

## **Study of Slave Labor in the Late Industrial South**

Many who are unfamiliar with the topic of slavery in the United States are quick to assume that slavery was an archaic institution that remained largely the same from its conception up until its breakdown in the 1860s, constantly lagging behind its capitalistic counterparts and fading away from existence due to its incompatibility with science and technology. However, numerous studies show that this assumption is nothing but a misconception as the slave societies in the US (and in the Americas in general) were quick to adopt new technologies and gain a better foothold in the booming international market that emerged during the Industrial Revolution. This meant that many of the technologies and economic strategies that could give slave-owning businessmen an advantage were quickly implemented in order to maximize profits even if that meant breaking away from the traditional archetype of paternalism. As the economic landscape in the Antebellum South shifted during the early to mid-1800s with the emergence of the capitalistic slave-owning elite, the social landscape of the South shifted as well; and, as the main topic of this research paper, I will investigate how the renting of slaves to the railroads and ironwork industries transformed the labor demographics of the South, increased slave independence, and re-structured slavery during this era. In particular, I argue that the adoption of slave labor transformed the industrial South to become more reliant on slave labor, providing the slaves with enough leverage to gain more social and financial autonomy for themselves compared to the plantations. Therefore, understanding the underlying economic and social motives behind such changes through the lens of the railroad and ironwork industries is essential not only for recognizing how slavery was a competitive, dynamic form of economic institution, but also for analyzing whether such institutions could be sustainable in the long run.

This question will be analyzed by first describing the characteristics of Second Slavery and discussing why this concept is an important stepping stone in answering the research question. Then, the reasoning behind the renting of slaves to railroad and ironwork industries will be covered with the use of primary and secondary sources. The socioeconomic impacts will then be examined with how the policies set in place to protect leased slave workers and the change toward slave labor caused demographic changes in the industrial South and provided workers with more social and financial autonomy while leaving behind skilled and unskilled white workers. Finally, I will conclude this research by considering whether this form of institution and system of labor could have lasted without the Civil War by investigating various socioeconomic aspects of the Antebellum South such as wealth disparity among the free whites and the slave population by the year.

Before discussing the changes in the railroad and ironwork industries, it is imperative to go over the contexts leading up to this shift. The Industrial Revolution that took place in Europe during the late-1700s to the mid-1800s led to a mass-production of commercial goods and an explosion in demand for certain staples crops, revamping the international market as a whole. In an effort to fill the missing supply chain in this market, many slave societies in the Americas adapted to this dynamic shift by specializing in cultivating their own staple crops, with the American South, for instance, specializing in the cultivation of cotton. This paradigm shift came to be described by historians as “Second Slavery,” with its main characteristics including the flexibility of the slave market, redeployment of slaves on a national level, and the adaptability of slave institutions to modern technology and division of labor<sup>1</sup>. Naturally, it was also during this time where the mindsets of slave-owners moved away from the traditional model of paternalism to a more profit-oriented view, approaching their slave-business

ventures from a financial standpoint instead of a social one<sup>2</sup>. Paternalism, in the context of Southern plantations, was a way of justifying slavery by presenting the owners as father figures to their slaves, providing shelter, food, and clothing as they believed their slaves would not be able to get on by themselves. Thus, the movement away from paternalism contextualizes the leasing of slaves to the railroad and ironwork industries during this time because if paternalism was still an important characteristic for the slave-owning elite, the renting of slaves could not be explained as slaves would have moved far beyond their scope of care. Therefore, Second Slavery marks an important change in the socioeconomic climate of the Antebellum South and explains how slave owners utilized their slaves to maximize profits by acting as market capitalists during this era. Instead of using slaves as a way to boost one's social status as paternalistic overseers, the profit-maximizing approach undertaken by these elites provide reasoning behind the renting of slaves and its corresponding geographic shift.

The extensive leasing of slaves to railroad and ironwork industries were, all things considered, based on economic considerations from both parties involved. In the case of

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<sup>1</sup> Tomich, Dale, and Michael Zeuske. "Introduction, the Second Slavery: Mass Slavery, World-Economy, and Comparative Microhistories." *Review (Fernand Braudel Center)* 31, no. 2 (2008): pp. 92

<sup>2</sup> *Ibid.* 92

slaveowners, the leasing of slaves to these industries was an economically viable option since money could be collected during slack times by hiring out surplus slaves who would otherwise generate no revenue within the plantations. The leasing of slaves could also alleviate the slave owners' money liquidity problems as well by enabling cash to be collected on demand using slaves which were inherently non-liquid commodities (meaning that it could not readily be exchanged into cash and vice-versa). Instead of just relying on accumulating cash with the internal slave market, this additional option of hiring slaves out added a greater degree of flexibility and made cash flow more liquid for the slave owner by allowing the supply of slaves to match the demand of the industries around them<sup>3</sup>. While the leasing of slaves was a popular idea across the South, this business tactic was especially endorsed in the Upper South states of Maryland, Virginia, and North Carolina, where the declining tobacco profits incentivized the owners to find new ways to generate revenue using their slave population. As a result, in Richmond, hiring arrangements on the eve of the Civil War employed one-half and up to two-thirds of male slaves. Considering that rented slaves in the 1850s could cost around \$100 and upwards to \$200 per year to work in railroads<sup>4</sup> and that the demand for slave labor was steadily increasing, slave themselves were essentially transforming into the new "crop" for these slaveowners in the South.<sup>5</sup>

As for the railroad and ironwork industries, using slaves as an alternative labor force was also a financially favorable option because it reduced the costs of labor by up to a half compared to hiring free workers while providing them more flexibility with the workforce. In the case of

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<sup>3</sup> Murphy, Sharon Ann. "Securing Human Property: Slavery, Life Insurance, and Industrialization in the Upper South." *Journal of the Early Republic* 25, no. 4 (2005): pp. 616.

<sup>4</sup> Kornweibel, Theodore. "Railroads and Slavery." *Railroad History*, no. 189 (2003): pp. 43.

<sup>5</sup> Murphy, Sharon Ann. "Securing Human Property: Slavery, Life Insurance, and Industrialization in the Upper South." *Journal of the Early Republic* 25, no. 4 (2005): pp. 616.

railroads where the grueling, hazardous work environment caused frequent desertions and riots from free workers regarding pay and safety, leasing slaves to replace this labor force provided labor stability for the employers at a cheaper rate all while ensuring no riots or protests for pay occurred.<sup>6</sup> For example, in the 1857 annual report of the railroad company Charlotte & South Carolina, it was reported that a slave fireman would cost only \$15 a month while its white counterpart would cost \$25 a month,<sup>7</sup> with the president of the company claiming that slave labor was more “economical” and “efficient” than free labor since enslaved workers could not strike nor ask for a raise<sup>8</sup>. The added flexibility, stability, and reduction in cost of hiring slave labor also prompted many ironworks to experiment with employing slaves in their companies as well. In Tredegar Ironworks, the engineer Joseph Anderson would “replace five white men employed there at \$1.00 per day ... by negroes” in order to alleviate the “economically unfavorable conditions” experienced by the company.<sup>9</sup> Most importantly, though, leasing slaves was favorable for the employers because it also gave them the ability to adjust the workforce continuously as to have the number and type of employees that best suited their needs at a given moment. Based on the constantly changing circumstances of the market, leasing slaves instead of employing free workers allowed employers to operate at maximum efficiency by being able to alter the composition of the workforce as they saw fit. By and large, the employers in these industries, from a purely financial standpoint, had little reason to stick to free labor alone without incorporating parts of slave labor with the benefits and advantages it brought along with them.

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<sup>6</sup> Collins, Steven. “Progress and Slavery on the South’s Railroads.” *Railroad History*, no. 181 (1999): pp. 22

<sup>7</sup> Proceedings of the Stockholders of the Charlotte & South Carolina Railroad Co. at their Ninth Annual Meeting (Columbia, S.C., 1857), pp. 28-29

<sup>8</sup> Third Report. Central Railroad and Banking Company of Georgia (Savannah, Ga., 1 839), pp. 32-35; Proceedings of the Charlotte & South Carolina Railroad at their Second Annual Meeting at Winnsboro (Columbia, S.C., 184)

<sup>9</sup> Rood, Daniel B. “Wrought-Iron Politics: Racial Knowledge in the Making of a Greater Caribbean Railroad Industry.” In *The Reinvention of Atlantic Slavery*. New York: Oxford University Press, 2017

While the leasing of slaves was beneficial for both parties, the inherent dangers present in these workplaces prompted many adjustments and compromises to be made between the owners and contractors regarding the treatment of slaves and the type of work they would be assigned to. After all, if the leased slave workers were to be involved in an accident that debilitated or killed them, the full loss would fall on the owners and not on the contractors without an agreement for compensation filled beforehand. Slaves during this time were, first and foremost, expensive and very valuable commodities. The banning of the transatlantic slave trade in the US in 1808 meant that the slave population could only increase by natural means or via illegal smuggling. Moreover, with the rapidly increasing demand for slave labor in both plantations and in industrial zones in the South, the supply of slaves would continuously lag behind its high demand and cause the prices of slaves to skyrocket. Naturally, slaves being rendered worthless (in terms of both value and labor) in case of a fatal or debilitating accident were among the last things the slave owners could afford. In order to ensure these owners that their slaves would be safe in this contract, agreements were set in place that outlined how the companies would operate under a strict guideline with safety measures to minimize the risk of an accident, and how they would provide adequate medical care in case of a disease or an injury. On top of this, companies also outlined how they would administer punishment as seen in the Memphis & Ohio rule book which stated that punishment “must be administered in moderation, and within the bounds of the law” and that the hitting of enslaved workers with a club, stick, fist, or other heavy objects was forbidden. Finally, if enslaved workers did suffer injuries or death in the workplace, many railroad companies had to reimburse the owner for the value of the slave unless the company contractually stated that it bore no responsibility in compensating for the loss.<sup>10</sup>

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<sup>10</sup> Collins, Steven. “Progress and Slavery on the South’s Railroads.” *Railroad History*, no. 181 (1999): pp. 18

On top of these agreements and contracts, the emergence of life insurance for slave workers added extra protection for slave owners leasing slaves into the industrial zones. During the 1840s, companies such as the Baltimore Life Insurance Company and New York Life emerged to issue insurance for slave workers albeit in small numbers due to the risks and uncertainties involved. While insurance was more expensive on slave workers because of the lack of data on mortality by their age, dangers of their jobs, and their general health conditions (with Baltimore Life Insurance Company charging double the rate charged on white lives)<sup>11</sup>, the coverage on the life of slave workers meant that the slave owners could start leasing slaves to more dangerous industries without the greater possibility of loss from serious accidents. As a result, by insuring the value of the slave in the form of life insurance and by guaranteeing that slaves would be adequately treated in their workplaces through agreements and contracts, the leasing of slaves became a financially secure and stable option for both the slave owner and the employers, rising as a popular method of employment in the industrial South.

As evident with the enthusiasm to lend and hire slave workers in railroad and ironwork industries, slave labor quickly became increasingly pervasive in the industrial South. While it is easy to assume that slaves were only employed for jobs that required no expertise or skill, records suggest of a robust skilled slave population that were employed as firemen, carpenters, and blacksmiths in railroads to possibly even as an engineer in ironworks.<sup>12</sup> In the case of the ironwork industry, transferring the skills required for metal artisanry to the enslaved workers was a difficult task as the white metal artisans who monopolized on trade secrets were reluctant to “impart [their] knowledge to negroes.” (minute book) At Tredegar Ironworks, transfer of

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<sup>11</sup> Murphy, Sharon Ann. “Securing Human Property: Slavery, Life Insurance, and Industrialization in the Upper South.” *Journal of the Early Republic* 25, no. 4 (2005): pp. 623.

<sup>12</sup> Rood, Daniel B. “Wrought-Iron Politics: Racial Knowledge in the Making of a Greater Caribbean Railroad Industry.” In *The Reinvention of Atlantic Slavery*. New York: Oxford University Press, 2017

industrial knowledge only occurred when the company explicitly stated that they would “discharge any or all” white workers for not “imparting crucial information” to the slave workers.(minute book) While such forced demands led to active resistance from within the company (with white workers going on strike in Tredegar in 1847), this transfer of knowledge enabled companies to incorporate slave labor in technically-advanced jobs as well, thereby diversifying how enslaved workers could be used within the industry. As evident in this case of Tredegar, slave labor was not only becoming widespread in unskilled labor, but was finding its own footing in skilled artisanry as well.

As predicted from the social tensions among races during this time, infighting and conflicts were common in workplaces where both Black slave workers and White free workers had to work alongside each other. Some companies resolved this racial tension by segregating the zones in which they worked in while other companies chose a more radical option: dismissing the free workers and transitioning fully into slave labor. For the employers, there was no reason for them to allow the racial conflicts in the workplace go unaddressed if they could simply resolve this matter by making its workforce racially homogenous, abandoning one group of workers in favor of the other. However, as evident from the financial superiority of slave labor, if the companies were to give up one of these groups, the employers would rather dismiss the free workers as they were more expensive than slave workers and prone to desertions and strikes. The Central of Georgia railroad company, being one of the companies that opted to fully transition, reported that dismissing White workers for a homogenous slave workforce could bring back the “harmony which had previously prevailed throughout the line.”<sup>13</sup> From this turn of events, slave labor was not only becoming pervasive in the industrial South; it was completely

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<sup>13</sup> Collins, Steven. “Progress and Slavery on the South’s Railroads.” *Railroad History*, no. 181 (1999): pp. 22



overtaking and overhauling the landscape as a whole. In essence, the labor demographic of the industrial South, with the increased endorsement of slave labor in both skilled and unskilled labor in railroad and ironwork industries, was shifting dramatically towards slave labor and leaving behind white workers and artisans. As such, by 1861, 90 out of the 118 railroad companies present in 11 Confederate States would be using slave labor, with another 27 companies also likely using slave labor to some capacity.<sup>14</sup>

Moreover, as slaves developed valuable skills and became essential members for the industries as the companies became increasingly reliant on slave labor, the slave workers started to gain more leverage in negotiating social and financial liberties from their employers. In Frederick Law Olmsted's trip to the American South in 1859, he stated that slave workers in ironworks had, in his own observation, "too much liberty." The experienced slave workers in the industry were described as "earn[ing] money by overwork and [getting] bad habits about and taking care of themselves,"<sup>15</sup> meaning that ironmasters did not strictly control free time, home life, leisure activities, or personal spendings in slave quarters unlike the plantation overseers back home. Similar degrees of freedom were also enjoyed among enslaved workers who worked in railroads as some male railroaders found opportunities to enhance the quality of their families' lives by earning money doing extra work after regular working hours such as hunting, fishing, and cutting wood. The liberty found within these quarters was essential in developing and maintaining slave workers' familyhood and their self-esteem as the ability to provide for the family through overwork solidified their position as head of the family.<sup>16</sup> In the ironworks where

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<sup>14</sup> Kornweibel, Theodore. "Railroads and Slavery." *Railroad History*, no. 189 (2003): pp. 35.

<sup>15</sup> Frederick Law Olmsted, *A Journey in the Seaboard Slave States, with Remarks on Their Economy* (New York, 1859), p. 58

<sup>16</sup> Lewis, Ronald L. "Slave Families at Early Chesapeake Ironworks." *The Virginia Magazine of History and Biography* 86, no. 2 (1978): pp. 171

highly skilled slave workers had the most leverage on their employers, these workers could demand that their wives and family be sent to the ironworks with them or to at least be able to return home to see their families once or twice a year. For instance, in a letter sent by a slave owner in Virginia to a hiring agent regarding the leasing of a particular slave, the owner stated that the slave worker “would not consent to go back to the ironworks... [without] taken a wife.”<sup>17</sup> Furthermore, these demands from the slaves were also fulfilled by the employers because they found that slave workers worked more efficiently when they could see their wives, as noted by one manager of a Virginia ironworks stating in 1862 that the slave worker “laid up very often... [but ] laid up very seldom when he could get a chance to run to his wife.”<sup>18</sup> This degree of freedom granted by the employers in these workplaces, therefore, was based on the observation that granting them autonomy outside of the workplace could reliably increase work efficiency by giving them incentive to work harder. While the slave workers in railroads were not so lucky as their families were oftentimes torn apart from their lease, they nonetheless shared the high level of financial autonomy that those back in the plantations could not possess. Also, since leased slave workers had to be treated under strict guidelines with limited torture methods as listed in the contracts, these enslaved workers could guarantee some protection over their own bodies as well. Hence, with the social and financial freedom found outside of the workplace along with the protection from physical punishment, the leasing of slaves to these industries led to the emergence of a slave population that enjoyed levels of freedom that were previously unseen in the Antebellum South.

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<sup>17</sup> Lewis, Ronald L. “Slave Families at Early Chesapeake Ironworks.” *The Virginia Magazine of History and Biography* 86, no. 2 (1978): pp. 174

<sup>18</sup> William Rex to Daniel Brady, March 22, 1862, Weaver-Brady Papers, University of Virginia.

However, such changes were a financial as well as a social disaster for the free white workers who suffered collateral damage as a result of this drastic shift. For skilled and unskilled free white workers alike, finding their footing in their own respective fields was becoming increasingly difficult as slave labor became a tempting alternative for the employers, thereby thrusting them into competition for essential jobs. This mode of competition, in an era where the Jacksonian herrenvolk democracy preached the absolute superiority of whites over non-whites<sup>19</sup>, was socially and personally unacceptable for the white workers as the competition over the same jobs implied that they were, in a sense, on equal terms with the black enslaved workers. This racial animosity found between the laborers was notably seen in the Norfolk Dry Affair in 1830, where the employment of black stone hammerers in place of skilled white masons caused uproar within the white artisan community, which led to an investigation of hiring practices of the company. As with other companies within the industrial South, the president of the company, Loammi Baldwin, who was responsible for the hiring of black masons, maintained that he employed fewer white stone hammerers because slave workers' labor was more profitable as "black [slave] workers were paid 72 cents a day... [while] most skilled whites were paid \$2.00 a day."<sup>20</sup> The successful implementation of slave labor across a wide variety of trades was becoming so dominant to the point that they were driving non-slaveowning white artisans to the brink of destitution by utterly outcompeting them.<sup>21</sup> As such, the shift toward slave labor in the industrial South, although benefitting the slave owners, the employers, and the slaves themselves to an extent by granting various liberties, proved destructive for the common, non-slaveowning class of white workers as the increased competition not only destroyed their racial ideals and

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<sup>19</sup> Upham-Bornstein, L. "'Men of Families': The Intersection of Labor Conflict and Race in the Norfolk Dry Dock Affair, 1829-1831." *Labor: Studies in Working-Class History of the Americas* 4, no. 1 (March 1, 2007): pp. 67

<sup>20</sup> *Ibid.* 77

<sup>21</sup> Schweninger, Loren. "Slave Independence and Enterprise win South Carolina, 1780-1865." *The South Carolina Historical Magazine* 93, no. 2 (1992): pp. 114.

pride but jeopardized their livelihoods as well. Ultimately, the ability of southern employers to tap into a pool of slave labor undermined the bargaining position of white artisans and “substantially impaired their ability to obtain economic security or to improve their status.”<sup>22</sup>

With slavery in the American South successfully adapting to the dynamic changes in the market by utilizing slaves to meet the new demands of the evolving industries, it is natural to assume that slavery would have survived if it never met its abrupt end caused by the Civil War. However, whether this institution would have survived is still up for debate as some scholars claim that this institution would have met its end due to its increasing unprofitability while others argue that this particular form of slavery would have continued for decades onwards because of its flexibility to make important adjustments to survive within the changing market.<sup>23</sup> However - as most arguments go - I argue that the real answer lies somewhere in between the two. Although I agree with the first school of thought in that this particular form of institution would have still met its end without the Civil War, I contend that the reasoning behind its downfall is not on the unprofitability of slavery itself, but on the long-term detriments of the industrial South relying on slave labor. Hence, even though slavery was flexible enough to make important adjustments during this time, I will point out that these adaptations could not have been a feasible solution in the long run.

Those who claim that slavery would have come to a natural end often point to the plantations in the Upper South and Southwest (Virginia, Maryland, South Carolina, and Georgia) as examples of the increasing unprofitability of the institution. They argue that slave owners, as

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<sup>22</sup> Upham-Bornstein, L. “‘Men of Families’: The Intersection of Labor Conflict and Race in the Norfolk Dry Dock Affair, 1829-1831.” *Labor: Studies in Working-Class History of the Americas* 4, no. 1 (March 1, 2007): pp. 66

<sup>23</sup> Coclans, Peter A., and Stanley L. Engerman. “Would Slavery Have Survived Without the Civil War?: Economic Factors in the American South During the Antebellum and Postbellum Eras.” *Southern Cultures* 19, no. 2 (2013): pp.81

market capitalists, would have eventually abandoned slave labor for free labor as slave labor became unsuccessful in yielding adequate returns. It is true that crops that were traditionally grown in these areas via slave labor - namely tobacco, rice, and sugar - were becoming increasingly uncompetitive as new players were introduced to the market. Overall, slave-based plantations in these areas were experiencing dwindling returns with the sugar market in the Old Southwest, existing only because of tariff walls that protected them from competition against foreign countries such as Cuba. However, these diminishing returns on traditional plantations - as evident from the excerpts listed above - were counteracted by the renting of slaves to these industrial zones where new profitable ventures for slaveowners could be undertaken. Generally, although slavery was becoming increasingly unprofitable in the agricultural sectors, it was still maintaining its economic viability by making market adjustments.

The success of this institution found outside of the agricultural sector during this time, however, does not necessarily constitute that this success would have been sustainable in the long run. Specifically, the system of leasing slaves to industrial zones in the South would have met its inevitable end mainly because of the slave population being limited only to natural growth and illegal smuggling, the latter of which was becoming increasingly difficult with time as treaties such as Lyons-Seward Treaty of 1862 put forth an aggressive measure to put an end to the smuggling of slaves. Unlike the free North where industries had an ample supply of potential workers from the influx of immigrants to the North after the 1830s, industries in the South could not enjoy the same luxury as the restricted growth of the slave population put a hard limit on the manpower that slavery could provide. Compared to the estimated 1.7 million immigrants immigrating predominantly to the North<sup>24</sup> in the 1840s alone, the natural growth of slaves in the

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<sup>24</sup> Fleming, Walter L. "Immigration to the Southern States." *Political Science Quarterly* 20, no. 2 (1905): pp. 277

South over the same period was only around 700,000,<sup>25</sup> indicating a wide gap in the supply of potential workers in these regions. At least up until the Civil War, this glaring issue had not yet surfaced to the point of destruction, but signs were starting to be seen as the chief engineer of Richmond & York reported in 1856 that “the supply of [slave] labor appeared so scarce that rented slaves were almost ‘impossible’ to obtain.”<sup>26</sup> As with all commodities, price of slaves (and hence slave labor) followed basic economic principles: if the demand increased while supply remained the same, the price of the commodity would rise. Thus, it would be reasonable to assume that slave labor in railroads and ironwork industries would have reached a point where slave labor could not provide the same flexibility and low costs that attracted these employers in the first place. With evidence of a scarce slave labor force years before the Civil War, it is entirely possible that slave labor could have been replaced with free labor over the following decades as the advantages of slave labor diminished with the rise in labor cost stemming from the inherent limitations in the slave population.

The limited growth of the slave population was only one of the many looming factors that jeopardized this institution. As analyzed, the use of slave labor in these industries caused the non-slaveowning whites to suffer economically by being displaced from their jobs, severely impairing their abilities to improve their status and move up the social ladder.<sup>27</sup> In fact, the damage done on the middle class artisan population was one of the driving forces behind the extreme wealth disparity that existed in the Antebellum South. By 1860, only 20 percent of the free white population owned any number of slaves, with only 3.5 percent owning 20 slaves or more (the lower bound for being considered a “planter” population). Even worse, the modal

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<sup>25</sup> Bureau, US Census. “Bicentennial Edition: Historical Statistics of the United States, Colonial Times to 1970,” pp. 14

<sup>26</sup> Collins, Steven. “Progress and Slavery on the South’s Railroads.” *Railroad History*, no. 181 (1999): pp. 17

<sup>27</sup> Upham-Bornstein, L. “‘Men of Families’: The Intersection of Labor Conflict and Race in the Norfolk Dry Dock Affair, 1829-1831.” *Labor: Studies in Working-Class History of the Americas* 4, no. 1 (March 1, 2007): pp. 66

number of slaves owned within the slave-owning population was one slave, indicating an extremely unequal wealth distribution even among the slave-owning whites.<sup>28</sup> Moreover, since the rich plantation elites mainly invested on the purchase of slaves and not on other forms of investment because of their heavy reliance on slaves in generating revenue (either by leasing them out or by working them in plantations), these monotonous investment patterns caused lower levels of inventive activity and technological innovation in the South compared to the North.<sup>29</sup> The thinning of the middle class and the concentration of wealth on the very top during this era, therefore, inhibited the southern economy from making a shift towards “higher-order economic activities” by remaining heavily reliant on exploitative slave labor to make temporary gains. While such economic downfalls were masked before the Civil War as the per capita income of the South remained 80% of that of the North in 1860,<sup>30</sup> it is safe to conclude that this “once-over” growth would have eventually stagnated due to the shortage in the slave population, increasing wealth disparity, and lack of economic diversity in the region. Even though predicting the exact time frame these factors would have taken a toll is near-impossible because of the advent of the Civil War, the risk factors that constantly threatened the southern economy indicate that the institution of slavery must have undergone extreme transformation or outright disintegration over the next few decades.

Without saying, these predictions are all without considering the ethical repercussions slavery brought with it. While the scope of this paper is not to predict the effects that the

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<sup>28</sup> James Oakes, *The Ruling Race: A History of American Slaveholders* (New York: Alfred A. Knopf, 1982), pg. 245–250

<sup>29</sup> Coclanis, Peter A., and Stanley L. Engerman. “Would Slavery Have Survived Without the Civil War?: Economic Factors in the American South During the Antebellum and Postbellum Eras.” *Southern Cultures* 19, no. 2 (2013): pp. 76

<sup>30</sup> Coclanis, Peter A., and Stanley L. Engerman. “Would Slavery Have Survived Without the Civil War?: Economic Factors in the American South During the Antebellum and Postbellum Eras.” *Southern Cultures* 19, no. 2 (2013): pp. 87

abolitionist sentiments within the United States could have had on this institution, it is likely that the pressure put on by the existing and new free states to abolish slavery will have accelerated its downfall even without the Civil War. As the political power of the South that initially safeguarded the institution's existence diminished over time with their stagnant economic growth, the South may have become too politically powerless to oppose the abolitionist policies put forth by these states: effectively putting an end to slavery in the United States.

Overall, the leasing of slaves became a popular method of employment during the early to mid-1800s due to the financial benefits it provided to both the slaveowners and the employers. For the slave owners, leasing slaves to these industries proved to be a practical method of generating revenue as their returns on their staple crops was on a continuous downward spiral; for the employers, using slaves to replace the existing free workforce was also financially favorable as slave labor was a cheaper and a more flexible alternative to free labor. While many adjustments needed to be made in order to mitigate the risks of the ordeal, including life insurance and contracts to ensure the value of the slave, most companies in the industrial South opted to use a slave workforce by 1860 due to their listed advantages. Consequently, the reliance of slave labor in these industries meant that slave laborers could demand more social and financial autonomy from their employers, leading to an emergence of an autonomous slave population that could make money through overwork and provide for themselves in numerous ways. However, these benefits of slave labor did not apply to the free white workers who were utterly outcompeted by slave labor and displaced from their jobs. The economic toll taken on the lower to middle class of the non-slave owning whites, therefore, resulted in the wealth disparity among the free whites to widen, inhibiting all possibilities of improving their economic status and stagnating the Southern economy as a whole.



While the leasing of slaves seemed like a legitimate strategy to maintain the economic growth of the South during this time, it is unlikely that this system of labor would have lasted long after 1860 had the Civil War not occurred. Even though the economic growth of the South was comparable to that of the North up until the Civil War, the limited growth of the slave population as well as the extremely unequal wealth distribution in the South would have likely caused its economic growth to come to a screeching halt. Evidently - if this were to be the scenario that unfolded - the institution of slavery, as it existed on the dawn of the Civil War, would have become inefficient and inferior compared to its Northern counterpart, struggling to survive within the evolving market and remain a competitive economic institution.

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