

Teacher: Donna Klun			
Title: <b>Civil War Economics</b>		Subject: US History	
Topics:		Grade: 9-12 ( ESS )	
Lesson Duration: 1 week		School: Pueblo East High School	
Education Designs Lesson/ Unit Plan			
<b>Lesson Summary:</b> <i>(A short 3-5 sentence summary of the lesson and how it will be delivered)</i>	What were the economical effects of the Civil War on Society, Business, and Government		
<b>National Standards for History Era:</b> <a href="#">Link</a>	<a href="#">Era 5 Standard 2:</a> The course and character of the Civil War and its effects on the American people		
<b>Standard(s):</b> <i>State, Local or National</i>	<p><b>2: 1.2</b> – Gathering information from multiple sources, including electronic databases, to understand events from multiple resources.</p> <p><b>2:2.3</b> – Apply knowledge to the past to analyze present day issues and events from a multiple, historically objective perspectives. What students know and are able to do.</p>		
<b>Themes/Concept:</b>	Economics		
<b>Essential questions (2-5 questions)</b> <i>(What you want the students to know)</i>	<ol style="list-style-type: none"> <li>1. Explain the rational for the Tariff.</li> <li>2. How did the work force in the North differ from the South?</li> <li>3. How was the government involved in the economics of the North and South</li> <li>4. How did agriculture affect the economic growth in the South/North?</li> <li>5. What type of industry was in the North/South</li> </ol>		
<b>Elements</b> <i>(What you want the students to understand)</i>	Students will describe the key elements economically that promoted the Civil War, such as tariffs, industrialization, agriculture and government.		
<b>Launch Activity (Hook)</b>	Students will locate as much information about the Economic issues of the Civil War then they will be divided into small heterogeneous groups and Key economic issues that helped lead the North and South into War.		
<b>Knowledge &amp; Skills</b> <i>(People, Places, times and vocabulary-what</i>	Vocabulary North South	Main Vermont New York	<u>Skills</u> <b>Reading</b> ****

<i>the student should be able to do. What skills will they use?)</i>	Agriculture Rural areas Industry Labor forces Mobile Competition Immigrants Economy Plantations Slaves Tariffs Trade Domestic	New Hampshire Massachusetts Connecticut New jersey Pennsylvania Maryland Virginia North/South Carolina Georgia Alabama Florida	<b>Writing</b> ***** <b>Map</b> **** <b>Cause/Effect</b>
<b>Lesson Methodology</b> ( <i>How will you conduct the lesson; activities...?</i> )			
<b>Assessment Evidence:</b> <i>What evidence will show that students met the learning goal?</i>			
<b>Traditional Assessment (Quizzes, Test, Selected Responses)</b>			
Multiple choice and fill in the blank			
<b>Portfolio Assessment</b>			
Students complete and label a map creating a key to illustrate industrial states, agricultural states, and slave states.			
<b>Authentic Assessment (Performance Tasks, Rubrics, Projects, Dialogues, etc.,)</b>			
Students will divide a poster in half and create a poster illustrating the Key Economic issues that effected the North and South on one side and Key Economic issues that affect the United states today. Then compare and contrast these issues and determine if there are any similarities.			
<b>Student Self-Assessment</b>			
<b>Students fill out a venn diagram comparing and contrasting the Economic issues on the North and South</b>			
<b>Differentiation Associated with this unit</b>			
<p>For the ESS student (SLIC) : Students will color pictures of the occupations of both the North and the South placing the pictures in a notebook.</p> <p>.....</p> <p>For the Gifted: Have the students create a power point of the Jobs in the North and South then and now instead of posters. Adding music of the time period.</p>			
<b>Resources and instructional tools:</b> ( <i>Including Video Sources, Text Resources, Research Strategy</i> )			

- [www.CivilWar.com](http://www.CivilWar.com)
- [Young Heroes of History - Historical Fiction for Children](#)
- [Poems and Songs of the American Civil War](#)
- [Civil War in Miniature](#)
- [The New Georgia Encyclopedia: Women During the Civil War](#)
- [Encyclopedia of USA History: American Civil War](#)
- [History Channel: The Secession Crisis - Civil War](#)

# Economics of the Civil War

## The South's Economy

Although slavery was highly profitable, it had a negative impact on the southern economy. It impeded the development of industry and cities and contributed to high debts, soil exhaustion, and a lack of technological innovation.

The philosopher and poet Ralph Waldo Emerson said that “slavery is no scholar, no improver; it does not love the whistle of the railroad; it does not love the newspaper, the mail-bag, a college, a book or a preacher who has the absurd whim of saying what he thinks; it does not increase the white population; it does not improve the soil; everything goes to decay.” There appears to be a large element of truth in Emerson’s observation.

The South, like other slave societies, did not develop urban centers for commerce, finance, and industry on a scale equal to those found in the North. Virginia’s largest city, Richmond, had a population of just 15,274 in 1850. That same year, Wilmington, North Carolina’s largest city, had only 7,264 inhabitants, while Natchez and Vicksburg, the two largest cities in Mississippi, had fewer than 3,000 white inhabitants.

Southern cities were small because they failed to develop diversified economies. Unlike the cities of the North, southern cities rarely became processing or finishing centers and southern ports rarely engaged in international trade. Their primary functions were to market and transport cotton or other agricultural crops, supply local planters and farmers with such necessities as agricultural implements, and produce the small number of manufactured goods, such as cotton gins, needed by farmers.

An overemphasis on slave-based agriculture led Southerners to neglect industry and transportation improvements. As a result, manufacturing and transportation lagged far behind in comparison to the North. In 1860 the North had approximately 1.3 million industrial workers, whereas the South had 110,000, and northern factories manufactured nine-tenths of the industrial goods produced in the United States.

The South’s transportation network was primitive by northern standards. Traveling the 1,460 overland miles from Baltimore to New Orleans in 1850 meant riding five different railroads, two stagecoaches, and two steamboats. Most southern railroads served primarily to transport cotton to southern ports, where the crop could be shipped on northern vessels to northern or British factories for processing.

Because of high rates of personal debt, Southern states kept taxation and government spending at much lower levels than did the states in the North. As a result, Southerners lagged far behind Northerners in their support for public education. Illiteracy was widespread. In 1850, 20 percent of all southern white adults could not read or write, while the illiteracy rate in New England was less than half of 1 percent.

Because large slaveholders owned most of the region’s slaves, wealth was more stratified than in the North. In the Deep South, the middle class held a relatively small proportion of the region’s property, while wealthy planters owned a very significant portion of the productive lands and slave labor. In 1850, 17 percent of the farming population held two-thirds of all acres in the rich cotton-growing regions of the South.

There are indications that during the last decade before the Civil War slave ownership became increasingly concentrated in fewer and fewer hands. As soil erosion and exhaustion diminished the availability of cotton land, scarcity and heavy demand forced the price of land and slaves to rise beyond the reach of most, and in newer cotton-growing regions, yeomen farmers were pushed off the land as planters expanded their holdings. In Louisiana, for example, nearly half of all rural white families owned no land. During the 1850s, the percentage of the total white population owning slaves declined significantly. By 1860, the proportion of whites holding slaves had fallen from about one-third to one-fourth. As slave and land ownership grew more concentrated, a growing number of whites were forced by economic pressure to leave the land and move to urban centers.

Despite the advantages the Confederacy had in well-trained officers and dedication to a cause, it was inevitable that the Union would win the war. The only hope for the Confederacy would have been that the Union would not resist secession, or that foreign nations would assist the Confederate cause. Once the Union decided to fight for unity and European nations chose to remain largely neutral, there was little long-term hope for the Confederacy. The Union's resources, although far from unlimited, were much greater than the Confederacy's resources, and would eventually last longer.

The Union had more than double the population of the Confederacy (including slaves), and almost four times the number of men of combat age. Even with only 50% of eligible men enlisted, relative to the Confederacy's 75%, the Union still had more than twice the number of people in the armed forces.

In addition to being more industrialized than the South (see "Contrasting Economies" Section), the North had better infrastructure. By the time of the Civil War, an extensive railroad system had been built, with new lines through the Northwest being added. In the South, disputes between states prevented the construction of interstate railroad systems. In all, the North had 20,000 miles of railroad compared to the South's 9,000 miles. In addition to possessing 70% of the total miles of railroad in the United States, the North had 96% of the United States' railroad equipment. The long-standing shipbuilding industry in New England ensured that the North would have a large merchant marine, as well as easy access to naval resources. Because of interstate conflicts, there were few continuous interstate railroad systems through the South. In addition, although there was a small Southern industry producing naval stores, there were few merchant ships or naval vessels in the South.

In the North, the US government was able to fund the war effort with the nation's treasury. The Union had strong banking institutions, and controlled at least 70% of the nation's wealth. To raise more funds, the US government raised taxes on goods and services and set high imports tariffs; In addition, the Treasury issued paper money ("greenbacks") which was not backed by gold, but by government credit, thus reducing the amount of specie necessary for a given amount of money. The US government also raised money by selling bonds to individuals and banks.

The Southern economy, with its agricultural emphasis and relative lack of industrialization, did not have the money or capacity to support a war effort. The Confederacy had less than \$1 million in specie in its treasury. Because of the Union blockade, Southern imports fell drastically, reducing the amount of import customs duties the Confederate government could collect. The blockade also prevented Southern farmers to export their goods; Southern cotton exports, for example, fell to 2% of their prewar volume. Thus, farmers and planters had little income with which to pay taxes. Because of issues of states rights, central Confederate taxation was too controversial to be effective, and the states were not contributing enough to the Confederate coffers to support its needs. The existence of slavery in the South and the unlikeliness of Confederate victory made foreign governments generally reluctant to loan money to the Confederacy. The Confederacy tried to raise money by borrowing from its citizens, in exchange for Confederate bonds. The Confederate government issued over \$150 million in bonds, none of which was ever repaid.

In order to raise money, the Confederacy printed more currency, about \$1 billion, causing drastic inflation. By 1864, Confederate dollars were worth about \$.05 in gold. Prices shot up, and many basic foods were out of the price range of most Southerners. In the spring of 1862, bread riots began in many Southern cities, the worst being the Richmond Bread Riot of April 2, 1862. More than a thousand women marched and rioted in downtown Richmond, shouting "bread or blood." Jefferson Davis himself ended the riot by appearing in person and threatening to order the militia to open fire.

By the end of the war, the South was economically devastated, having experienced extensive loss of human life and destruction of property. Poverty was widespread, and many resented the many Northerners and Southerners who took advantage of the needy in the South as the war came to an end. These conditions made it more difficult for the nation to heal the wounds which its union had suffered.