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**THE TALE OF TWO ENTREPRENEURS
IN THE OLD SOUTH:
JOHN SPRINGS III AND HIRAM HUTCHISON
OF THE SOUTH CAROLINA UPCOUNTRY**

LACY K. FORD, JR.*

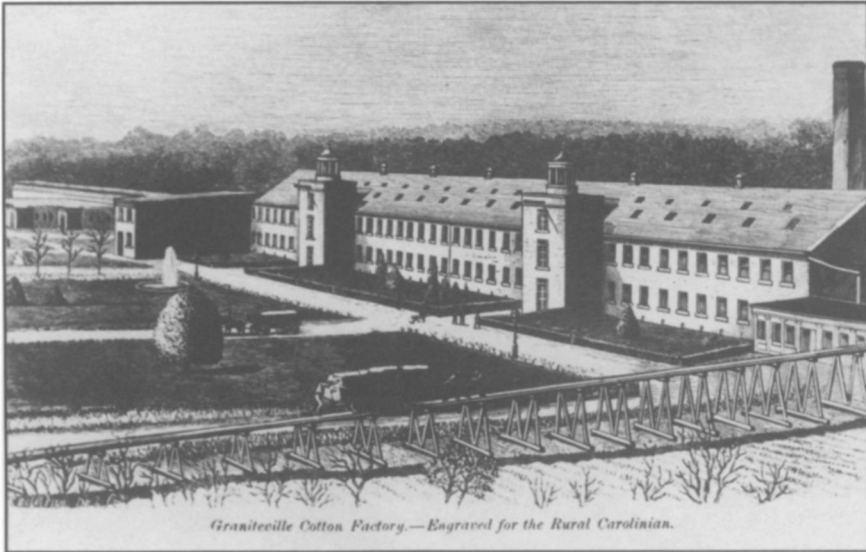
IN LATE MARCH 1849 JOHN SPRINGS III TOURED WILLIAM Gregg's giant new textile factory at Graniteville. Springs's visit to the site was prompted by more than idle curiosity. The York District cotton planter's \$15,000 investment in the venture made him the Graniteville Company's fifth largest stockholder, and he was interested in viewing first-hand the structures his capital had helped build. After Springs finished his stroll through the budding textile village, a company town springing miraculously to life in the otherwise unpromising countryside of Edgefield's Horse Creek Valley, he pronounced himself well pleased with the project. The village, as Springs described it, consisted of a huge factory, 150 "neat little dwelling houses," eight boarding houses (dormitories), a tavern, two churches, and one academy. It was, in Springs's opinion, "one of the handsomest little places in the State," with all its buildings sporting what Springs judged the "most modern style of architecture." The Graniteville venture, Springs concluded, showed "every prospect of success and probable profit to the owners."¹

Capitalized initially at \$300,000, housing more than 10,000 spindles, and employing more than 300 operatives, Graniteville was the Old South's largest textile mill. It was a full three times larger than the second largest mill in South Carolina (at nearby Vacluse), and roughly ten times larger than the typical antebellum cotton factory, most of which produced either yarn or crude cloth sold almost exclusively in neighborhood markets. This impressive new industrial behemoth was the brainchild of Charleston banker-merchant William Gregg, Abbeville planter Joel Smith, and York District native Hiram Hutchison, who was serving a highly successful tenure as president of the Bank of Hamburg (in Edgefield District) when Graniteville was founded. Gregg conceived of the project and provided the vision of industrial development, Smith played a pivotal role in finding the

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¹John Springs to Andrew Baxter Springs, March 22, 1849, Springs Family Papers, Southern Historical Collection (hereafter SHC), University of North Carolina at Chapel Hill.

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The Graniteville factory, built in Edgefield District in 1849, was the Old South's largest textile mill. Among its investors were John Springs III and Hiram Hutchison. Image from the Caroliniana Library, University of South Carolina.

site for the mill, and Hutchison was the project's financial guardian. Along with Charleston banker Ker Boyce, Hutchison sought the venture capital needed to bring Gregg's vision to fulfillment. It was Hutchison who solicited his old friend John Springs III as an investor and who cultivated upcountry capital generally. Willing to do himself what he asked others to do, Hutchison invested \$40,000 of his own money in Graniteville, buying eighty of the 600 shares offered at \$500 per share. With this investment, Hutchison joined Boyce and Joel Smith as the company's largest stockholders. Together, Hutchison and Springs controlled nearly one-fifth of all Graniteville stock.²

John Springs III, who lived all of his adult life in York District, died in 1853 at the age of seventy-one. Three years later, Hiram Hutchison, a native of York District who lived there for thirty years before leaving to seek his fortune elsewhere, died at age sixty-seven. At the time of his death,

²Ernest McPherson Lander, Jr., *The Textile Industry in Antebellum South Carolina* (Baton Rouge: Louisiana State University Press, 1969), esp. pp. 56-63; Broadus Mitchell, *William Gregg: Factory Master of the Old South* (Chapel Hill: University of North Carolina Press, 1928); Thomas P. Martin, "The Advent of William Gregg and the Graniteville Company," *Journal of Southern History* 11 (August 1945), pp. 389-423; Hiram Hutchison to John Springs, January 8 and 20, June 18, October 20, 1846, Springs Family Papers, SHC.

Springs's estate was valued at just under \$500,000. When Hutchison died, his wealth was estimated at roughly \$325,000.³ It is difficult to convert these mid-nineteenth century sums into their late-twentieth-century equivalents. But a very conservative conversion estimate would place Springs's worth at nearly \$9 million in 1990 terms and Hutchison's at just under \$6 million. Perhaps an even better gauge of the wealth of these men is the financial perspective of their own era. Both Springs and Hutchison accumulated assets worth several hundred thousand dollars in an age when a South Carolina bank president's annual salary was \$5,000 or less, when a wealthy cotton planter with a thousand acres of land and fifty slaves was delighted to net \$10,000 to \$15,000 annually, and when a slaveless yeoman farmer with a wife and two children could make do sufficiently, if not comfortably, on \$300 a year. This was an era when the entire state government of South Carolina operated on no more than \$300,000 a year.⁴ By these or any other standards, John Springs and his life-long friend Hiram Hutchison were indeed wealthy men.

Yet while both Springs and Hutchison easily ranked among the richest 5 percent of all South Carolinians, they were far from being the state's wealthiest citizens. That distinction probably fell to Richland District cotton

³Katherine Wooten Springs, *The Squires of Springfield* (Charlotte, N.C.: William Lofton, 1965), pp. 16-110; *The Pee Dee Herald*, October 28, 1856; Inventory and Will of John Springs, c. 1853, Davidson Family Papers, SHC; John J. Blackwood to Adolphus Eugene Hutchison, April 4, 1857, Hutchison Family Papers, South Caroliniana Library (hereafter SCL), University of South Carolina at Columbia.

⁴These rough estimates were calculated by taking the wealth of Springs and Hutchison at the respective times of their deaths and adjusting those sums for inflation using the Consumer Price Index developed by the U.S. Bureau of Labor Statistics. The results suggest, for instance, that the roughly one-half million dollars in John Springs's estate in 1853 would purchase nearly \$9 million worth of goods and services in the early 1990s. See U.S. Bureau of the Census, *Historical Statistics of the United States: Colonial Times to 1970* (Washington, D.C.: U.S. Government Printing Office, 1975), Vol. 1, pp. 210-211; and U.S. Bureau of the Census, *Statistical Abstract of the United States: 1991* (Washington, D.C.: U.S. Government Printing Office, 1991), p. 476. In the 1850s, when the estates of Springs and Hutchison were appraised, per capita income in South Carolina was roughly \$90. In 1989 per capita income in South Carolina was just under \$12,000. If the fortunes of Springs and Hutchison had remained a constant proportion of per capita income over time, then Springs's worth in 1989 terms would have been over \$66 million, while Hutchison's would have been roughly \$42 million. For per capita income figures see Robert William Fogel and Stanley Engerman, *Time on the Cross: The Economics of American Negro Slavery* (Boston: Little, Brown and Co., 1974), Vol. 1, p. 248; and Bureau of the Census, *Statistical Abstract of the United States: 1991*, p. 440. The income comparisons from the era are drawn largely from Lacy K. Ford, Jr., *Origins of Southern Radicalism: The South Carolina Upcountry, 1800-1860* (New York: Oxford University Press, 1988), esp. pp. 44-95.

planter and investor Wade Hampton I or Georgetown rice planter Joshua John Ward (who owned one thousand slaves within South Carolina's borders), or, most likely, Nathaniel Heyward, a Colleton rice planter whose estate was valued at more than \$2,000,000 when he died in 1851.⁵ Indeed, any number of lowcountry rice and cotton planters, owners of hundreds of slaves and thousands of acres, were considerably more wealthy than either John Springs or Hiram Hutchison.⁶ Thus what makes Springs and Hutchison interesting and distinctive is not the level of their wealth, impressive as that was, but the diversified nature of their holdings and the breadth of their entrepreneurial activity. In an era when most rich Southerners held the bulk of their wealth in land and slaves, John Springs and Hiram Hutchison carried remarkably diversified investment portfolios. At his death, less than one-fifth of John Springs's wealth consisted of land and slaves, and even if the substantial gifts of land and slaves he had given to his children throughout his life are included, scarcely more than one-third of Springs's wealth lay in land and slaves. A full two-thirds of his estate, totalling over \$300,000, consisted of bank, railroad, insurance company, and textile stocks and bonds.⁷ Hutchison's portfolio was even more anomalous by antebellum southern standards. Never actively engaged as a planter after age thirty, Hutchison's handsome estate consisted of his town residence and lot, valued at \$20,000, no slaves, and nearly \$300,000 in stocks and bonds of various banks, railroads, and insurance companies as well as his Graniteville holdings and stock in an ill-fated gas-lighting company.⁸ In a staple-crop economy where arguably too many successful Southerners plowed their ample agricultural profits back into the purchase of more land and slaves,

⁵When Wade Hampton I died in 1835, he was considered by many the richest man in the South. His estate, which included property in Louisiana and Mississippi as well as South Carolina, was valued at over \$1.6 million. His son, Wade Hampton II, may have been even richer when he died in 1858. See Ronald Edward Bridwell, "The South's Wealthiest Planter: Wade Hampton I of South Carolina" (Ph.D. dissertation, University of South Carolina, 1980), pp. 780-782. Ward, judged by historian George C. Rogers, Jr., as the "king of the rice planters in Georgetown District" was worth well over \$1 million when he died in 1853. Rogers, *The History of Georgetown County, South Carolina* (Columbia: University of South Carolina Press, 1970), pp. 259-261. The executors of Nathaniel Heyward's estate valued his slave property alone at over \$1 million, and he also owned 5,000 acres of prime rice land. His total estate was valued at \$2,018,000. See Duncan Clinch Heyward, *Seed From Madagascar* (Chapel Hill: University of North Carolina Press, 1937), esp. p. 81.

⁶For a useful but incomplete list of the richest planters in antebellum South Carolina, see Chalmers Gaston Davidson, *The Last Foray: The South Carolina Planters of 1860, A Sociological Study* (Columbia: University of South Carolina Press, 1971).

⁷Inventory and Will of John Springs, c. 1853, Davidson Family Papers, SHC.

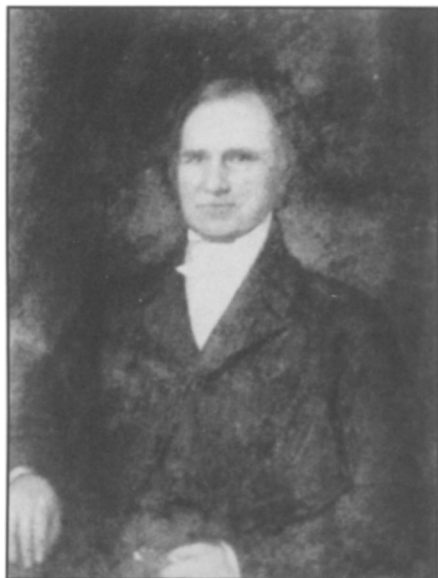
⁸John J. Blackwood to A. Eugene Hutchison, April 4, 1857, List of Hiram Hutchison's holding, c. 1856, Hutchison Family Papers, SCL.

and when too much southern capital looked to develop the rich virgin soils of the old Southwest (Alabama, Mississippi, Louisiana, and Texas) rather than to the improvement and revitalization of older cotton regions like the South Carolina Piedmont, John Springs and Hiram Hutchison supplied much-needed entrepreneurial drive and venture capital to the cause of economic diversification in South Carolina.⁹ Of course they were hardly motivated by sheer altruism. They invested in search of profits; and generally they were handsomely rewarded for their efforts. But as entrepreneurs and venture capitalists, John Springs and Hiram Hutchison helped promote not only economic growth, but also the larger and more elusive goal of economic development. And it is their contribution as champions of local economic development, and not merely their status as men of wealth, that merits scholarly attention today. For while agricultural profits, mostly but not exclusively made from King Cotton, prompted impressive economic growth in the Old South, the region struggled, and eventually failed, to keep pace with that economic juggernaut of the mid-nineteenth century, the American North, in the larger competition for economic development.¹⁰

JOHN SPRINGS III, EIGHT YEARS OLDER THAN HIRAM Hutchison, was born in Mecklenburg County, North Carolina, in 1782, to Richard and Jean Baxter Springs. Of Dutch origin, the Mecklenburg clan of Springs descended from a family of Springsteens who received a land grant to settle in the Dutch Crown's "New Netherlands" colony (later New York) in the seventeenth century. While some Springsteens stayed in New York after the British gained control of the colony, others moved south to Delaware, where they shortened the family name to Springs. In 1776 John

⁹Gavin Wright, *Old South, New South: Revolutions in the Southern Economy Since the Civil War* (New York: Basic Books, 1986), pp. 3-80.

¹⁰The overall weakness of the Old South's manufacturing sector has been thoroughly elaborated in Fred Bateman and Thomas Weiss, *A Deplorable Scarcity: The Failure of Industrialization in the Slave Economy* (Chapel Hill: University of North Carolina Press, 1981). See also Stephen J. Goldfarb, "A Note on Limits to Growth of the Cotton-textile Industry in the Old South," *Journal of Southern History* 48 (November 1982), pp. 545-558. On South Carolina specifically, see Chauncey S. Boucher, "The Antebellum Attitude of South Carolina Towards Manufacturing and Agriculture," *Washington University Studies* 3 (April 1916), pp. 243-270. On the impressive rate of economic growth in the Old South during the late antebellum era, see Richard A. Easterlin, "Regional Income Trends, 1840-1950," in Seymour Harris, ed., *American Economic History* (New York: McGraw Hill, 1961), pp. 525-547. On the Old South's failure to keep pace with the antebellum North, either in terms of growth or pace of industrialization, see Harold D. Woodman, "Economic History and Economic Theory: The New Economic History in America," *Journal of Interdisciplinary History* 3 (Autumn 1972), pp. 323-350.



John Springs III. Photo courtesy of Caroliniana Library, University of South Carolina.

Springs I, though in his fifties, moved to Mecklenburg County and purchased extensive tracts of land in the Providence section. The first John Springs had two sons, John II and Richard, both of whom fought as Whigs in the American Revolution. In the 1780s Richard Springs moved into South Carolina, acquiring property in Lancaster District and securing a long-term land lease from the Catawba Indians.¹¹ Details about John Springs III's childhood and education are sketchy, but he appears to have spent most of his early life in Mecklenburg and Lancaster counties. On January 9, 1806, John Springs III married his first cousin (a practice not uncommon in the era), Mary Springs, daughter of John Springs II. That same year, John III and his new bride set up housekeeping and began farming on a tract of land located on the east bank of the Catawba River in York District, a tract the Springs family had leased from the Catawbas. At this site, which he named "Springfield," Springs lived for most of his adult life, built an impressive upcountry cotton plantation, and amassed his fortune.¹²

Springs established "Springfield" during the years of the first upcountry cotton boom (1799-1819) when fortunes were made, lost, and made again growing short-staple cotton for the burgeoning British textile market. According to one contemporary observer, it was an age when "the clear profits on one crop planted in cotton ... will purchase the fee simple of the

¹¹Julia Amanda Gibson, *Lineage and Tradition of the Family of John Springs III* (Atlanta: Foote and Davis, 1921), esp. pp. 225-226.

¹²Springs, *The Squires of Springfield*, pp. 16-33.

land" and "two, three, or four will in like manner pay for the negroes who make it."¹³ An ambitious and industrious young farmer, John Springs III wasted no time in his effort to cash in on the cotton bonanza. While taking pains to supply himself and his slave labor force with ample food and supplies, Springs concentrated on producing cotton for the market. As early as 1811 he raised 21,000 pounds of seed cotton, or more than 30 bales of ginned cotton, at Springfield. By 1816 Springs marketed 48 bales of cotton for \$3,600. During this era, Springs travelled up and down the south Atlantic coast looking to buy the slaves he needed to expand his cotton production.¹⁴ In 1820 he toured the old tobacco regions of Maryland and Virginia hoping to buy slaves at sheriffs' sales. "I have been two weeks without making a single purchase," Springs complained to his wife on October 2. "The People will not be pushed on court executions ... they keep putting off the evil day."¹⁵ Springs, however, seldom returned home empty-handed. In 1824 one of John Springs's slave-buying trips proved especially profitable. Springs returned to Springfield on December 9 with what he termed "41 likely Negroes" for which he had paid \$10,200. Just two weeks later he sold all forty-one slaves to fellow York resident and two-term United States Senator William Smith, who was probably looking to supply his 6,000-acre Alabama plantation with a labor force, for \$15,425, turning Springs a quick and tidy profit of more than \$5,000. The next year Springs added to his own land holdings by purchasing his father's 738-acre plantation for just over \$4000.¹⁶

Yet from the very beginning of his career as a cotton planter, John Springs III nurtured business interests that stretched beyond cotton profits and the acquisition of land and slaves. As early as 1812 John Springs III, in partnership with his cousin and brother-in-law Adam Springs, operated a store at his Springfield plantation. The partners outfitted their mercantile endeavour with goods from Charleston and sold farm and plantation supplies to nearby agriculturalists.¹⁷ A more ambitious business endeavour for Springs was his mercantile partnership with his older brother, Eli

¹³Lacy K. Ford, "Self-Sufficiency, Cotton, and Economic Development in the South Carolina Upcountry, 1800-1860," *Journal of Economic History* 45 (June 1985), pp. 261-267; David Ramsay, M.D., *The History of South Carolina* (Charleston, S.C.: David Longworth, 1809), Vol. 2, pp. 120-121.

¹⁴Entries of January 12, 1812, and April 12, 1816, in John Springs III Plantation Book, original in the possession of Anne Springs Close, Fort Mill, S.C. I am grateful to Louise Pettus of Rock Hill for making excerpts from this volume available to me.

¹⁵John Springs to Mary Springs, October 2, 1820, Springs Family Papers, SHC.

¹⁶Entries of December 9 and 23, 1824, and December 8, 1825, John Springs Plantation Book.

¹⁷Day Book of John Springs III, August 24, 1808, to July 12, 1853, original in possession of Anne Springs Close, Fort Mill, S.C. Again, I thank Louise Pettus for making this material available to me.

Springs, in the town of Charlotte. Their store, occupying the corner lot on Trade and Tryon, was among the North Carolina town's most successful. Eli Springs lived in Charlotte and managed the store on a daily basis, but John Springs III provided financial backing and occasionally travelled to Charleston and the North to procure supplies for the firm. When Eli Springs died in 1833, John Springs bought out his partner and turned both the location and business over to his second son, Leroy, who had gained experience by working in a New York mercantile house.¹⁸ Earlier, in 1831, John Springs had given his eldest son, Richard Austin Springs, a thousand-acre plantation on the west bank of the Catawba and twenty slaves with whom to work it. And a decade later, the elder Springs gave Austin \$10,000 to use as collateral when he decided to become a partner in a Yorkville mercantile firm. Also, in partnership with fellow cotton planter and near neighbor, William Elliott White, John Springs operated a grist mill near Nation's Ford. Thus by the time he reached middle age, John Springs was a successful planter, merchant, and miller, and his capital backed successful mercantile endeavours of sons and other relatives.¹⁹ Despite all of this success, when John Springs III turned fifty in 1832, he was only beginning his second career as venture capitalist and economic promoter.

FOR HIRAM HUTCHISON, BORN IN 1790 IN THE EBENEZER SECTION of York District, the climb to the top of the economic ladder was a bit tougher and a good deal less conventional than it was for John Springs. Hiram Hutchison's grandfather, John Hutchison, arrived with his wife Sara from Ulster in 1773, carrying a letter from their Presbyterian minister testifying that the couple "always behaved themselves soberly and inoffensively" in Northern Ireland.²⁰ John and Sara settled in the Scotch-Irish enclave along the North Carolina-South Carolina border known as the Waxhaws. In 1786 John Hutchison gave his eighteen-year-old son David a tract of land, leased from the Catawba Indians, in York District just west of the Catawba River. There David Hutchison established a farm that grew into a plantation. His family became active in the Ebenezer Presbyterian Church. A successful planter in his own right, owning twenty-four slaves in 1840, David Hutchison survived three wives, a feat more common in the

¹⁸Gibson, *Lineage and Tradition*, pp. 165-166; John Springs to Leroy Springs, March 9, 1832, Springs Family Papers, SHC.

¹⁹List of property given Richard Austin Springs, January 1, 1831, Springs Family Papers, SHC; R.G. Dun and Company, Credit Reporting Ledgers of the Mercantile Agency, South Carolina, Vol. XIV, pp. 78, 125, Baker Library, Harvard University, Cambridge, Massachusetts (hereafter Baker); Springs, *The Squires of Springfield*, pp. 39-42.

²⁰Typescript of Hutchison Family Genealogy, n.d., and affidavit of the Rev. Alex Nielson, June 2, 1773, Hutchison Family Papers, SCL.

nineteenth century than in the twentieth. By his first wife, Agnes Craig McBride, whom he married in 1789, David had seven children, including his oldest son, Hiram. Agnes Hutchison died in 1807 at age forty-one, and David married Rachel Moore, age twenty-three, in 1809. Rachel died childless within a few years, and David Hutchison soon married Jane Moore, sister of Rachel and a woman twenty-three years his junior. David and Jane had a number of children, including A. Eugene Hutchison, born in 1827, who emerged as one of Rock Hill's leading businessmen in the post-Civil War era. When David Hutchison died in 1845 at the ripe old age of seventy-seven, Hiram was fifty-five.²¹ Again, details of Hiram's early life are sketchy. His formal education was in the cotton-field academies run by Presbyterian ministers in York and Mecklenburg, and Hiram himself taught briefly in such schools as a young adult.²²

Perhaps the historian's earliest glimpse of Hiram was in 1810, when he taught at a field school maintained by Hugh White in a section of the "Indian Land," just east of the Catawba. That winter Hiram Hutchison, schoolmaster and future bank president, helped White's neighbor, cotton planter James Spratt, round up hogs from the open range. As the law required prior to the 1880s, York farmers fenced their row crops and allowed their stock to feed off the open range. Hogs were routinely earmarked, turned loose on the range, and kept relatively close to home by the occasional "putting out" of corn. In late fall, as hog-killing weather approached, a portion of the swine herd was rounded up, perhaps penned and corn-fed for a week or two, and eventually slaughtered.²³ In 1810, while helping James Spratt, Hiram Hutchison grabbed a four-year-old hog and tried to tie its snout shut with a rope. Before he succeeded, however, the hog caught one of Hutchison's fingers on a tusk and ripped it off, as Spratt put it, "slick as hell." The hog round-up had cost Hiram Hutchison a finger.²⁴

²¹Ibid., and Indenture of John Hutchison to David Hutchison, June 21, 1786, and List of Slaveholders in the Indian Land, c. 1840, Hutchison Family Papers, SCL.

²²Thomas D. Spratt, "Recollections of the Spratt Family," July 1876, typescript copy in Spratt Family papers, SCL.

²³On the practice of open-range grazing in the nineteenth century South, see J. Crawford King, "The Closing of the Southern Range: An Exploratory Study," *Journal of Southern History* 48 (February 1982), pp. 53-70; Forrest McDonald and Grady McWhiney, "The Antebellum Herdsman: A Reinterpretation," *Journal of Southern History* 41 (May 1975), pp. 147-166; and Steven Hahn, "Common Right and Commonwealth: The Stock Law Struggle and the Roots of Southern Populism," in J. Morgan Kousser and James M. McPherson, eds., *Region, Race and Reconstruction: Essays in Honor of C. Vann Woodward* (New York: Oxford University Press, 1982), pp. 51-88. On the open range in South Carolina, see Sarah Velody, "The Stock Law Controversy in South Carolina, 1874-1882" (M.A. thesis, University of South Carolina, 1990), esp. pp. 1-16.

²⁴Spratt, "Recollections of the Spratt Family," p. 11, Spratt Family Papers, SCL.

Though always a firm believer in the value of education, Hiram Hutchison quickly learned that if he was to make his fortune he must leave teaching. In 1820, at age 30, Hiram moved to Newberry and set up a general merchandise store in the courthouse village between the Broad and Saluda rivers. Hutchison travelled to Charleston and New York to procure merchandise for his store and quickly began to buy and sell cotton on the side.²⁵ In May 1820, Hiram reported to his father that "Business has been brisker with me than I calculated on" and asked David Hutchison to send money to Charleston to help establish "my credit with my Friends in the Mercantile business," a matter the younger Hutchison considered "of some importance."²⁶

While David Hutchison apparently supplied the \$10,000 needed to start Hiram in the mercantile business, relations between father and son had their testy moments. Once during Hiram's first year in business at Newberry, the father accused his son of overcharging him for a shipment of blankets David had ordered for his Ebenezer plantation. Hiram, David charged, had learned to "calculate profit and Loss better than Right and Rong." Hiram bristled at the charge and immediately drafted a prickly defense of his conduct. "I assure you that I am not disposed to put money in the fire," Hiram replied, "[but] I have no real estate to fly to or to support me, but merely float on the good will, and at the discretion of the Populace." As "for my knowing Right from Rong," Hiram continued, "I trust that God will be my guide even unto the end." Hiram's letter was a masterpiece of family politics. He reminded his father that unlike most other sons of upcountry cotton planters, he had no land to secure his independence, and, at the same time, insisted that he ran an honest business because as a merchant he had only his reputation and the public's goodwill to rely on. "You know," Hiram concluded, "that I did not come here from choice but necessity."²⁷

Hiram remained in the mercantile business at Newberry for seven years. His store was apparently profitable, and Hiram proved a close businessman, again, sometimes too "close" for the taste of friends and relatives. William Elliott White, a neighbor and close friend of David Hutchison in York District, once felt that Hiram delivered shoes for his plantation at a higher price than promised and refused payment. Hiram declared himself "satisfied that I complied with what I told him as near as I possibly could" and vowed to hold White "accountable" for the bill.²⁸ After failing to settle the dispute through intermediaries, Hiram Hutchison wrote William E. White directly, seeking an amicable settlement in the interest of

²⁵Hiram Hutchison to David Hutchison, May 11, 1820, Hutchison Family Papers, SCL.

²⁶Ibid., May 24, 1820, Hutchison Family Papers, SCL.

²⁷Ibid., December 16, 1820, Hutchison Family Papers, SCL.

²⁸Ibid., January 17, 1827, Hutchison Family Papers, SCL.

preserving friendship between the two families. "I do know that I have not exceeded your directions," Hutchison insisted to White, claiming he "could not be expected" to have known the price of the shoes "to any precise sum." Hiram pleaded for a friendly settlement as a comfort to his father "as he is old and in bad health" but insisted on the propriety of his conduct. "Were it not on his [father's] account," Hutchison told White firmly, "the business would be settled in Court."²⁹

Early in 1826 Hiram sold his mercantile establishment at Newberry and moved to what he hoped would be a more profitable venue in nearby Columbia, the state capital and an active cotton market. Hutchison left few records of his business activity in Columbia, but he apparently worked there as a merchant, cotton buyer, and possibly as an officer or agent of the Commercial Bank of Columbia until 1833, when he moved to Cheraw to become the first cashier of the newly formed Merchants' Bank of South Carolina. Cheraw, a fall-line town on the Pee Dee River, served as a major cotton market not only for eastern South Carolina but also for substantial portions of North Carolina. As a full-time banker, Hutchison helped guide the fledgling Merchants' Bank through a fire that destroyed much of Cheraw without losing "one cent," and began to map a strategy for his own advancement in the banking profession.³⁰ A man of substantial means through his mercantile efforts and cotton trading, Hutchison, by the mid-1830s, looked to become a major stockholder in a bank. In 1835, when the state legislature unexpectedly granted a charter for the Bank of Hamburg, Hiram Hutchison saw his chance. Hiram immediately urged his father to send younger brother Andrew to Columbia to buy stock for every member of the family. "Bank Stock will be a good standby to leave the children," he advised his father. "Do not let this chance slip," he admonished, "the State will grant no more charters." By this time, Hutchison was already a firm believer in the desirability of stocks and bonds, as opposed to land and slaves, as financial assets. "I have often urged you and Father" to buy stocks, Hiram scolded his younger brother Andrew, but "you have both stood by with your money and let others run off with the golden opportunity — do not do so on this occasion — I will see you harmless."³¹ Hiram's promise to see the family "harmless" in its venture into South Carolina's primitive

²⁹Ibid., February 1, 1827, and Hiram Hutchison to William E. White, February 1, 1827, Hutchison Family Papers, SCL.

³⁰Hiram Hutchison to David Hutchison, February 22, 1826, Hiram Hutchison to David Hutchison, January 17, 1827, and December 19, 1835, Hutchison Family Papers, SCL; Washington A. Clark, *The History of Banking Institutions Organized in South Carolina Prior to 1860* (Columbia, S.C.: The State Co., 1922), pp. 97-213.

³¹Hiram Hutchison to David Hutchison, December 19, 1835, and Hiram Hutchison to Andrew Hutchison, December 19, 1835, Hutchison Family Papers, SCL.



As president of the Bank of Hamburg, Hiram Hutchison's signature appears at the bottom right of this 1851 \$50 bill. Image from the Caroliniana Library, University of South Carolina.

stock market was not a trivial one. He wanted the family to purchase 1,400 shares, or \$70,000 worth, of Bank of Hamburg stock. The 1,400 shares Hiram sought represented 200 shares apiece, the maximum allowed per individual by the bank's charter, for himself, his father David, his younger brother Andrew, his two sisters, a half-sister, and his half-brother, Eugene Hutchison. Hiram promised to cover any installment payments the family was unable to meet. Finally, Hiram advised his father and brother on how their investment plans, or stock play, should be handled within the family. "It will not be necessary ... to say anything to the girls," Hiram counseled, fearing that their new-found wealth might give the young women "too much independence for family peace."³²

Apparently Hutchison's stock gambit was successful, and most of the 1,400-or-so shares procured eventually fell into Hiram's hands. Later in 1836, doubtless using his stock position as leverage, Hiram Hutchison left Cheraw to become the first cashier of the new bank at Hamburg, a major Savannah River Valley cotton-market town just across the South Carolina border from Augusta. And by the early 1840s the ambitious Hutchison stepped up to the presidency of the Bank of Hamburg, a position he would hold until 1856.³³ By 1845, with his professional position and his personal fortune both secure, Hutchison paused from his business pursuits long enough to pay generous tribute to the formative influences in his life. He employed William Gregg's Charleston jewelry firm to commission a solid

³²Hiram Hutchison to David Hutchison, January 14, 1836, Hutchison Family Papers, SCL.

³³Clark, *The History of Banking Institutions*, pp. 208-209; John Springs to Andrew Baxter Springs, March 13, 1837, and "A Condensed Statement of the Bank of Hamburg, December 31, 1853," Springs Family Papers, SHC.

silver communion service, consisting of four goblets, a tankard, and two bread waiters, housed in a black walnut case, and donated the set to Ebenezer Presbyterian Church in loving memory of "his pious deceased Mother." It was within the "hallowed walls" of Ebenezer Church, Hutchison recalled sentimentally, that "I first heard the wonderful adaptation of the Gospel to the immense necessity of human nature." He hoped the communion service represented an "appropriate offering to [the] congregation."³⁴

WHILE HIRAM HUTCHISON WAS SCRAMBLING HIS WAY TO THE top of the South Carolina banking profession during the 1830s and early 1840s, John Springs III was getting more involved in state politics. Springs's political views were remarkably consistent with his economic interests. "I know that Politicians in their bursts of patriotism will tell you dollar and cents are not taken into the calculation," Springs once wrote his youngest son Andrew Baxter Springs, but the York District planter believed that ultimately economic "loss and gain" were usually considered by all involved.³⁵ From 1828 through 1834 John Springs served three consecutive terms in the South Carolina House of Representatives, and like perhaps the preponderance of successful upcountry cotton planters he entered politics as an avid supporter of John C. Calhoun and the doctrine of nullification (the right of an individual state, acting in its original sovereign capacity, to veto or nullify a federal law it deems unconstitutional).³⁶ Springs was elected to the legislature as an opponent of protective tariffs and a supporter of nullification. In 1832, at the height of the nullification crisis, he asked all women in York to boycott dresses made from imported cloth in favor of homespun-cotton garments. At one social gathering of the era, Anne Hutchison White, Hiram's sister, cut small squares from the homespun dresses worn by local belles and used them to create a multi-colored "nullification quilt" that remained an item of local notoriety for generations.³⁷ Moreover, young men from the Indian Land section got into the fashion act as well. John Lowery, son of a local planter, began wearing pants so tight that polite women covered their faces in embarrassment when he

³⁴Hiram Hutchison to Rev. Bishop, January 16, 1845, Hutchison Family Papers, SCL.

³⁵John Springs to Andrew Baxter Springs, August 22, 1851, Springs Family Papers, SHC.

³⁶On nullification, see William W. Freehling, *Prelude to Civil War: The Nullification Controversy in South Carolina, 1816-1836* (New York: Harper and Row, 1965); and Ford, *Origins of Southern Radicalism*, pp. 99-144. John Springs to Leroy Springs, December 8, 1831, Springs Family Papers, SHC.

³⁷Springs, *The Squires of Springfield*, pp. 42-44; Douglas Summers Brown, *A City Without Cobwebs: A History of Rock Hill, South Carolina* (Columbia: University of South Carolina Press, 1953), pp. 72-73.

entered the room. When asked why his pants fit so snugly, Lowery replied that "the tariff was so very oppressive that he could not afford them any larger."³⁸ For legislator John Springs, however, the nullification crisis was a serious matter. He feared that unless the high tariffs approved by Congress in 1832 were nullified by South Carolina, and eventually repealed by Congress, the predominately agricultural states of the South would grow permanently impoverished and eventually become politically enslaved to the commercial and manufacturing North. For "the Southern states," John Springs declared in October 1832, "it [nullification] is completely a question of freedom or slavery and when that is the issue there is no counting of cost and it is not a time to look back or dally by the wayside."³⁹ In the legislature, Springs voted with the two-thirds majority needed to call the special convention that would consider nullification. "We have made a beginning," Springs wrote his son Leroy after the vote, "and God knows where we will end...."⁴⁰ Weeks later, in a hotly contested election in which more than 90 percent of all those eligible voted, the pro-nullification slate carried a badly divided York District by the slimmest of margins — one vote out of more than 2,100 cast.⁴¹

As the second American party system congealed in the late 1830s, John Springs, a man of commerce and an entrepreneur, increasingly identified with Henry Clay's pro-business Whig Party, which supported a national bank and federally subsidized transportation improvements. He opposed what he called the "Loco foco Agrarian" or Democratic Party because he believed that it threatened financial stability. During the economic downturn that began in 1837, Springs complained bitterly that the Democrats, by terminating the second Bank of the United States, had "experimented the currency almost to Death." Does "any business Man of intelligence and experience," Springs asked, "believe that the present state of affairs ever would have existed to their present extent if Gen[era]l Jackson would have

³⁸Richard Austin Springs to Leroy Springs, July 6, 1832, Springs Family Papers, SHC.

³⁹John Springs to Leroy Springs, October 25, 1832, Springs Family Papers, SHC.

⁴⁰Freehling, *Prelude to Civil War*, pp. 219-259; John Springs to Leroy Springs, October 25, 1832, Springs Family Papers, SHC.

⁴¹Chauncey Boucher, *The Nullification Controversy in South Carolina* (Chicago: University of Chicago Press, 1916), p. 203; Ford, *Origins of Southern Radicalism*, p. 139; J.P. Ochenkowski, "The Origins of Nullification in South Carolina," *South Carolina Historical Magazine* 83 (April 1982), pp. 121-153.

left the deposits where they were in the United States Bank...?"⁴² When Calhoun surprised his supporters by allying with the Democrats to oppose the chartering of a third national bank, Springs, though still proud of his support for nullification, quickly grew disillusioned with Calhoun. As years went by, Springs remained a loyal Whig even though Calhoun used his influence to stifle South Carolina Whiggery. "If we are not Priest-ridden, we are terribly Calhoun-ridden," Springs observed to son Baxter after the Democrats had swept York's local elections in 1842, "and he that clamours the loudest now in his favor is the greatest Patriot."⁴³

In 1844 Springs decided to come out of political retirement and run for the state legislature as an avowed Whig. His son Austin Springs, a Democrat, admired his father's stand for principle but thought his political judgment flawed. "I suppose you have heard that the old man is again in the field for the legislature," a concerned Austin Springs wrote his brother Baxter in April 1844, "I think the old man is right in not concealing his politics but I think it will hurt him in this election."⁴⁴ Indeed, John Springs himself conceded as much. "My prospect of success in Politics [is] not very flattering," he admitted. "Loco Focoism has been permitted to have the sway here [York] too long." Father and son were right. Even though John Springs ran well in his home neighborhood, he failed to win one of York's seats in the state legislature.⁴⁵

As Springs moved in and out of politics, he remained a progressive planter, experimenting with new grains, trying new crop rotations, and buying prize bulls to improve his cattle-breeding stock. In 1842 Springs estimated that he grew ten acres of corn, six acres of small grain, and six

⁴²John Springs to Andrew Baxter Springs, February 13, 1838, Springs Family Papers, SHC. On the Whig Party's general tendency to favor using the power of government activity to encourage industry and intensify commerce, see Charles G. Sellers, Jr., "Who Were the Southern Whigs?" *American Historical Review* 59 (January 1954), pp. 335-346; Thomas Brown, "The Southern Whigs and Economic Development," *Southern Studies* 20 (Spring 1981), pp. 20-38; Daniel Walker Howe, *The Political Culture of the American Whigs* (Chicago: University of Chicago Press, 1979), esp. pp. 238-262; Harry L. Watson, *Liberty and Power: The Politics of Jacksonian America* (New York: Hill and Wang, 1990), pp. 231-253; and Charles Sellers, *The Market Revolution: Jacksonian America, 1815-1846* (New York: Oxford University Press, 1991), pp. 332-395.

⁴³John Springs to Andrew Baxter Springs, December 27, 1842, Springs Family Papers, SHC

⁴⁴Richard Austin Springs to Andrew Baxter Springs, April 22, 1844, Springs Family Papers, SHC.

⁴⁵John Springs to Andrew Baxter Springs, April 20, 1844, John Springs to The Voters of York District, June, 1844, Springs Family Papers, SHC; Walter B. Edgar, eds., *Biographical Directory of the South Carolina House of Representatives* (Columbia: University of South Carolina Press, 1974), Vol. 1, pp. 350-353.

acres of cotton "to the Hand" and tended about thirty acres per horse. He doubted that even the best planters of the Lowcountry cultivated any better than he did. "At any rate," Springs maintained, "I won't give up that any of the low Country Negroes ... can do more Work than mine.... I know that some push harder but I am satisfied with 14 Hours good labor out of 24." Moreover, Springs contended, many lowcountry planters had to buy their flour, pork, corn, and "other necessaries" while he was self-sufficient in all such items. "I ... have never yet bought the first barrel of Flour or pound of Pork since I kept a House," Springs boasted in 1842, some thirty-six years after he began housekeeping. "What signifies money if a Man can make all he needs?" Springs asked rhetorically.⁴⁶

BUT APPARENTLY MONEY MEANT A GOOD DEAL TO JOHN Springs, a man who kept meticulous financial records throughout his life, and as the national economy began to emerge from a deep eight-year recession in 1845, John Springs began to look around for productive outlets for his accumulated capital. One of the first such opportunities which presented itself to Springs was Hiram Hutchison's invitation to invest in the Graniteville manufacturing project. Springs, who owned more than \$40,000 in Bank of Hamburg stock, obviously trusted Hutchison's financial stewardship and investment advice. Hutchison encouraged Springs with information that Ker Boyce had promised to invest at least \$20,000, and probably enticed him with the prospect of a seat on the company's board of directors.⁴⁷ Once the stock subscriptions began to roll in, Hutchison discussed plans for the company's future with his old York friend, sharing his thoughts on the vexing problem of whether slave or free labor should be used at the mill. "Altho I am decidedly opposed to *Negro* operatives," Hutchison told Springs, "I see we will have to fill our *spinning* room with young negroes as there will be some difficulty in *disciplining* 300 [white] Carolinians at once."⁴⁸ Hutchison knew that rural white households in South Carolina, even the poorest ones, valued their "independence" and control over their own time and work pace.⁴⁹ These autonomous rural folk were likely to resist the rigors of factory discipline, with its routinization of

⁴⁶John Springs to Andrew Baxter Springs, June 13 and December 27, 1842, Springs Family Papers, SHC.

⁴⁷Hiram Hutchison to John Springs, January 8 and 20, 1846, Springs Family Papers, SHC.

⁴⁸Hiram Hutchison to John Springs, April 22, 1846, Springs Family Papers, SHC; Allen H. Stokes, Jr., "Black and White Labor and the Development of the Southern Textile Industry" (Ph.D. dissertation, University of South Carolina, 1977), esp. pp. 98-132; Ernest M. Lander, Jr., "Slave Labor in South Carolina Cotton Mills," *Journal of Negro History* 38 (April 1953), pp. 161-173.

⁴⁹On the centrality of "independence" in the worldview of common whites in antebellum South Carolina, see Ford, *Origins of Southern Radicalism*, esp. pp. 49-51.

task and regularity of pace. "We hope to have *all white labour* in two or three years," Hutchison vowed, "We think we can train them to the Harness best by degrees, keeping ourselves in an *independent* position."⁵⁰ Hutchison's evaluation of the southern labor market proved prophetic. Founder William Gregg hoped to staff his mill, on the New England or "Waltham" model, with single, white females. To attract these women, he built comfortable dormitories as boarding houses and advertised in the newspapers for single, white women from rural areas. Few came. To get the white female labor he wanted, Gregg was forced to build single-family dwellings and lure entire white families to Graniteville. These single-family houses filled up faster than Gregg could build them. In the early stages of industrialization in the South Carolina Piedmont, the labor market adjusted to accommodate white households more than white households adjusted to accommodate the labor market.⁵¹ Moreover, Graniteville struggled in its early years, with its profits disappointing and its stock selling below par, largely because of problems with the labor force. As Graniteville treasurer James Montgomery reported in late 1851, "There are many who come to the factories who do not succeed — [who] do not like the work nor the regulations."⁵²

As Hiram Hutchison kept a watchful eye on their substantial investments at Graniteville, John Springs was turning much of his attention to another opportunity for economic development: the prospect of building a railroad from Charlotte southward to connect with the South Carolina Rail Road at either Columbia or Camden. The South Carolina Rail Road, with its branches, was completed in 1842, giving the port of Charleston rail connections with fall-line markets at Hamburg, Columbia, and Camden. By the mid-1840s, upcountry economic promoters advocated extending the state's embryonic rail network into the Piedmont to foster commerce and hasten development in the region.⁵³ In 1846 the legislature granted a charter to the Charlotte and South Carolina Railroad, and Austin Springs reported

⁵⁰Hiram Hutchison to John Springs, April 22, 1846, Springs Family Papers, SHC.

⁵¹Laurensville *Herald*, April 14, 1848; Charleston *Courier*, April 18, 1848; Wright, *Old South, New South*, pp. 138-139; Lander, *The Textile Industry in Antebellum South Carolina*, pp. 60-61; Tom E. Terrill, "Eager Hands: Labor for Southern Textiles, 1850-1860," *Journal of Economic History* 36 (March 1976), pp. 84-99.

⁵²John J. Blackwood to Andrew Baxter Springs, January 18, 1854, Springs Family Papers, SHC; James Montgomery to Benjamin C. Yancy, October 14, 1851, Benjamin C. Yancy Papers, SHC.

⁵³Samuel M. Derrick, *Centennial History of the South Carolina Railroad* (Columbia, S.C.: The State Company, 1930), pp. 152-191; Ulrich B. Phillips, *A History of Transportation in the Eastern Cotton Belt to 1860* (New York: Columbia University Press, 1908), pp. 132-220.

from Columbia that railroad building had become "the ruling Mania of the day."⁵⁴

And Austin's father, John Springs, was foremost among the "mania's" boosters. John Springs had long been a champion of railroad development. He was a small investor in the South Carolina Rail Road, and ultimately proved willing to invest in almost any railroad that seemed economically viable. But, for obvious reasons, the Charlotte and South Carolina Railroad project was his special passion. He owned property both along the proposed routes of the line and in its Charlotte terminus. He held substantial bank stock in both Columbia and Camden. The Charlotte and South Carolina promised to increase the value of all these assets dramatically.⁵⁵ In May 1847, Springs issued a public letter touting the Charlotte and South Carolina Railroad as a project of "paramount importance to this and the surrounding country." It "would give a new stimulus to industry, economy, and enterprise," Springs asserted, "and create a market for innumerable articles now wasted and lost; [and] would intimately associate us with Camden, Charleston, and the lowcountry...."⁵⁶

Initially, Springs wanted the Charlotte and South Carolina to run east of the Catawba from Charlotte to Camden. Denying self-interest, Springs advocated this route because it was shorter, cheaper to build, and avoided the problem of building trestles across the swift and powerful Catawba. "I am solely governed by expediency," Springs claimed, explaining that a road from Charlotte to Columbia would actually "come nearest to me" and that he owned nearly as much bank stock in Columbia as he did in Camden.⁵⁷ When the longer Charlotte to Columbia route won out, largely because investors favoring that route raised more money, Springs was disappointed. He momentarily doubted that he had any "money to spare for any such Don Quixote scheme" as a Charlotte to Columbia line, and threatened to withdraw his stock subscription.⁵⁸ He chose not to attend an organizational meeting of Charlotte and South Carolina stockholders meeting in October 1847, a decision that at least some observers thought prevented Springs from being elected president of the company. Springs's pique proved relatively short-lived, however, as friends urged him to use his financial clout and promotional skill to see the Charlotte and South

⁵⁴Richard Austin Springs to John Springs, December 18, 1846, Springs Family Papers, SHC.

⁵⁵Springs, *The Squires of Springfield*, pp. 91-97.

⁵⁶Public letter of John Springs on the Charlotte and South Carolina Railroad, May 7, 1847, Springs Family Papers, SHC.

⁵⁷John Springs to J.W. Osborne, May 18, 1847, John Springs to the *Charlotte Journal*, May 31, 1847, Springs Family papers, SHC.

⁵⁸John Springs to J.W. Osborne, May 18, 1847, and Hiram Hutchison to John Springs, May 11, 1848, Springs Family papers, SHC.

Carolina Railroad through to completion. As Lancaster attorney John Williams explained to Springs, "In Railroad matters it is not the argument of small fry like myself that carries weight.... But it is men of wealth and capital who have the wherewithal to back their judgment. These are the kind of men who carry weight and influence with them, and one word from men like these are worth more than 40,000 speeches...."⁵⁹ Despite its disappointment, the John Springs family jumped in and did more than its share. Son Leroy and son-in-law Adam Brevard Davidson each invested \$7,000, Austin and Baxter Springs invested several thousand apiece, and by the early 1850s, John Springs personally owned more than \$40,000 worth of Charlotte and South Carolina stocks and bonds. Moreover, John Springs and neighbor William E. White accepted a contract to help build the important Charlotte and South Carolina trestle over the Catawba at Nation's Ford. By late 1852, as the Charlotte and South Carolina neared completion, a seventy-year-old John Springs displayed youthful enthusiasm for the railroad's success. "I am now ready to say *Huzzah* for the Columbia and Charlotte R[oad]," Springs told Baxter. "I expect in the future you will not only go to Charlotte by Rail Road but to Yorkville. Is it not a great change in the condition of the Country?"⁶⁰ And the Charlotte and South Carolina Railroad named one of its first locomotives "The John Springs."⁶¹

HIRAM HUTCHISON DECLINED TO INVEST IN THE CHARLOTTE and South Carolina, claiming that his Graniteville investment kept him "hard up" for venture capital, but by 1850 Springs and Hutchison, now both advanced in years, could survey their life's achievement with pride.⁶² Springs, the older of the two, continued to prepare his family to carry on without him, while Hutchison planned to make sure that the Bank of Hamburg and the Graniteville Company would flourish after his retirement. In 1847, at age 65, John Springs had given Springfield, his home plantation, to Baxter Springs, his youngest son. The gift, which included roughly 1100 acres, valued at \$10,000, and twenty-three slaves, valued at roughly \$8500, freed John Springs from all regular agricultural responsibilities. He spent his new-found freedom tending his far-flung investments, and travelling for pleasure as well as for business. Springs enjoyed "summering" in the North at preferred elite resorts such as Saratoga and

⁵⁹John Williams to John Springs, October 14, 1847, Springs Family Papers, SHC.

⁶⁰*Proceedings of the Fourth Annual Meeting of the Stockholders of the Charlotte and South Carolina Railroad at Chesterville, November 19, 1851*; Inventory of A.B. Davidson's property, June 16, 1879, and Inventory and Will of John Springs, c. 1853, Davidson Family Papers, SHC; John Springs to Andrew Baxter Springs, August 31, 1852, Springs Family Papers, SHC.

⁶¹Springs, *The Squires of Springfield*, pp. 137-139.

⁶²Hiram Hutchison to John Springs, May 11, 1848, Springs Family Papers, SHC.

Newport. On one of these annual trip Springs met an eligible widow, Elizabeth Hill of Waterbury, Connecticut, and on August 23, 1849, at sixty-seven, the widower Springs remarried.⁶³

The extra leisure, and his expanded travels through the North, prompted John Springs to reflect more regularly on the growing political tensions between North and South. Springs, though a staunch defender of slavery, was a moderate on sectional questions. His wealth, his extensive personal and business connections in the North, and his practical businessman's fear of uncertainty pushed Springs toward support of the Union as the truly conservative course of action. During an August 1850 trip to Saratoga, Springs observed that he "scarcely" heard "Abolition or Free soilism named, though no doubt a pretty strong party in favor of those principles" existed. All "the commercial, wealthy, and intelligent part" of the North, Springs believed, "would greatly fear and detest" such disruptive ideas.⁶⁴ Less than a month later, while visiting Niagara Falls, Springs saw a "conspicuous" Free Soil organization and reluctantly conceded that "the great mass of People in all the free states are Free soilers." Yet Springs still insisted that "the Great Interests of the Country especially the Commercial and Manufacturing" would check radical abolitionism in order to preserve the "present prosperous condition of our country."⁶⁵ Springs's views were common ones among southern Whigs, who hoped that conservative men of property, North and South, could exert enough influence to stymie radicalism, whether of the secession or abolition variety. In 1851, when a group of secessionist radicals in South Carolina urged the state to secede from the Union, alone if necessary, because of the perceived affront to southern rights contained in the unpopular Compromise of 1850, Springs denounced separate state secession as "reckless" and "suicidal." South Carolina "may rush headlong out of the Union," John Springs wrote Baxter Springs, "but she can not ever crawl in again without degradation and disgrace."⁶⁶ Above all, John Springs feared civil war. "[W]ho are to fight the battles," Springs asked, "a few ambitious Men might aspire to Office and distinction, but where are the rank and file to come from, among the owners of slaves, they are fast becoming too effeminate and delicate and indolent, and those who are not owners might say we have no interest in the matter, and you who

⁶³Springs, *The Squires of Springfield*, pp. 89-92, 98-100, 107-110.

⁶⁴John Springs to Andrew Baxter Springs, August 14, 1850, Springs Family Papers, SHC.

⁶⁵Ibid., September 6, 1850, Springs Family Papers, SHC.

⁶⁶Ibid., August 22, 1851, Springs Family Papers, SHC; John G. Barnwell, *Love of Order: South Carolina's First Secession Crisis* (Chapel Hill: The University of North Carolina Press, 1982) offers a reliable account of the secession movement in South Carolina in 1850-1851; for a detailed analysis of that crisis in the state's Upcountry, see Ford, *Origins of Southern Radicalism*, pp. 183-214.

have may fight your own battles, we don't choose to do it." An American civil war, John Springs predicted, "would be one of the most unnatural bloody struggles almost ever heard of, it would be brother against brother, the father arraigned against the Son and the son against the father."⁶⁷ For John Springs, disunion was, in his own words, a "perplexing wretched subject" which caused him "much solicitude [and] uneasiness" during the last years of his life.⁶⁸

AS JOHN SPRINGS FREED HIMSELF FROM THE DRUDGERY OF plantation agriculture to fret over the future of the Union, Hiram Hutchison continued to run the Bank of Hamburg, though he began to rely more and more on his trusted cashier, John J. Blackwood, whose wife Laura was Hutchison's favorite cousin and John Springs's niece.⁶⁹ As a general rule, the cotton boom of the 1850s meant healthy profits for the Bank of Hamburg. In 1852 the bank earned a pure profit of \$130,000 (on \$500,000 capital stock) after paying a dividend of 16 percent to stockholders.⁷⁰ Except for privately revealing some occasional Whig sympathies, Hutchison stayed out of politics even as the sectional crisis worsened. He continued to expand his investment portfolio, however, and regularly dispensed sound investment advice to family and friends. "I do not know of any better investment for you and your sisters," Hiram advised his half-brother Eugene in 1853, "than the Charlotte and South Carolina 7% Rail Road bonds."⁷¹ And Hiram remained interested in local economic development. In 1853 he invested in the Savannah River Valley Railroad, a proposed line from Hamburg to Anderson designed to funnel trade from the Savannah valley through Hamburg rather than Columbia.⁷² As he entered his sixties, Hutchison's thoughts also turned to philanthropy. In 1854 he established one of the first scholarship endowments at South Carolina College (now the University of South Carolina), donating \$5,000 worth of seven-percent bonds to the school to pay the expenses of a needy York District student of "good moral character." In return for the scholarship, the recipient was required to teach

⁶⁷John Springs to Andrew Baxter Springs, September 6, 1850, Springs Family papers, SHC.

⁶⁸Ibid.

⁶⁹John J. Blackwood to Andrew Baxter Springs, March 23, 1854, Springs Family papers, SHC; Springs, *The Squires of Springfield*, p.145.

⁷⁰John Springs to Andrew Baxter Springs, March 21, 1853, Springs Family Papers, SHC.

⁷¹Hiram Hutchison to John Springs, June 10, 1848, Springs Family Papers, SHC; Hiram Hutchison to A. Eugene Hutchison, February 9, 1853, Hutchison Family Papers, SCL.

⁷²John J. Blackwood to Andrew Baxter Springs, March 31, 1855, Springs Family Papers, SHC.

school for two years after graduation.⁷³ South Carolina College President James Henley Thornwell, a distinguished Presbyterian theologian, thanked Hutchison for his gift. "I do not know of any form in which charity can be so worthily manifested," Thornwell commented, "except when employed in diffusing the blessings of religion, as in extending the means of education to indigent merit."⁷⁴

John Springs and Hiram Hutchison visited with each other in March 1853, when the former came to Hamburg to attend boards of directors meetings for the Bank of Hamburg and the Graniteville Manufacturing Company.⁷⁵ The following summer Springs and his wife went North to celebrate their fifth anniversary, and they remained in Stratford, Connecticut until late September. By mid-October, Springs was in Hamburg and Augusta again, attending another round of directors meetings, and speaking at a political barbecue in Hamburg.⁷⁶ One evening Springs returned to his room at the Planters' Hotel in Augusta and was suddenly taken ill. Despite the attention of the best local physicians, John Springs III died a few days later, on October 21, 1853, with his wife at his side. His body was returned to Springfield, and ultimately buried in a Charlotte graveyard.⁷⁷

The settling of John Springs's estate, handled by his son Andrew Baxter Springs and his son-in-law Adam Brevard Davidson, revealed not only his wealth but the noteworthy range of his holdings. At his death Springs held stock in ten banks valued at more than \$100,000. Among these holdings were 800 shares in the Bank of Hamburg worth \$48,000, 400 shares in the Commercial Bank of Columbia worth \$11,200, 400 shares in the Bank of Chester worth \$10,000, 300 shares in the Merchants' Bank of Cheraw worth \$36,000, 400 shares in the Bank of Camden worth \$21,200, 200 shares in the North Carolina State Bank worth \$24,000, 200 shares in the Bank of Charlotte worth \$10,000, and 425 shares in the Farmers and Exchange Bank of Charleston worth more than \$10,000. Springs also held an impressive array of railroad stocks and bonds valued at more than \$100,000. In addition to his \$44,500 investment in the Charlotte and South Carolina Railroad, Springs owned 200 shares of the Wilmington and Manchester Rail Road at \$14,250, 200 shares of the Atlanta and LaGrange Rail Road worth \$20,000, 100 shares in the South Carolina Rail Road worth \$12,500, and 100 shares in the Georgia Rail Road worth \$10,500. Springs also owned forty shares of

⁷³Hiram Hutchison to John L. Manning and James Henley Thornwell, January 18, 1854, Hutchison Family Papers, SCL.

⁷⁴James Henley Thornwell to Hiram Hutchison, April 18, 1854, Hutchison Family papers, SCL.

⁷⁵John Springs to Andrew Baxter Springs, March 21, 1853, Springs Family Papers, SHC.

⁷⁶Springs, *The Squires of Springfield*, pp. 144-148.

⁷⁷Ibid.

Graniteville Manufacturing Company stock valued at \$18,000, and 480 shares of Commercial Insurance Company stock worth \$14,400, and had nearly \$12,000 cash on hand at the Bank of Hamburg and the Bank of the Republic in New York. Springs's will made generous provision for his entire family. He left his widow a stock portfolio worth roughly \$20,000, plus the dividends from 100 shares of South Carolina Rail Road stock for life. He divided the rest of his vast estate roughly evenly among his surviving children, leaving his three sons \$5000 more than his daughters, honoring what Springs perceived as the "custom of the County" to leave "all land to sons."⁷⁸

Not long after his friend John Springs died, Hiram Hutchison's own health began to deteriorate, and he sought treatment in New York hospitals. Though he remained as president of the Bank of Hamburg, Hutchison bought a house in New York City at 60 East 21st Street, in the fashionable Gramercy Park neighborhood, and he and his wife moved there in the spring of 1855. Unfortunately, Hutchison's semi-retirement to the city was plagued by continued ill health, and on October 22, 1856, his South Carolina friends were notified by telegraph of his death the previous day. Hamburg cashier John J. Blackwood rushed to New York to handle Hutchison's affairs, and the prominent South Carolina banker was buried in New York's Greenwood cemetery.⁷⁹

Like that of John Springs, Hiram Hutchison's estate, executed by Blackwood and Hiram's half-brother Eugene, revealed a pattern of diversified investment almost unheard of in the antebellum South. Other than his house and lot on East 21st Street in New York, valued at \$20,000, Hutchison owned no real estate, and unlike his friend John Springs, who at one point in his life had owned more than sixty slaves, Hutchison was not a slaveholder. But the banker's stock and bond holdings were indeed impressive. At his death, Hutchison owned bank stock valued at more than \$100,000, including 800 shares in the Bank of Hamburg worth \$47,000 (at one point Hutchison owned more than 1250 shares of Hamburg stock valued at nearly \$70,000), 300 shares of New York's Bank of the Republic worth \$36,000, 400 shares in the Exchange Bank of Columbia worth \$10,000, and 415 shares in the Farmers' Bank of Chester worth more than \$10,000. He also owned more than \$100,000 worth of railroad stocks and bonds, including \$65,000 in the Wilmington and Manchester Rail Road and \$48,000 in the Illinois Central

⁷⁸Inventory and Will of John Springs, c. 1853, Davidson Family Papers, SHC; Gibson, *Lineage and Tradition*, pp. 241-242.

⁷⁹Agreement between Hiram Hutchison and Samuel Richardson, November 6, 1854, Hiram Hutchison to A. Eugene Hutchison, December 17, 1855, John J. Blackwood to A. Eugene Hutchison, October 23 and November 4, 1856, Hutchison Family Papers, SCL; *Charleston Daily Courier*, October 27, 1856; *The Pee Dee Herald*, October 28, 1856.

Rail Road. Hutchison owned 405 shares in the Charleston Insurance and Trust Company valued at more than \$21,000, and 100 shares of the Great Western Insurance Company of New York worth \$12,000. And in addition to his 100 shares of Graniteville stock valued at \$45,000 in 1856, Hutchison owned a \$10,000 interest in the Knoxville Gas Light Company, which later failed. It is little wonder that this southern capitalist chose to spend his final years close to Wall Street.⁸⁰

Hiram Hutchison's will, drawn up in June 1855, also made generous provision for his family. He left his wife, Helen Collins Hutchison, the house and lot on Gramercy Park, and an annuity of \$5600 a year (or the interest on \$80,000) for life. He left equal shares of his Graniteville stock to his sisters, Mary Hutchison and Anne H. White, and his half-brother Eugene. He set up substantial trusts, administered by Eugene, for his half-sisters and their offspring. He also left \$5000 to his mother-in-law in Cheraw and \$6000 to John J. Blackwood and his wife Laura. The rest of Hutchison's estate, worth just over \$100,000, was to be divided between Anne Hutchison White and Eugene Hutchison. It was, as Blackwood observed, "a very handsome inheritance."⁸¹

IN SOME WAYS THE CAREERS OF JOHN SPRINGS III AND HIRAM

Hutchison paralleled those of other successful men in the Old South. John Springs inherited access to land and capital. During the antebellum era's periodic cotton booms he parlayed those resources into profits which purchased slaves who brought in even more cotton profits while becoming a profitable commodity in their own right. John Springs ran his plantation operations as a business, but so did most southern planters. If Springs managed better than most, it was because he was smarter and more disciplined, not because others were less profit-hungry.⁸² Among southern cotton planters, John Springs may have been an entrepreneur of unusual ability and drive, but he was hardly a capitalist misplaced among landed aristocrats.

Hiram Hutchison also made his initial fortune from cotton, but not from planting it. Instead, Hiram grew rich by first supplying the farms and plantations that grew cotton, then by buying and selling the staple, and ultimately by financing the cotton trade through his bank. He was one of

⁸⁰List of Hiram Hutchison's holdings, c. 1856, and John J. Blackwood to A. Eugene Hutchison, April 4, 1857, Hutchison Family Papers, SCL.

⁸¹Will of Hiram Hutchison, June 23, 1855, and John J. Blackwood to A. Eugene Hutchison, April 4, 1857, Hutchison Family Papers, SCL.

⁸²A forceful statement on the strength of the profit motive among antebellum cotton planters can be found in James Oakes, *The Ruling Race: A History of American Slaveholders* (New York: Alfred A. Knopf, 1982), esp. pp. 153-191.

King Cotton's retainers, and the position made him a wealthy man.⁸³ But both John Springs and Hiram Hutchison used their first fortunes differently than did many of their peers. Instead of funneling their wealth back into land and slaves, thus reinforcing the overwhelmingly agricultural orientation of the upcountry economy, Springs and Hutchison endeavoured to broaden their entrepreneurial horizons, pouring capital into a variety of banking, railroad, and manufacturing enterprises that helped create an economic infrastructure in the Upcountry that could foster further economic development and diversification in the region. They envisioned an Upcountry sustained not only by agricultural prosperity but also by bustling commerce and growing industry. They were economic promoters par excellence. With wealth made from cotton and slaves, Springs and Hutchison worked to build a balanced, "modern" economy in the Upcountry.

Today most economic historians agree that if slavery hindered economic development in the Old South, it did so not because it was unprofitable, but because it was too profitable.⁸⁴ The high rate of return on an investment in slaves attracted capital toward slave ownership and away from investment in things like technology, machinery, and real-estate improvements, areas where capital readily flowed in a free-labor economy like that of the antebellum North. In the Old South, too much capital was tied up in the ownership of the labor force, because labor was property. Slaves were capital. This peculiarity of a slave-labor economy meant that Southerners' high rate of investment in slaves proved that they were good capitalists in the sense that they sought the highest return of their investment, but that even as good capitalists they often did comparatively little to encourage intensive local economic development in their communities. Capital invested in farm land and slaves earned a healthy return, but it did little to encourage the long-term development that was needed to make prosperity possible for future generations of Southerners.⁸⁵

Clearly John Springs and Hiram Hutchison were exceptions to this prevailing pattern. They were entrepreneurs with a vision of long-term development for their region. They were investors who knew that develop-

⁸³Harold D. Woodman, *King Cotton and His Retainers: Financing and Marketing the Cotton Crop of the South, 1800-1925* (Lexington: University of Kentucky Press, 1968).

⁸⁴Peter A. Coclanis, *The Shadow of a Dream: Economic Life and Death in the South Carolina Low Country, 1670-1920* (New York: Oxford University Press, 1989); Wright, *Old South, New South*, pp. 3-80; Robert E. Gallman, "Slavery and Southern Economic Growth," *Southern Economic Journal* 45 (April 1979), pp.1007-1022; Stanley Engerman, "The Effects of Slavery Upon the Southern Economy: A Review of the Recent Debate," *Explorations in Entrepreneurial History* 4 (Winter 1967), pp. 71-97.

⁸⁵Ralph V. Anderson and Robert E. Gallman, "Slaves as Fixed Capital: Slave Labor and Southern Economic Development," *Journal of American History* 64 (June 1978), pp. 47-66; Stanley Engerman, "Some Considerations Relating to Property Rights in Man," *Journal of Economic History* 33 (March 1973), pp. 46-65.

ment strategies that worked in the past were not necessarily ones that would work best for the future. But why were John Springs and Hiram Hutchison so much more interested in intensive local economic development than the typical southern capitalist? While any answer to this question remains speculative, it seems probable that the development outlook of both men was shaped by their coming of age in one of the original cotton states, in a region subject to the ravages of soil erosion and exhaustion and where the natural fertility of the soil compared unfavorably with that of cotton states deeper south and further west. In comparative terms, the South Carolina Upcountry was in decline as a cotton-producing region as early as the 1820s. To be sure, this was only a relative decline, a decline in productivity and profitability when compared to newer areas of Alabama and Mississippi; money could still be made off cotton in South Carolina (and was, though with less and less frequency, until around 1950).⁸⁶ But more money could be made elsewhere, and many native South Carolinians knew it. Between 1800 and 1850, one out of every two whites born in South Carolina left the state.⁸⁷ Investment in transportation improvements, financial institutions, mercantile firms, and manufacturing enterprises represented an effort by Springs and Hutchison to revitalize a flagging upcountry economy through diversification and development. They worked toward a goal modern South Carolinians should understand: they wanted to make the Upcountry competitive once again. And the economic revival the region enjoyed during the 1850s owed something to their efforts.⁸⁸

Yet for all their vision and energy, the development strategy of Springs and Hutchison, though it accomplished much, failed to prevent the South of the late-nineteenth and early-twentieth centuries from becoming by far the poorest part of the United States.⁸⁹ Springs and Hutchison built infrastructure, nurtured commerce, and encouraged industry. But even by nineteenth-century standards they could do little to encourage human capital formation. If more South Carolinians had followed Hutchison's example of endowing the state's institutions of higher learning, or if John Springs's Whig Party, which elsewhere created publicly-funded common school systems, had enjoyed a larger following in the state, then nineteenth-century South Carolina might have done a better job of educating its citizens. If so, South Carolina's twentieth-century struggle against back-

⁸⁶Alfred Glaze Smith, Jr., *Economic Readjustment of an Old Cotton State: South Carolina, 1820-1860* (Columbia: University of South Carolina Press, 1958), esp. pp. 45-111.

⁸⁷Tommy W. Rogers, "The Great Population Exodus from South Carolina, 1850-1860," *South Carolina Historical Magazine* 68 (January 1967), pp. 14-22.

⁸⁸Ford, *Origins of Southern Radicalism*, pp. 215-280.

⁸⁹George Brown Tindall, *The Emergence of the New South* (Baton Rouge: Louisiana State University Press, 1967), p. 599.

wardness and underdevelopment would not have been so difficult. But since few antebellum South Carolinians had the vision of Springs and Hutchison, the state's economic development formula neglected human capital for too long.⁹⁰ Even today, despite repeated remedial efforts, the dearth of human capital in our state remains a drag on its developmental efforts. Thus as South Carolina enters the global economy of the twenty-first century, the state must invest in its people, in their minds and in their technical skills, in order to give them the tools they need to face the economic demands of the twenty-first century. And in doing so the state will give our indigenous entrepreneurs and venture capitalists, the John Springses and Hiram Hutchisons of the twenty-first century, more to work with.

⁹⁰Peter A. Coclanis and Lacy K. Ford, "The South Carolina Economy Reconstructed and Reconsidered: Structure, Output, and Performance, 1670-1985," in Winfred B. Moore, Joseph F. Tripp, and Lyon G. Tyler, Jr., *Developing Dixie: Modernization in a Traditional Society* (Westport, Conn.: Greenwood Press, 1988), pp. 93-110.