food. Nevertheless since the trade remained officially banned by both Federal and Confederate law, to participate in it meant resorting to illegal acts, but even more important, the tremendous rewards possible induced a great number of people to abandon their principles in favor of gaining huge profits. Such extensive trade also

⁵⁰Mississippi House Journal (November, 1863), pp. 172, 213, 265, 321, 325; Mississippi Laws (November, 1863), pp. 144-145.

made something of an ironic mockery of the fighting itself, and led to considerable demoralization on both sides.

Unlike Pettus who consistently decried the necessity of even the smallest commercial intercourse with the enemy, Governor Charles Clark recognized the need for such trade in order to provide essential items to Mississippians. Clark was no more a traitor or a Unionist than Pettus; yet he fully realized that by late 1863, when he assumed office, the people of his state were truly suffering from the want of some types of supplies. Since the Federally-held cities of Memphis and New Orleans offered the only source of such necessary articles, Clark determined that dire paucity dictated the opening of negotiations leading to direct trade with these cities, despite his desire to continue prosecution of the war on other fronts. After all, if supplies could be obtained from the enemy with which to maintain the fight against that enemy, then Clark was perfectly willing to go to extreme lengths to secure those supplies.⁵¹

Among the necessary items needed by most Mississippians, reduced to a state of self-sufficiency by the war, were cotton and wool cards, essential in processing those fibers into material for clothing. These particular articles became especially necessary once Federal invaders destroyed all of the important textile mills in the state in 1863. Immediately,

⁵¹Charles Clark to W. E. Montgomery, February 12, 1864; Clark to J. W. C. Watson, December 21, 1864, Ser. E., Vol. 65, MDAH; Mississippi House <u>Journal</u> (February, 1865), pp. 43-45.

speculators bought up the few pairs of cotton and wool cards available, and raised the price far beyond the reach of all the state's poor. The latter class urgently appealed to Clark for help in obtaining cards, and when the legislature provided the money, the Governor set about attempting to devise a program whereby the cards might be secured.⁵²

Once the legislature cleared the way for Clark to commence searching for an acceptable agent through which to obtain the desired cotton and wool cards, the Governor's office was deluged with offers from mercantile firms, railroad officials, army officers, Unionists, and other individuals. Before finally rewarding his main contract to two firms in May, 1864, Clark received some twenty-four written proposals from various individuals throughout the state. Some offered to furnish a specified amount of cards free to the state, providing Clark allowed them to ship a few hundred bales of cotton into the Federal lines. Others desired to furnish the cards for small amounts of money, again contingent upon obtaining trading privileges with the Federals. The large number of written proposals coming as they did from some of the largest planters in the state, railroad officials, and private citizens indicated that these representatives of all classes were quite willing to participate in trading with the Some alluded to their strong desire to serve their enemy. state and the Confederacy, but invariably each made his pro-

 $^{^{52}}$ J. W. C. Watson to Clark, January 30, February 10, 1864; James Seddon to Clark, April 12, 1864, Ser. E., Vol. 64, MDAH.

posal only on the basis of being allowed to pass Confederate lines unmolested with large amounts of cotton.⁵³

Ultimately, Clark divided the main portion of the contract to secure cotton and wool cards between two firms. The first contract went to Baskerville, Whitfield and Company on May 19. By the terms of this contract, the company agreed to furnish the state of Mississippi 30,000 pair of cotton and 5,000 pair of wool cards at a price not to exceed \$1.50 In addition, the company agreed to furnish "an per pair. invoice of medicines, Drugs, needles, and Shears, at cost prices in Federal funds where purchased" in whatever quantities state officials directed. No provision for these latter types of goods was included in the original appropriation, but Clark, acting on his own, decided to make an effort to obtain these much-needed articles if possible. In return for their furnishing to the state the cotton and wool cards and other items, Governor Clark promised to secure permission from the Confederate military authorities to allow the passage

⁵³A wide range of proposals were forwarded to Clark when it became generally known he was considering letting contracts for the procurement of cards. Among the more articulate written proposals were: Lt. Col. James B. McRae to Clark, December 9, 1863; B. B. Wilkinson to Clark, December 12, 1863; R. Seal to Clark, December 14, 1863; John Condon to Clark, December 20, 1863; W. Goodman to Clark, January 6, 1864; Robert L. Fisk to Clark, January 12, 1864; A. M. Dowling to Clark, January 15, 1864; Charles T. Newman, Jr. to Clark, January 15, 1864; F. T. Pain to Clark, January 16, 1864; L. M. Ash to Clark, January 21, 1864; F. T. Finley to Clark, February 1, 1864; J. G. Bailie to Clark, February 22, 1864; J. M. Lyles to Clark, March 24, April 19, 1864; J. D. Burch and J. B. Milcry to Clark, March 27, 1864; J. R. Christian to Clark, March 28, 1864; A. P. McMillan to Clark, April 26, 1864; John D. McLemore to Clark, June 8, 1864, Ser. E., Vol. 65, MDAH.

through their lines of 1,500 bales of cotton.⁵⁴

A week after signing the Baskerville, Whitfield contract, Clark concluded a similar agreement with Bowles, Edmondson and Company. The latter firm agreed to furnish 1,400 pair of cotton cards, and 2,000 pair of wool cards, in addition to "medicines, Drugs, needles, & Shears." Unlike the first contract which provided for the purchasing of \$100,000 worth of cards and other supplies, the contract with Bowles, Edmondson and Company called for the suppling of items totaling only \$40,000.⁵⁵

Each of the firms receiving huge contracts for furnishing needed items from within Federal lines experienced considerable difficulty in fulfilling the terms of their agree-Ordinary citizens, forbidden by Confederate law from ments. trading with the enemy, rose in indignation upon observing the state carrying out its own plans for such trade. Seeing the large movements of cotton by the firms trading on behalf of the state government, "every man, woman, and child, whose inclinations prompted them, immediately set out with their wagons for Baton Rouge, Bayou Sara, and Fort Adams," with their own cotton, one Confederate army officer reported. In communicating this situation to Confederate General Stephen D. Lee, commander in Mississippi, Colonel J. S. Scott expressed the fear that the "loyal element of citizens, becoming exasper-

54"The Baskerville-Whitfield Cotton Card Contract," May 19, 1864, located in Ser. E., Vol. 65, MDAH.

⁵⁵"The Bowles-Edmondson Cotton Card Contract," May 26, 1864, in <u>Ibid</u>.

ated at what they fancied to be a huge speculation of Government agents held meetings and threatened to burn every bale of cotton in the district."⁵⁶ Apparently the feeling existed that if the government could trade for items they wanted, then the citizens should be allowed to do likewise. Fearing the eruption of violence which threatened the communities where the state agents collected cotton for transport to Federal lines, Colonel Scott simply ordered all movement of cotton stopped "until the matter could be investigated."

In late June, Baskerville reported to Clark that he had three parties at work, each charged with fulfilling one half of the total contract. By thus dividing and multiplying his efforts, Baskerville informed the Governor, he fully expected success in at least one instance. He assured Clark that he was "receiving the hearty cooperation of the military, and that he expected to be in a position to furnish some cotton and wool cards soon.⁵⁷

For their part, Bowles, Edmondson and Company followed the same path as Baskerville in attempting to circumvent Confederate authorities who at first gave and then rescinded permission for the contemplated exchanges. By August, only a small portion of their contract had been fulfilled, although Bowles informed the Governor he expected more success in the near future.⁵⁸

56<u>Official Records</u>, Ser. 1, Vol. 39, pp. 656, 725-726. 57C. Baskerville to Clark, June 23, 1864, Ser. E., Vol. 65, MDAH.

⁵⁸Bowles, Edmondson & Co. to Clark, June, 1864, Ibid.

Clark meanwhile, disappointed in the performance of the two main contractors to meet the terms of their agreement, and aware of the urgency of obtaining some necessary articles, entered into another contract, this with S. W. Lyon. Lyon agreed to furnish the state seven hundred pair of cotton cards at cost price, with the understanding that he be permitted to ship thirty bales of cotton through Confederate lines. Lyon also agreed to obtain a portion of his contract in medicines if possible.⁵⁹

When the legislature met in August, 1864, Clark regretfully informed them that all the contractors had failed to secure a significant portion of the desired articles. Blaming causes "beyond the control of the contractors," the Governor expressed the hope that they would shortly be able to fulfill completely the terms of their contracts.⁶⁰ Due largely to Confederate recalcitrance, this hope proved groundless, and in April, 1865, a committee of citizens met to determine an equitable settlement of the contracts.⁶¹ A negligible amount of cards and medicines had been obtained, thus Clark's optimistic desire to both take advantage of and make war on the enemy simultaneously ended in failure.⁶²

⁵⁹"S. W. Lyon's Cotton Card Contract," June 16, 1864, in <u>Ibid</u>.

⁶⁰Mississippi House Journal (August, 1864), p. 11.

61Abraham Murdock to Clark, April 10, 1865, Ser. E., Vol. 68, MDAH.

⁶²Clark to Major L. Mims, December 20, 1864; Major L. Mims to Clark, December 20, 1864, Ser. E., Vol. 66; R. W. Edmondson to Clark, April 21, 1865, Ser. E., Vol. 68, MDAH.

Concurrent with his efforts to procure cotton and wool cards and other specific supplies authorized by legislative enactment, Clark determined to utilize the method of illegal trade with respect to other necessities so scarce in Mississippi. On May 12, 1864, he notified General Leonidis Polk of his intention to send cotton from Mississippi into the enemy lines, there to be exchanged for clothing, medicines, and "other supplies" necessary for the soldiers and their destitute families. He requested that Polk allow the passage of such cotton through his lines without molestation and in turn, Clark assured the Commander, he would exert himself to prevent any such cotton from falling into the hands of anyone "owing allegiance to the United States."⁶³

Once Clark's intention to enter into trading with the enemy in areas other than the cotton and wool cards became known, numerous persons, from planters and railroad officials to ordinary citizens quickly asked for permission to act as his agent, or to be given permission to operate on their own.⁶⁴ Clark discouraged these types of activities, feeling that they could get quickly out of control, and might open the way to massive commercial intercourse with the enemy, which he still hoped to prevent. In some instances, however, the Governor

63Clark to General L. Polk, May 12, 1864, Ser. E., Vol. 65, MDAH.

64S. B. Hartley to Clark, July 13, 1864; T. L. Martin to Clark, July 15, 1864; M. D. Shelby to Clark, September 28, 1864; J. M. Haynes and Company to Clark, September 29, 1864, Ser. E., Vol. 66, MDAH.

not only gave his approval to trading operations, but himself paved the way for such activities by interceding with local Confederate commanders. Clark particularly approved trade with the Federals in order to obtain supplies for the blind and insane institutes in the state.⁶⁵

Ultimately, Clark's allowing certain perople to enter trading relations with Union forces on behalf of the state became interpreted by a large number of Mississippians as tacit permission for them to act likewise. This led to the development of a sort of public psychology which at once bothered and benefited the participants. Many people who themselves traded with the Federals, or desired Clark's permission for such trading, did not see this activity as in any way inconsistent with their loyalty as Southerners. This incongruous attitude surfaced in correspondence with Clark in which those people who traded with the enemy were scorned and castigated, then later in the same letter permission was sought by the writer for the same purpose. A. Q. Withers wrote bitterly to Clark in October, 1864, recounting how a Federal officer, "vile devil, came to my Home and burnt up my House with every article in it," then ran off all his slaves. Having related other depredations committed by Union soldiers, Withers abruptly ended his denunciatory tirade and asked Clark to grant him authority to "control the cotton trade to Memphis," and even concluded his remarkable communi-

⁶⁵J. W. Robinson to Clark, June 18, 1864; and Clark to Dr. Robert Kells, June 20, 1864; Ibid.

cation with the statement that the Federal "deamon devils may take from us earthly goods, but principles never."66 Others appeared to feel at one and the same time very guilty about trafficking with the Federals, but quite anxious to continue. Sometimes, in a vein reminiscent of the hostile feeling often manifested toward slave traders prior to the war, those who benefited from the trade condemned those who carried on the actual exchange. Amanda Worthington, who left a diary replete with personal observations concerning illegal trade, commented in January, 1865, that a Mr. Lewis, who operated a trading boat upon the lake near her home, furnished her with a "large bill of goods" in exchange for cotton. Voicing no antipathy to accept his services, she nevertheless castigated Lewis as one who pretended to be "a strong Southern sympathizer," but was in fact "an outrageous yankee cheat & swindler."⁶⁷ This in some way appeared to absolve her from any guilt over personal wrongdoing, for she had not actually traded with the hated enemy herself.

Official Confederate attitude toward trading with the enemy vacillated markedly throughout the final year of the war. Although a law forbidding such intercourse remained on the statute books, enforcement appeared more a matter for local Confederate commanders to decide. This lattitude resulted in a situation of uncertainty, since those who wished

⁶⁶A. Q. Withers to Clark, October 28, 1864, Ibid.

67_{Amanda} Worthington, "Diary of Willoughby Plantation, Washington County, Mississippi, January 1, 1862-October 21, 1865," Worthington Family Papers, MDAH, entry for January 19, 1865.

to participate in the trade, either on behalf of the state or on their own account. never could predict from one day to another the extent to which such trading would be counten-Governor Clark attempted repeatedly in 1864 to obtain anced. some solid commitment from area Confederate officers in relation to developing a consistent exchange policy.⁶⁸ He never achieved any degree of success. Having acted as a liason between the Governor and Confederate officials in Richmond for some time, General Richard Taylor in January, 1865, informed Clark that though he represented to the Secretary of War the "necessities and Sufferings of the people of those Sections of Alabama. Mississippi, and Louisiana," his efforts to "induce the department to authorize the exchange of limited quantities of private or state Cotton for necessary family supplies" had "proven fruitless." Taylor, apparently willing to evade the spirit if not the letter of the department's refusal, told Clark that General Beauregard had informed him to "in the absence of any instructions to him from the Department forbidding it, grant the necessary authorizations for such exchanges upon the applications of the Governors of the respective states."69

Federal attitude toward the illicit trade appeared as divided as that of the Confederate officials. Some Federal officers did everything in their power to prevent men in

⁶⁸Clark to J. W. C. Watson, December 21, 1863, Ser. E., Vol. 65; James Seddon to Clark, April 12, 1864, <u>Ibid</u>., Vol. 64, MDAH.

⁶⁹General R. Taylor to Clark, January 21, 1865, Ser. E., Vol. 68, MDAH.

their armies from trading with the Southerners outside Union General N. J. T. Dana, sent in by the Federal War lines. Department to bring some order to the disintegrating Union commands in the Memphis area, expressed shock at the extent of illicit traffic in the region around Vicksburg. Prior to his arrival there, he asserted, "the district had been almost completely swayed by two external powers, to wit, money in the possession of cotton speculators and political adventureers, and beauty in possession of rebel females, once lovely and with delicate sensibilities, now cunning, traitorous, and dangerous." Many good officers had "been debauched by one or both of these," Dana reluctantly reported, and warned the War Department to expect "howling" against him by officers who resented his putting a stop to their illegal trade.⁷⁰

Other high Union commanders in the Mississippi area, notably General William T. Sherman, took a very different view from Dana's in the matter of trading with the Confederates. From his earliest entrance into the deep Southern theatre of war, Sherman urged a policy of using the benefits of trade to create disaffection and disloyalty among Southerners. Writing from Vicksburg in early March, 1864, Sherman instructed General James B. McPherson to encourage "by all means the packet and through trade on the river," as such trade would "keep the people dependent on the luxuries and conveniences of life, and to that extent shake their love for

⁷⁰Official Records, Ser. 1, Vol. 52, pt. 1, pp. 652-654.

the impoverished rebel concern."⁷¹ In a later report to Salmon P. Chase, Sherman expressed his willingness "to use commerce as a means of war to corrupt and demoralize the enemy." He did insist, though, that none of his officers participate in any way in the "contaminating trade," and suggested instead that the treasury agents should manage the illegal commerce.⁷²

While Confederate, Federal, and state officials bickered and equivocated over the matter of trade among themselves, a great number of Mississippians turned to exchange with the enemy as the only means of supplying items necessary for their survival and comfort. While such illegal trade had, prior to 1864, been confined largely, although of course not altogether, to outright Unionists or those with weak ties to the Confederacy, prolonged scarcity and inability of state and Confederate officials to supply these needs led to widespread trading on the part of otherwise loyal Confederates in Mississippi. For some, like Mrs. C. A. McWillie, trading with the enemy for even so small an article as a hat for her son necessitated, as she expressed it, "a compromise with my tightly-laced conscience."⁷³ For others, the mere existence of ample opportunity provided sufficient excuse to commence grandiose operations. J. A. Maury, for example, although de-

71Ibid., Vol. 32, pt. 3, pp. 35-36.

⁷²Ibid., p. 55.

⁷³Mrs. C. A. McWillie to Son, September 11, 1864, McWillie-Compton Papers, MDAH.

tained by Confederate authorities for his illegal activities, schemed to expand his operations as soon as he obtained his freedom. In July, 1864, he informed his partner that "key parties have all the permits for 20,000 bales <u>of</u> cotton $\frac{1}{4}$ we need not have to give $\frac{1}{4}$ to the Government." He urged C. D. Hamilton to "go to Jackson and make all the all agements secure" for within ten days he would "be ready to commence operations."⁷⁴

Involved in all the trading with the Federals was cotton--at once the brightest hope and deepest despair of the Confederacy. This article represented the one item Mississippians possessed, and the very staple most desired by Federal officers and men. General Polk described the baneful effect of the presence of cotton in his department, which included Mississippi, in a dispatch to President Davis in late April. According to Polk, the "condition of affairs along the western front . . . originating in the intercourse of our people with the enemy, and developed by illicit trade, exhibiting itself in absenteeism, murder, and robbery" was directly induced by "cotton in the hands of citizens along the border."⁷⁵ John C. Kay, an informant of Polk's in Mississippi, related to the General that "Everybody in this section sells cotton. I could not to-day name anyone innocent of trading with the enemy's flag, yet a vast amount of

⁷⁴J. A. Maury to C. D. Hamilton, July, 1864, C. D. Hamilton Papers, <u>Ibid</u>.

⁷⁵Official Records, Ser. 1, Vol. 32, pt. 3, pp. 833-843.

this trade is beneficial to the Confederacy." Very few people who traded with the enemy, Kay suggested, wanted the greenbacks for their own sake, but rather because Confederate notes would not "buy a pound of salt or a pair of shoes."⁷⁶ In some areas, toward the middle of 1864, greenbacks represented the only currency acceptable, even for Confederate army stores. Eventually, by the last months of the war, Confederate notes passed in Mississippi only at a discount of ninety per cent, while greenbacks constantly increased in value.⁷⁷

With the failure of formal monetary enactments to provide a stable, useable currency to Mississippians, and equally unproductive efforts of state and Confederate authorities to furnish basic necessities to the state's people, the citizenry turned in vast numbers to the enemy as a source of supply.⁷⁸ Confederate and state officers mounted weak demonstrations aimed at curbing the trade, but by 1864, starving Mississippians, disillusioned by the inability of Southern governments to furnish needed supplies, and feeling that their attempt to gain political independence tottered on the verge of utter failure, determined to attend first to the needs of themselves and their families. Some continued to lend support to the

⁷⁶Ibid., Vol. 52, pt. 2, p. 600.

77Henry C. Minor to Wm. J. Minor, March 1, 1864, William J. Minor Family Papers, Louisiana State University, Baton Rouge, Louisiana; <u>De Bow's Review</u>, New Series, Vol. 1, No. 3, (March, 1866), pp. 312-313; <u>Official Records</u>, Ser. 1, Vol. 39, p. 684.

⁷⁸Official Records, Ser. 1, Vol. 32, pt. 3, pp. 625-627; Ibid., Vol. 39, pp. 196-197, 625-627, 684, 827-828.

Confederate cause, but many more decided their only hope for survival lay in taking measures to supply their own needs, regardless of the harmful effect this might have on Confederate chances of success. There occurred also a change in attitude toward Unionism in the state. By late in the war period, so many former staunch supporters of the Confederates had turned away from them and embraced Unionism, or at least demonstrated an inclination toward accepting whatever peace the North was willing to grant, that those who had maintained a Unionist position throughout the war were looked to for leadership. The former spirit of volunteering was completely dead, replaced with a pervasive feeling that the once proud and victorious Confederate army had become in effect little more than a police force, whose main objective in Mississippi appeared to consist of harassing, raiding, and generally disrupting the ordinary activities of life. Even Confederate officers in the area acknowledged this to be the case. General Stephen D. Lee expressed this feeling when he stated in April, 1864 that in his opinion, the "principal and, in fact, nearly the only duties" of his men consisted of "breaking up the illegal trade between citizens and the enemy."79

By the end of the war, a great number of Mississippians had abandoned the Confederates. For those Unionist beliefs had guided their action throughout the war, the imminent downfall of the Confederacy was welcomed as a return to

⁷⁹Ibid., Vol. 32, pt. 3, p. 750.

normalcy, but for most Mississippians, desertion of the Confederate cause came only with reluctance. Then with the early scarcity of a wide range of necessary consumer supplies came the development of inflation and speculation. Monev became scarce, then altogether too plentiful. Never did either Confederate or state financial officers plan or execute an effective, comprehensive monetary policy. Mississippi officials did issue money based on cotton, which circulated at a much higher rate than did any of the dozens of Confederate issues, but Mississippi's money, issued by a government founded under the protection of the Confederacy and inextricably bound with it, could only reflect the fortunes of the Confederacy. If the latter failed, the former must of necessity become worthless as well. As the war advanced, and the probability of a Federal victory became more evident, Confederate money as well as Mississippi money fell drastically in value, while Federal greenbacks rose accordingly. Since their only possession of value was cotton, Mississippians traded this cotton to the Federals in exchange for necessary articles unobtainable in the Confederacy. This vicious circle continued to operate until 1865; Mississippi's financial system had gone from nonexistent to acceptible and back to nothing--leaving the citizens essentially where they found themselves in 1861. That position involved relying mostly on barter and outside currencies to obtain necessary articles. Like the life of the Confederacy itself, Missis-

sippi financial endeavors during the Civil War rose on a tide of optimism, and died on a note of despair. Major A. L. Jonas, a Mississippi veteran of the Civil War, scribbled a poignant epitaph to wartime finance on the unprinted back of a Confederate note. His words reflect the hopes, dreams, and ultimate despair of Mississippians who lived and died in fighting for the Confederacy:

THE CONFEDERATE NOTE

Representing nothing on God's earth now, And naught in the waters below it, As the pledge of a nation that passed away, Keep it, dear friend, and show it. Show it to those who will lend an ear To the tale this paper will tell, Of liberty born of a patriot's dream, Of a storm-cradled nation that fell.

Too poor to possess the precious ores, And too much of a stranger to borrow,
We issue to-day our promise to pay And hope to redeem on the morrow.
The days rolled on and the weeks became years, But our coffers were empty still,
Coin was so scarce the Treasury quaked If a dollar should drop in the till.

But the faith that was in us was strong indeed, Though our poverty well we discerned, And this little note represented the pay That our suffering veterans earned. They knew it had hardly a value in gold, Yet as gold our soldiers received it; It gazed in our eyes with a promise to pay And every true soldier believed it.

But our boys thought little of price or pay, Or of bills that were over-due, We knew if it bought our bread to-day, 'Twas the best our poor country could do. Keep it. It tells all our history over, From the birth of the dream to its last; Modest and born of the Angel Hope,

Like our hope of success--it passed.

CHAPTER XI

CONCLUSIONS

Providing a stable economic and financial structure for Mississippians proved both the most persistent and difficult task wartime state officials faced. All major military and diplomatic decisions emanated from Richmond, although policy in those areas greatly effected affairs in Mississippi. Consequently, the one domain over which state authorities exercized greatest latitude consisted of economically-oriented problems. At times during the conflict, the governors and other state officials did concern themselves deeply in matters relating to defense and militia organization, but certainly after the fall of Vicksburg and Jackson in 1863, attention mainly revolved around providing economic relief to the thousands of destitute who became virtual wards of the state. The methods and procedures utilized in this effort, as well as the general effectiveness of such programs, determined the degree to which Mississippi's wartime financial schemes succeeded.

Due to the fiscal irresponsibility in the state's early history, and particularly to the repudiation of most of its outstanding public debt in 1842, Mississippi entered the war period with no financial system, a negligible debt, and no

credit. This severely limited possible avenues of financial assistance which the state could pursue. Whereas state securities had traditionally been exceptionally lucrative ones for both foreign and domestic investors, Mississippi's repudiationist activity negated any possibility of marketing wartime state bonds overseas. This hurt not only Mississippi but Southern hopes for extensive foreign consumption of bond issues as well. Northern agents, particularly Robert J. Walker, a former United States Senator from Mississippi, worked diligently to convince European investors that Jefferson Davis himself had led the repudiationist movement in Mississippi. Since a portion of the Planter's and Union Bank bonds were purchased by English financiers, such propaganda as that espoused by Walker fell on receptive ears.

Since securing foreign assistance in absorbing financial wartime burdens proved impossible, Mississippi ultimately came to depend on two sources for money; Confederate and state-authorized issues. Insofar as money issued by the Confederate Government was concerned, it became more a liability than an asset. From the very beginning, Confederate treasury officials pursued a course which, based as it was on the most ill-conceived economic foundations, failed dismally in its aim of providing a stable financial structure for the Southern states.

Mississippi, usually considered one of the most rabid states in the Confederacy, actually remained a viable member of that union only by the most tenuous threads. Possessing

an extremely negative fiscal history, beset by scarcity of necessities throughout the war, plagued by persistent inflation and torn apart by internal strife, Mississippi faced incredible difficulty in maintaining the mere semblance of political and economic integrity. This resulted from a number of factors, some of which the state government could have handled, and others over which state officials exercized no jurisdiction.

Even while secessionist sentiment gained favor among most Mississippians in 1860, a significant portion of the state's citizenry decided, for a number of reasons, to remain faithful to the ideals of the Federal Union. These people, representing all social classes in the state, created a double problem for Mississippi Confederates. On the one hand they withheld all support from the Confederacy, and on the other many lent active assistance to the Federal military operating in the area. Adding strength to those who from the beginning supported Unionism were thousands more who joined their ranks as dissatisfaction with Confederate policies increased during the latter part of the war.

Thus the activities of Unionists, coupled with widespread speculation, unchecked inflation, and the inability of state or Confederate authorities to furnish basic necessities led to a general breakdown of morale within the state. This disintegration meant that state officials, after the initial rush of excitement following secession in 1861 subsided, never could count on the loyalty of even nearly all

Mississippians. Leaving aside those Mississippians of pro-Northern Unionist sentiments, a great portion of the state's people simply lacked strong dedication to the Confederate cause. Consequently, uncounted thousands yielded little or no support to the Confederacy. In many cases, dedication to amassing wealth, either through illegal trade with the enemy, participation in merchandise speculation, or even through very proper Confederate contracts, superceded any pervasive dedication to any of the plethora of reasons which supposedly precipitated the conflict. Even in the bitter diatribes, so often utilized by the fireating state leadership, such issues as the maintenance of slavery and the preservation of state rights rarely surfaced, and then only in a peripheral manner. Rather, continued resistance was frequently urged simply to "repel the enemy," or to "punish the invaders of our beloved Southland." This became especially true once Clark and the more conservative leadership took over the direction of state affairs in 1863. This lack of any real dedication to a firm ideology at least in part, then, explains the readiness with which men deserted the army and refused service--or even loyalty--to the Confederacy.

Another factor which continually caused problems for Mississippi officials during the war period involved decentralization of powers and functions, both on the Confederatestate, and state-local levels. This caused extreme consternation particularly in the areas of finance and general

economic policies. Rarely did Confederate treasury officials consult state authorities before implementing major financial programs. This lack of communication prevented any coordinate efforts, and since the Confederacy did not consult state desires in the matter of finance, the resulting programs almost never coincided with state needs. This led to widespread rejection of Confederate programs, which in turn assured the failure of such programs. When such failure occurred, the money issued by Richmond authorities immediately sank in value, which then necessitated more issues or additional taxes--both of which policies further alienated Mississippians from the Confederate Government.

In the area of general economic policies, decentralization and paucity of meaningful exchanges of ideas between the Confederate and Mississippi Governments resulted in the development of a dominant economic policy by the general government which proved anathema to most Mississippians. This involved the use and disposition of Southern cotton. Having once determined to use the South's cotton as the main economic weapon in carrying forward international diplomatic policies, Confederate officials stuck to what early proved an inaccurate assessment of the effectiveness of such a policy. This at once cut off the necessary foreign markets and created a tremendous problem of storage, protection, and domestic utilization of Mississippi's economic mainstay. Then, rather than using the South's huge cotton stores as the basis of a viable credit-financial system, as so many Mississippians

urged, Confederate officials resorted instead to the printing-press as a cure-all for fiscal chaos. Then when Confederate authorities decided to burn mass amounts of cotton, both to prevent it from being captured by Federal forces and as a shock treatment calculated to jog recalcitrant Europeans into intervention, Mississippi cotton producers again objected strenuously. As cotton represented the only Mississippi product of significant value, burning precluded its future use in reestablishing the state's economy in the post-war era.

Lack of strong or consistent central control by the Richmond Government led to abuses in other areas affecting Mississippi as well. A lax chain of command within the military, for example, left the implementation of important policies relating to impressment, conscription, and even protection within the purview of local commanders. This sometimes led to abuses by these officers which proved a recurring problem for Mississippi officials.

Problems relating to decentralization not only plagued Confederate-Mississippi relations, but also created similar situations within the state itself. Close cooperation never existed between state and local authorities, which resulted in constant misunderstandings regarding taxes and finance. This problem became compounded upon disruptions of existing transportation and communication by Federal raids. Supplies of cattle, grain, and other necessary items, relatively plentiful in some areas of the state, could not be made readily available in other regions due to these disruptions.

Lack of adequate communication and transportation within the Confederacy forced a certain amount of decentralization of governmental powers and functions, but also significant in preventing the development of a viable, unified policy-making unit were pervasive attitudes of independence harbored by most Mississippians. After all, by 1860, remaining constantly on the alert for governmental inroads into what were deemed individual perogatives had become a way of life for most Southerners. This propensity to fiercely guard the right to independent action was especially strong among Mississippi's scattered, traditionally self-sufficient population. Thus. instead of supporting Confederate policies which might be beneficial to many Southerners, although not necessarily to Mississippians, citizens of that state early developed an antagonistic attitude toward a number of Confederate programs. Then abuses concerning conscription and impressment occurred, as was inevitable considering the overall Southern situation, and many Mississippians disavowed any support for all Confederate programs. This traditional independent attitude also became evident with regard to Unionism. With the growing antagonism toward central authority which characterized the period from 1820 to 1860, came the development of a habit of making serious political decisions with little regard for the rights and needs of others. Thus when secession became a reality, Mississippians, supposed by most Northerners to be homogeneous in their anti-Northern attitude, demonstrated their independent spirit by basing their decision of whether

to support the Confederacy strictly on personal grounds. Later when Confederate policy--for instance that relating to the disposition of cotton--proved unpopular among many planters, some refused further support for other Confederate programs.

The dichotomous needs and asperations of the various social classes in Mississippi did not meld into a singleness of purpose, as action surrounding the occurance of secession led the fireating state leadership to hope. Rather, class lines sharpened as a result of the exigencies of war. When Confederate policy dictated that merchants obtain their goods from within the seceded South, this class of citizens both found necessary items high in price, and practically unavailable at any price. Private citizens who could, bought their goods from outside the Confederacy, thereby placing additional burdens on merchants. Then when both the merchant class and the consumers began to hoard specie as well as "necessities," the price went even higher, leading to spiraling inflation. Each class blamed the other for precipitating this situation. Meanwhile, the poor castigated the wealthy planters for the latter's failure to sell his produce at cheap prices, and often retaliated by pillaging and stealing. The planters on the other hand, blamed the Confederate and state Governments for failure to either purchase their cotton or allow the planters themselves to dispose of it through the blockade. Then with the passage of conscript laws which allowed some wealthy farmers to either pay a substitute to serve in their

stead in the army, or remain on the plantation to guard the slaves, the non-slaveholding classes became more restive. Aggravated over what many came to view as the "rich man's war and the poor man's fight," these lower class representatives deserted in droves. Failure of the state government to adequately provide for their families caught in the pinch of inflated prices and paucity of supplies drove many more of Mississippi's poorer citizens to desert the Confederates and become criminals in their own land. The state's cotton money scheme, which appeared to benefit the wealthy also created dissatisfaction among the state's poor.

Viewed as a whole, Mississippi's financial endeavours during the war period must be seen as a limited success. Given the state's lack of credit, paucity of sources of domestic wealth, and the early invasion of the enemy, Mississippi officials overcame severe obstacles to create and maintain a financial structure which consistently remained more acceptable than that of the Confederate Government. Without doubt a great deal more could have been done by state officials to contain and control inflation, yet scarcity--which state officials could do little about--dictated that prices would remain excessively high. To circumvent these shortages, Mississippi leaders attempted to develop domestic sources for necessary supplies, but often, as in the case of salt, nature precluded the success of their ef-In numerous other instances, Federal military preforts.

sence, or unfavorable Confederate policies forced the abandonment of the state efforts to provide for its people. The subsequent breakdown of morale, even among those deeply committed to the Confederate effort to gain political independence, created a pervasive air of defeatism which infected all Mississippians. Ultimately, it came down to a question of mere survival and at that point even the governor advocated a program designed to accomplish just that. Thus in some ways, the final agonizing years of the war proved more satisfying than the first. At least some Mississippians faced stark reality, and acted upon the assumption that the state's first responsibility was to people--regardless of the demands of a traditional ideal.

APPENDIX

Reproduced here are some of the documents relating to the use made of cotton by Mississippi during the Civil War period. Also, one note representing each of the major state issues of money is reproduced. All these notes and documents are from the author's collection.

TREASURER'S OFFICE, JACKSON, MISS., 1862. Sin: has this dary finid m.) his Gulton Bond omounting tel____ hundred dellers== sary in Galton Mon of, ... Bald and Silver_ Jotuly Yow will, therefore, return' his receipt for the cottom pledged. Grasur.N. Ta Ruditor', stc.

When the price of cotton rose in the fall of 1862, many Mississippi cotton producers, who had loaned part or all of their 1861 cotton crop to the state in exchange for "cotton money," desired to redeem their pledged cotton. Having obtained a receipt such as the one pictured above, the farmer was then free to sell his cotton to the best advantage.

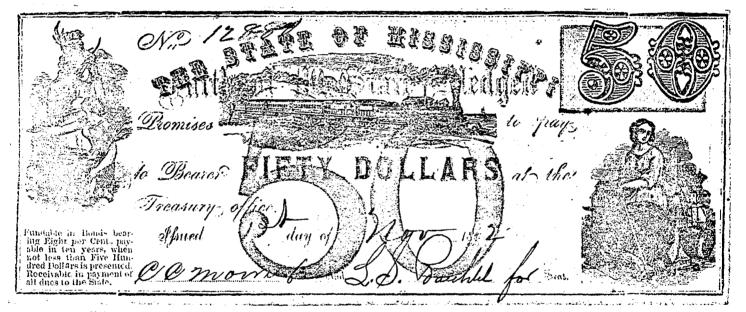
Country. éllespie AUDITOR OF FUBLIC ACCOUNTS: TO de The Undersigned, a 21 marman County, State of Mississippi, vour petitioner, a resident of farmen being owner, and having under his immediate control, Just bales of Cotton, deposited at the Plantation , marked a Hommon , numbered from 7 To 57 , averaging From Henry pounds, and Toronty Fine bales classed as minatery Twenty dive bales classed as for this por bales classed as ______ and that the same is subject to no lein or incumbrance whatever, is desirous of securing the allowance authorized by an Act of the Legislature of the State of Mississippi, entitled, "An Act authorizing the Issuance of Treasury Notes as advances upon Cotton, approved December the 19th, 1861, on June bales of said Cotton. Aux F. Timman State of Mississippi, Marnen County. The above named Aley Fileroman this day personally appeared before me. and made oath that the matters stated in the foregoing PETITION, are true in substance and fact. Sworn to and subscribed before me, this 26th day of March A.D. 1862 Loton Probate Judge. In order to obtain cotton notes, authorized by the act of December 19, 1861, this or a similar bond was executed by Mississippi

cotton producers.

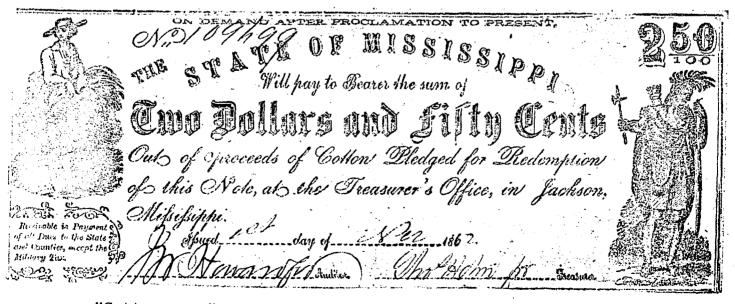
Martin Andrews



The first wartime Mississippi treasury note, issued under the act of January 26, 1861



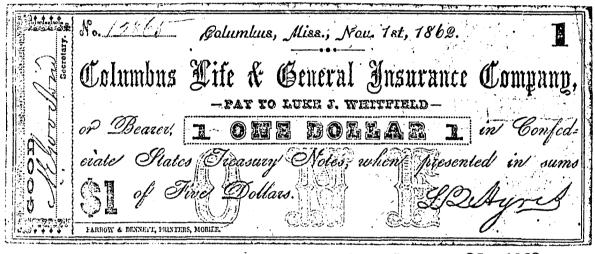
"Faith of the State Pledged" note, issued under the act of January 29, 1862



"Cotton note" issued under the act of December 19, 1861



"Change note," issued under the act of April 5, 1864



Insurance company issue, authorized on January 25, 1862



Railroad currency, issued by authority of act of December 20, 1861

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