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Benjamin D. Leiner April 11, 2014

Rebelling Against the King: Opposition to the Confederate Cotton Embargo in 1861

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Abstract

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In the early days of the Confederacy, Southern politicians, planters, and everyday citizens were discussing how the seceded states would successfully break away from the North and cement their independence. Southerners knew that European recognition, particularly by Britain and France, would be essential to the security of the Confederate nation. Most Southerners, including Confederate President Jefferson Davis, placed their hopes of foreign recognition on the South's domination of global cotton markets and the European powers' economic reliance on the staple. Based on his belief in "King Cotton," Davis decided to place an embargo on Confederate cotton once the war broke out, believing that Britain and France would rather break the Union blockade and procure cotton from the South than risk economic catastrophe and political upheaval at home. Previous historical works have assumed that the ubiquitous belief in "King Cotton" throughout the South led directly to Davis's embargo policy. However, there was a fierce debate throughout the South about how to use cotton to achieve European recognition and intervention in the Civil War. Robert Barnwell Rhett, a Confederate Congressman and one of Davis's most vocal critics, opposed the president's embargo, believing a policy based on free trade and the extension of commercial treaties to Britain and France would be a stronger guarantor of European recognition. Through his newspaper, the *Charleston Mercury,* and in the halls of Confederate Congress, Rhett fought against a policy based solely on the South's commercial power. Newspapers from Richmond to New Orleans opposed the embargo through their editorial pages and by reprinting articles from British newspapers condemning the embargo. The debate over the embargo even infiltrated the Confederate cabinet, where some of Davis's personal advisors vehemently protested his foreign policy platform. Although Davis was not willing to turn his back on his faith in King Cotton, a prominent constituency within the Confederacy fought against a foreign policy strategy that would ultimately fail to obtain European recognition.

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Introduction

On October 23, 1861, the chancellor of the University of Georgia, Andrew Adgate Lipscomb, penned a letter to Confederate Vice President Alexander Stephens to question the direction of Confederate diplomatic policy. Lipscomb believed that the Confederacy's all-but-official cotton embargo towards the neutral European powers was destined to fail.[1] Jefferson Davis supported a policy based on a cotton embargo because he believed that, without Southern cotton, European economies would plummet and the citizens of Britain and France would revolt. Rather than have their countries descend into political chaos, British and French leaders would use their naval power to break any Union blockade and procure the South's precious cotton. On the contrary, Lipscomb argued that "Without doubt, [cotton] is a great power but simply a commercial power, subject to the laws of trade, governed by the necessity and deliverableness of international exchanges, and in no respect except the degree of its importance to certain branches of industry, different from any other commodity."[2] Although Lipscomb believed that cotton was "king," he did not think that a policy based solely on the South's supremacy in international cotton markets could earn European recognition.

In the mid-nineteenth century, King Cotton theory had emerged from Southern planters and intellectuals and was fully shared by the common people. As the South's cotton production boomed in the antebellum era, the textile factories of Great Britain, the world's greatest industrial power, increasingly relied on the cotton states for their raw materials. In 1860, on the eve of the Civil War, between 80 percent and 85 percent of England's cotton came from the

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[1] Andrew A. Lipscomb to Alexander H. Stephens, October 23, 1861, box 23, reel 11, Alexander Stephens Papers, Library of Congress, Manuscripts Reading Room
[2] Ibid

American South.[3] Contemporary estimates claimed that the livelihoods of between one-seventh and one-fifth of the British population depended on the South's cotton. Moreover, as early as 1840, fully 60 percent of United States exports consisted of cotton. According to King Cotton theory, merchants, particularly in New York, depended on the cotton trade for their economic livelihoods.[4] During the Panic of 1857, while the American economy went into recession, the economies of the cotton states remained steady, demonstrating the commodity's commercial power. It was clear to most Northern and Southern observers that Southern cotton was driving American growth and fueling international trade.

As the prospect of secession emerged in national discourse, King Cotton assured the South of its ability to break away from the North and to form alliances with the great powers of Europe. Nationally prominent politicians, including planter, former governor, and then-U.S. Senator James Henry Hammond of South Carolina, touted King Cotton to boost Southern nationalism and perhaps to extract concessions from the federal government on behalf of the slave states. Hammond believed that cotton's power would deter the Union from trying to reclaim the Southern states if they seceded and would encourage Europeans to recognize the cotton states. In his famous "King Cotton" oration of March 4, 1858—the speech that gave the commodity its honorific title—Senator Hammond stood in the well of the Senate chamber and pontificated on the possibility of an interruption to Europe's cotton supply:

> What would happen if no cotton was furnished for three years? I will not stop to depict what every one can imagine, but this is certain: England would topple headlong and carry

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[3] Frank L. Owsley, *King Cotton Diplomacy* (Chicago: University of Chicago Press, 1959), 3

[4] Owsley, *King Cotton Diplomacy*, 14; Robert Russell, "Economic Aspects of Southern Sectionalism" (PhD diss., University of Illinois, 1922), 182: In the antebellum period, Southern planters, regardless of their stance on secession, believed that northern industrialists, particularly in New York, were extorting them through taxation and high tariffs. The South was largely dependent on Northern manufacturing and shipping interests to export their raw cotton overseas. Southern commercial conventions during the antebellum years sought a means to circumvent Northern markets and to trade directly with Europe.

> the whole civilized world with her, save the South. No, you dare not make war on cotton. No power on earth dares to make war upon it. Cotton is king.[5]

Before Fort Sumter, it seemed that Hammond's prophecy would be realized. The Union's passage of the Morill Tariff in March 1861 immediately made the Confederacy a more attractive trading partner. British newspapers were outraged at what they perceived to a new impediment to trade with the United States, and Southerners, including Jefferson Davis, the newly-inaugurated president of the Confederacy, believed that the South's lower tariffs created a positive incentive for European recognition. Any conflict between North and South would be brief because the interruption of the international cotton trade would necessitate swift European intervention. Confederate Secretary of War Leroy Pope Walker famously proclaimed that a single handkerchief would be able to mop up the blood of secession.

In accordance with King Cotton theory, when the Civil War broke out, Jefferson Davis adopted a foreign policy based on a cotton embargo. Davis's goal was to cause a "cotton famine" in Europe, and then blame it on the Northern blockade to encourage European recognition of the Confederacy and intervention into the Civil War.[6] Although national embargo legislation never passed the Confederate Congress, Davis relied on state governments, local planters, and municipalities to withhold cotton from the international market. Planters kept their cotton from reaching Europe and the North by storing it on plantations, burning it, or not growing it at all. Commandants of Southern ports would forbid vessels carrying cotton from leaving port, regardless of their destination. Simultaneously, in order to shift the blame of Europe's cotton shortage to the United States, Davis's emissaries in Europe argued that the Union blockade made the transportation of cotton hazardous. Although a cotton embargo would prevent currency from

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[5] "James Henry Hammond, On the Admission of Kansas, Under the Lecompton Constitution," Sewanee University, accessed February 10, 2014, http://www.sewanee.edu/faculty/willis/Civil_War/documents/HammondCotton.html

[6] This thesis will not discuss how the Confederacy used the threat of a cotton embargo to attempt a peaceful settlement with the North in early 1861. It will deal only with the embargo's application towards Europe.

flowing into the Confederacy, Davis believed the Southern economy would recover as soon as the war ended and the cotton trade resumed. His assumption that the Civil War would be brief contributed to his selection of a foreign policy that would inherently damage the Southern economy.

Davis's primary foreign policy objective was foreign recognition. Immediately after the war began, the United Kingdom recognized the Southern rebels as "belligerents," which greatly alarmed President Abraham Lincoln and his Secretary of State, William H. Seward. Seward and Lincoln declared that if England and France were to recognize the Confederacy officially, they would be declaring war against the Union. Davis knew that if he could entice the European powers into recognizing the Confederacy, the North would declare war, which would prompt Britain and France to break the Union blockade and buy Southern cotton. King Cotton theory assured Davis and embargo advocates that cotton's power alone would guarantee European recognition, and Davis believed that Europe would join the Southern side within the first year of its war of independence.

Scholars who have studied Civil War-era Anglo-American diplomacy—Frank Owsley, Howard Jones, and Amanda Foreman among them—have argued that King Cotton theory led naturally to the Confederacy's embargo, a policy based entirely on the ostensible supremacy of Southern cotton.[7] They assert that there was no real opposition either in the Southern population or within the Confederate government to shutting off the South's cotton trade with Europe. Owsley admits that, despite its failure, an embargo policy was consistent with the information the South possessed at the beginning of the war and that the policy was the unanimous choice of Southern politicians, intellectuals, and planters. He wrote that, "A close scrutiny of the origin and

[7] Owsley, King Cotton Diplomacy; Howard Jones, *Blue & Gray Diplomacy: A History of Union and Confederate Foreign Relations* (Chapel Hill: University of North Carolina Press, 2010); Amanda Foreman, *A World on Fire: Britain's Crucial Role in the American Civil War* (New York: Random House, 2011)

development of this King Cotton philosophy…will convince one of the logic of the doctrine."[8] Although the embargo was an abject failure, historians have never faulted Davis's logic or the idea that King Cotton theory was based on solid empirical evidence and rational thinking. They further assert that faith in King Cotton was so pervasive that Lipscomb's letter to Vice President Stephens in October 1861 reflected not a robust debate over Confederate foreign policy, but simply a solitary individual's opinion.

On the contrary, however, Lipscomb's letter was part of a raging debate throughout the South over Confederate foreign policy. Although almost all Southerners believed in the power of King Cotton, Lipscomb and other embargo opponents believed that British and French recognition should not depend only on Europe's access to Southern cotton, but on concerted diplomatic negotiations between Richmond, London, and Paris. Confederate citizens from Virginia to Texas engaged in a no-holds-barred debate over whether an embargo would be an effective tool to earn European recognition. Proponents claimed that a disruption of the cotton supplies of England and France would topple their economies and predicate their intervention in the Civil War. Equally as confident, critics argued that an embargo would fail. Anticipating that an embargo would be the centerpiece of the Davis administration's foreign policy, British newspapers, such as the *Economist* and the *Times* of London*,* took offense at the notion that a slavery-based, one-dimensional economy would seek to impose its political will on the most powerful and industrialized nation in the world. They also argued that cotton was not king and that England could find substitutes for Southern cotton to survive a Confederate-imposed cotton "famine." At home, as the Confederacy's diplomatic strategy crystallized in early 1861, Robert Barnwell Rhett, chairman of the Confederate Congress's Committee on Foreign Affairs and owner of the *Charleston Mercury*, led the charge against the embargo, arguing that only a policy

[8] Owsley, *King Cotton Diplomacy,* 1

of extending commercial treaties and unrestricted access to cotton could invite European intervention. Although Rhett believed in King Cotton, he did not believe cotton alone could fulfill the South's foreign policy objectives. Other Southern newspapers from Richmond to New Orleans joined Rhett's opposition to what they claimed would be a disastrous policy.

The debate about King Cotton's diplomatic application extended to members of President Davis's cabinet. Secretary of State Robert Toombs agreed with Rhett's proposed policy and disagreed with Davis's decision not to grant the Confederate legations power to negotiate trade agreements.[9] Early in the war, Vice President Alexander Stephens also developed an alternate cotton policy both to encourage European recognition and to finance the war effort. Treasury Secretary C.G. Memminger understood that Southern planters had to sell at least some of their cotton abroad in order to finance the South's struggle for independence, and he repeatedly stifled state and local authorities' attempts to enforce the embargo locally. Memminger's views echoed those of many prominent planters throughout the South who wanted to maintain their large cotton profits as well as obtain European recognition. The Convention of Cotton Planters convened in July and October 1861 to oppose the embargo, and proposed ways to extract the maximum profit from the year's crop that would also encourage the European powers to recognize the Confederacy. Although none of these proposals persuaded Davis to change his policy, they demonstrate the vibrant debate both in and out of the halls of government about how cotton could secure Confederate independence.

This thesis, by examining newspapers on both sides of the Atlantic, Confederate Congressional records, government archives, and personal correspondence, demonstrates that Lipscomb's October 1861 letter to Stephens was not an isolated event but a reflection of a broad debate. Historians have assumed that because virtually all Southerners believed in King Cotton,

[9] Rembert Patrick, *Jefferson Davis and His Cabinet* (Baton Rouge: Louisiana University Press, 1944)

an embargo was the inevitable cornerstone of Confederate foreign policy. However, they have missed the vigorous debate throughout the South over Confederate foreign policy. While Jefferson Davis and his supporters believed in the viability of a cotton embargo, his opponents, led by Robert Barnwell Rhett, believed that a policy based on the positive incentive of free exchange of cotton would guarantee European intervention. Proponents of the embargo believed that cotton and a few military victories were all the South needed to achieve European recognition and to defeat the North. Yet, a significant constituency throughout the South believed that the diplomatic carrot of free trade incentives and commercial treaties with Great Britain would be a more effective formula to entice Europe into the Confederate war of independence.

Chapter I

The King Ascends the Throne

Old Cotton will pleasantly reign
When other kings painfully fall,
And ever and ever remain
The mightiest monarch of all!
Boys, of all.
The mightiest monarch of all!

--"Old King Cotton," by George P. Morris, 1851[10]

When Jefferson Davis took office in February 1861, his every decision had the potential to make or break the Confederate States of America's struggle for independence. His belief in the supremacy of King Cotton predisposed him towards a policy centered on the commodity's economic and political power. In the twenty years leading up to Fort Sumter, King Cotton theory had grown out of both the South's leadership of global cotton markets and pro-slavery arguments, and made Southerners confident that they could break away from the Union without firing a single shot. Southerners read reports from newspapers on both sides of the Atlantic detailing Britain's and the United States' dependence on Southern cotton, and Davis and many planters believed the North would not try to reclaim the cotton states. Planters journals, such as *De Bow's Review*, argued that once the South lowered its tariff rates below the Union's seemingly oppressive duties, Europe would abandon its alliance with the North and trade freely with the South. Once the war broke out, King Cotton theory convinced Davis to adopt an embargo-based foreign policy on the premise that cotton alone would bring Europe into the South's war of independence.

[10] George P. Morris, "Old King Cotton," *De Bow's Review*, March, 1861, 381.

However, rather than panicking once the prospect of a cotton embargo emerged, British newspapers expressed determination to find alternate sources of raw cotton for the Manchester mills, and outrage at the notion that England would act only in accordance with its short-term commercial interests. Once the war broke out, these British journals, such as the *Economist* and the *Times* of London, suggested that Britain would be able to overcome any Confederate cotton embargo; however, only a few Southern newspapers cited stories from overseas contradicting their prior ideas about King Cotton and the efficacy of an embargo. Although pro-embargo newspapers were certainly aware of reports from across the Atlantic predicting the failure of Confederate diplomacy, they ignored them, probably because of their desire to please their readers and their faith in a diplomatic strategy based solely on King Cotton.

King Cotton theory began to emerge in the 1840s when Southern cotton began to dominate the global market. By 1860, sixty-seven years after Eli Whitney's cotton gin made the production of Southern cotton profitable, the cotton states were witnessing an economic boom that seemingly would never end. [11] Despite the collapse of most of the American economy in the Panic of 1857, cotton prices continued to rise because of increasing foreign demand, and the Southern economy continued to grow—in the decade preceding the Civil War, Southern exports grew by over 60 percent.[12] The profitability of cotton caused currency to flow southward; the Southern states held a larger percentage of American specie in 1860 than ever before.[13] Southerners knew that because cotton made up more than three-fifths of American exports from 1851-1860, the North's economy depended on slavery almost as much as the South's did.[14]

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[11] Russell, "Economic Aspects," 184: The 1854 Southern Commercial Convention held in Memphis declared that if the South were to break away from the North, its leadership in the global markets and its low tariffs would compel European powers to recognize the cotton states and trade freely with them.
[12] Owsley, *King Cotton Diplomacy,* 11-12
[13] Russell, "Economic Aspects," 205
[14] Owsley, *King Cotton Diplomacy,* 12-14

Additionally, by the late 1850s, not only did raw cotton from the American South supply between three-quarters and five-sixths of the material for British textile mills, it also supplied 90 percent of all French cotton imports, more than half of the German cotton supply, and an estimated 92 percent of all the cotton in Russia.[15] The British *Economist* estimated in January 1861 that "nearly four…million [Englishmen] are dependent for their daily bread on [the cotton] industry."[16] Slavery made cotton production possible, and Southerners, both planters and yeoman, believed in the benevolence of what they believed to be a social system endowed by God. Based on universally-held arguments regarding the biological inferiority of blacks, pro-slavery theorists, including James Henry Hammond and Thomas Dew, argued that slavery was the most gracious and generous way to treat African-Americans. The success of Southern cotton in international markets further justified the institution at the heart of Southern national aspirations.

Before war broke out, Southerners had reason to believe their cotton was not only the most plentiful in the world, but also that it was of the highest quality. Although pride in their staple and labor system certainly played into this idea, foreign and domestic newspapers constantly referred to the superior quality of American cotton compared with cotton from other parts of the world. Secessionists, in particular, were avid readers of the *Economist*, which occasionally provided statistics and opinions to support the supremacy of American King Cotton. Indian cotton, it claimed, "yields more waste, that is, loses more in the process of spinning," and "when cleaned, though of a richer color than the bulk of the American, is always much shorter in staple or fibre; the result of which is that in order to make it into equally strong yarn it requires to

[15] Owsley, *King Cotton Diplomacy*, 2; Sven Beckert, "Emancipation and Empire: Reconstructing the Worldwide Web of Cotton Production in the Age of the American Civil War," *The American Historical Review* 109 (2004), 1408

[16] Owsley, *King Cotton Diplomacy,* 9

be harder twisted." The consequence was that, "the same machinery will give out from 10 to 20 percent more American yarn than *Surat* [Indian] yarn."[17] The *Southern Cultivator*, one of the South's most widely-read planters journals, observed that even when Indian cotton was used in British manufacturing, it was blended with American cotton to produce a higher quality garment.[18] Although India had a sufficient labor supply and climate for the production of cotton, its poor infrastructure and distance from England prohibited the product from coming to market at a reasonably low price.[19]

In 1860, a 913-page book, *Cotton is King and Proslavery Arguments,* summarized King Cotton theory for all Southerners. The work combined the writings of Hammond, David Christy, and five other Southern intellectuals on topics regarding slavery, cotton, and Southern nationalism, and contained headings such as, "England's dependence on Slave labor," "Disappointment of English and American abolitionists," and "'Protection' and 'Free Trade.'" In a chapter on Great Britain, a writer quotes the *Economist* to demonstrate Europe's dependence on Southern cotton and slave labor. "Let any great social or physical convulsion visit the United States," the article proclaimed, "and England would feel the shock from Land's End to John O'Groats."[20] In a later chapter, the book again quotes the *Economist* to explain why significant amounts of cotton could not be produced in India, Egypt, Brazil or the West Indies.[21] The book went on to cite slavery advocates' highest justification for the institution—"that it is justified by Scripture example and precept."[22] Readers of *Cotton is King* could use the book as a bible to cite "example and precept" their belief in the political, economic, and social power of King Cotton.

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[17] "Indian Versus American Cotton, *The Economist*, April 13, 1861, 399
[18] "Cotton-American," *Southern Cultivator,* March 1861
[19] David Christy et al., *Cotton is King,* (Augusta: Abbot & Loomis, 1860), 105-106
[20] Christy et al, *Cotton is King, 62*
[21] Ibid, 101-103
[22] Ibid, 206

Aside from *Cotton is King, De Bow's Review*, the South's most prominent planters journal, was the strongest antebellum advocate for King Cotton. Under the assumption the Union would let the South secede peacefully, it declared in January 1861 that secession would benefit all "commercial nations, at home and abroad" once the South lowered its import duties on foreign goods below Northern levels. Later in the article, the author postulated that, in the event of a naval blockade on the Confederacy, England and France would intervene in the name of free trade to save their economies because "[a] stoppage of the raw material from the cotton States of the South…would produce the most disastrous political results—if not a revolution in England."[23] Other periodicals throughout the South also argued for the diplomatic and political power of King Cotton. In March 1861, the *Charleston Mercury*, which became the Davis government's most vocal opponent, published letters it had received from British merchants, encouraging Southerners to keep trade routes open.[24] The following day, the *Memphis Appeal*, which in time opposed Davis's foreign policy, declared that "The Southern Confederacy is…destined to become a natural ally, capable, if need be, of giving to Europe, if circumstance should ever require it, a powerful aid in exchange for simple recognition."[25] The *Richmond Daily Dispatch* echoed the prevailing sentiment throughout the South: "The commercial world lies at [the South's] feet, and if [Southerners] use their great advantages with a grateful and humble recognition of the source form which they are derived [God], they will have the wealthiest and happiest people the world has ever seen."[26] To almost all Southerners, cotton was the king that would lead them to European recognition.

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[23] W.H. Chase, "The Secession of the Cotton States: Its Status, Its Advantages, Its Power," *De Bow's Review*, 93-101
[24] "England and the Confederate States," *Charleston Mercury,* March 18, 1861, 1
[25] "Important from France," *Memphis Appeal*, March 19, 1861, 2
[26] "Secession Abroad:—Great Excitement on Account of the Tariff—Europe Speaking Out!," *The Daily Dispatch,* April 1, 1861, 2

King Cotton supporters also referred to the failed efforts of British associations, such as the Cotton Supply Association, to diversify the sources of England's raw cotton before 1860.[27] One of several groups dedicated to finding alternate sources of raw cotton, the Cotton Supply Association both lobbied the British government about the dangers of relying too heavily on the American South to supply Manchester cotton mills and focused on improving cotton yields in India, Britain's secondary cotton source. It warned that a disruption of American cotton could have disastrous effects for British industry and might destabilize the British political system, and it called for new infrastructure to aid the transport of Indian cotton and to reduce transactions costs. The Cotton Supply Association hired Southern agriculturists to test whether high-quality American cotton could grow in various Indian climates.

To Southern onlookers, most of the Cotton Supply Association's antebellum efforts seemed to be for naught because it was unable to convince Parliament, manufacturers, or the Palmerston government of the dangers of relying on a single supplier of cotton. British manufacturers did not share the Cotton Supply Association's pessimism and were largely indifferent to the source of their cotton. British manufacturers naïvely believed that if demand continued to rise, enough cotton would be available to meet it.[28] Before the war, British manufacturers believed that if a slave revolt or a war broke out in America, rising demand and the increased market price of cotton would make the staple more profitable to grow outside the South, which would guarantee its availability. Plans to invest in Indian infrastructure were delayed by the Indian Mutiny of 1857, and Parliament stymied the Association's subsequent lobbying efforts in its desire to minimize government spending. Attempts to plant American cotton in various regions of India failed, and the Cotton Supply Association was forced to

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[27] Owsley, *King Cotton Diplomacy,* 7-20
[28] Isaac Watts, *The Cotton Supply Association: Its Origin and Progress* (Manchester: Tubbs & Brook, 1871), 8

refocus on improving *surat* yields, a task they believed to be nearly impossible given the universally-perceived inferiority of the native workforce.[29] Newspapers throughout the American South seized on the Cotton Supply Association's warnings to demonstrate the world's dependence on American cotton and its failures to explain why increased production of Indian cotton could not be achieved.[30]

To British observers before the war, however, cotton was a commodity like any other and not worth fighting a powerful trading partner—the United States—to obtain. Although English merchants were seemingly dependent on Southern cotton, they had no particular affinity for the American South. Despite the thriving trade with the world's largest slave power, the British population abhorred slavery and did not want to intervene militarily on behalf of a nation predicated on the institution. The *Economist*, which was opposed to supporting the Confederacy, wondered, "Have South Carolina and Georgia really persuaded themselves that mercantile men in England would even wish that their Government should interfere in a struggle between the Federal Union and the revolted States—and interfere on the side of whom they deem willfully and fearfully in the wrong, simply for the sake of buying their cotton at a cheaper rate?"[31] More important, British policymakers and merchants realized that despite receiving relatively small amounts of cotton from India, Africa, and South America, that Britain could replace its lost Southern supply in the event of an interruption to the trade. In February, anticipating conflict between the Northern and Southern states, the *Times* of London hypothesized that, "Cotton can

[29] Watts, *The Cotton Supply Association*, 18
[30] Owsley, *King Cotton Diplomacy,* 12
[31] "American Infatuation Concerning England," *The Economist*, January 26, 1861, 89-90

be grown almost as commonly as wheat. The best seeds and the best staples are now well understood, and the proper methods of cleaning and packing can be easily taught."[32]

Despite these pessimistic reports from England upon taking office, Jefferson Davis's embargo-based diplomatic strategy emerged directly from his belief in the power of King Cotton. Davis had no foreign policy experience prior to assuming the presidency—some of his contemporaries thought his command in the Mexican War better suited him for a military post than for civilian leadership. Before the war, Davis believed, like James Henry Hammond, that the world's dependence on Southern cotton would allow the South to secede peacefully. In his inaugural address, Davis reiterated that the South's commercial power would bring it everlasting peace, proclaiming, "our true policy is peace, and the freest trade which our necessities will permit. It is alike our interest and that of all those to whom we would sell, and from whom we would buy, that there should be the fewest practicable restrictions upon the interchange of these commodities."[33] When war broke out, however, Davis did not hesitate to adopt a cotton embargo because he believed that cotton alone would guarantee European recognition. Davis's unyielding faith in King Cotton convinced him that diplomatic negotiations with Europe were of little consequence relative to the threat of devastating cotton shortages. Implicit in Davis's reasoning was that, if war broke out, the Union navy would blockade Southern ports. Davis believed he could blame the Union blockade for any European cotton shortages and claim that Southern planters were withholding their cotton from the global markets because they did not want the Union navy to seize it.

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[32] "Cotton in England," *The Times*, January 22, 1861: Confederate Vice President Alexander Stephens was in possession of this article, demonstrating that it might have influenced his ultimate anti-embargo stance.

[33] **"**Confederate States of America - Inaugural Address of the President of the Provisional Government," Yale University Lillian Goldman Law Library, accessed March 28, 2014, http://avalon.law.yale.edu/19th_century/csa_csainau.asp

To avoid provoking European anger over its shortage of raw cotton, Davis never allowed a comprehensive cotton embargo to pass the Confederate Congress. Instead, he encouraged state governments, municipalities, and individual planters to withhold their cotton from the market by keeping it on plantations, not growing it at all, or, in many cases, burning it.[34] Davis believed European intervention was only a matter of time, and told his wife that because of the South's leverage in the international cotton market, "foreign recognition was looked forward to as an assured fact."[35] In his address to the Confederate people in November 1861, Davis summarized his strategy, saying, "If [the people] should be forced to forego many of the luxuries and some of the comforts of life, they will at least have the consolation of knowing that they are daily becoming more and more independent of the rest of the world."[36] Collectively, Davis's diplomatic strategy was simple: an embargo coupled with military victory would ensure European recognition and would make for a short war.

Despite Davis's efforts to mask the South's aggressive stance towards Europe, European journals and policymakers immediately recognized the reality of the Southern embargo. They knew, as did Davis, that the Union navy was not capable of enforcing an effective blockade; on April 16, 1861, when President Abraham Lincoln announced the closure of Southern ports, the United States Navy had 41 commissioned vessels charged with patrolling over 3,000 miles of coastline from Alexandria, Virginia to Brownsville, Texas. In fact, the blockade was so porous early in the war that the Confederate legation in London argued that it was illegal under international law.[37] Although the argument put forth by the Southern commissioners in Europe

[34] Vigilante groups across the South travelled from plantation to plantation burning cotton in the name of the Confederate cause.
[35] Jones, *Blue & Gray Diplomacy,* 13
[36] Russell, "Economic Aspects," 267
[37] In 1861, a naval blockade was only legal under international law if it was applied effectively and discriminated equally against all trade.

may have been correct, Europe continued to recognize the blockade and blamed the Confederacy for withholding its cotton.

British journals also knew that Europe could withstand a Confederate embargo; in the words of the *Economist*, the South "contracted by a long and strange history, and from a peculiar and lamentable state of society [slavery], an exaggerated idea of [its] own importance."[38] Although Lancashire's cotton stocks were declining, there was a surplus in British warehouses, as cotton buyers intentionally increased their purchases to prepare for a possible disruption to their supply.[39] British periodicals discussed how the Manchester mills could acquire their raw materials. Throughout 1861, the *Economist* proposed plans to stimulate foreign cotton markets, noting the potential for cotton growth in India, Australia, Egypt, and the West Indies. It pondered whether rising prices due to the temporary cotton shortage would encourage investment in Indian cotton markets, or whether the British government should intervene to encourage foreign cotton growth.[40] It also debated various policy approaches, including a price floor on Indian cotton to encourage investment.[41] Regardless of strategy, the *Economist* argued that cultivating alternate sources was necessary, and that cotton from Egypt, India, and other nations would be able to tide Britain over until the close of the American Civil War.[42] The ubiquitous hatred of slavery throughout Britain caused the *Economist* to blame the Confederacy, a nation predicated on slavery's expansion, for the Civil War. Because international opinion preferred freedom and liberty rather than slavery, the newspaper postulated, "The sympathy of every free and civilized

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[38] "Three Effects of American Confusion Upon England," *The Economist,* June 22, 1861, 673-674: The October 12 issue of the *Economist* postulated that if England needed to intervene in the Civil War to procure raw cotton, it might as well enter on the side of the Union, crush the South, and purchase the cotton as if the war had never happened.
[39] David G. Surdam, "King Cotton: Monarch or Pretender? The State of the Market for Raw Cotton on the Eve of the American Civil War," *The Economic History Review*, 51, no. 1 (February 1998), 114
[40] "America: (From Our Special Correspondent)," *The Economist*, November 9, 1861, 1237-1238
[41] "Cotton and the Blockade," *The Economist,* October 12, 1861, 1123-1124
[42] "Threatened Famine of Cotton," *The Economist,* July 13, 1861, 758-759

nation will be with the North."[43] The journal went on to suggest that Southern periodicals, including the *Charleston Mercury*, and the Confederate legation to Great Britain, headed by William Lowndes Yancey, wanted to reopen the transatlantic slave trade, a prospect unacceptable to Englishmen. Moreover, despite the South's rhetoric, the *Economist* hypothesized that American cotton would come to England when the South realized that it needed foreign revenue to prosecute its war for independence.

William Howard Russell, the *Times'* acclaimed war correspondent, was perhaps the harshest critic of the Southern embargo strategy. Throughout 1861, Russell traveled throughout the American South to document the differences between the North and the Confederacy. His diary, later published as *My Diary North and South,* detailed his conversations with various Confederate leaders as well as individual citizens. In a conversation with a gathering of South Carolinians, he observed, "They assume that the British crown rests on a cotton bale and the Lord Chancellor sits on a pack of wool."[44] At a dinner hosted by the British consul, Russell expounded, "It was scarcely very agreeable to my host or myself to find that no considerations were believed to be of consequence in reference to England except her material interests, and that these worthy gentlemen regarded her as a sort of appanage to their cotton kingdom."[45] Like many patriotic Englishmen, Russell did not believe that any nation could force Great Britain, the most powerful country in the world, to act against its will by fighting on behalf of a pro-slavery cause.[46]

Furthermore, the Cotton Supply Association's lobbying and agricultural efforts, which Southern journals had ridiculed before the war, greatly contributed to the expansion of Indian

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[43] "The Evil and the Good in the American Civil War," *The Economist,* May 4, 1861, 478-479
[44] William H. Russell, *My Diary North and South* (New York: Harper, 1954), 86
[45] Russell, *My Diary North and South*, 92
[46] Ibid, 8

cotton production once the war broke out. Although the Association's message seemed to fall on deaf ears when it was first put forth, it resonated with British manufacturers once the embargo took hold. Reports released by the Cotton Supply Association spread awareness about the need for British manufacturers to diversify their sources of raw cotton. The Association's agricultural experiments with American and Indian seeds, and soil from various Indian provinces, revealed best practices that augmented Indian yields in the early 1860s. Reflecting on the early 1860s, the Cotton Supply Association calculated that its efforts were crucial to boosting Indian cotton production during the Civil War.[47] From 1861-1864, Indian cotton exports grew by 60 percent.[48]

As the Confederacy began to execute its embargo, opponents of Davis's foreign policy occasionally referred to British opinion that predicted its failure. In the summer of 1861, a Southern planter, William Denter, mailed Vice President Alexander Stephens an article from the *London Spectator* to warn him about Britain's intention to replace Southern cotton. After vetting the potential cotton-growing capacities of India, China, and Brazil, the article commented, "even if the Union be in flames, the conflagration can never extend to the cotton mills of Great Britain."[49] Typically, the more often a paper printed unfavorable perspectives from England, the more negative its stance on the embargo. Subsequently, as the prospect of European recognition grew increasingly remote in late 1861, pessimistic reports from England began to appear more regularly in the anti-embargo press.

Despite these negative reports, however, a majority of newspapers across the South remained confident in the power of an embargo. In October, *De Bow's Review* declared, "The

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[47] Watts, *Cotton Supply Association,* 48
[48] Beckert, "Emancipation and Empire," 1415
[49] Letter from William Denter to Alexander H. Stephens, July 16, 1861, box 10, reel 5, Alexander Stephens Papers, Library of Congress, Manuscripts Reading Room: Stephens also possessed reports from the *Times* and the *Economist* that criticized King Cotton theory and detailed British efforts to cultivate cotton in India, Africa, and Australia. Perhaps these articles explain the origins of Stephens' ultimate opposition to Davis's pro-embargo stance.

course of the Government of the United States will justify us in laying an embargo on all exports during the continuance of the war"—an obvious attempt to blame the Northern blockading fleet for the "cotton famine" abroad.[50] The editor continued, "England and France will turn loose a fleet upon the United States navy which will convey these meddlesome obtruders into other seas and inlets than those of the Southern coast." To substantiate his argument, the writer cited President Thomas Jefferson's 1807 commercial embargo of Great Britain as an example of a *successful* embargo. The writer's gross misinterpretation of events only fifty years prior demonstrates the degree to which Southern pride in King Cotton became an integral part of the region's culture and identity and blinded Davis to other diplomatic strategies.

Nowhere was Southerners' continued faith in King Cotton more evident than in characterizations of King Cotton in popular culture, including in short stories and folk songs. In one such story from the *Charleston Mercury* called "The Realm of Cotton," King Cotton is portrayed as a God who reigns regardless of outside forces and influences. The deified commodity rules "with a steady march in the path of his own orbit, unregardless of comets, would-be-planets, meteors, or the admiring gamboling satellites around him." The author refers to the European powers as the King's "subjects" and suggests they have become "too big for their britches," by suggesting that the South rid itself of its "household institutions." A benevolent king, cotton would extend progress and free trade throughout the world. However, he bears a warning: "Beware! You African Aid Societies, you Abolition and Colonization Societies, and you Isms and Co. of the day, how you wage war upon this monarch of the world! King

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[50] J.D.B. De Bow, "Commercial Enfranchisement of the Confederate States," *De Bow's Review,* October 1861, 333-347: Throughout the war, Davis and his supporters failed to recognize a fatal contradiction in their preferred policy. The Confederate legation on one hand claimed that the Union blockade was illegal under international law because it was not applied universally and was not strong enough to merit international recognition. On the other, the commissioners claimed that Confederate cotton could not reach England and France due to the blockade's *strength.* British onlookers referred to this contradiction when claiming that the South, not the North, was responsible for Europe's cotton shortage.

Cotton and his favored servants place not on the throne of Chancery…touch not the pillars of the tabernacle, lest you yourselves be not buried in the massive ruins!" [51]

Pro-embargo Southern journals must have known about reports in the *Economist* and the *Times* about the British public's antipathy towards slavery and the Southern cause, and its opposition to intervention; however, rarely did they reprint them as articles in their own periodicals. Subsequently, a historian must ask: why did pro-embargo Southern news outlets ignore, or at least not print, the counterevidence to their preferred diplomatic strategy? There are two possible reasons. Southern newspapers, especially pro-Davis journals, generally supported the embargo and did not want to promote conflicting ideas. Periodicals in the nineteenth century were not expected to be "objective" by a modern standard and thus were liable to print whatever their readers wanted to read regarding foreign policy and their opinions of the Davis administration. In the early years of the war, they almost always spun foreign events to portray the success of Confederate embargo diplomacy and the supremacy of King Cotton.

More important, Southern pro-embargo editors did not believe British journals when they argued that cotton was not "king" and that England would never intervene in an American Civil War. Their belief in King Cotton and the power of the embargo was so strong that they believed that articles against their stated position in the London papers were either misguided or influenced by abolitionist sentiments. Not only would King Cotton achieve Confederate foreign policy objectives, but it would do so alone. Planters knew that their cotton was integral to the growth of the international economy and that Britain, the world's greatest manufacturer of textiles, was not exempt from economic dependence. Indian *surat* cotton was undoubtedly of a lower quality, and racial attitudes in both the South and Europe predisposed British and American observers to believe that Indian, African, and South American workers were not as

[51] "The Realm of Cotton," *Charleston Mercury*, May 9, 1861, 1

capable of farming cotton as Southern planters and their slaves. Although the embargo's supporters were aware of the British antipathy towards the South's "peculiar institution," they believed that when war broke out, English manufacturers would act in accordance with their material interests rather than their principles. It made no difference, pro-embargo editors believed, whether British people liked slavery or supported the Southern cause because England needed cotton and the South was the world's supplier. In the words of Andrew Lipscomb, slavery was "the most international thing on Earth." Therefore, to backers of Davis's embargo-based policy, "Every bale of cotton is five hundred pounds of diplomatic influence, and weighs that much in the scale that holds the peace of nations. Every cargo of cotton is a cargo of blessings for Europe. Every cotton thread binds millions together in amity and brotherhood."[52]

[52] Andrew Lipscomb, "Substance of a Discourse Delivered Before the Legislature of Georgia On the Occasion of the Fast-Day" (Speech, Georgia State Assembly, Milledgeville, GA, November 28, 1860), 19

Chapter II

The Search for a Confederate Foreign Policy

Against the backdrop of Southern King Cotton theory and of transatlantic news coverage of a potential embargo, Jefferson Davis and his advisors had to devise a foreign policy when the Mississippian took office in February 1861. Their goal, like that of the leaders of the American Revolution, was to encourage the European powers to recognize the South and intervene on its behalf. Although almost all Southerners believed in the power of King Cotton, two main approaches competed for primacy: the stick—a cotton embargo to starve European cotton mills—and the carrot—a free trade-based policy based on the extension of commercial treaties and favorable trade agreements with the European powers. Proponents of the stick believed that the power of King Cotton alone could determine European recognition of the Confederacy; proponents of the carrot believed that diplomatic negotiations and positive incentives would have to supplement the South's cotton supremacy to obtain European recognition. Robert Barnwell Rhett, a fire-eating Confederate Congressmen and newspaper editor from South Carolina, led the opposition to the cotton embargo through Congress and his newspaper, the *Charleston Mercury.* After war broke out, the editorial pages of periodicals from Richmond to New Orleans agreed with Rhett and also took aim at the one-dimensional cotton embargo. In addition, planters conventions assembled in Macon, Georgia, in July and October 1861, to discuss how best to advocate for free trade and the export of cotton through the blockaded Southern ports.

Rhett, the chairman of the Confederate Foreign Affairs Committee, was the staunchest supporter of the free trade argument. A raging egomaniac, Rhett was a fire-eating secessionist before the war. A former member of both houses of the United States Congress, Rhett arrived in

Montgomery in February 1861 as a member of the South Carolinian delegation to Provisional Confederate Congress, a body that eventually chose the first and only Confederate president. Rhett thought he deserved the presidency, but he was passed over by a convention that believed him be too hot-headed for the post. Although Rhett had never met Davis face-to-face despite serving together in the House and the Senate, he mistrusted the new president because he did not believe the Mississippian was sincere in his secessionist beliefs.[53] Rhett also did not agree with Davis's stance on the transcontinental railroad (Davis supported, he opposed), and he was concerned by rumors in Montgomery that Davis, at heart, wanted to restore the Union.[54] After Davis's election, Rhett made clear his desire to serve as Davis's Secretary of State to all who would listen.[55] However, there is no evidence that Davis ever considered the South Carolinian for the position.[56] Rhett's bitterness of being shut out of the Confederate executive branch, combined with his doubts about Davis, made him a natural critic of the president's policies.

Even before Davis was inaugurated, Rhett was already trying to impose his free trade-based foreign policy platform. Rhett's foreign policy vision was based loosely on the free trade thinking of the antebellum planters conventions, which advocated for low tariffs throughout the South to stimulate international trade. Moreover, when South Carolina seceded in December 1860, members of its secession convention (perhaps including Rhett) wanted to immediately throw open the state's ports and slash tariffs to encourage foreign commerce.[57] Later in the month, Georgia Governor Joseph Brown discussed the idea of direct commercial ties with

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[53] William C. Davis, *The Turbulent Life and Times of a Fire-eater* (Columbia: University of South Carolina Press, 2001), 431: In a letter to his son, Rhett cited Davis's 1858 speech "at sea," where the then-Senator Davis blamed "trifling politicians" for trying to fracture the Union, to question Davis's sincerity about the Confederate cause.
[54] Ibid, 431
[55] Ibid, 435
[56] Ibid, 436
[57] Russell, "Economic Aspects," 256: Although a significant faction of the South Carolina Secession Convention wanted to immediately throw open the state's ports, the measure was voted down by a large majority so that the state could still collect revenue from tariffs.

Europe in a speech before the Georgia legislature, and dispatched a prominent businessman, Thomas Butler King, to Britain to act as Georgia's trade representative.[58] King was instructed to tell European merchants that secession "must necessarily…establish direct commercial and diplomatic intercourse with all the world." Unlike the antebellum legislatures, which wanted to open trade routes to boost economic growth, Rhett believed that commercial ties were essential to ensure European recognition and subsequent intervention in a potential war.

Although both Davis and Rhett believed in the power of King Cotton in February 1861, they differed on how to exercise its power. Rhett's free trade policy was based on two principles: low duties to encourage the British and French to purchase Confederate raw cotton; and unrestricted trade routes so that the cotton could be transported directly to Europe at a low cost. Implicit in Rhett's reasoning was the universally-held knowledge that the Union blockade was not yet capable of halting Euro-Confederate commerce. If the South could demonstrate its staying power on the battlefield, Rhett believed the Confederacy's recognition was certain under a free trade policy because the power of cotton, combined with friendly trade overtures, would be positive incentives for Europe to ally itself with the South. Rhett wrote in his newspaper, the *Charleston Mercury,* that by extending free trade incentives to Europe, "you hold out the strongest possible inducement for our immediate recognition;—much stronger than the supposed embarrassment to arise from any interruption to the export of cotton."[59] Rhett tried to preemptively implement his diplomatic program because he felt that his ideas were the strongest; however, he also feared that Davis, with his limited foreign policy experience, would put his faith in an embargo to obtain European recognition.

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[58] Russell, "Economic Aspects," 256: The legislature created the "Belgian American Company," a line of five steamers that would travel back and forth between Savannah and a European port.
[59] "The Southern Congress and Free Trade," *Charleston Mercury,* February 5, 1861, 1

On February 13, 1861, three days before Davis was sworn in, Rhett brought the Confederate Congress into secret session to dispatch diplomatic legations to England and France.[60] Rhett believed that if he could put Confederate diplomats on ships to Europe with *his* instructions, he could circumvent Jefferson Davis and give the legations time to act on his mandate, not the new president's. In his diary, Rhett listed a set of guidelines for earning foreign recognition from Europe, among them, "[The diplomats] should be authorized to propose as the conditions of alliance and recognition to Great Britain, France, and other European nations, that the Confederate States, for *twenty* years, should lay no higher duties on their productions imported into the Confederate States, than 15 or 20 per Cent ad valorem," which was slightly below the Confederacy's current tariff rate of 17 percent *ad valorum* and 21 percent on dutiable items.[61] He explained that in order to encourage the British to recognize the Confederacy—a stance that might bring them into conflict with the United States—"it was clearly incumbent upon us, in all fairness, to present, and to secure to [England], advantages which might indemnify her for the losses she might sustain in recognizing our independence."[62] Rhett also believed that an embargo was "a false principle, fatal to [the Confederacy's] recognition by foreign nations," because he thought England would use the wartime price shock in cotton markets to stimulate cotton growth in India and the East Indies.[63] Yet, despite Rhett's prophetic views, the Confederate Congress decided to wait until Davis's inauguration to legislate foreign policy, rendering Rhett's first effort at dictating Confederate policy ineffective.

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[60] Davis, *The Turbulent Life and Times,* 343
[61] Robert B. Rhett and William C. Davis, *A Fire-Eater Remembers: The Confederate Memoir of Robert Barnwell Rhett*, (Columbia: University of South Carolina Press, 2000), 33; Richard Todd, *Confederate Finance* (Athens: University of Georgia Press, 1954), 121-125: The Confederate tariff rates were the same as the North's before the Union's passage of the Morill Tariff on March 2, 1861.
[62] Rhett and Davis, *A Fire-Eater Remembers,* 39
[63] Ibid, 38-39

Despite the failure of Rhett's attempted coup on Confederate foreign policy, a free trade policy seemed possible after the Union passed the Morill Tariff on March 2, 1861. The tariff had been debated in both houses of Congress for two years prior to its passage and was the cornerstone of Republican protectionist economic policy. When Southern Senators—many of whom were Democrats—left Congress, the Republicans were finally able to pass the tariff, which raised the tariff rate to 26 percent *ad valorem* and to 36 percent on dutiable items. The passage of the Morill Tariff worked to the South's advantage, as the Confederacy appeared to become a more attractive international trading partner in the aftermath of the legislation.[64] The tariff subsequently stoked the ire of the Union's greatest trading partner and the South's potential ally, Great Britain; the *Liverpool Advertiser* ranted, "Such a tariff must widen the breach between North and South, and must enlist the sympathies of the whole commercial world on the side of the latter."[65] Papers like the *Memphis Appeal* often reprinted similar accounts from England to prove that the Morill Tariff, rather than protecting Northern industry, would catalyze Southern trade and economic growth. In his first public address of his presidency, Davis claimed to preside over a "free trade empire" that would promote global peace by selling the world's cotton at the lowest possible price with the lowest possible import duties.

Although Davis promoted free trade in peacetime, he favored an embargo when war broke out to encourage European recognition. Davis ultimately adopted the embargo because of his unyielding faith in King Cotton. Davis also believed he could blame the Union blockade for the cotton "famines" that would arise in Europe. Although Davis did not want to anger European

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[64] William W. Davis, *Ante-Bellum Southern Commercial Conventions* (Montgomery: 1905): The espousal of free trade ideology in the South dates long before the North's adoption of the Morill Tariff. As far back as 1837, Southern planters held conventions to try to adopt direct trade with Europe in order to circumvent the duties imposed by New York merchants. The ability to open free trade routes with Europe at the expense of Northern merchants helped fuel secessionist movements in the antebellum era.

[65] "The European Powers and the Confederate States," *Memphis Appeal,* April 5, 1861, 2

powers by explicitly passing national embargo legislation, he encouraged state governments, municipalities, and Southern ports to restrict cotton exports. With the exception of Virginia, the state legislatures in every Confederate state that touched an ocean—Texas, Louisiana, Alabama, Mississippi, North Carolina, South Carolina, Georgia, and Florida—considered legislation to restrict cotton's exportation to Europe either through laws or resolutions.[66] The acts of local governments and private citizens were so effective in restricting cotton's flow across the Atlantic that Robert Bunch, the British Consul at Charleston, wrote, "Any act of Congress would be superfluous."[67] In the first year of the war, British imports of American cotton decreased by 96 percent.[68]

After Davis had been inaugurated and the embargo began to crystallize, Rhett continued his efforts to influence diplomatic policy through his personal relationships with members of the Confederate State Department. Rhett realized that the embargo was in its early stages and could easily be dismantled. He also knew that the Union blockade was porous enough to allow antebellum levels of cotton to pass through. With this knowledge, Rhett confronted William Lowndes Yancey, a former Confederate presidential candidate and member of the Confederate legation to Europe, in early March to ask him whether he had been instructed, per Rhett's views, to participate in trade talks with the British and the French.[69] According to Rhett's diary, "Mr. Yancey stated that no powers whatever had been given by the president to the Commissioners to make any commercial treaties, or to give any peculiar interest in our trade or navigation to foreign nations."[70] When he asked Yancey what incentives, positive or negative, Great Britain would have to recognize the Confederacy, Yancey replied, "I suppose our cotton. [Davis] says

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[66] Owsley, *King Cotton Diplomacy,* 37-40
[67] Charles M. Hubbard, *The Burden of Confederate Diplomacy* (Knoxville: University of Tennessee Press, 1998), 26
[68] Beckert, "Emancipation and Empire," 1410
[69] Davis, *The Turbulent Life and Times,* 445
[70] Rhett and Davis, *A Fire-Eater Remembers,* 37

that 'cotton is king!'"[71] Rhett famously responded, "Then, if you will take the counsel of a friend, do not accept the appointment. Demand of the president the powers necessary to make your mission successful, or stay at home…You will have nothing to propose; and nothing therefore, to treat about."[72]

In April, Rhett met with his friend, Confederate Secretary of State Robert Toombs, on the steps of the Exchange in Montgomery to inquire whether the Confederate legation had the power to make commercial and navigation treaties with European powers. Toombs confirmed Yancey's earlier statements by saying that the diplomats were instructed not to discuss "propositions regarding either."[73] Rhett brashly repeated the sentiment he delivered to Yancey: "Then Sir! I am astonished that you have sent them at all. They will fail!" In the *Mercury,* Rhett continued his attacks on the Davis embargo by reprinting an article from a British newspaper declaring, "[The British] will extend the right hand of fellowship to those who embrace [free trade, and] turn a cold shoulder to those who would give us stones for our bread, and scorpions for our fishes."[74]

Before he left the Confederate Congress in the spring of 1862, Rhett attempted to push the Confederacy towards his free trade platform one final time. He knew that the fledgling Union navy was still unable to halt cotton trade between the South and Europe but that the eventual tightening of the blockade would make future trade agreements impossible. In late April-early May 1861, he introduced a bill that included his coveted free trade provisions. Rhett believed the only way Davis would accept a free trade policy would be if Congress forced his hand.[75] Rhett's bill capped duties on all imports from foreign nations at 20 percent for a period of 20 years. Lowered duties, he believed, would encourage international trade and foreign recognition of the

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[71] Davis, *The Turbulent Life and Times,* 446
[72] Rhett and Davis, *A Fire-Eater Remembers*, 37
[73] Ibid, 37
[74] "Free Trade," *Charleston Mercury,* April 2, 1861, 4
[75] Davis, *The Turbulent Life and Times,* 469

Confederacy. Before he introduced the bill, he reviewed it with Secretary Toombs, who agreed with its provisions. Rhett then invited the Secretary to come to Congress to advocate for the legislation.

The Foreign Affairs committee approved of the bill and sent it to the floor of the Congress, where it was debated on May 13, 1861. That day, no Confederate representative openly disagreed with the content of the bill. Rhett asserted that any shortening of the duration of the Confederate commitment to Europe would demonstrate a lack of sincerity. Perhaps Louisiana representative John Perkins' introduction of an amendment reducing the duration of the guarantee from 20 years to six was intended to kill the legislation. Predictably, Rhett threatened that if such an amendment passed, he would table his bill in its entirety.[76] Although Perkins's amendment was not debated further, a five-year limit was eventually added to the bill, and Rhett, per his promise, set his bill aside for good. After his signature legislation had died on the floor of the Confederate legislature, Rhett's attempts at implementing a free trade diplomatic policy would be relegated to the *Charleston Mercury*.

On May 10, the Confederate Congress passed a law banning all trade with the United States. By preventing the transport of cotton to Northern mills, the bill prevented cotton's export through New York, the primary transatlantic trading point for all exports.[77] To explain why Northern cotton was not arriving in England, Davis blamed both the Union blockade and the necessity of keeping cotton on individual farms and out of the hands of the Union navy. However, both American and British onlookers knew that Davis supported an embargo policy, and that the South was to blame for any cotton "famines" in Europe. To all observers, British and

[76] Davis, *The Turbulent Life and Times,* 469
[77] Jones, *Blue and Grey Diplomacy,* 49: Jones believes that the May 1861 bill banning trade with the United States was a *de facto* national embargo because the South's ports could not accommodate the deep water vessels necessary to transport cotton to Liverpool.

American, Davis's pre-war claim of presiding over a "free trade empire," was simply empty rhetoric.[78]

Newspapers from Richmond to New Orleans took up the cry against the cotton embargo. The *Richmond Examiner*, the voice of Davis's opposition within the Confederate capital, was critical of the Confederate diplomatic strategy for multiple reasons, but especially because it believed free trade would be a stronger guarantor of foreign recognition than a policy based on cotton alone. On August 3, the *Examiner* published a letter claiming, "Free trade with Europe, combined with a prohibitory war tariff against the North, is the perfect policy for Southern deliverance."[79] A few weeks later, another letter to the *Examiner* from "Cotton States" (possibly *Examiner* editor, John Daniel) proclaimed that the Southern people "longed for good, free trade."[80] "Cotton States" later endorsed the free trade resolution of the October Cotton Planters Association convention in Macon in order to restore profits to Southern planters and revitalize the Southern economy.[81] Perhaps the *Examiner's* bluntest declaration of its stance regarding a cotton embargo came in October, when its editorial page stated, "We are opposed altogether to any such vain reliance upon a commercial necessity for winning our freedom." [82] The piece argued that the Confederacy should shift its focus from earning European recognition to concentrating solely on military victory.

The *Daily True Delta* of New Orleans also opposed Jefferson Davis's diplomatic plan, citing the necessity of open commerce to entice a reluctant Europe to recognize the Confederacy. In May, the paper proposed that the Southern states "throw no obstacles in the way of [cotton's]

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[78] Hubbard, *The Burden of Confederate Diplomacy,* 26
[79] "Examiner's Correspondence," *Richmond Examiner,* August 3, 1861, 1
[80] "Examiner's Correspondence," *Richmond Examiner,* August 27, 1861, 1
[81] "Examiner's Correspondence," *Richmond Examiner,* October 22, 1861, 1
[82] "Movements and Spirit of the War," *Richmond Examiner,* October 11, 1861, 2

transmission to England, France or any other country through the natural channels."[83] On September 4, the *Daily True Delta* reprinted an article from the *London Post* that articulated Britain's reasons for remaining neutral and accused the South, through its embargo, of strengthening a blockade that "only exists on paper."[84] A month later, after examining incoming reports from England and France, the New Orleans paper announced the failure of Davis's cotton-based strategy, claiming "We believe the cotton question, as we have persistently stated, would never reach the dimensions to necessitate either English or French intervention in this revolution."[85]

Although the *Memphis Appeal* was not as vocal in its opposition as the *Examiner* or the *Daily True Delta*, its editorial page was representative of opposition to the cotton embargo among Confederate periodicals.[86] The *Appeal* supported an embargo early in the war, but it switched its position a few months later when its editors realized that Jefferson Davis's policy based solely on King Cotton was failing. The *Appeal* never condemned Davis's policy editorially, choosing instead to print British accounts that attacked the embargo. In a diametric reversal of its position early in the war, the *Appeal* reprinted a September article from the *New York Times* discussing Britain's ability to replenish its cotton stores from India, Australia, and Jamaica.[87] It also ran a story from the *London Post*, British Prime Minister Lord Palmerston's mouthpiece, calling the Confederate embargo-based foreign policy a "barbarous relic of the

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[83] "The Growing Cotton Crop," *Daily True Delta,* May 24, 1861, 1
[84] "The Blockade: England's Interests and Duty as a Neutral Power," *Daily True Delta,* September 4, 1861, 1
[85] "A New Dilemma," *Daily True Delta*, October 11, 1861, 2
[86] The *Richmond Dispatch* and the *New Orleans Picayune* also supported the embargo early in the war and changed their views when it became apparent that England would be able to replace American cotton and that the Palmerston government was determined to remain neutral. However, the *Dispatch* and the *Picayune* did not criticize the idea of King Cotton through their editorial pages, but by quoting or reprinting anti-embargo commentary from British newspapers.
[87] "The Secessionists in England," *Memphis Appeal,* September 14, 1861, 1

middle ages."[88] When it concluded that the embargo was not going to result in European recognition, the *Appeal* cited an editorial from the *Constitutionalist*, an Augusta, Georgia, newspaper, to argue that the Confederacy was too focused on achieving foreign recognition that would never come, and that victory could be achieved only by winning on the battlefield.[89]

Rhett's *Charleston Mercury* continued to attack Davis's policy throughout the rest of 1861. "To present these [European] States alluring assurances of permanent commercial advantages," the *Mercury* declared on June 29, "it appears to us our Commissioners ought to have proposed a low maximum of duties to extend many years to come."[90] After outlining the rest of his ideal diplomatic strategy, Rhett continued, "It is absurd to suppose that either France or Great Britain will run the risk of disagreeable if not hostile complications with the United States, without the security of clear advantages to be obtained."[91] Had the Confederate legation extended such advantages, Rhett argued, the European powers would have recognized the Confederacy, the Civil War would be over, and the South would have effectively broken away from the Union. However, Davis had decided to rest foreign recognition on a bale of cotton.

Rhett's demands for a free trade-based foreign policy lasted until mid-summer, when it became clear that the Southern commissioners would never have the authority to offer free trade agreements to the European powers in exchange for recognition.[92] Rhett learned from Yancey and Dudley Mann, another commissioner in Europe, that the British had no intent to meet with, much less recognize, the Confederate representatives until the South's military victory had been achieved. Although Rhett's criticism of President Davis never relented, he now changed his line of attack, claiming that Davis's embargo was not strong *enough*. Rhett's belief in free trade

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[88] "Lord Palmerston's Organ on Our Recognition," *Memphis Appeal,* October 5, 1861, 1
[89] "Foreign Recognition," *Memphis Appeal,* October 1, 1861, 2
[90] "Our Commissioners to Europe," *Charleston Mercury*, June 29, 1861, 1
[91] "Our Commissioners to Europe," *Charleston Mercury*, June 29, 1861, 1
[92] Davis, *The Turbulent Life and Times*, 482

diplomacy had not changed, but he believed the window where it could be used to earn European recognition had closed. As a result, Rhett argued, an absolute embargo was the only policy with a glimmer of hope of encouraging European intervention. On July 7, the *Mercury* changed course 180 degrees, arguing, "Congress should prevent the export of a bale [of cotton] to any place on earth until this war comes to an end."[93] Rhett accused Davis and Treasury Secretary C.G. Memminger of sabotaging the Southern war effort because they did not allow a complete embargo to pass through Congress. He argued that the voluntary embargos throughout the nation demonstrated Confederate patriotism, but by not allowing an embargo law, Davis was betraying the cause. However, Rhett exhorted his readers to lobby their representatives, writing, "If the Confederate Congress will not act of its own motion, let the people command—and they will obey."[94]

Despite the fact that Rhett ostensibly decided to embrace an embargo, the *Mercury* continued to publish articles from foreign journals unfavorable to Davis's foreign policy. The *Times* lamented, "We should be sorry that any such conviction [of an embargo's effectiveness] should gain ground in the South, for it is no part of our duty to intervene in this unrighteous quarrel."[95] The *Mercury* also published a debate between two contributors, "Mercator" and "Citizen," who argued over the virtues of an embargo-based policy—"Mercator" adopting Rhett's former position of warning against antagonizing European powers, and "Citizen" arguing Rhett's new opinion that sending cotton anywhere was sending it to the enemy.[96] Perhaps Rhett published these contradictory opinions to demonstrate his lack of confidence in President Davis and to reveal the consequences for the Confederacy not following his preferred free trade policy.

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[93] "Commercial Independence of the Confederate States—No. 3," *Charleston Mercury,* July 3, 1861, 1
[94] "Can Europe Do Without Our Cotton?" *Charleston Mercury*, October 3, 1861, 1
[95] "Highly Interesting from Europe: England and the Sham Blockade," *Charleston Mercury*, November 22, 1861, 4
[96] "The Export of Cotton and Other Produce," *Charleston Mercury,* September 23, 1861, 1; "Export of Cotton," *Charleston Mercury,* September 25, 1861, 1

These conflicting opinions may also indicate that Rhett did not abandon his old views at all and merely shifted his position to attack Jefferson Davis from a new angle.

Regardless, had Rhett maintained his original view on the embargo, Davis still would not have been swayed to amend his strategy. Inexperienced in all questions of foreign affairs, Davis was focused primarily on military victory and was persuaded by King Cotton theory that European recognition was an "assured fact."[97] Davis's faith in King Cotton caused him to discount the value of negotiations with foreign nations and extending commercial advantages in exchange for recognition. Even when confronted with evidence contradicting an embargo policy, Davis remained unconvinced; King Cotton was an idea deeply rooted in the culture of the Confederacy based on pro-slavery ideology and empirical evidence. Perhaps Davis would have been more willing to consider a non-embargo strategy had such a suggestion come from somewhere other than opposition journals, like the *Examiner* and the *Mercury*, or from Robert Barnwell Rhett, whom the president knew to be an egotistical, power-hungry hothead. However, given that some of the closest members of Davis's inner circle, including Secretary of State Robert Toombs, Vice President Alexander Stephens, and Treasury Secretary Christopher Memminger, opposed an embargo strategy, it is clear that Davis's belief in the supremacy of Southern cotton and the surety of European recognition caused him to ignore opposing viewpoints.

[97] Charles Hubbard argues throughout his book, *The Burden of Confederate Diplomacy,* that Davis's inexperience and indifference towards foreign policy explained why his emissaries, William Yancey, Pierre Rost, and Dudley Mann were so unqualified for their posts and why, at the outset of the War, the Confederate State Department only had the resources to hire eight permanent employees.

Chapter III

The Cabinet Debates the Embargo

Perhaps the closest the Confederacy came to adopting an alternative to Davis's embargo-based foreign policy was in a series of cabinet meetings in early 1861. Although the Confederate cabinet never recorded its proceedings—most likely due to the secrecy it wished to keep—Jefferson Davis's inner circle was divided regarding the cotton embargo. Correspondence between cabinet members and their confidants as well as personal papers detailing the meetings reveal that Secretary of State Robert Toombs agreed with Robert Barnwell Rhett's free trade proposals and that Vice President Alexander Stephens proposed his own ideas for Confederate diplomacy and finance. Stephens and Treasury Secretary Christopher Memminger also opposed an embargo policy because they believed that the cotton trade would be the only viable means to finance the Confederate war effort.[98] Ultimately, Memminger was the only dissenting cabinet member able to integrate his viewpoints with Davis's; Davis ignored Toombs' and Stephens's proposals, not only on foreign policy, but on almost all issues.

Unlike Abraham Lincoln, who famously selected his "team of rivals" cabinet to encourage lively debate, Jefferson Davis built his cabinet in February 1861 to unite the various factions of the Confederacy. Davis believed he had to ensure that each of the Confederate states was duly represented in his cabinet in order to solidify the government's power throughout the new nation.[99] Simultaneously, Davis realized that he had to accommodate both the fire-eaters on

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[98] Jay Sexton, *Debtor Diplomacy: Finance and American Foreign Relations in the Civil War Era 1837-1873* (Oxford: Clarendon, 2005), 139: Sexton argues that Judah P. Benjamin also disagreed with an embargo-based foreign policy. However, Benjamin's precise views are unclear. When Benjamin became Secretary of State in early 1862, he continued Davis's diplomatic course until it became evident that it would not lead to European recognition. Later in the war, Benjamin, with Davis's permission, deviated from an embargo strategy, even to the point of offering to free all Southern slaves in exchange for European recognition in 1865.

[99] William J. Cooper, *Jefferson Davis, American* (New York: Alfred A. Knopf, 2000), 331

one side of the South's political spectrum and reluctant secessionists on the other. He also wanted to keep watch over his political enemies so that they could not openly challenge his policies.[100] Regardless of political standing, however, most Southerners believed in the omnipotent power of King Cotton.[101]

The Confederate cabinet functioned differently than its United States analogue. Cabinet members were members of both the executive and legislative branches of government, holding seats in both the cabinet and the Confederate Congress. Legally, the "Confederate cabinet" did not exist; it was a collection of six appointees who directed departments established by the Congress.[102] This duality allowed secretaries to influence the legislature. Although cabinet meetings were held regularly throughout the war, critics said Davis did not convene the cabinet nearly enough.[103] Davis also had a stronger relationship with some members of his cabinet than others, which likely helped determine the advice he accepted and the policies he ultimately adopted. Some cabinet members became leaders of Davis's opposition and personal enemies of the president.

Early in the war, Secretary of State Toombs was the strongest opponent of Davis's embargo. A former U.S. Senator from Georgia, Toombs had been considered a strong candidate for the Confederate presidency a few months prior, although his heavy drinking called his ability to serve into question.[104] From his appointment to Davis's cabinet until his resignation at the end of 1861, Toombs believed Davis to be totally incompetent, writing to Vice President Stephens

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[100] Davis sent William L. Yancey, a fire-eater from Alabama, on his legation to Europe because he viewed him as a potential political opponent.
[101] Patrick, *Jefferson Davis and His Cabinet*, 220-221: Three of Davis's desired candidates for cabinet appointments refused his offers or requested additional posts. Memminger only joined the Confederate cabinet after Robert Barnwell, Davis's preference for Secretary of State, recommended that Memminger represent the state of South Carolina in the cabinet as Secretary of the Treasury.
[102] Ibid, 48
[103] Ibid, 61
[104] Davis, *The Turbulent Life and Times,* 327

that his "incapacity was lamentable."[105] Although Toombs and Davis were always cordial, Davis often ignored Toombs' advice because his foreign policy views did not coincide with the president's; Toombs' ardent protests against President Davis's decision to attack Fort Sumter were entirely rejected.[106] Toombs resigned because he wanted to serve in the Confederate army, although some experts have suggested that he left Davis's cabinet because of his frustration over King Cotton diplomacy and the embargo strategy.[107]

Toombs' main foreign policy grievance against Davis was over the cotton embargo. Toombs, like Davis, believed in the power of King Cotton; however, like his friend Robert Barnwell Rhett, Toombs believed that the European powers would not intervene without favorable commercial guarantees from the Confederacy.[108] Although his instructions to the first European delegation—William L. Yancey, Pierre Rost, and Dudley Mann—dictated that the diplomats mention the potentially disastrous effects of an embargo on the economies of Britain and France, the instructions were probably dictated or approved by President Davis.[109] In one of the Confederate cabinet meetings, Toombs was quoted as favoring extending commercial treaties to Europe to encourage foreign intervention and finance the Confederacy, saying "he would have mortgaged every pound of cotton to France and England at a price sufficient to remunerate the planters as well as to get the aid of the navies of England and France."[110] Toombs viewed the office of secretary of state as useless and quickly sought to resign because Davis did not often

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[105] Davis, *The Turbulent Life and Times*, 382
[106] Pleasant A. Stovall, *Robert Toombs*. (S.l.: General Books, 2010), 226: Toombs was quoted as saying, "You will wantonly strike a hornet's nest which extends from mountains to ocean, and legions, now quiet, will swarm out and sting us to death."
[107] Patrick, *Jefferson Davis and His Cabinet,* 84; James M. Callahan, *Diplomatic History of the Southern Confederacy* (New York: F. Ungar, 1964), 89
[108] Patrick, *Jefferson Davis and His Cabinet,* 83
[109] William Y. Thompson, *Robert Toombs of Georgia* (Baton Rouge: Louisiana State University Press, 1966), 171
[110] Callahan, *Diplomatic History,* 89

consider his views.[111] On July 24, 1861, Toombs accepted a commission as a Brigadier General in the Confederate army and resigned his post as Secretary of State. His replacement, Virginian R.M.T. Hunter, was far more sympathetic to Davis's foreign policy and did not oppose the president's embargo.[112]

Vice President Alexander Stephens was also opposed to President Davis's embargo policy. The two men had clashed from their time in the United States Congress, where Stephens was a young Whig from Georgia and Davis an up-and-coming Democrat from Mississippi. During the 1850s, Stephens supported Stephen Douglas's "popular sovereignty," while Davis blasted both the Illinois Senator and his idea of compromise.[113] In 1860, when Southern states were deciding whether to secede, Stephens was a staunch Unionist, while Davis, although not as extreme as Robert Barnwell Rhett, was a strong believer in secession. These differences are precisely why Stephens was chosen as vice president—to unite the South behind the Confederate cause.

Early in Davis's administration, however, his conflicting views with Stephens began to manifest themselves. Although Davis deliberately tried to deemphasize the South as a slave empire in order to court European recognition, Stephens gave his fiery "Cornerstone" speech about the virtues of slavery and the establishment of the Confederacy as a means to protect the institution.[114] When Davis asked Stephens to serve as the Confederate emissary to Washington, Stephens refused because he did not believe the mission would bring the Union to terms.[115] Soon

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[111] Ulrich Bonnell Phillips, et al., *The Correspondence of Robert Toombs, Alexander H. Stephens, and Howell Cobb* (New York: Da Capo Press, 1970), 237: Toombs often said he carried his office "in his hat" because of the lack of resources allocated to the Confederate State Department and because of his readiness to leave the Davis administration.
[112] Patrick, *Jefferson Davis and His Cabinet,* 93
[113] James Z. Rabun, "Alexander H. Stephens and Jefferson Davis," *American Historical Review,* 58 (1953), 291
[114] Paul Escott, *After Secession: Jefferson Davis and the Failure of Confederate Nationalism* (Baton Rouge: Louisiana State University Press, 1978), 36
[115] Rabun, "Alexander H. Stephens," 293

thereafter, Stephens became the focal point of Davis's opposition due to both his dissenting opinions and his relationships with Robert Toombs, Georgia Governor Joseph Brown, and his half-brother, Linton Stephens, all of whom disagreed with the majority of the president's policies.[116] Subsequently, Davis began ignoring his vice president's recommendations because he felt Stephens was disloyal and could not be trusted. Throughout his tenure as vice president, Stephens spent most of his time away from the capitol.

Stephens' alternative to the cotton embargo was constructed with regard to Confederate finance as well as diplomacy. It is unclear whether the many letters and articles Stephens received from his anti-embargo constituents influenced his views on Confederate foreign policy. Regardless, Stephens realized that without the cotton trade, the South would not be able to fund its war effort. He proposed a strategy whereby the Confederate government would purchase the entirety of the South's cotton crop by issuing government bonds. The government would then buy fifty ironclad ships from Britain to transport the cotton to England to be stored in warehouses.[117] The Confederacy would sell the cotton once its price reached fifty cents a pound and would use the funds to purchase arms and ships from the United Kingdom. He also suggested that the South keep one port open and fortify it so that cotton might be exported to Europe directly from the Confederacy as soon as the new crop was harvested. [118] Although the strategy had many obvious flaws—the ironclads would have taken too long to construct, and Southern planters may not have surrendered their cotton—many policymakers and commentators, including Attorney General Judah P. Benjamin and Treasury Secretary C.G. Memminger, supported the Stephens plan. In 1863, the *Richmond Dispatch* expressed the idea that Stephens should have been named Secretary of the Treasury, and, in his 1874 memoir,

[116] Rabun, "Alexander H. Stephens," 294
[117] Patrick, *Jefferson Davis and His Cabinet,* 220-221
[118] Callahan, *Diplomatic History,* 89

General Joseph Johnston blamed Confederate defeat on Davis's failure to adopt Stephens's plan.[119]

Memminger's opinion on the cotton embargo was similar to the Confederate vice president's. A prominent South Carolina politician and commercial lawyer, the German-born Memminger was a delegate to the Provisional Confederate Congress and the chairman of the committee that ultimately drafted the Confederate Constitution. Throughout his Congressional tenure, Memminger was one of the body's most vocal members. Memminger met Jefferson Davis only upon taking office as Secretary of the Treasury, and the two developed a mutual respect, if not a friendly relationship. Once Memminger demonstrated his competence, Davis gave him free reign over the Treasury Department.[120] Unlike Toombs and Stephens, Memminger won Davis's respect and ear until the secretary resigned in 1864.

Because of Memminger's strong working relationship with Davis, many historians have argued that he wholeheartedly supported Davis's embargo policy. Some scholars assert that, so as not to appear hostile to the European powers, Davis ordered Memminger to suppress embargo legislation in Congress despite the Treasury Secretary's ostensible support for the president's policies.[121] In fact, Memminger was opposed to any obstruction of Confederate trade, whether in or out of Congress and whether or not it was sanctioned by Jefferson Davis. In April 1861, when the city of Galveston, Texas, forbade vessels carrying Southern cotton from leaving port, Memminger protested via telegram, writing that the Confederate government "totally disapproves of any obstruction to commerce in our ports."[122] On June 12, Memminger wrote a

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[119] Patrick, *Jefferson Davis and His Cabinet,* 220
[120] Ibid, 209
[121] Jones, *Blue and Grey Diplomacy,* 14: Jones asserts that the Davis never supported an embargo at all, a position disproven by the fact that he allowed local governments and individual planters to restrict cotton's flow across the Atlantic.
[122] Patrick, *Jefferson Davis and His Cabinet,* 221; Rhett, *A Fire-Eater Remembers,* 66: Later that year, Memminger wrote a similar letter to the Commandant of the Port of Charleston to allow vessels carrying cotton to depart.

similar letter to the Commandant of Fort Macon, outside of Beaufort, North Carolina, to allow a British vessel, the *H.M.S. Alliance*, to depart from port despite the fact that it was carrying several hundred bales of cotton. [123] After repeatedly ignoring the Secretary's instructions, the Commandant finally permitted the ship to sail back to England. Although Memminger received detailed plans from private citizens on how the Confederate government might be financed with an embargo on cotton, he opposed the embargo because he believed, as did Alexander Stephens, that the cotton trade was necessary to finance the Confederate war effort.[124] He knew that that Union blockade was not strong enough to halt foreign trade, and that the rebelling states did not have an industrial base. The capital gained from exporting cotton would allow the Confederacy to buy arms to carry out the war. Without the cotton trade, Memminger reasoned, the Confederacy would not be able to survive an extended fight with the Union.

Memminger and Stephens were not alone in their apprehensions about financing a war with an embargo-based foreign policy—many prominent cotton planters were against the embargo and sought a means to recoup their lost profits.[125] Throughout the war, cotton planters, including George Trenholm, the eventual Confederate Secretary of the Treasury, financed privateers to run the blockade in order to sell cotton to England and return with arms and munitions.[126] In two gatherings on July 4 and October 14, the Convention of Cotton Planters met in Macon, Georgia, to discuss how their cotton might be used to support the Confederate war effort. The first meeting mainly discussed how the Confederate government should purchase the

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[123] Josiah H. Bell, Agent, Confederate Secret Service, to C.G. Memminger, Secretary of the Treasury, Beaufort, NC July 4, 1861; Records of the Office of the Secretary of the Treasury, Letters Received 1861-1865; Treasury Department Collection of Confederate Records, Record Group 365; National Archives Building, Washington, DC.
[124] C.G. Memminger, Secretary of the Treasury, to the Editor of the *New York Herald,* Richmond, VA, June 18, 1861; Records of the Office of the Secretary of the Treasury, Letters and telegrams sent, 1861-1865; Treasury Department Collection of Confederate Records, Record Group 365; National Archives Building, Washington, DC.
[125] These were the descendants of many Southern planters who, in the antebellum years, supported free trade and direct commercial ties with Great Britain and the rest of Europe.
[126] Stephen Wise, *Lifeline of the Confederacy: Blockade Running during the Civil War* (Columbia: University of South Carolina Press, 1988), 47

entirety of the Southern cotton crop in order to provide credit to the market. However, it also expresses disappointment that the embargo's strengthening of an otherwise weak Union blockade drove down domestic cotton prices, which undermined planters' ability to purchase cotton-backed bonds and support the Confederate government.[127]

The rhetoric of the October meeting was much more enthusiastic in favor of free trade and against the cotton embargo. The Convention called for the immediate establishment of commercial relations between the South and England and adopted a resolution to advocate for the removal of government duties on outgoing cotton.[128] In accordance with Robert Barnwell Rhett's original foreign policy platform, the Convention resolved that, "the Secretary of State shall appoint commercial representatives abroad […] and in the appointment of such commercial or consular agents, selections shall be made from the commercial class and who are best able to represent the mercantile interests of our people abroad."[129] Perhaps Memminger shared the planters' views because his previous career as a commercial lawyer predisposed him to sympathize with business interests throughout the South and to advocate for their free trade views in the halls of government.

Jefferson Davis disagreed with Memminger's and the planters' views on the embargo, but he permitted some cotton exports to leave the Confederacy so that at least some capital flowed into the cotton states.[130] Although Davis encouraged planters and state governments to locally enforce the embargo, he did not crack down on merchants who smuggled cotton out of the Confederacy. Moreover, when proponents of the embargo in Congress introduced legislation

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[127] Duff Green, *Proceedings of the Convention of Cotton Planters Held in Macon, Ga., July 4, 1861, with a Communication on the Proposed Issue of Treasury Notes by the Confederate Government* (Macon, GA: S.n., 1861), 5-6

[128] *Proceedings of the Commercial and Financial Convention Associated with the Convention of Cotton Planters, Held in Macon, Ga., on the 14th, 15th, & 16th October, 1861* (Macon: S. Rose &, 1861), 10, 21; Todd, *Confederate Finance,* 125: In 1861, the export duty on cotton was 1/8 of one cent per pound of cotton shipped after August 1.

[129] *Proceedings of the Commercial and Financial Convention,* 22-23

[130] Davis's seemingly loose enforcement of the embargo was the target of Rhett's ire in the fall of 1861.

to make the cotton embargo the law of the land, forces from within the Confederate executive—perhaps Memminger and/or Davis—never allowed these bills to come up for a vote. However, Davis did not adopt the planters' resolutions to remove the tax on cotton exports or to appoint commercial representatives to Europe to establish direct trade. Davis believed his policy of a locally enforced embargo would ensure European recognition while allowing enough capital to enter the South to supply the Confederate army.

None of the anti-embargo views held by members of the Confederate cabinet became public during the war.[131] Because a full cotton embargo never passed the Confederate Congress, Memminger's efforts to combat localized embargo efforts were probably viewed, at the time, as extensions of the Davis policy, not as objections. Some scholars have suggested that because accounts reflecting the opposing viewpoints in the Confederate cabinet surfaced after the war, they reflect attempts by Toombs and Stephens to distance themselves from the failures of the Davis administration. However, these accounts came not only from Stephens' or Memminger's memoirs after the war, but also from their correspondence and actions while they were in the Davis administration.

Even had the supporters of free trade within the Davis administration united behind a single policy countering Davis's embargo, it is unlikely that Davis would have adopted an alternate policy. Davis's belief in the certainty of European recognition and the power of King Cotton led him naturally to an embargo policy. Davis was confident that military victory and cotton "famines" throughout Europe would assure the South a swift victory against the North. Davis's belief that his war of independence was going to be brief caused him to not pay significant attention to wartime finance or to diplomatic strategies using positive incentives to

[131] Although Rembert Patrick discusses the *Charleston Courier*'s anti-embargo editorials, and that the paper generally supported Memminger's views, it is unclear if the editorials responded to information supplied by Memminger himself.

bring Europe into the war. The Confederate president let Memminger quash some local embargo movements so that at least a trickle of capital could flow into the Confederacy. However, he was not receptive to free trade ideas from Stephens, Toombs, and Memminger because they contradicted his preconceived notions about the diplomatic power of King Cotton and the cotton embargo. Although strained relationships between Davis and members of his cabinet made the president less receptive to contrary views, his unbridled faith in King Cotton predisposed him to what would be a failed foreign policy.

Conclusion

By the beginning of 1862, it became clear to the Confederacy and Jefferson Davis that the King Cotton embargo alone was not going to force Europe's hand and that European recognition would not come.[132] Confederate emissaries were unable to gain an audience with British diplomats, and efforts to sway policy and public opinion through the South's Parliamentary allies were failing. When the United States Navy violated international law by capturing Confederate diplomats off the *H.M.S. Trent*, Confederate diplomats failed to exploit the international crisis to its advantage.[133] In late 1862 and early 1863, Indian cotton production boomed in response to the increased price of cotton and continued to satisfy European cotton demand—by 1864, Britain was importing almost as much cotton from non-American sources than it had from the South in 1860.[134] Additionally, pro-Confederate public advocacy efforts failed abroad due to the British population's overwhelming desire to remain neutral and its abhorrence of the institution of slavery. Despite last-minute indications in 1863 that French Emperor Napoleon III would commit his navy to procure Southern cotton, without British support, the French ultimately declined to recognize the Confederacy and permanently doomed the prospects of foreign intervention for the South. Although Southern planters regained most of their market share after the Civil War, the Confederacy was unable to use its antebellum dominance of global cotton markets as leverage to gain independence. Judah P. Benjamin's 1861

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[132] Todd, *Confederate Finance,* 128: Supporters of free trade also experienced the death of their cause. On April 3, 1862, a measure to repeal all tariff laws died in the Senate despite passing the Confederate House of Representatives.

[133] Hubbard, *The Burden of Confederate Diplomacy,* 62-64: Hubbard argues that the Yancey, Rost, and Mann mission's failure to obtain Confederate recognition throughout 1861 did not allow the South to advocate for its recognition during the *Trent* affair. Because of these diplomats' incompetence, Hubbard states, diplomatic channels in late 1861 ran only between London and Washington.

[134] Beckert, "Emancipation and Empire," 1413: Indian cotton prices doubled in the first two years of the war.

prediction to William Howard Russell that King Cotton would guarantee European recognition proved incorrect.[135]

Had Jefferson Davis not adopted an embargo-based foreign policy and accepted the free trade ideas promoted by Robert Barnwell Rhett and others, the diplomatic relations between Europe and the Confederacy would have been much warmer. With the power to adopt commercial treaties with Britain and France, the Yancey mission probably would have gained audiences with British politicians and diplomats and might have been able to more effectively plead the South's case for recognition. In a best-case scenario, British merchants would have sought to continue the transatlantic cotton trade, and Parliament might have deemed the relatively ineffective Union blockade a violation of international law. Perhaps clashes between Union blockade vessels and European merchant ships would have led to diplomatic tensions between the Lincoln government and the European powers. With access to American cotton markets, global cotton prices would not have risen high enough to encourage British merchants to invest in alternative sources in India and elsewhere. Under these conditions, perhaps the *Trent* Affair in late 1861 would have encouraged Britain to intervene in the Confederacy's struggle for independence.[136]

More likely, however, a free trade relationship with Britain and France would not have facilitated foreign recognition. Although Britain recognized the Confederacy as a "belligerent" after Fort Sumter, it did not want to fight a war with the United States, nor did it want to back a slave power. Moreover, the French would only intervene in tandem with the British military, and, when the English reiterated their desires to remain neutral, the French proved unwilling to

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[135] Russell, *My Diary North and South*, 70

[136] During the uproar over the American seizure of Confederate diplomats of the *H.M.S. Trent*, Lord Palmerston dispatched 20,000 troops to the Canadian border. British commanders devised plans to close the ports of Philadelphia, New York, and Boston, and invade the United States through Maine, Vermont, and New Hampshire.

act independently. Regardless of foreign military intervention, however, a friendlier relationship between the South and the European powers based on the principles of free trade would have allowed the Confederacy to more effectively finance its war effort. Although many scholars conclude that the Union's demographic and industrial advantages predicted its victory in the Civil War, access to additional monetary and military resources from England and France would have prolonged the South's staying power.

Under what conditions would Jefferson Davis have adopted a free-trade-based foreign policy? Perhaps had Rhett's attempt to send a Southern legation to Europe before Davis's inauguration succeeded or had his free trade bill passed the Confederate Congress, Davis would have been forced to adopt a different foreign policy. After these efforts failed, Davis's personal dislike for Rhett and his mistrust of Stephens and Toombs predisposed him against a free trade platform. Yet, had the anti-embargo faction in the South—Rhett, Memminger, Toombs, Stephens, cotton planters, and anti-Davis newspaper editors—united in their opposition to an embargo-based policy and built up political pressure against Davis's policy, the Confederate president may have been more willing to consider alternatives to an embargo.

However, the prevalence of King Cotton theory throughout the South was too strong for Jefferson Davis to overcome. To Davis and embargo supporters, the embargo was a manifestation of the Confederate national idea—the production of cotton through slavery was a divinely-ordained system and the bedrock of Southern independence. Although King Cotton had achieved a god-like status, Southerners cemented their belief in solid empirical evidence from before the war. They had more than one reason to believe that an embargo policy would not let them down. Even the president of the Convention of Cotton Planters in Macon, a meeting of those most opposed to Confederate embargo, began their proceedings by proclaiming that the

South was, "Blest by Heaven with as goodly a heritage as the sun every shone upon; entrusted by an all-wise Providence with the guardianship of a race of his creatures, whose highest knowledge of his favor has been your patriarchal care, and by whom God has made us the almoners of his bounty in clothing the world."[137] To burn cotton and hold it on plantations was a patriotic duty of the planters, while selling it to British manufacturers was profiting at the expense of the revolution.

Davis felt that by adopting a free trade policy, he would have implicitly undermined the ideas behind Southern independence. King Cotton theory embodied all that Confederate nationalists believed virtuous—slavery and unbridled economic prosperity for those who could obtain it—and was akin to religious belief throughout the South. Although both free trade and embargo polices were predicated on the supremacy of King Cotton, proponents of free trade recognized that cotton alone was not sufficient to bring Europe into the South's war of independence. They argued that cotton should be used as a positive incentive for European action, not as a blunt instrument to force Britain and France into a conflict they would not be inclined to join otherwise. Yet, by adopting an embargo as the cornerstone of his foreign policy, Davis wagered European recognition on an ideology viewed by almost all Southerners as the fundamental source of strength for their new nation. Had Davis adopted any other foreign policy, he would have admitted that the power of cotton was limited and would have weakened the glue holding the Confederacy together. Thus, King Cotton was a legitimate ruler in the eyes of his Confederate subjects, and came to power and fell by the will of his most loyal servant, Jefferson Davis.

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[137] *Proceedings of the Commercial and Financial Convention*, 8

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