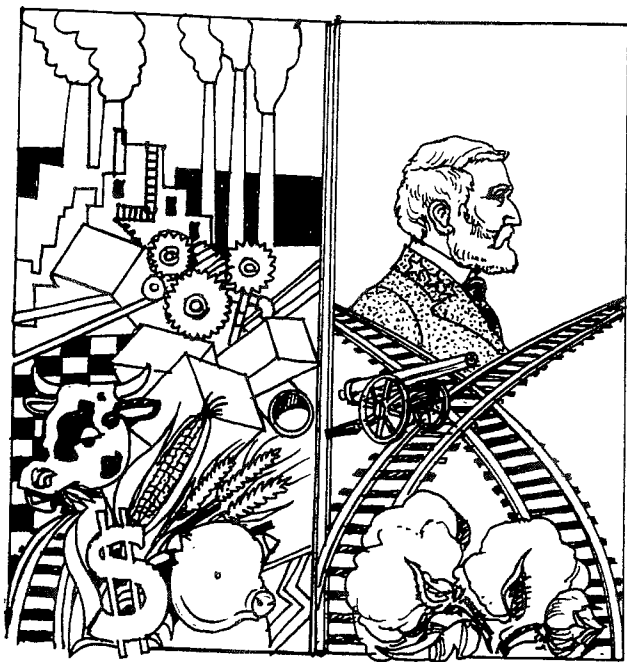


The Ledger for War

As the two sides prepared for war in 1861, the North appeared to have many advantages.

The North possessed three-quarters of the nation's wealth, nearly three-quarters of the country's population, 65 percent of the farm land, 85 percent of the industrial might, 70 percent of the rail lines, and, perhaps most importantly, 80 percent of the bank deposits. The North's economy was not dependent on the production of cotton.

Northern factories produced more than eleven times as many manufactured goods in value as Southern industry (\$1,730 million compared to \$155 million). Northern agriculture produced everything from cattle to corn to hogs to wheat. Such advantages for the North were of great importance in terms of supplying, clothing, and feeding a large army in the field.



The South had only one chief economic weapon—cotton. The 1860 cotton crop had a value of nearly a quarter billion dollars. Southerners intended to finance their war effort through their cotton crop, certain this slave-produced commodity would provide them with

everything they would need to fight the North.

But this dream never became reality. Before the war, 80 percent of Southern cotton had been shipped to Great Britain for production in its ever-developing textile industry. However, by 1861, England had a surplus of cotton, its warehouses glutted with it. In addition, as the war unfolded, Great Britain turned away from the South and bought much of the cotton needed for its domestic industries from Egypt.

Despite the vastness of the North and the South, their two national capitals were situated only 100 miles apart. Although the Confederacy established its first capital at Montgomery, Alabama, after Virginia's secession, the Southern national capital was moved to Richmond. This placed the two governmental centers just a few days march from one another.

Established on seven hills, like ancient Rome, Richmond is located on the James River, not far from the site of the first permanent English settlement in America—Jamestown. During the 18th century, Richmond was recognized as one of the important cultural centers of the entire tidewater region.

A significant rail center, Richmond had rail lines to the port cities of New Orleans, Louisiana, Savannah, Georgia, and Charleston, South Carolina.

Richmond was also home to one of the largest gun foundries in the United States—the Tredegar Iron Works. While these mills had produced cannons for the federal army before the war, Tredegar turned out the majority of the 3,000 cannons the Confederacy used during the Civil War.

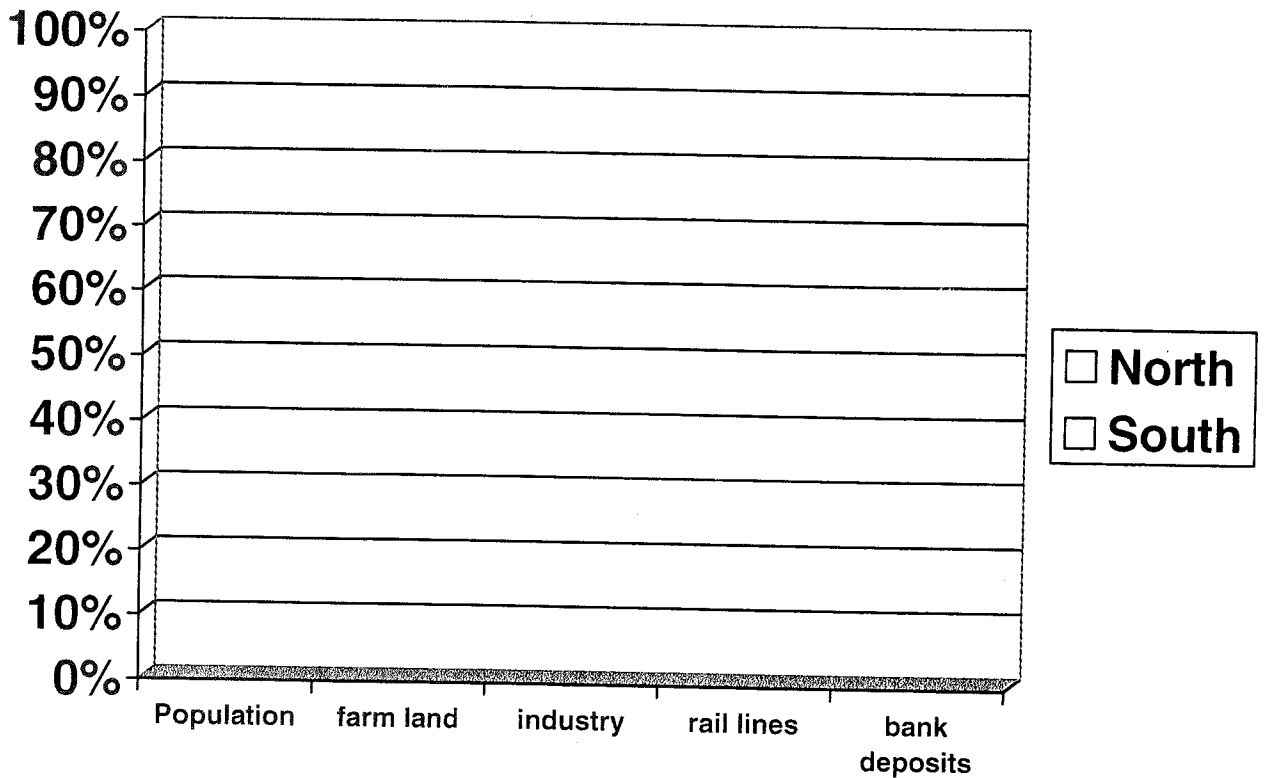
Review and Write

1. What are some of the advantages held by the Northern states regarding a war with the South?
2. Why did the South's plan to use cotton as their chief economic weapon against the North never materialize?

The Ledger of War

Directions: Read *The Ledger of War* and use the information from the reading to answer the following questions.

1. Create a bar graph that illustrates differences between the North and South according to their percentages.



2. According to the chart who has the clear advantage North or South? Why?
3. Which advantage do you think is the most important? Why?
4. How did farming and agriculture differ in the North and South? Why would the North have an advantage in this area even though the South had an agriculturally based economy?
5. What was the main "economic weapon" of the South? How did they intend to use it?
6. Why did Southern reliance on cotton fail?
7. What was the first capital of the Confederacy? Where and why was it moved?

Sectional Differences

During the 1800's the North became a section of industry and commerce, while the South remained a region of large plantations. People began looking at political issues on the basis of what was best for their section, rather than what was best for the country as a whole. This regional outlook was called "sectionalism." Sectional differences created tension between the North and South, and eventually led to the outbreak of the Civil War in 1861.

The chart below summarizes the sectional differences between the North and South. It also lists the special interests of the West, which steadily grew in population and political power during the 1800's.

ISSUE	NORTH	SOUTH	WEST
<u>economic interests</u>	business and industry	agriculture	agriculture
<u>slavery</u>	opposed	avored	opposed
<u>internal improvements</u>	supported Western demands for internal improvements	opposed	avored
<u>banking system</u>	avored a national bank	avored state banks	avored state banks
<u>cheap Western land</u>	opposed	supported	supported
<u>tariff</u>	for	against	supported Northern demands for a protective tariff
<u>states' rights</u>	opposed	avored	opposed

- (1) _____ Which section took the lead in demanding a tax on manufactured goods coming into the United States from foreign countries?
- (2) _____ Did Westerners approve or disapprove of the ownership of slaves?
- (3) _____ Which section was afraid that its labor force would be reduced if the federal government offered Western lands at low cost?
- (4) _____ How many sections thought that a national bank did more for businessmen and manufacturers than it did for farmers?
- (5) _____ Which part of the country was most outspoken about the need for the federal government to build roads and canals between the East and West?
- (6) _____ How many sections believed that all states must obey laws passed by the federal government?
- (7) _____ Which section wanted to be able to buy cheaper manufactured goods from foreign countries?
- (8) _____ Which area believed that a state had the right to nullify (ignore) a federal law or secede (withdraw) from the Union?
- (9) _____ On how many issues on the chart above did the North and South agree?
- (10) _____ In which section do you think political power was in the hands of people who owned medium-sized farms rather than plantations?