

The development of railroads as a response to the problems that plagued the New Orleans port during the mid-nineteenth century

Gilles Vandal

Resumen

De 1820 a 1860, Nueva Orleans se sometió a una constante expansión. En 1840, Nueva Orleans ocupaba el cuarto lugar entre las ciudades de Estados Unidos por el tamaño de su población. Pero la expansión del comercio que transitaba por el puerto de Nueva Orleans era aún mayor. El valor del comercio en esa ciudad, que ascendía a 16 millones de dólares en 1820, había alcanzado los 324 millones dólares en 1860. Entre 1820 y 1860, ningún otro puerto del mundo mostraba una mayor variedad de envío. En vísperas de la Guerra Civil, unos 1.500 buques entraban cada año en el puerto de Nueva Orleans. Para entonces, la magnitud y el valor de las mercancías en tránsito por Nueva Orleans era sólo superada por Londres, Liverpool y Nueva York. Sin embargo, a pesar de estos éxitos, el puerto de Nueva Orleans se enfrentaba a una dura competencia y unos retos cada vez mayores.

El éxito del puerto de Nueva Orleans se basaba en el control de los tráficos del interior y en gran medida dependía de una red de ríos que llevaban la mercancía al puerto occidental. Además, en la década de 1850, muchas otras ciudades de Estados Unidos invertían en el desarrollo de líneas ferroviarias para dirigir el tráfico hacia el puerto. A mediados del siglo XIX, las autoridades de Nueva Orleans pusieron en marcha diversas políticas para adaptarse a una situación difícil y para hacer frente a la creciente competencia comercial. Entre estas medidas, el desarrollo de una red ferroviaria importante era primordial. El presente artículo examina cómo el desarrollo de los ferrocarriles contribuyó a mantener el predominio de Nueva Orleans en el comercio mundial durante la segunda mitad del siglo XIX.

Palabras clave: Puertos; Financiación; Comercio; Redes ferroviarias.

Códigos JEL: N7; F1; R4.

Abstract

From 1820 to 1860, New Orleans underwent a constant expansion. By 1840, New Orleans ranked fourth among the American cities by the size of her population. But the expansion of the trade that transited through the New Orleans harbour was even greater. The value of the commerce of New Orleans, which was \$16 million in 1820, had reached \$324 million by 1860. Between 1820 and 1860, no other port in the world displayed a greater variety of shipping. On the eve of the Civil War, some 1500 vessels entered each year the New Orleans harbour. By then, the magnitude and value of the goods transiting by New Orleans were exceeded only by the ones of London, Liverpool and New York. However, despite these successes, the New Orleans port faced stiff competition and increasing challenges.

However, the success of the New Orleans port rested on the control of the hinterland and largely depended on a network of rivers to bring the western goods to the port. And yet, by the 1850s, many other US cities spared neither labour nor expenses to direct the western trade toward their port by investing in the development of railroads lines. By the mid-Nineteenth Century, the authorities of New Orleans implemented various policies to adjust to a difficult situation and to confront the increasing commercial competition. Among these measures, the development of an important railroad network was paramount. The present paper will examine how the development of railroads contributed to maintain the predominance of New Orleans in the world trade during the second half of the Nineteenth Century.

Key words: Ports; Financing; Trade; Rail networks.

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1. Introduction

From 1820 to 1860, New Orleans underwent a constant expansion. By 1840, New Orleans ranked fourth among the American cities by the size of her population. But the expansion of the trade that transited through the New Orleans harbour was even greater. The value of the commerce of New Orleans, which was \$16 million in 1820, had reached \$324 million by 1860. Between 1820 and 1860, no other port in the world displayed a greater variety of shipping. On the eve of the Civil War, some 1500 vessels entered each year the New Orleans harbour. By then, the magnitude and value of the goods transiting by New Orleans were exceeded only by the ones of London, Liverpool and New York. However, despite these successes, the New Orleans port faced stiff competition and increasing challenges.

However, the success of the New Orleans port rested on the control of the hinterland and largely depended on a network of rivers to bring the western goods to the port. And yet, by the 1850s, many other US cities spared neither labour nor expenses to direct the western trade toward their port by investing in the development of railroads lines. By the mid-Nineteenth Century, the authorities of New Orleans implemented various policies to adjust to a difficult situation and to confront the increasing commercial competition. Among these measures, the development of an important railroad network was paramount. The present paper will examine how the development of railroads contributed to maintain the predominance of New Orleans in the world trade during the second half of the Nineteenth Century.

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2. The Antebellum period

2.1. Increase of trade

The particular geographical position of New Orleans made it an ideal distribution point for the Mississippi Valley trade. By 1840, the tonnage and tonnage valuation of goods that transited by New Orleans made the city the second port of the United States. On the world scale, New Orleans ranked by then fourth by the magnitude and value of her commerce. The crescent city was exceeded only by London, Liverpool and New York¹.

The growth of her trade went as fast as the city population. While the city population grew from 30 000 in 1820 to 168 000 in 1860, the value of goods from the interior transiting for exports through the city grew from \$16 million in 1821 to \$43 million in 1836 and reached 185 million on the eve of the Civil War. By 1860, the total value of the trade transiting through the city, imports and exports, had jumped to \$324 million².

If in 1816 cotton represented only 12% of the export that transited through the New Orleans Port, it rose to 49% by 1825 and it remained at that level up to the Civil war with an average of 54% during the 1850s. Meanwhile sugar represented 12% of the exports during the whole period, while tobacco rose from 6% in 1825 to 10% in 1853³. Out of \$163 500 000 of goods exports in 1858, the value of cotton that transited through the New Orleans port were worth of \$88 127 340, while it was \$7 078 215 for flour, \$13 628 327 for tobacco, \$5 769 130 for pork, \$4 606 630 for lard, \$5 665 488 for bacon, \$273 934 for hay, \$497 490 for beef, \$17 900 608 for sugar, and \$4 601 015 for molasses⁴.

The importance of the growth of the New Orleans trade is already obvious during the 1820s, while the ships' tonnage increased from 142 179 in October 1824 to 204 400 in October 1827⁵. By 1820, there was no other harbour in the world that displayed a greater variety of shipping. Some 1500 to 2000 vessels of various size came each year to New Orleans⁶. This large increase in the number of vessels compelled the city to allocate various sectors for each type of vessels. On the eve of the Civil War, around 1400 oceanic vessels did entry and leave New Orleans⁷.

¹ *De Bow Review*, July 1846, vol. 2, n° 1, p. 54; Sinclair (1942), p. 293.

² Sinclair (1942), pp. 166, 175, 293; Mitchell (1944), p. 944; Baugham (1968), pp. 280-281.

³ Baugham (1968), p. 281.

⁴ *De Bow Review*, November 1858, vol. 25, p. 565; the values of sugar produced in Louisiana in 1860 amounted to 460 000 000 pounds at 7 cents a pound which yielded a revenue of \$32 000 000. 42nd Congress, 3rd session, House Misc. Doc., no. 41, 21.

⁵ *Messages of the Mayor to the City Council*, J. Roffignac, August 19, 1828, 47; D. Prieur, June 13, 1832, 59.

⁶ *Messages of the Mayor to the City Council*, D. Prieur, June 13, 1832, 59.

⁷ The number of vessels that came in and left New Orleans were 1394 in 1858 and 1408 in 1859. "Board of Committee on Trade and Manufacture", *Louisiana Legislative Documents*, Baton Rouge, 1859, p. 6.

Even so, already during the 1820s, New Orleans was confronted to stiff competition from other ports. It became a major concern of the local authorities and the New Orleans Merchant class. As the New York economic sphere of influence extended by then to Louisville, the New York merchants spared no effort to promote their trade even in New Orleans backyard. Moreover, New Orleans suffered from one major weakness, the city shippers did not own or control a single line of ocean vessels⁸. By 1836, many lines of navigation chose to trade directly with New York. As a result, many merchants who had been previously buying their goods from New Orleans now did it from the North. This change in trade patterns raised much concerns as it was seen as a vital importance for the city⁹. But New Orleans was not only confronted only to New York, but it also faced competition from coastal ports along the Gulf of Mexico. For example, during the 1850s, Galveston did control a third of the exports of flour and grain towards Boston¹⁰.

By the 1830s, the control of the tobacco trade became a major concern. In its fight to maintain his predominance over that trade, the City obtained the support of the federal Government in 1837 which helped to promote American tobacco in Prussia and Austria¹¹. But by the 1850s, New Orleans was engaged in a strong competition with Baltimore for the control of the tobacco trade. As Tennessee and Kentucky had replaced Virginia and Maryland as the major production center of tobacco, New Orleans used its river systems to take control of that trade. In 1846, New Orleans had become the major centre for the handling of tobacco with 91 000 hogsheads which were worth of \$4 million. But in the early 1850s, Baltimore increased its share of that trade to 42 000 hogsheads. As a result, New Orleans exports of tobacco dropped to 64 000 hogsheads. By 1859-1860, New Orleans merchants who saw the economic importance of that trade were able to recapture a part of it with the exports of 80 995 hogsheads¹².

2.2. Constructing a railroad network

Until the early 1820s, the people living in the Ohio Valley could only send their products and get their goods through the port of New Orleans via the Mississippi river. But after 1825, the year of the opening of the Erie Canal, New Orleans trade did lose an important part of the western trade to New York¹³. The situation only worsened during the 1830s and 1840s with the development of railroads as the re-

⁸ *Messages of the Mayor to the City Council*, J. Roffignac, May 20, 1826, pp. 53-54; Sinclair (1942), pp. 166, 175.

⁹ *New Orleans Bulletin*, September 24, October 3, 1836.

¹⁰ Reinders (1964), pp. 41-42.

¹¹ *New Orleans Bee*, March 23, 1837.

¹² *De Bow Review*, July 1846, vol. 2, no. 1, "The Tobacco Trade", pp. 42-43; July 1846, vol. 2, no. 1, p. 55; February 1853, vol. 14, no. 2, p. 175; Reinders (1964), p. 41.

¹³ Bolding (1975), p. 165.

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gion became then connected with Boston, New York, Philadelphia or even Baltimore. By 1853, the merchants of the ports on the eastern coast had established several direct links for trading with the interior. As a result, New Orleans was losing that trade. The situation became even worse in 1855, as St. Louis ceased to depend uniquely on the New Orleans port for its overseas trade. Indeed, in 1855, that city became connected with the eastern coast by railroads. Local authorities and the business classes of New Orleans were quite aware of the situation. In response to the threat of losing all the interior trade, several proposals were then submitted by the *De Bow's Review* and city newspapers to encourage railroad construction to link New Orleans to Northern and Western States¹⁴.

Already during the early 1830s, the local authorities were under pressure to react. The city commercial interests began to promote the development of railroads as a substitute to the Mississippi river. Then, Louisiana knew a first period of railroad boom between 1833 and 1837 as the State Government granted charters for the construction of railroads in all parts of the State¹⁵. The Louisiana Government did not limit its action to granting charters to local corporations, it did also support them financially. For example, in 1835, the State Government granted a loan of \$500 000 and issued \$411 000 of State bonds for the New Orleans and Nashville Railroad, the most ambitious railroad project in the whole South. But the 1837 economic crisis put a temporary halt to the development of railroad¹⁶. Despite the gloomy atmosphere, a new railroad project was launched during the late 1830s aimed at linking New Orleans with cities along the Gulf of Mexico¹⁷. However, the 1845 State constitution put a limit on the development of corporations as it prevented the State to support them financially. These provisions could be suitable for a purely agricultural economy, but they were disastrous for the New Orleans's commercial interest¹⁸.

Meanwhile, the trade routes related to the Ohio and Missouri valleys underwent a rapid change. By the early 1850s, a large portion of the trade of the upper rivers was diverted towards Chicago. Trade via railroads quickly proved to be more efficient and less expansive than the one by steamboat via New Orleans. For example, local merchants in Dubuque, Quincy and Davenport in Iowa saw in the connection of their town with Chicago an opportunity for the development and growth of their respective towns. As a result, these towns emerged as important local "entrepôts" for the trade in the whole Middle-West. Change did occur rapidly. In only two or three seasons, many towns abandoned their traditional trading routes and profited of the opportunity provided by railroads to adopt new trading routes¹⁹.

¹⁴ Mitchell (1944), pp. 945-946, 954.

¹⁵ Dupont (1948), p. 510.

¹⁶ *Louisiana Laws*, Act of 1836, pp. 125-126; Act 83 of 1837, pp. 84-85; Dupont (1948), p. 510; Reed (1962), pp. 184-185.

¹⁷ Cable and Waring Jr. (1881), p. 259; Reed (1962), p. 186.

¹⁸ Reed (1962), p. 191.

¹⁹ Mahoney (1985), pp. 328-336.

Therefore, New Orleans commercial elites had no choice but to adjust to these dramatic changes. As a result, a second period of railroad building fever occurred during the early 1850s. Louisiana was then swept by a large movement of railroad construction that was again initiated by businessmen from New Orleans. James Robb, a banker of New Orleans, took the leadership of the railroad development movement. No person understood more than him how railroad connections were essential to New Orleans prosperity²⁰. The new railroad movement, aimed at connecting New Orleans with different regions of the State and the whole country, got also a strong support from planters in rural areas and quickly spread throughout the State. But the first objective of the railroad movement in Louisiana was aimed at getting a constitutional convention and drawing a new constitution which was achieved in 1852. The new constitution did authorize the State Government to invest in internal improvements. Thereafter, the Louisiana Legislature proceeded to revise the law concerning the corporations²¹. Thus, the State could again play a major role in the development of railroads in Louisiana, not only for the development of railroads within Louisiana, but also aimed at connecting New Orleans with Texas, Mobile or Nashville²².

A first group held a convention in May 1851 for the building of a railroad from New Orleans to Opelousas and eventually to Texas via Sabine parish²³. This was a part of a new strategy from the New Orleans' business community to counterbalance the negative effect of the lost of the Middle-West trade to Atlantic cities because of railroad expansion in the west by developing new trading roads in Texas and Arkansas²⁴. The State Legislature enacted a law in 1852 that authorized the construction of a railroad by the New Orleans, Opelousas and Great Western railroad. In 1853, the new company was incorporated. Then, the State Government accepted to subscribe one-fifth of the capital stock of the new corporation. Meanwhile, the State Legislature responded positively in 1852 to a petition from Terrebonne parish and enacted a new law that authorized municipal and parish governments to raise taxes for subscription in railroad development²⁵.

Public subscription by local governments then became paramount as shown by the history of the New Orleans, Opelousas and Great Western Railroad. For example, the parish of Natchitoches voted \$250 000 for that particular railroad corporation, while St. Landry contributed for \$116 000, Lafayette for \$36 000, St. Mary for \$104 000, Terrebonne for \$140 000 and Lafourche interior for \$100 000, giving a total of \$746 000. Meanwhile the parish of St. Mary pledged \$157 000, while

²⁰ Brownell and Goldfield (1977), pp. 58-59; Evans (1940), pp. 184, 196-243.

²¹ *New Orleans Bee*, November 15, 1851, April 7, 1852; *New Orleans Picayune*, March 28, April 6, 1873; *Louisiana Courier*, January 30, 1853; Reed (1962), pp. 192-193.

²² Reed (1962), p. 197.

²³ *New Orleans Crescent*, May 27, 1851.

²⁴ *De Bow Review*, no. VIII, May 1850, pp. 445-456, no. X, December 1850, p. 660; Cable and Waring (1881), pp. 44-46; Mitchell (1944), p. 953; Reed (1962), pp. 191-192.

²⁵ *Louisiana Courier*, June 14, 1852; Reed (1962), p. 196.

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\$100 000 were donated by the parish of De Soto, and \$260 000 by the parish of Rapides for another total of \$582 000. Moreover, the town of Houma contributed for \$150 000. Finally, the State Government accepted to contribute for 20% of the cost²⁶. In all, the new corporation benefitted for a grand total of \$3 503 000 when private subscriptions were added to the public ones. The new company had the necessary capital to start immediately the works on the railroad lines. With the strong support of Governor Paul Hebert, the construction progressed quickly. By January 1854, 40 km of track had been laid. By November 1854, it reached Bayou Lafourche, a distance of 85 km, and by April 1856 it was at Berwick Bay, a distance of 130 km²⁷.

Thereafter, another group emerged whose goal was to connect New Orleans to Nashville via Jackson. Local authorities did not hesitate to support the project. The State Legislature not only granted a charter to the new corporation in 1852, but it went further in 1853 by granting to the New Orleans, Jackson and Nashville railroad a 10 years taxes exemption and authorizing the State Government to subscribe for on fifth in the capital stock of the new company. By 1857, more than 80 miles of roads had been built. But despite large Government support, the New Orleans, Jackson and Nashville railroad had built only 205 miles of roads towards Jackson on the eve of the Civil War²⁸.

Meanwhile, New Orleans was authorized in 1850 by the State Legislature to subscribe for \$1.5 million to the stock of the Pontchartrain Company to enable that company to construct a railroad from New Orleans to Mobile. In May 1854, the city subscribed a first \$500 000 for that road. However, the project quickly ran into trouble. Nothing was done. In January 1858, the city was able to recover \$329 000 of its investment, losing \$171 000. A report of 1873 showed that the city had lost about \$400 000 in that single railroad project²⁹.

This was followed in the spring of 1854 by a movement for connecting Baton Rouge to New Orleans. Local merchants in Baton Rouge and planters close to that city saw in the development of railroads a way to connect both cities in less than

²⁶ *Shreveport Southwestern*, June 24, 1857.

²⁷ *Louisiana Laws*, Act no. 176 of 1852, pp. 129-131; Act no. 149 of 1853, pp. 115-123; Act no. 176 of 1853, pp. 141-142; *De Bow Review*, vol. 14, February 1853, pp. 169-170; *New Orleans Picayune*, January 23, 1856; Dupont (1948), pp. 510-511.

²⁸ *Louisiana Laws*, Act no. 176 of 1852, pp. 129-131, Act no. 149 of 1853, pp. 115-123, Act no. 176 of 1853, pp. 141-142, Act no. 274 of 1853, pp. 243-249; *De Bow Review*, vol. 14, February 1853, Act no. 148 of 1853, pp. 109-115; Act no. 177 of 1853, pp. 142-143, 169-170; *Minutes of the Police Juries of Lafayette*, September 25, 1852, pp. 214-215; *Baton Rouge Daily Advocate*, April 26, 28, 1854; *New Orleans Crescent*, May 27, 1851; *New Orleans Bee*, April 7, 1852; *New Orleans Picayune*, January 23, 1856; *Louisiana Courier*, June 14, 1852; *Shreveport Southwestern*, June 24, 1857. Cable and Waring (1881), p. 262; Reed (1962), pp. 193, 201.

²⁹ *Louisiana Laws*, Act no. 176 of 1852, pp. 129-131, Act no. 148 of 1853, pp. 109-115, Act no. 177 of 1853, pp. 142-143, Act no. 110 of 1854, pp. 76-79; *New Orleans Picayune*, January 18, 1854; *Baton Rouge Daily Advocate*, February 28, 1854; *Louisiana Courier*, April 12, 1854; *New Orleans Republican*, April 1, 1873.

two hours. In support of this idea, various meetings were held in Baton Rouge and in contiguous parishes. The organizers of the project submitted afterwards in 1854 a petition that was submitted to the State Legislature³⁰. Finally, 1856 and 1857 were great years for the development of railroad in Louisiana. A railroad convention was held at Natchitoches in October 1856 in which the parishes of Natchitoches, Caddo, Sabine and De Soto were represented. They resolved that the Vicksburg, Shreveport and Texas railroad should be connected with the New Orleans, Opelousas and Great Western Railroad. These parishes were willing to subscribe for the building of such a railroad³¹.

As a result of the State and local policies, Louisiana State Government did own by the end of the 1850s a large percentage of stock in various railroad corporations. The State Legislature played an active role in supporting that movement by incorporating several companies, accepting congressional grants of lands for railroads and authorizing the State to subscribe stocks in railroads up to the amount of one fifth of the capital stock³². In all during the 1850s, the State subscribed for \$3 281 800 to the capital stocks of various railroad corporations. As a result, on the eve of the Civil War, the New Orleans railroad networks represented, with its nine lines of which three were major lines and its 620 km of rails, the third most important in the Union, after the ones of New York and Boston. Although only the New Orleans and Jackson railroad did bring a sizeable amount of cotton to New Orleans, railroads had become particularly important for the maintenance of New Orleans trade predominance³³.

3. New Orleans port after the Civil War

3.1. The port trade

The Civil War had an important consequence on New Orleans trade. In fact, the city did not recover from the lost of the war before the 1880s. Between 1862 and 1880, the city did not profit from the economic post war boom. The exports that transited through New Orleans averaged only \$200 million a year. The worst years were 1868 and 1879 with only \$127 million. Meanwhile, the New Orleans share in the coast shipping, half of which was foreign export, dropped from 53% before the war to 47% in 1885-1886. In 1858, 6% of all United States imports transited through New Orleans, but that percentage was reduced to 3% in 1878. Trade

³⁰ *Louisiana House Journal*, 1854, pp. 132-134; *Baton Rouge Daily Advocate*, April 26, 28, 1854.

³¹ *Shreveport Southwestern*, November 5, 1856.

³² *Louisiana Laws*, Act no. 98 of 1856, pp. 76-78; Act no. 135 of 1856, pp. 124-126; Act no. 168 of 1856, pp. 171-176; Act no. 134 of 1856, pp. 123-124; Act no. 133 of 1857, pp. 119-122; Act no. 230 of 1857, pp. 220-228.

³³ *Messages of the Mayor to the City Council*, Mayor C. M. Waterman, October 1, 1857, 4; *Louisiana Laws*, Act no. 244 of 1860, p. 186; Landry (1942), pp. 696-697; Taylor (1974), pp. 189, 318, 353.

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with Europe was still paramount as shown by the 1871 numbers: 96% exports were sent to Europe while 65% of the city imports came from that continent³⁴.

In the post-Civil War economy, New Orleans had to take into account another element: the high American tariff. As the tariff largely diminished goods that the United States imported from England, American ships that transported grain to Liverpool were compelled to take manufactured goods from Cuba as a way to avoid making empty trip in their return to America. It was the only way to be competitive with other ports. But then they were subject to a twenty days quarantine. This quarantine took a way the profit they were getting. As a result, there was a real danger that grain exports transited through Baltimore instead of New Orleans³⁵.

By 1880, the State Government was quite aware of the problems facing the port of New Orleans. To maintain or regain its commercial ascendancy, public regulations needed to be changed and the State Government had to support the New Orleans port in various ways by direct and indirect aid such as subventions and exemptions of taxes. In 1878, the city council appointed a committee to cooperate with the chamber of commerce, the cotton exchange and the sugar planter association in calling an international convention in New Orleans to promote New Orleans image as a major trading city in the world³⁶.

3.2. Railroad improvement

The Mississippi river networks remained the primary means of bringing goods to New Orleans in the post Civil War period. But river transportation presented many challenges and was confronted to stiff competition from railroads. Some of the rivers, like the Red River which extended from North Louisiana to Texas, were often detrimental to navigation because of rafts, diminution of size and deepness. As a result, it necessitated a combination of boats and brought regular complaints from merchants concerning rates of freight adopted and the fact that boats did not depart frequently enough to accommodate the wants of shippers and travelers. This situation was much prejudicial to the commercial interest of New Orleans. There was then a real danger that Texan producers abandoned their connection with New Orleans and turned toward the north-west markets. In order to retain the Texan trade, New Orleans commercial community fully appreciate the necessity of cheap and speedily transportation to enable the city merchants to give satisfactory to the Red River customers. Railroads emerged quickly as the solution for providing better services and to prevent Texan merchants and producers to turn to other markets³⁷.

³⁴ Mitchell (1944), p. 958; Baugham (1968), pp. 281-283.

³⁵ *New Orleans Bee*, April 19, 1879.

³⁶ *New Orleans City*, Book of Ordinances, no. 4599, July 19, 1878.

³⁷ *New Orleans Picayune*, April 10, 1872; *New Orleans Republican*, January 20, 1871; Taylor (1974), p. 396.

After the Civil War, shippers of agricultural products patronized the cheapest route to foreign markets. Time had become an important element in determining the cheapest route. To maintain its trade share, New Orleans could no longer depend primarily on the Mississippi river network. The city was compelled to offer rates of freight that were below the one of the Northern ports. When the rates were about the same, the Atlantic seaports, because of shorter distance, would definitively get an edge on New Orleans. The New Orleans commercial community then developed a two-way strategy: to reduce the river freights to the minimum rate and to develop its own railroad networks³⁸. But in doing so, New Orleans was confronted to a strong competition.

After the Civil War, railroads became even more important factor not only in determining trading routes, but also in insuring whether or not a region would undergo an important economic development. As competition between railroad companies intensified, not only the cost of transportation was further reduced as a result, but railroads proved quite a good substitute for river transportation. As a consequence, many traders found it no longer necessary to go through the New Orleans port and as a result they simply chose to ignore the New Orleans market³⁹. Confronted to such a situation and moved by the New South ideology that prevailed after the Civil War, the business community in New Orleans and the State and local authorities swiftly reacted by adopting a policy aimed at transforming New Orleans into a major centre of railroad development. They had a first success in attracting the attention of big railroad operators such as the Southern Pacific Railroad Company.

Meanwhile, demands for railroad connections became generalized in rural Louisiana as railroads then meant quick connection with the outside world, particularly with New Orleans from which they could export their agricultural products. To achieve that goal, local merchants and planters were ready to pay greater taxes to promote railroad development. For example, citizens of Greensburg, St. Helena Parish, hold a meeting in 1868 for the purpose of considering the practicability of connecting the town of Greensburg with some point on the Jackson railroad. They did appoint a citizen committee to that effect⁴⁰. Similarly, people in western St. Landry considered their region worthless, except for raising wild cattle and horse, unless it was connected to a major railroad. Meanwhile, people in St. Martin Parish asserted their readiness to vote for the levy of tax to help the construction of a railroad line up to St. Martin in cases where private subscriptions were not sufficient to achieve that goal. In 1885, an observer commented the effect that railroad development had on Southwest Louisiana: "The building of railroad brought men with capital, brains and energy, to all of Southwestern Louisiana"⁴¹.

As Edward King noted in his 1875 report on his journey throughout the South, the development of railroads had then become one of the most pressing needs for

³⁸ *New Orleans Picayune*, September 24, 1871.

³⁹ Mitchell (1944), p. 956.

⁴⁰ *New Orleans Picayune*, August 13, 1868.

⁴¹ *New Orleans Bee*, August 3, 1880; *Opelousas Journal*, August 12, 1872; Millet (1972), p. 140.

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New Orleans and the whole State. By the mid 1870s, the building of the New Orleans, Mobile and Texas Railroad did much for the commerce of the State. It did represent “one of the best lines in the country as it linked New Orleans to extensive sections of Mississippi, Alabama and Texas”. Still, the construction of a branch toward Shreveport was considered essential as the trade with “Shreveport had been restricted for many years because of the difficulty of navigation of the Red River”. While a trip from New Orleans to Shreveport took four days by boat, it could be done in twelve hours by rails⁴².

Four other lines became paramount in the immediate Post-Civil War years in connecting New Orleans to the national network. First, the New Orleans and Jackson railroad played a central role in the New Orleans business strategy as it linked by the end of the 1860s New Orleans to Chicago via the Illinois Central Railroad. As a result, Chicago was as close to New Orleans that it was to New York⁴³. Secondly, the State Government chartered the New Orleans, Mobile and Chattanooga Railroad. The State Government did give away \$3 million in subsidy to the new corporation. Thirdly, the State Government pledged \$12 500 a mile to the Mobile, New Orleans and Texas Railroad for the construction of a line to Houston. Finally, the State supported the Louisiana Central Railroad, which had been incorporated in 1872, for linking Vermillionville to Shreveport for which the State Government pledged to buy \$2 500 000 of the corporation stocks⁴⁴.

During the years after the Civil War, the great efforts to divert the Texas trade to St. Louis by rail met with a prompt response from New Orleans merchants. By 1873, the Texas and Pacific railroad had established a direct line, without a change of cars, between Texas and New Orleans. The city was therefore able to maintain itself as the natural port for shipping to the European markets the agricultural products of the Texan fields. For example, cotton under the new railroad schedule was shipped from Sherman in Texas to St. Louis for \$3 a bale, compared to \$3.50 to New Orleans. This gave New Orleans a great advantage, since from St. Louis cotton still need to make a thousand miles before reaching an Atlantic coast port⁴⁵.

The New Orleans and Pacific Railroad Company was organized in June 1875 to connect the upper Red River country to New Orleans. To achieve the project, New Orleans City Government subscribed a sum of \$354 000, while the towns of Mansfield, Alexandria, Natchitoches and the city of Shreveport did respectively for \$15 000, \$15 200, \$25 000, and \$25 000. Meanwhile, the parishes of De Soto and Caddo did respectively subscribe for \$100 000 and \$200 000. In December 1876, the decision to subscribe \$100 000 by the parochial authorities in De Soto was submitted to the people and it obtained a support of 201 votes against 159. Moreover, contribution came even from Texas. The business community of Marshall in Texas

⁴² King (1875), p. 76; Taylor (1974), pp. 190, 193, 213.

⁴³ King (1875), p. 76.

⁴⁴ *Baton Rouge Tri-Weekly Advocate*, November 4, 1870; *New Orleans Picayune*, October, 25, 1874; Nordhoff (1876), p. 58; Taylor (1974), pp. 190, 203, 213, 261, 392.

⁴⁵ *New Orleans Picayune*, October 21, 1873; *New Orleans Times*, October 1, 1876.

not only subscribed \$60 000 but to give away to the new company their charter on the Marshall & Mansfield Railroad Company and its land grant of 286 720 acres. Thereafter, work of construction began in late 1875. However, the new company ran quickly into financial difficulty. New Orleans city, which had already subscribed in the Texas and Pacific railroad, asked in 1877 Congress to support that railroad. But it was to no avail⁴⁶. As a consequence, the new company defaulted in 1878 after having built only 171 miles of roads at a total cost of \$3 537 000⁴⁷.

With the end of Reconstruction, the new State authorities showed an even greater opening to the New South ideology. As a result, the State Legislature authorized corporation to consolidate with other corporations within the State. The 1879 constitution went further as it authorized corporations to consolidate with outside of State corporations⁴⁸. The new articles of consolidation had an immediate effect. In 1882, what remained of the New Orleans and Pacific Railroad Company was consolidated with the Texas and Pacific Railroad Company⁴⁹.

Baton Rouge did not remain aloof from the movement. In January 1881, in response to a demand emanating from Mayor Leon Jastremski and the City Council of Baton Rouge, Governor Louis A. Wiltz gave its full support to the idea of connecting Baton Rouge with the New Orleans and Pacific Railroad. As a result, Baton Rouge became finally connected not only to New Orleans but also to a major railroad network in July 1881. The new connection promised to bring prosperity for hundreds of local small industries⁵⁰.

In promoting railroad development, the State Government played a major role. For example, the North Louisiana and Texas railroad was already exempted from taxation by its charter. But the company found that support not enough. As a result, the State Legislature did amend the Act of Incorporation of the North Louisiana and Texas Railroad Company and authorized the Government to grant the company a certificate of \$6000 in State bonds for each and every mile that the company built until the completion of the railroad. Thereafter, the State went further as it took 576 000 stocks in the company for which it paid \$720 000⁵¹. As other railroads corporations benefited of similar support, \$18 000 000 of bonds were voted under the Warmoth administration (1868-1871) as second mortgages to railroad⁵².

In 1872, the State Legislature enacted a law that authorized parishes and municipalities to buy stocks in railroads and other corporations of public utilities.

⁴⁶ Goodspeed (1890), pp. 30, 239; *New Orleans City*, Book of Ordinances, no. 4128, September 20, 1877; Taylor (1974), pp. 318, 483, 500, 502.

⁴⁷ Goodspeed (1890), pp. 30, 239.

⁴⁸ *Louisiana Laws*, Act 38 of 1882, 51; Article 246 of the 1879 *Louisiana Constitution*.

⁴⁹ Goodspeed (1890), pp. 30, 239.

⁵⁰ *Baton Rouge Weekly Advocate*, July 29, 1881; *Baton Rouge Tri-Weekly Capitolian*, January 15, 1881; Taylor (1974), pp. 86, 190-191, 342.

⁵¹ Article 118 of the *Louisiana Constitution* of 1868; *Louisiana Laws*, Act no. 108 of 1868, pp. 136-140; *Opelousas Journal*, August 12, 1871; *Ouachita Telegraph*, March 9, 1872.

⁵² *New Orleans Picayune*, February 10, 1872; *Baton Rouge Tri-weekly Advocate*, November 4, 1871; Nordhoff (1876), p. 58; Taylor (1974), pp. 86, 197, 213.

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Parishes like De Soto, Sabine and St. Martin and cities such as Alexandria, Baton Rouge, Opelousas and Shreveport did hold referendum and meetings for the levy of tax to help the construction of a railroad line up to their place in case where the private subscription were not enough. The Louisiana Central Railway, which was incorporated in 1872, was granted in 1874 \$300 000 in parish bonds to build a railroad from Shreveport to Vermillionville⁵³. Meanwhile, the city council of Alexandria adopted a tax of 5 mills for the construction of a line with the Little Rock & Arkansas Railroad. By 1887, Alexandria had rose the sum of \$228 099 for that purpose⁵⁴.

Indeed, by the 1870s, railroad communication became a vital part for development and prosperity of rural areas. For a rural community, to be connected directly to New Orleans had become paramount for her prosperity. But it was also so for New Orleans. In early 1880s, prosperity returned in New Orleans as the city became the centre of many major railroads that brought grain, corn and wheat of the West to be afterwards exported to foreign markets⁵⁵. Despite the strong movement in developing a large railroad network, New Orleans was unable to regain the prominence it had in the world trade. Still, these efforts succeeded at least to preserve part of the city trade and to make New Orleans more competitive in national and world trade⁵⁶.

4. Conclusions

During the Antebellum period, railroads had already begun to alter trades routes and determine urban growth. During the early 1850s, the editor of the *De Bow's Review* predicted that with efficient railroads, New Orleans and Norfolk could command two thirds of the nation trade. New Orleans civic leader, under the leadership of James Robb then developed a scheme to recapture the western trade that had been lost to the eastern coast ports by building a great railroad system that would linked New Orleans to the north via Nashville. However, as Louisiana got involved in the hot debate that led to the Civil War, the Louisiana railroad promoters were unable to achieve their goal. Still, it is interesting to note that during the 1850s, railroads mileage in the South quadrupled while in the north it only tripled. Even so, it was not sufficient to maintain the prominence that New Orleans has had once

⁵³ *Louisiana Laws*, Act no. 111 of 1874, pp. 25-36, Act no. 34 of 1880; *Opelousas Courier*, June 5, 1880; *Alexandria Caucasian*, September 12, 1874; *New Orleans Republican*, December 13, 1872; *Bossier Bellevue Banner*, October 18, 1877; *Baton Rouge Tri-weekly Capitolian*, January 15, 1881.

⁵⁴ *Bossier Bellevue Banner*, October 18, 1877; *New Orleans Bee*, March 1, 1872, August 3, 1880; *New Orleans Picayune*, October, 25, 1874; Goodspeed (1890), pp. 239, 540; Taylor (1974), p. 190.

⁵⁵ *Baton Rouge Tri-weekly Capitolian*, January 15, 1881; *Baton Rouge Weekly Advocate*, July 29, 1881; *Claiborne Guardian*, December 28, 1881; *Richland Beacon*, July 30, 1881; Taylor (1974), p. 396.

⁵⁶ Bolding (1975), p. 167; Taylor (1974), pp. 398-399.

on the national and world trade. But the tardy entry of New Orleans into railroad building had by 1860 made New York the centre of national trade by 1860. If in 1820 agricultural products had represented 58% of all entries in the New Orleans port, by 1860 they stood for only 23%. By then, the western trade had been largely diverted towards Atlantic ports by railroad lines⁵⁷.

But after the war, railroad buildings in the south lagged far behind of the north with only 16% of the national total mileage. Even so, New Orleans and Louisiana underwent a tremendous effort. By 1880, Louisiana and the South in general out-paced the North in railroad building as it doubled their railroad during that time. New Orleans was then at the center of that movement. As a result, prosperity returned in New Orleans during the 1880s as the city became the centre of many major railroads. This allowed New Orleans to recapture a large part of the trade routes it had previously lost to competition. Once again, a sizeable amount of agricultural products from the America hinterland aimed to foreign markets went through the New Orleans port⁵⁸.

⁵⁷ Brownell and Goldfield (1890), pp. 55-56, 87; Rabinowitz (1977), p. 96.

⁵⁸ *New Orleans City*, Book of Ordinances, no. 4128, September 20, 1877; *Richland Beacon*, July 30, 1881; Rabinowitz (1977), pp. 102, 105.

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