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## CHATTANOOGA, TENNESSEE: ITS ECONOMIC HISTORY IN THE YEARS IMMEDIATELY FOLLOWING APPOMATTOX

By JAMES W. LIVINGOOD

As Market Street was being cleared of trees, one of the leading citizens of the little community of Chattanooga climbed onto a stump and harangued the workmen on the theme that they were living "at the funnel of the universe." The favored geographic location which first brought men to this area did not disappoint those who believed in the city, although the stump speaker on Market Street did exaggerate in his enthusiasm. Willson Whitman in her book entitled *God's Valley* emphasized the importance of Chattanooga's location most vividly when she described it as follows: "The Valley [of the Tennessee] watershed is best described as shaped like a butterfly with its waist at Chattanooga."<sup>1</sup> The wings, veined with large and small tributaries, reach out into East and West Tennessee. Not only does the body of the butterfly have access to both the upper eastern part of Tennessee and Virginia and the great West, but there are also numerous smaller valleys that open near Chattanooga, giving access to the southeast and southwest, which can be likened to the legs of this imaginary creature. These latter valleys were the natural pathways through the mountains to the cotton South and made Chattanooga the cross roads for a wide area. These geographic advantages were realized even in the days of Indian occupancy, when John Ross based his trading operations here in the later years of the Cherokee Nation's residence in the region.

As the hamlet of Ross's Landing grew from a straggling frontier trading station into the fairly compact village of Chattanooga, it revealed a history of adventure, peril, fortitude, and energy. At an early date it became the chief stopping place for the occasional steamers that used the river between the Muscle Shoals and Knoxville.<sup>2</sup> The hazards of the river, however, and the geographic advantages for overland traffic soon turned attention away from the

<sup>1</sup>Willson Whitman, *God's Valley* (New York, 1939), 5.

<sup>2</sup>J. H. Alldredge, et al., *A History of Navigation on the Tennessee River System, House Documents*, 75 Congress, 1 Sess., No. 254 (Washington, 1937), 62; T. J. Campbell, *The Upper Tennessee* (Chattanooga, 1932), 9-45.

The *Chattanooga Times* of May 6, 1881 gives the following data of early steamboats which came over Muscle Shoals before 1856 as furnished by Captain George Nicholson for the *Kingston East Tennessean*: 1829: *Atlas* (Captain Connor);

Tennessee to broader trade areas. As early as 1826 the representatives of the state of Georgia, interested in obtaining western trade and in tapping the Tennessee River, recognized the importance of the site later to become Chattanooga.<sup>3</sup> Sometime later the state of Georgia undertook to construct a railroad known as the Western and Atlantic Railroad, which reached northward from Atlanta, and on May 9, 1850<sup>4</sup> completed a thorough connection from Chattanooga to Savannah, Georgia, and Charleston, South Carolina. The Western and Atlantic was actually the first railroad in the United States to reach beyond the Alleghany Mountains into the Mississippi Valley and celebrated its completion only twenty-five years after England's first railroad, the Stockton and Darlington, was put into operation.

As the prospect for completion of the Western and Atlantic began to crystallize, other routes leading from Chattanooga grew in importance. In the decade after 1850 the Western and Atlantic in magnet fashion attracted three routes all joining it at Chattanooga. The Nashville and Chattanooga gave access to the north in 1854.<sup>5</sup> On March 28, 1857, the last spike was driven in the Memphis and Charleston Railroad,<sup>6</sup> connecting the former city with Chattanooga, while a short time later the East Tennessee and Georgia, previously known as the Hiwassee, paralleled the Tennessee River through the eastern part of the state.<sup>7</sup> By 1860 Chattanooga was the focal point of the railroads in the whole Southeast and had connections with most of the important centers in or contiguous with that region.

In 1860,<sup>8</sup> when this little community of approximately 5,000 persons served by river and rail was just twenty-two years of age,

1830: Knoxville (Beardan); 1832: *Reliance* (Coatney), *Guide* (Caselman); 1834: *Harkaway* (Nicholson); 1835: *Holston* (French); 1836: *Huntsman* (Mahan); 1837: *Pickaway* (Bledsoe); 1838: *Samaritan* (Sneed), *Enterprise* (Nicholson); 1840: *Cassandra* (Chapman); 1850: *Chattanooga* (Mahan), *Jefferson* (Nicholson), *Lincoln* (Doss), *Lady of Augusta* (Williams); 1851: *Fanny Mahone* (Todd), *Molley Garth* (Todd); 1852: *Union* (Spiller), *Jim Jackson* (Mahan), *Blackhawk* (Vaughn); 1853: *Lookout* (Todd); 1854: *Holston* (Jacques); 1855: *Knoxville* (Jacques). A number of these boats are not mentioned by Campbell, *op. cit.*, although he gives more correctly the dates for some of the above, particularly the *Atlas*, which came over the Shoals in 1828 instead of 1829.

<sup>3</sup>J. H. Johnston, *The Western and Atlantic Railroad of the State of Georgia* (Atlanta, 1931), 5-6.

<sup>4</sup>Chief Engineer of the Western and Atlantic Railroad, *Report for 1850*, 1. Secondary accounts gives greatly varying dates for the completion of this railroad.

<sup>5</sup>S. J. Folmsbee, "The Origins of the Nashville and Chattanooga Railroad," *East Tennessee Historical Society's Publications*, No. 6 (Knoxville, 1934), 94.

<sup>6</sup>T. D. Clark, "The Building of the Memphis and Charleston Railroad," in *ibid.*, No. 8 (1936), 23.

<sup>7</sup>J. W. Holland, "The East Tennessee and Georgia Railroad, 1836-1860," in *ibid.*, No. 3 (1931), 103.

<sup>8</sup>Charles D. McGuffey, *Standard History of Chattanooga* (Knoxville, 1911), 173-74; Zella Armstrong, *The History of Hamilton County and Chattanooga, Tennessee*, II (Chattanooga, 1940), 181-82.

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it is reported to have operated twenty-two small industries where some 214 men were employed. These industries represented only a primary type of manufacturing where raw materials and country produce were processed. Saw mills, carpenter shops, two or three flour mills that brewed by-products as well as ground flour, blacksmitheries, and an iron furnace or two indicated the beginning of an industrial center. Probably the most important of these ventures was the iron establishment which appears to have been started about 1850 as the East Tennessee Iron and Manufacturing Company. Here two pioneers in this business, Robert Cravens and Thomas Webster, revealed the possibilities of a branch of industry that was later to become the backbone of Chattanooga's economic life. About 1860 this plant, then known as the Chattanooga Foundry and Machine Shop, was making heavy machinery for the Ducktown Copper Mines<sup>9</sup> as well as the heavy machinery for another ironmaster, Colonel S. B. Lowe, who was in the process of erecting a foundry to be known as the Vulcan Iron Works when the war broke.<sup>10</sup> There is also some evidence that a second furnace was in operation before the war; a Captain Bill Jones, representing northern capital, is reported to have operated a large blast furnace here, but when hostilities reached Chattanooga he closed his plant and went north.<sup>11</sup>

The juggernaut of war was drawn to Chattanooga by the commercially strategic advantages presented by the railroad junction, which was intended to bring peaceful prosperity rather than the social disease called war. The people of the town were scattered; marching armies disrupted all economic activity; Mr. Lowe dismantled his iron plant before it was finished and removed it to Alabama; railroads were torn up, later to be operated by the United States Military Railroad. Such havoc was wrought to the property and business of the town that, as new social, economic, and political questions of general reconstruction confronted the citizens of the town in 1865, so did the more immediate question of local rehabilitation. Saw mills, foundries, and retail shops had to start new careers. Progress encouraged by the enterprise, perseverance and energy of the town folk was frequently interrupted by such events as the great flood of 1867,<sup>12</sup> when a steamboat travelled on Market

<sup>9</sup>L. L. Parham, *First Annual Directory . . . of the City of Chattanooga* (Knoxville, 1871), 53.

<sup>10</sup>*Ibid.*, 55-56; McGuffey, *op. cit.*, 175.

<sup>11</sup>*Ibid.*, 174-75.

<sup>12</sup>D. E. Donley, "The Flood of March, 1867, in the Tennessee River," *East Tennessee Historical Society's Publications*, No. 8, 74-81. This inundation is called "the most disastrous flood that has visited the Tennessee Valley since its settlement by the white man."

Street; by numerous fires in both business and residential sections; by sporadic cases of cholera; and by the failure of the Alabama and Chattanooga Railroad, which struck a hard blow to local business men. The years following 1865 were not easy ones for Chattanooga or any of the war-torn southern communities.

It is rather hard to imagine the poor, small, unattractive village of Chattanooga that existed during the critical years that followed Appomattox. Certainly the town could not turn to great past achievements for consolation. But there was opportunity locked in the natural resources and the geographic features of its locale. The hope of developing these physical resources, coupled with a frontier-like faith in the future, generated the momentum which successfully carried the town through the critical years following the war. By 1870 her population had recovered its losses and amounted to something over 6,000, but her industries were still small and trade spasmodic. However, it is claimed that by that year fifty-eight industrial establishments were operating, employing some 850 workmen.<sup>13</sup>

The commercial part of Chattanooga in the 1860's was practically limited to Market Street between the river and Ninth Street. Broad Street was then known as Railroad Avenue, where the tracks of the Western and Atlantic were located, which, of course, was convenient for the stores whose back doors served as depot platforms. The architecture of the scattered buildings was severely criticised even in that day for design without "any possible reference to taste or convenience."<sup>14</sup> The editor of the *Athens Post*, after a visit to Chattanooga in 1868, said that the "spirit of improvement does not seem to be exercising a very large control" and that "a portion of the buildings begin to look time-worn and seedy."<sup>15</sup> An even more unfriendly account tells us that "two thirds of the houses are miserable, board shantys with clay chimneys," a statement which was challenged by the editor of *The Daily Republican*, which was for a time the only newspaper in the town.<sup>16</sup>

The streets of Chattanooga and the roads leading into the town revealed the same proximity to frontier conditions as the unattractive wooden buildings. It was claimed that Chattanooga could "be transported from a mud-hole to a sea of dust quicker than any place" known. Market Street, badly abused by the warring armies, was desperately in need of repair and was likened unto

<sup>13</sup>McGuffey, *op.cit.*, 173-74.

<sup>14</sup>*The Daily Republican* (Chattanooga), April 9, 1869.

<sup>15</sup>*Ibid.*, December 10, 1868.

<sup>16</sup>From the pictures of the town at this time which are now available it certainly appears that the critics did little exaggerating.

the old man's mule which got "wusser from wear."<sup>17</sup> In 1868 when a Mr. Haroitz, a jeweler at Eighth and Market Streets, erected a large coal-oil lamp at his own expense, a local paper asserted that it would "certainly be appreciated in the dark muddy nights during the coming winter."<sup>18</sup> Nothing but the most miserable dirt roads was at the command of the farmers who wished to market produce in Chattanooga, and only a crude ferry operated on the river after the military bridge, which had been given to the city, was swept away in the 1867 flood. Realizing the importance of better transportation facilities, the editor of *The Daily Republican* wrote, "From field to market there should be but few hills, and no quagmires, or loose sand, to impede the passage of vehicles. The farmer should be enabled to reach the market without difficulty, delay or damage to his animals or wagon. Good roads and unrestricted trade make great cities. This is one of the wants of Chattanooga."<sup>19</sup>

Nor were the streets and alleys of the town in condition to defy inspection by health officials. Even Market Street was considered not compatible with what is essential to good health. It was said that "Its appearance indicates wealth to doctors and bankruptcy to life insurance companies."<sup>20</sup> This condition, it was lamented, frightened away people with capital who planned to move to Chattanooga.

The greatest factors of adversity, however, were a lack of capital and general depression conditions. So frequent was the mention of hard times that the paper noted after a day of good business on April 9, 1868, "at least one day of cheerfulness has passed over the heads of our businessmen."<sup>21</sup> Money was not available for daily business transactions, much less for industrial expansion. There is evidence that many commodities were exchanged on a barter basis and that newspaper subscriptions were often paid with local produce. A city ordinance passed in 1869 provided for an issue of municipal scrip which city employees had to take as pay and which could be used to pay taxes.<sup>22</sup> This practice was followed until 1876 during which time thousands of dollars worth of paper were circulated. Naturally, depreciation accompanied this fiat money and brought much trouble to the city officials, as one could buy scrip at times for as low as thirty-five cents on the dollar and

<sup>17</sup>*Ibid.*, April 7, 1868.

<sup>18</sup>*Ibid.*, September 12, 1868.

<sup>19</sup>*Ibid.*, April 25, 1868, August 18, 1869.

<sup>20</sup>*Ibid.*, March 9, 1869.

<sup>21</sup>*Ibid.*, April 9, 1869.

<sup>22</sup>Armstrong, *op.cit.*, II, 79-80.

then pay taxes with it at full value.<sup>23</sup>

The lack of capital for industrial development was a major worry of enterprising citizens who preferred to see Chattanooga develop manufacturing enterprises rather than remain a place "trading on butter and eggs." Full support was given Governor William G. Brownlow, who in his inaugural address in 1865 plead for state action to attract economic carpetbaggers to Tennessee.<sup>24</sup> When the state appointed the Reverend Hermann Bokum to head the Board of Immigration created in 1867, local newspapers joined in the endeavor to paint a sanguine picture of the Chattanooga area. *The Daily Republican* carried on its front page for approximately one month in 1868 an announcement which appears to have been a paid advertisement designed to attract men and money to the town. It read:

WANTED IMMEDIATELY ANY NUMBER OF CARPET-BAGGERS  
TO COME TO CHATTANOOGA AND SETTLE

The people of Chattanooga, no longer wishing to stay in the background, and feeling the necessity of immediately developing the vast mineral resources surrounding them, by which they can place themselves on the high road to wealth, prosperity and power, extend a GENERAL INVITATION to all CARPET-BAGGERS to leave the bleak winds of the North and come to CHATTANOOGA.

It is unnecessary to repeat what is universally known, that our climate is mild and healthful; our soil fertile, and our mineral resources and railroad facilities unequalled in the world.

Those who wish to come can be assured that they will NOT BE REQUIRED TO RENOUNCE THEIR POLITICAL AND RELIGIOUS TENETS, as the jurisdiction of the Ku Klux and other vermin does not extend over these parts.

Persons wishing to immigrate will be furnished detailed information concerning any business, by addressing Box 123, Chattanooga, Tennessee.

VOX POPULI

P. S. Those having capital, brains, or muscle preferred.<sup>25</sup>

Such pleas did not go unanswered. Although the state program in general did not appear to be very successful, people from many sections of this country and from Europe moved to Chattanooga. In the years immediately following the close of the war, the town developed a cosmopolitan population which can be illustrated

<sup>23</sup>*Ibid.*, 79; *Chattanooga Times*, October 26, November 25, 1879. The *Times* says that the evils of scrip were, however, not stopped when the court ordered its suspension. Intangible scrip called "Ledger Balances" were substituted; city employees thus bought goods on their "time" as collateral for their promises to pay. This was still a basic problem in 1879, when many local merchants would not receive an order on the city at any price.

<sup>24</sup>W. B. Hesseltine, "Tennessee's Invitation to Carpet-Baggers," *East Tennessee Historical Society's Publications*, No. 4 (1932), 102-15.

<sup>25</sup>*The Daily Republican*. This first appears in the issue of December 8, 1868.

by enumerating the regions from which the doctors in Chattanooga in 1868 came: three were Chattanoogaans and two came from other parts of Tennessee; one was a native of Ohio; one came from Kentucky; one from New Hampshire, who had been with the Federal army; one from western New York; one from Germany; one from Florida; and one from England.<sup>26</sup>

The business activities of Chattanooga after 1865 were chiefly retailing and wholesaling, although lively interest began to be shown in the development of manufacturing. At the wharf on the river in the season when the Tennessee carried sufficient water could be seen the little steamboats *Mary Byrd*, *Cherokee*, *Rasacca*, *Minnie*, *Kingston*, *Lucy Coker*, and *Alert*, laden with large quantities of corn but also delivering to Chattanooga from up stream other agricultural products such as wheat, hay, bacon, lard, eggs, peas, potatoes, and other country produce. The steamer *Alert*, a 125 ton craft, measured 125 feet in length, 20 feet across the beam and drew only 12 inches of water when light. In May, 1868, advertisements stated that this boat under Captain H. G. Henneger "Will trade all the season between Chattanooga and Knoxville, the draft of the boat enabling it to run at all times. She will also run on all tributary streams, French Broad, Little Tennessee, Clinch, and Hiwassee, on the rises. Also, up Sale Creek and Emory River."<sup>27</sup> The *Mary Byrd*, on docking in January, 1869, carried a typical cargo from up stream. She carried 6,864 bushels of corn, 616 bushels of wheat, 870 bushels of oats, 22 bushels of rye, 114,462 pounds of hay, 2,700 pounds of bacon, 200 pounds of lard, 90 sacks of flour, 42 bushels of potatoes, 140 bushels of peas, 12 bushels of onions, 24 bushels of fruit and 30 passengers.<sup>28</sup>

Pulled up along shore among the steamers were also to be seen flatboats and rafts steered down stream by sailor-farmers who brought their own logs, lumber and produce to market from shoal waters where steamers could not travel or who preferred to use this method of marketing to save freight costs. *The Knoxville Whig* noted in a deploring tone that a considerable number of these craft passed by that town for Chattanooga.<sup>29</sup> A few coal barges from the Sale Creek mines, a mail boat that plied downstream, or a local trade boat that was the "chicken wagon" of the river and served the rural people who lived on its shores, could also have been examined along the shore near the foot of Market Street.

Chattanooga was the entrepot for the up-river producers since

<sup>26</sup>*Ibid.*, October 23, November 11, 1868.

<sup>27</sup>*Ibid.*, May 20, 1868. Advertisement first appears on this date.

<sup>28</sup>*Ibid.*, January 19, 1869.

<sup>29</sup>*Ibid.*, April 24, 1868.



many steamers seldom passed beyond the town through the treacherous waters of the Skillet, the Boiling Pot, the Suck, and Tumbling Shoals, which restricted navigation where the Tennessee cuts its gorge between Walden's Ridge and Raccoon Mountain just below Chattanooga. Upstream navigation was not without its hazards and, as interest concerning the river ran high, a revival of enthusiasm in improving the river in the latter part of the 60's was not unexpected. Public meetings were called to attract attention to the problem and to solicit aid from the federal government.<sup>30</sup> The first issue of *The Daily Republican* for 1869 proudly called attention to a dredge which was then operating on the river and said, "We may soon expect to see it trying to tear the bottom out of the Tennessee."<sup>31</sup> Even before the dredge appeared, however, two rivermen organized an enterprise to bring cotton from the lower river, through the bad water, by steamer to Chattanooga, from which point it was to be forwarded by rail. It was claimed that nearly all the cotton of northern Alabama had come this way until 1855, "when superior enterprise" on the part of Memphis drew it westward. Now by making liberal advances upon shipments and by giving bills of lading from any point on the Tennessee between Decatur and Chattanooga through to New York it was hoped that this trade would again be diverted to its former channels.<sup>32</sup>

The interest displayed in regard to the river traffic did not mean that Chattanooga had forgotten her railroad facilities. The roads torn by war were gradually returned to their owners and put in working order. In December, 1867, the Nashville and Chattanooga reported an increase in business and announced that additional service would be provided.<sup>33</sup> The Western and Atlantic was finally brought into regular service although reconstruction politics kept it from good health for a considerable time. Local interest was also displayed in the Wills Valley road, which was chartered in 1852 to run to Gadsden, Alabama. This road, partly constructed before the war, received a stock subscription from Chattanooga amounting to \$100,000.<sup>35</sup> In 1868 this company and the Northeast and Southwest Railroad Company of Alabama were consolidated and merged into one unit to run from Chattanooga to Meridian, Mississippi, to be known as the Alabama and Chattanooga

<sup>30</sup>*Ibid.*, February 8, March 8, 1868.

<sup>31</sup>*Ibid.*, January 2, 1869.

<sup>32</sup>*Ibid.*, November 10, 1868.

<sup>33</sup>*Ibid.*, December 18, 1867.

<sup>34</sup>Johnston, *op.cit.*, 57-63.

<sup>35</sup>*Chattanooga Times*, March 28, 1880.

Railroad.<sup>36</sup> Under the control of J. C. and D. N. Stanton, carpet-baggers of Boston, millions of dollars from the Alabama state treasury were obtained from the Radical legislature for the use of these promoters.<sup>37</sup> Nevertheless, its future was cut short as it was seized by the state of Alabama shortly after completion in 1871 and, until April 15, 1877, was the prey of complex litigation.<sup>38</sup> Allowed to run down badly during these years, the Alabama and Chattanooga Railroad's value as a carrier was seriously limited until purchased for the Erlanger Syndicate in 1877.

Much more extensive was the enthusiasm for the new railroad from Cincinnati which was being planned by that city. After due consideration Chattanooga was chosen as the terminus of this road and, on the announcement of another iron link broadening Chattanooga's trading area, a grand turnout at the city hall was staged. *The Daily Republican* for June 8, 1869, announced, "Last night at an early hour, the City Hall was crowded to its utmost capacity by an enthusiastic assembly of citizens anxious to testify their joy at the selection by Cincinnati of this place as the Southern terminus of the Great Southern Trunk Railroad. The meeting was ushered in by the booming of cannon and illuminated by a gorgeous display of fireworks."<sup>39</sup> Railroadng was again about to dominate Chattanooga's economic life, although this municipally-built railroad was not completed until 1880.

Along Market Street were the shops of retail and wholesale merchants and near the river the warehouses of commission merchants who transshipped goods brought in by the river trade. Many of the merchants of the larger stores made annual or bi-annual trips to eastern markets, especially New York, and proudly advertised when their new stock arrived. Some doing wholesale as well as retail business announced that their stock was so complete that "country merchants will save the expense of a trip east" by purchasing from them. Parham's city directory of 1871 lists in its classified index of advertisements two houses specializing in agricultural implements, a coal dealer, two clothing concerns, six commission merchants, two drug concerns, eight dry goods merchants, three furniture dealers, a seller of "gents' furnishings," seven grocers, three hotels, two dealers in leather and three in iron, two merchant tailors, two lumber dealers, and one man who sold plumbers' ma-

<sup>36</sup>*Daily Republican*, December 25, 1868; J. W. Dubose (ed. by J. K. Greer), *Alabama's Tragic Decade* (Birmingham, 1940), 153-54, 177.

<sup>37</sup>*Ibid.*, 177-84, 239.

<sup>38</sup>*Ibid.*, 184-88; A. S. Ochs and D. B. Harris, *The Chattanooga Directory and Business Gazette, 1878-79* (Chattanooga, 1878), 107.

<sup>39</sup>*Daily Republican*, June 8, 1869.

terials.<sup>40</sup> To this list one could no doubt add a number of other small shops as well as the numerous grog shops.

The important center for agricultural implements was the house of Ruble and Hight, a partnership composed of an Indianian and a Georgian. Although their experiment in the store and in the partnership was more or less a chimerical one in the years just after the war, they seem to have done a fair business in everything from "hoes to threshers." L. L. Parham, compiler of the first city directory of Chattanooga, writes that during the harvest season of 1870 they sold 60 threshing machines, 72 reapers and mowers, and over 100 horse hay rakes. Their trade in plows was also good with a sale of 225 reported for the month of January, 1871.<sup>41</sup>

In the dry goods and grocery business the concern of William Crutchfield and Company was outstanding. Organized just after the war, they carried on an extensive trade and vigorously announced the presence of their stock to the public. They offered for sale staple and fancy dry goods, domestics, hosiery, "Yankee notions," boots, shoes, hats, and groceries.<sup>42</sup>

Although it was realized that the main business in Chattanooga at this time was that of trade, much more interest was shown toward the small manufacturing plants and the future of manufacturing. Saw mills, furniture factories, and grist mills did moderate business in season but the most outstanding development was to be found in the iron industry. Although the armies had commandeered the use of the existing establishments during the campaigns around Chattanooga, their owners soon had them returned to private business although the equipment was most likely well worn. Saw mills and furniture factories had their raw materials floated down the river to their locations, and the writer of the first city directory states that the capital employed in wood manufacture amounted to \$150,000 in 1871.<sup>43</sup> Three saw mills were in operation in 1865, with the Loomis and Bennet concern alone capable of sawing 50,000 feet of lumber a day.<sup>44</sup> However, all three were washed out by the flood of 1867 and only Loomis and Bennet rebuilt. Two furniture factories, those of Pierce and Wood and Charles Sunquist, turned out bureaus, bedsteads, chairs, etc., while Waters, Monteith and Company specialized in school furniture.<sup>45</sup> The grist mills continued to use up-river grain for flour and whiskey

<sup>40</sup>Parham, *op.cit.*, 7-8.

<sup>41</sup>*Ibid.*, 35-36.

<sup>42</sup>*Ibid.*, 40; *Daily Republican*, March 25, April 7, 1868.

<sup>43</sup>Parham, *op.cit.*, 47.

<sup>44</sup>Ochs and Harris, *op.cit.*, 118.

<sup>45</sup>Parham, *op.cit.*, 40-42, 58.

with Daniel Kaylor leading in this field. There was also operating in 1868 the inevitable Mineral Water Factory which possibly pointed the way for the proprietary medicine business in this region.<sup>46</sup>

The iron industry, which had its birth before the war, recovered rapidly after 1865 and built the foundations for the future industrial activity in Chattanooga. In 1871 the amount of capital invested in iron manufactories totaled about one million dollars.<sup>47</sup> Thomas Webster's establishment survived the war and it is reported that after the departure of the armies this concern gathered used iron shells from the battlefield and reworked them into iron products for peacetime use and thus contributed to an earlier reconstruction in the central South.<sup>48</sup> In 1869 this company, the Chattanooga Foundry and Machine Company, was doing a fair business; among its orders was one for 25 cars for the Alabama and Chattanooga Railroad.<sup>49</sup> Parham says some 100 hands were employed in 1871 and states, "To see the life and energy in such a place makes a man ashamed to be idle."<sup>50</sup>

Colonel S. B. Lowe, who was preparing for business before the war, returned to Chattanooga and commenced rebuilding the Vulcan Iron Works about 1866. Only the untiring energy of its leader kept this company alive during these years. In 1868 *The Daily Republican* commented that the Vulcan works had been running regularly for some time. By 1871 about 200 men were employed in the rolling mill, blacksmith shop, and machine shop making car axles, all kinds of merchantable iron, flat and box cars, while the management was planning to roll railroad iron.<sup>51</sup>

In 1864 the Federal government built a rolling mill in Chattanooga which was used for re-rolling railroad rails torn up and twisted by the Confederate forces. This property was leased in October, 1865 to John A. Spooner of Massachusetts, who in turn assigned his interests to the Southwestern Iron Company, an organization which was dominated by the great ironmaster, Abram Hewitt.<sup>52</sup> By May, 1868, this company could not get enough old iron to operate at capacity; wages were reduced and men laid off.<sup>53</sup> At the end

<sup>46</sup>*Daily Republican*, August 1, 1868.

<sup>47</sup>Parham, *op.cit.*, 47.

<sup>48</sup>McGuffey, *op.cit.*, 174.

<sup>49</sup>*Daily Republican*, February 28, May 26, 1869.

<sup>50</sup>Parham, *op.cit.*, 51, 54.

<sup>51</sup>*Ibid.*, 55-57.

<sup>52</sup>Allan Nevins, *Abram S. Hewitt* (New York, 1935), 252. Hewitt was one of the first great American iron masters; his political interests placed him in Congress for five terms as well as in the mayor's chair in New York. General Gustavus W. Smith served as general manager of the Southwestern Iron Company and Hewitt himself was treasurer.

<sup>53</sup>*Ibid.*, May 8, 1868.

of the year it was announced that this plant, which had a capacity of producing 300 tons of railroad iron per week, would be sold.<sup>54</sup> This mill was bought by the Roane Iron Company, enlarged and developed as this concern's Chattanooga plant.

The Roane Iron Company was incorporated in 1867 under the trained eye of General John T. Wilder, who knew the iron business from his work in Ohio and Indiana before he became associated with the Union army and Wilder's Lightning Brigade.<sup>55</sup> Having property in Tennessee, acquainted with the resources of the region through his interest in geology, and seeking a mild climate to recuperate his health, Wilder moved to Chattanooga at the age of 36.<sup>56</sup> General Wilder was joined by a party of capitalists headed by W. O. Rockwood and built up the iron furnaces at Rockwood in Roane County in 1867.<sup>57</sup> In 1869 Hewitt and a number of new individuals were brought into the company when the Southwestern Foundry at Chattanooga was purchased from the federal government. The latest improved machinery was installed, including Dank's improved rotary puddling furnace, which the traveller Robert Somers commented was the first working test for this method.<sup>58</sup> It was evident from the time of the company's organization that it would be a leader in the iron industry, not only in Chattanooga, but throughout the central area of the South.

Three other smaller iron works were started in 1870. The Enterprise Machine Works, operated by a man from Pittsburgh, began making small tools, pumps, lathes and small engines.<sup>60</sup> The Novelty Machine Works, organized by two men who had been connected with the Vulcan works, also made and repaired small tools, pumps, and lathes,<sup>61</sup> while Messrs. Bromley and H. Clay Evans were inaugurating their Car and Wheel Factory.<sup>62</sup> With these ventures in iron proving to be successful, many prospectors, usually "men from Pittsburgh," journeyed to Chattanooga to search out new sites for furnaces

<sup>54</sup>*Ibid.*, December 13, 1868, and March 24, 1869, which carries a reprint from the *Congressional Globe*. Mr. Nevins mistakenly writes that Hewitt bought the mill from the government within a few months after Appomattox. Actually proposals were not opened until December 31, 1868, but Hewitt had been operating it under lease up to that time.

<sup>55</sup>Samuel Cole Williams, *General John T. Wilder, Commander of the Lightning Brigade* (Bloomington, Ind., 1936), 2-3.

<sup>56</sup>*Ibid.*, 40-42.

<sup>57</sup>*Ibid.*, 42. Captain H. S. Chamberlain was the third important person in this venture. His blast furnaces were the first to use coke in the South.

<sup>58</sup>Robert Somers, *Southern States Since the War* (London, 1871), 106; Parham, *op.cit.*, 59.

<sup>59</sup>L. L. Parham, *Chattanooga, Tennessee; Hamilton County, and Lookout Mountain* (Chattanooga, 1876), 41.

<sup>60</sup>*Ibid.*, 42.

<sup>61</sup>*Ibid.*, 46.

<sup>62</sup>Parham, *First Annual Directory . . .*, 58.

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and new mines of ore and coal. So important did this business become that by 1878 the fourth of July parade was used to tell of the new industrial era.<sup>63</sup> The first float carried the sign "Cotton Was King"; the second said, "Iron is King Now"; while the third announced, "Coal is Prime Minister."

The adverse conditions that existed in the little town had not produced dejection or any semblance of a despondent note. Rather, it produced the most important development noticeable from a study of this period. Undoubtedly the philosophy of optimism and the sanguine hopes for the future voiced daily by the press and expressed by the local citizenry in glowing terms is the most important contribution of the sixties to the later development of this vicinity and is in marked contrast to the general tone of the reconstruction era. Individual initiative and the spirit of enterprise were regarded as the foundations on which a great city could be built. A dynamic spirit which welcomed enterprising men from all sections of the country to share in the advantages prevailed over provincial avarice to keep all the advantages for the native population. The first city directory in 1871 enumerated the possibilities for men of energy. The local press focused attention on the few who refused to sell good business sites at reasonable prices,<sup>64</sup> on the poor conditions of the streets, and the need for an agricultural society to foster and improve that branch of industry. Moreover, the editors continually wrote long articles about the mineral wealth, commercial opportunities, and the favorable manufacturing factors. They announced that Chattanooga would soon be a "hive of industry" and "the place of all places in the United States where capital can find its best investments." Due emphasis was placed on the low freight rates, the climate, the proximity to fertile farmlands, and especially on the spirit of harmony that existed between men from the North and men from the South who were living and working together. It is apparent from the many reprints of articles in *The Daily Republican* from newspapers in Chicago, Cincinnati, and numerous other cities and from articles as found in *Harpers Magazine* that information about Chattanooga was disseminated widely throughout the nation.

The great faith in the future, along with a keen appreciation of the natural resources of the area demonstrated by those eager to boost the town, bore remarkable results in the decades to follow. Prosperity did not fall into the laps of the pioneer merchants and manufacturers without great effort; but adversity was overcome by a spirit of confidence in the ability of the individual to realize and

<sup>63</sup>*Chattanooga Weekly Commercial*, June 30, 1878.

<sup>64</sup>*Daily Republican*, November 29, 1868.

use the gifts of nature that surrounded him. Vigorous activity in daily economic matters, along with an eager participation in civic matters and future developments of the community by residents who had come from the South and North, carried Chattanooga along the "Road to Reunion" at an early date.