

## The South after the Civil War

### The relative decline in Southern income

**1860: white per capita income equal in North and South**  
**1880-1900: income per capita in the South was about 50% of the North**

Year	Total	Manufacturing	Agriculture
1860	100	100	100
1870	75	80	75
1880	118	141	115

**It took the South twenty years to surpass where it was in 1860 yet in per capita terms it was 20% below 1860**

**Agriculture dominated the economy and within agriculture cotton was the dominant crop.**

Year	Price of cotton (per bale)
1865	\$0.43
1869	\$0.16
1870s	\$0.21

**Total output recovered rather quickly; by 1869**

**1870-1879: output 42% greater than pre-war output**  
**Due to greater land and labor inputs; little increase in productivity**

## **Remarkable considering:**

- 1. Natural Disarray following Emancipations**  
**In most of the British Colonies output fell spectacularly – e.g. British Guiana and Jamaica sugar output fell 40%**
- 2. Proportion of black females fell from 90% to 40% - pre-war to 1880**
- 3. War destroyed capital – e.g. fences, barns....**

## **How did the freed slaves fare?**

### **Slavery was poor preparation for freedom. Why?**

- 1. poverty, illiteracy, lack of skills held back newly freed slaves**
- 2. racist ideology that supported slavery remained long after emancipation**
- 3. Freedman's Bureau – mixed blessing, run by white northern ex-soldiers : valued stability; may have stifled competition; some ideologically “captured” by Southern elite.**
- 4. Incredibly high expectations: 40 acres and a mule**

## **Literacy**

**1865- 5% of adult blacks**

**1910 – 70%**

**Effects 1) helped prevent cheating on accounts**

**2) necessary for skilled jobs**

## **Health – Life Expectancy at Birth**

**1850s: 32**

**1860: 36**

**1860-1880: undoubtedly fell**

**1890s: approximately 41**

## **Income, wealth, and property**

<b>Year</b>	<b>Black /White Income</b>
<b>1868</b>	<b>24%</b>
<b>1900</b>	<b>35%</b>
<b>1914</b>	<b>35%</b>

## **Property Ownership in the South**

**1865 – close to 0**

**1880 20% of Black farmers owned the land**

**1900 27%**

## **Growth rates of Real Black Wealth in Georgia**

**1875-1892: 9%/year**

**1893-1902: 0**

**1902-1915: 6%/year**

**Note: to achieve parity by WWI black income per capita would have had to grow at about 11 times the actual growth rate of white income**

### **Sources of persisting inequality**

**1. Land ownership – 40 acres and a mule was not forthcoming. Blacks started with very low ownership rates - overall 22% of income comes from wealth (land and capital)**

**2. Education and information – blacks had less schooling and little information about jobs in the North  
Illegal to have recruiters in the South**

**Black relative to white school expenditures in 1910  
Range: 17% in LA to 75% DE**

**3. Occupational Discrimination- unions and norms**

**4. Segregation ensured that this continued over time.  
Illegal for out of state recruiters to enter many  
southern states.**

**5. Blacks disproportionately lived in lowest-wage  
regions**

**6. Regress in Civil Rights after 1890s**

**W.E.B DuBois – The South became “an armed  
camp for intimidating black folk”**

**Jim Crow laws**

**Lynchings: averaged 111 per year in the 1890s**

**No legal recourse if cheated**

**Feedback effect: incentive to “stay in one’s place”,  
discouraged human capital investment**

**Sources of Economic Progress: competitive markets and  
individual whites**

**Dramatic Economic Progress awaited post-world war II  
Dramatic Political Progress awaited Brown vs Board of  
Education and Civil Rights and Voting Rights laws of  
the 1960s**