

Transition to an Industrial South: Athens, Georgia, 1830-1870

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Review

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Re-examining Southern Industrial Growth

Not long ago, when Robert Fogel and Stanley Engerman published *Time on the Cross* (1974), economic historians studying the antebellum South fiercely debated the profitability of slavery. Now scholars focus on a different question: how modern was the Old South? Recent books by Brian Schoen and John Majewski, and a collection edited by Schoen, Diane Barnes, and Frank Towers are among the more important contributions to that dialogue. In *Transition to an Industrial South: Athens, Georgia, 1830-1870*, Michael J. Gagnon tackles this issue by examining a town on the forefront of Southern industrial development. Although Gagnon presents much valuable information about the early decades of textile production in Athens, Georgia, his broader argument about southern attitudes toward industry and the pace of change remains questionable.

Beginning in the late 1820s, as Gagnon illustrates, Athens led the state of Georgia in developing a new industry: cotton textiles. Between 1829 and 1833 entrepreneurs opened three mills to produce cotton cloth in a town hitherto known largely as the home of the University of Georgia. Almost immediately, the factories were successful, returning high profits to their founders. When contrasted to northern mills, these enterprises enjoyed several natural advantages: water power flowed year round and cotton grew nearby. The new factories also benefited from the latest technology, with machinery for spinning and weaving brought in from the North. During these early years, Athenians outpaced all other cloth producers in the state, claiming in 1840 fully 38 percent of the capitalization of all Georgia textile mills and 42 percent of the total output of cloth.

Gagnon explores several aspects of this early southern industrialization. While the composition of the workforce fluctuated over time, most operatives were white, female, and young. Initially, factories made extensive use of slaves, although African Americans never comprised a majority of the workforce. Their numbers soon diminished, and after 1850 when cotton and slave prices soared few black workers remained. The handful still employed undertook work that whites disdained, such as toting and breaking up the bales of cotton. An 1860 enumeration showed that women comprised about 63 percent of the workers, while the average age of all operatives was nineteen. Although most employees had local roots, superintendents and the cadre of skilled workers who taught others the techniques of carding, dying, spinning, and weaving most often came from the North.

The book also profiles the entrepreneurs who began Athens's mills, making clear they were older, wealthy men (generally in their 40s), involved in a variety of activities. Most held at least 20 slaves and so were considered "planters." But they were far more venturesome than the many who simply focused on raising cotton. They invested in town lots, tracts in other states, and local banks. Although not a mill owner until the 1850s, William S. Grady, the father of New South promoter Henry Grady, illustrates these wide-ranging interests. Along with investing in textile production, he operated a dry goods business and oversaw the local gas utility.

Transition to an Industrial South also makes clear that the reform impulse both among the businessmen and the common folk in Athens was muted – certainly when compared to the campaigns shaking the North. The temperance movement in Athens was short-lived. Business leaders did support education, both in common schools and Sunday schools, and several served as trustees for the University of Georgia. A county agricultural society was established, but soon failed. Some workers came together in a Mechanics Mutual Association, with a focus on burial insurance and widow's pensions. But there were no strikes and little worker militancy in Athens.

As Gagnon shows with a detailed examination of plans and counter-proposals, Athens lost out when a coterie of investors built a railroad linking north Georgia to more distant markets. Athenians lobbied hard to be on the mainline of this road. But the plans proposed by a group of Augusta financiers won out when Georgia chartered the Western and Atlantic Railroad in

December 1836. The junction chosen on the edge of the Cherokee Nation would grow into the flourishing city of Atlanta, while Athens was served only by a feeder line. Thanks in part to improved transportation, Augusta, Macon, Columbus, and Atlanta flourished, while Athens lagged behind. In 1850 the three Athens factories accounted for only 17 percent of the state's capitalization in textiles, and 11 percent of the production of cloth – well below the levels recorded in 1840.

Athens, however, rebounded during the war and Reconstruction. Wartime demand for clothing kept the factories busy, while a new armory provided Confederate forces with weapons. Athens's location away from the main rail junctions now proved an advantage. Sherman's army burned Atlanta, but left the university town untouched. In a turbulent economy, local entrepreneurs wisely hedged their bets. They accepted Confederate money, but converted some of their profits into foreign currencies. Shareholders were paid in kind, while extensive charitable donations helped undercut charges of wartime profiteering. Favorable conditions continued during the second half of the 1860s, with firms now acquiring large reserves of cotton to protect against crop fluctuations.

But Gagnon provides more than a chronicle of Athens's growth. He also wants to demonstrate the strong forces that helped modernize the South—and here his arguments are more questionable. “A case study of industrialization in the heart of the antebellum cotton belt . . .,” he remarks, “will demonstrate the importance of ideology in mobilizing for industrialization.” It will show that “slave-owning southerners fostered a free-labor industrial workforce that was not seen as a threat to the South's ‘domestic institutions’” (5). Gagnon sharply criticizes Eugene Genovese, noting: “In his classic *Political Economy of Slavery*, Genovese declared that antebellum southerners considered promoters of southern industrialization to be ‘damned fools’ . . .” (201).

Gagnon, however, misreads Genovese, and in fact his evidence supports the balanced formulation set forth in *Political Economy of Slavery*. Genovese contends that “many Southerners gave up their opposition to industrial expansion but generally retained their hostility to ‘manufactures as a system.’” (Genovese, 181). That cautious approach to new enterprises appears to characterize industrialization in Athens. As Gagnon observes, the founding of the factories in took place during a period of intense anti-tariff agitation—leading to Nullification in South Carolina. He illustrates that even those newspapers foreseeing benefits from local factories, pointed out the dangers of widespread industrialization. The

solution, as posed by one editorialist Gagnon quotes, was “Let us commence on a small scale, with caution, and [invest] such funds as we can spare . . . in small establishments.” Gagnon comments: “As a model, this counsel succeeded because it addressed both ideological concerns about the effect of industrial organization upon southern society, and practical problems regarding the insufficiency of southern investment capital” (26). Similarly, as Gagnon’s evidence also makes clear (and as he notes in passing), “most southerners continued investing in the known perils of commercial agriculture” (31). Relatively few put their money into industry despite the high profits made by these mills. Owning field slaves conveyed status and prestige in a way that industrial enterprises did not.

In sum, Michael Gagnon provides a valuable case study of Athens, Georgia, and early Southern industrialization – even if the conclusions suggested by his data are not always the ones that he might draw.

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