The Material Basis of the Society

Here in the west, with graceful pride
Ohio rolls his silver tide:
While commerce, for his bosom, yields
The products of our teeming fields.
Here, where so late the appalling sound
Of savage yells, the woods resound—
Now, smiling Ceres waves her sheaf,
And cities rise in bold relief.
Where late the owl's hoarse murmurs rung,
And wolves and panthers fiercely sprung
Now taste, and social virtues blend,
Our infant science to befriend.
Where late the vilest savage trod
And bowed to some revengeful God—
Now Christian temples nobly rise,
And pious anthems swell the skies.

Liberty Hall and Cincinnati Gazette (Jan. 11, 1815)

The mortality of cities in America has been great. Among the many projected Edens, few fulfilled the dreams of their founders. The ghost town, the drab village with the grandiose name, and the backcountry hamlet too far from the railroad track were consigned to oblivion by economic law. A strategic location, fertile soil, mechanical inventions, and the dynamics of money and credit—these were some of the factors which determined whether a town would flourish or decay, whether it would “mushroom” for a delirious spell and then as suddenly collapse or crystallize into a Cleveland or a Cincinnati.
Cincinnati enjoyed many natural advantages. That is why, in a space of fifty years, a forest clearing was transformed into an opulent commercial center and why Americans, accustomed as they were to swift changes, marveled at her unprecedented growth. During the first decades of the nineteenth century, thanks to her favorable river location and rich hinterlands, Cincinnati dominated the vast agricultural empire of the Ohio Valley and its environs and won out, at least for a time, over her envious rivals. And it was during these boom years when Cincinnati’s population practically doubled every decade that her spokesmen speculated about the times to come and predicted the eclipse of her competitors.¹

According to the Queen City experts, only Pittsburgh, Louisville, Cleveland, and Nashville were potential threats to her hegemony in the Northwest and in the valley. Wheeling and Lexington would be automatically excluded. The former, considered almost a suburb of Pittsburgh, was further handicapped by its location in a slave state; Lexington had passed its prime. Cleveland, it was conceded, would share in the rapidly expanding Great Lakes trade and in the commerce of the Ohio Canal. Nashville would maintain undisputed monopoly of the Cumberland river trade. Yet neither of these rising cities, occupying the fringes of the valley empire, could dominate the entire region. Pittsburgh, it is true, blessed with iron, coal, and salt, and strategically located, constituted a more serious threat. But Cincinnati observers assured themselves that Pittsburgh’s position on the nine-hundred-mile communication line would prevent her from becoming the capital of the Ohio Valley. Louisville alone remained to challenge the Queen City’s ascendency, but in this case Cincinnati boosters had only to compare the relative prosperity of the two cities, the prosperity of slaveholders and freemen.²

Clearly Cincinnati was to be the metropolis of the valley, “the seat of commerce, the arts, the fashions, and literature,—the place to which every one resorts for information upon the manners and topics of the day.”³

These sanguine prophecies were made when Cincinnati was one of the fastest growing cities in the West, and although Pittsburgh, Cleveland, and Chicago ultimately surpassed her,⁴ and railroads minimized her position on the Ohio, Cincinnati citizens were only echoing the opinions of other intel-

lignant and far-sighted persons who could not be expected to anticipate all the
tremendous consequences of the industrial revolution. Almost from the day
of Cincinnati’s founding, commentators had presaged its rapid growth, had
marked its superior location.\textsuperscript{5} Particularly important was its proximity to the
fertile regions of the Miami Valley. One citizen had pointed out in 1817 that
while the position of the city on the Ohio was excellent, it did not provide the
only convenient harbor. Anybody could float down the river to New Orleans.
The enduring source of prosperity would be the incomparable richness of
the land between the two Miamis, an area which would always insure enough
business to make Cincinnati “a wealthy active spot.”\textsuperscript{6}

The Miami country produced huge quantities of grasses, maize, and
grain. During the months of July and August the traveler could ride a few
miles below Cincinnati at the junction of the Whitewater and the Miami and
see the vast grain fields waving in the wide and spreading bottoms of the
Miamis. It grew, so the account runs, “tall enough to cover a man on horse-
back” and “green as a bank of moss.”\textsuperscript{7} Fabulous harvests of corn and rye and
barley and wheat pouring into the markets of the Queen City from the
backcountry—harvests made possible by the happy combination of a fertile
soil, adequate rainfall, and a long growing season—provided the basis for the
town’s commerce and industry.

Surplus stores of grain led naturally to the development of milling and
distilling. The presence of grasses, roots, and mast in the forests supplied a
simple and economical feed for hogs and cattle; it assured, at least for a time,
the fame of Cincinnati as a meatpacking center and justified her bizarre but
entirely appropriate title of “Porkopolis.”\textsuperscript{8} The by-products of the packing
houses, in turn, furnished necessary materials for a variety of incipient in-

\textsuperscript{5} To cite a few examples: Francis Bailey, \textit{Journal of a Tour in Unsettled Parts of North America}
in 1796–1787 (London, 1856), 228; Thomas Ashe, \textit{Travels in America Performed in 1806} (Lon-
don, 1808), 202; W. Stickney, ed., \textit{Autobiography of Amos Kendall} (Boston, 1872), 106–7; David
Thomas, \textit{Travels through the Western Country in the Summer of 1816} (Auburn, New York, 1819),
107; W. Bullock, \textit{Sketch of a Journey through the Western States of North America, etc.}, in 1827
(London, 1827), 137; C. D. Arfwedson, \textit{The United States and Canada, in 1832, 1833, and 1834}
(London, 1834), II, 128. It should be observed, however, that some observers never doubted
that Pittsburgh’s location was superior to Cincinnati’s. See W. T. Harris, \textit{Remarks Made During a
Tour Through the United States, in the Years 1817, 1818, and 1819} (London, 1821), 89; Michel
Chevalier, \textit{Society, Manners, and Politics in the United States} (Boston, 1839), 201.

\textsuperscript{6} \textit{Liberty Hall and Cincinnati Gazette}, Nov. 17, 1817.

\textsuperscript{7} \textit{CCLG}, Aug. 31, 1833.

\textsuperscript{8} Isaac Lippincott, \textit{A History of Manufactures in the Ohio Valley to the Year 1860} (New York,
1912), 18.
dustries such as the production of leather, boots, shoes, harnesses, soap, and candles.

In addition to providing provender for hogs, forests near Cincinnati were stocked with a variety of soft and hard woods. White pine had to be imported via the Allegheny and Ohio rivers in large amounts, but the Ohio forests yielded thousands of feet of the valuable white oak, a tough wood employed in the manufacture of agricultural implements, carriages, wagons, cooperage, and furniture. Enough white oak remained to export to England for shipbuilding.

And yet if Cincinnati’s breadbasket, the source of all her immediate natural wealth, lay in the extensive lands of the Miami Valley, her very life stream was La Belle Rivière. For it was the river which linked her with an exploitable area larger than Massachusetts and Connecticut, stretching from Indianapolis to Columbus at the northern boundary and from Vevay to Portsmouth on the southern. More than idle curiosity prompted the citizen’s concern for “the state of the river”; upon it depended the prosperity of every person from the proudest banker to the lowliest dockhand. The seasons of high water, periods of intense activity, came during the spring and fall months. With the spring floods, usually occurring about the beginning of February and seldom later than the middle of March, the waters would rise, and the river, swollen by melting ice and snow and spring rains, and increasing “with gradual and majestic progression,”9 remained high until the last weeks in June. The less reliable fall rise, dependent on rains alone, usually came about the middle of September, although frequently even later, and lasted until the middle of December or early January, when ice and snow made river traffic impossible.10 Freak seasons, however, such as the long stretch in 1819 when the river was closed to steamboats from the middle of April to the following February, might occasionally upset the normal cycle with disastrous consequences.

What was referred to in a Cincinnati newspaper as “those interruptions in the channels of Trade”11 placed a tremendous burden upon the businessmen of the city and, in fact, upon all the citizens. With the delay of merchandise shipments, the channels of credit became hopelessly snarled; orders for

11. Quoted from Hunter, Studies, 12.
summer and fall markets, which the merchant expected to be paid for and consumed by late fall, might not reach the wholesale purchaser until December. The same applied to goods ordered in the fall. Such delays in consignments embarrassed the merchant and enriched the speculator who had anticipated transportation difficulties. On the other hand, provisions and manufactured products, “contracted for delivery and made the foundation for money and credit operations,” clogged the Cincinnati warehouse while trade stagnated. The price of necessities, too, might skyrocket with the river closed. Thus, in 1836, coal selling in Pittsburgh for one dollar a ton sold in Cincinnati for ten dollars, a seven-dollar increase over the prevailing prices. The poorer classes, of course, suffered more severely, and we shall see later how programs for civic action grew out of these natural crises.

Fluctuations in the weather concerned the farmer in the interior as vitally as the merchant on the wharf, but the merchant’s “ideal” conditions were not the farmer’s. During the months when the commission merchant and the broker might be congratulating themselves on the height of the water and profiting from a long navigation season, wagons filled with produce would be bogged down on muddy roads made impassable by rains and thaws. The most propitious times for hauling produce to the Cincinnati markets, weeks of extreme heat and cold, usually coincided with periods of sluggish trade and low prices. It made no difference how fertile the land. If a farmer planted during the high water season, commercial channels were likely to be shut off by the time he was ready to market his crops. The farmer literally “missed the boat.” He had then to pay storage fees to some commission merchant until there was a new rise in the river.

The inability of the farmer and the merchant to synchronize their movements might have strained relations between town and country had it not been for the fact that muddy roads did not hamper the farmer as much as the drought and ice strangled the activities of the shipper. And yet these climatic variations offered a serious problem to the city fathers. During the wet months when boggy roads kept produce on the farms, common necessities became scarce in the Cincinnati markets. At other times, when the weather was dry, the markets were surfeited with unsalable goods. In addition to these weather hazards, the hauling of foodstuffs from the country to the city involved risks and expenses frequently out of proportion to the value

13. Quoted from Hunter, Studies, 4, 12.
of the loads.\textsuperscript{15} Breakage, delays, and the loss of goods discouraged enterprise. It was an awareness of these conditions which prompted Cincinnati editors to urge, for the mutual benefit of city and country, that something be done to improve the highways covered for one-half to two-thirds of the year with deep mud or worn into gullies.\textsuperscript{16}

Improved roads helped to overcome the difficulties of marketing, but the tyranny of the weather did not end until the arrival of the canals and railroads. Canals, constructed during the 1820s and 1830s, only partially solved the problem. Freezing more quickly than the river, canals were useless during the four winter months. And although heat and drought hindered canal navigation less than river travel, the lowering of canal waters in the hot periods necessitated a lightening of cargoes, while heavy rains frequently resulted in washouts or filled the canal with debris. Only the railroads could finally solve the problem of bad roads, drought, and ice.

However, even before the railroad age, Cincinnati still managed to prosper in spite of the vagaries of a climate which sometimes paralyzed her economy. And, because of the steamboat, she became the greatest commercial entrepôt in the Ohio Valley. "It was all that the western country needed," wrote James Hall, "and the name of Fulton should be cherished here with that of Washington: If one conducted us to liberty, the other had given us prosperity—the one broke the chains that bound us to a foreign country, the other had extended the channels of intercourse, and multiplied the ties which bind us to each other."\textsuperscript{17} Steam made Cincinnati and steam ultimately dethroned her from her western leadership. However, from the year 1817 when Captain Henry Shreve's radically designed steamboat, the Washington, made the Louisville–New Orleans round-trip in forty-one days, down to the close of our period, the steamboat played an enormous part in the rise of the "Emporium of the West." It freighted her cargoes of raw and manufactured goods and gave her an important new industry.

Cincinnati manufacturers began to build steamboats in 1819, about the time when the Livingston–Fulton monopoly was becoming ineffective on the

\textsuperscript{15} W. F. Gephart, \textit{Transportation and Industrial Development in the Middle West}, Columbia University, \textit{Studies in History, Economics, and Public Law}, XXXIV, no. 1 (New York, 1909): 103–4. According to the \textit{Western Tiller} (June 6, 1827), the bad roads prevailing four or five months during the year explained why the farmer living only ten miles from Cincinnati had to work a full day to reach town and to return with half a load. In addition to losing time, the farmer endangered himself and his property.

\textsuperscript{16} See \textit{LHCG}, Mar. 14, 18, 25; Apr. 8; May 9; July 22, 1823, for a typical campaign.

\textsuperscript{17} Hall, \textit{Statistics}, 217.
Ohio and Mississippi. Westerners had questioned their practicality as late as 1816, as one of them admitted later who had watched a steam-wheeler trying to ascend “Horse-tail ripple” five miles below Pittsburgh. “Such a contrivance,” he and his friends had agreed, might buck the Mississippi as far as Natchez, but navigation up the Ohio would have to wait for a “more happy century of inventions.” Ten years later, however, Cincinnati capitalists had invested $500,000 in this once-doubtful “contrivance,” and several millions of dollars of goods were annually entering and leaving the port via the steamboat. Industries related to the production of steamboats—lumbering, the manufacture of rope and cordage, and foundry work—quickly sprang up. As a result of the increased commercial facilities and the sudden growth of trade, complementary occupations developed, and the city took on a new character.

Cincinnati’s advantages as a river port and her setting in an agricultural paradise made her, as we have seen, an ideal receiving and distributing mart, a haven for the complicated array of middlemen who facilitated the buying and exchanging of goods. Commission men, brokers, lawyers, retail and wholesale merchants all participated in directing the flow of whiskey, pork, flour, furniture, hardware, and machinery to and from the city. A commercial atmosphere pervaded Cincinnati, particularly during the seasons of high water when the businessmen filled the streets and bought and sold everything from ginseng to beeswax. At this time iron masters from the Sandy and Licking, seeking purchasers for their castings, mingled on the wharves with farmers fresh from the settlements who had grain to sell and supplies to buy. Here stood the boat masters waiting for loads of freight. Here came the pork dealers to buy their droves or ship their barrels, and along with them the traders from the surrounding villages. Moving among these acquisitive and restless bargainers were the ubiquitous merchants who directed most of the transactions and enhanced the city’s commercial reputation.


The development of subsidiary centers which required large quantities of goods, and collected supplies for sale in the Cincinnati market was favorable to Cincinnati's growth. Nearby centers such as Columbus, Montgomery, Reading, New Town, Carthage, Miami-Town, Clevos, Harrison, Covington, Newport; towns at some greater distance as Chillicothe, Portsmouth, Ironton, Gallipolis, Maysville, Lexington, Dayton, Springfield,
The merchants had always been the leading figures of the town. Ever since John Cleves Symmes advertised the Miami Country in 1788, Cincinnati's commercial prospects had attracted businessmen.21 The construction of Fort Washington in 1789 at the juncture of the Ohio and Licking rivers' trade routes had ensured the supremacy of Cincinnati over her two adjacent rivals, Columbia and North Bend. Merchants and “sutlers” (merchants catering especially to the alcohol needs of the army) imported goods from the Baltimore and Philadelphia markets for local consumption and with the removal of the Indians in 1794 and the consequent withdrawal of troops, exploited the swelling immigrant market.22 As the “trading post” period drew to a close around 1796, Cincinnati took on the appearance of a relatively settled community.

Ten years later, the commercial machinery of the city had become more complex, with credit and marketing agencies now assuming the tasks hitherto performed by individuals. The Miami Export Company, a community project of farmers and merchants organized for this purpose in 1803, cut down costs by collective buying and selling and supplied much-needed credit facilities through its banking company.23 County producers and city businessmen continued to rely upon each other from this point on in spite of the periodic attacks on brokers and “bank men” who reputedly swallowed all the profits. Cincinnati’s merchants never forgot the necessity of maintaining tolerable relations between town and country. “The pride and support of Cincinnati,” wrote one editor, “is her rich and extensive back country,—and the people of that country, should never forget how much the value of their lands and the profit of their industry depended upon her welfare and commercial relations.”24

With his markets assured and with a relatively easy access to goods, the shrewd merchant might make a good living. Profit margins were high even if the risks were great and failures frequent, as the fortunes accumulated by citizens early in the history of the city would seem to indicate. “The mer-

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23. Ibid., 498; Geppert, Transportation and Industrial Development, 99.
24. LHCG, Jan. 24, 1823.
chants here allow themselves to make from fifty to one hundred per cent on all their goods," wrote a recent Massachusetts emigrant to friends in 1806. "There is hardly any thing you can bring but will sell here."25 The year before, he had made an expedition up the river and bought cider for two dollars a barrel, apples for twenty-five cents a bushel, and whiskey for forty cents a gallon. In Cincinnati he doubled the price. The "infamous" Englishman Thomas Ashe also remarked on the "exorbitant" profit of Cincinnati merchants at this time and noted that comparative newcomers, arriving from Philadelphia and Baltimore with goods obtained on credit, had quickly met their obligations and now lived comfortably.26

The "exorbitant" profit of the pioneer merchant is at least understandable if one appreciates the risks assumed by the hungry adventurers. Beginning their tenuous operations, as many of them did, with purchases in Philadelphia, they would haul their loads across the mountains to Pittsburgh or Brownsville and trans-ship them to Cincinnati by flatboat. Here, some would set up in business, if conditions warranted, while others would drag wagon loads to the interior and exchange their goods for produce. This transaction might involve a trip to New Orleans with all the hazards of river travel and the ever-present possibilities of arriving at a glutted market. The trader then had to decide whether to return East by boat and repeat the complicated process or return to the Queen City through the backcountry.27

With luck, however, river trading could be extremely profitable for the judicious investor, as many persons in Cincinnati discovered. Five hundred barrels of Cincinnati flour exchanged for sugar, cotton, coffee, rice, and logwood cleared $4,000 in eight months for a local merchant in 1813, and one New England trader reaching Cincinnati with $300 in 1807 had accumulated $16,000 six years later.28 Many specialized occupations connected with the river trade developed. A complex commission business, which involved the reshipping, storing, advertising, and auctioning of goods not only for


26 Ashe, Travels, 202. Judging from the complaint of one correspondent in 1836, "exorbitant" profits were maintained throughout our period. Prices for provisions in this year were very high because, declared the correspondent, merchants were making from 75 percent to 100 percent profit on their season's investments. CG (Dec. 12, 1836): 3. A German immigrant, writing home in 1836, maintained that when once established, the careful merchant could make up to 500 percent profit. See J. M. Wulfing, The Letters of Gustavus Wulfing (Fulton, Mo.: Ovid Bell Press, 1941), 27–28.


Ohio firms but also for manufacturing and trading companies to the East and South, added to the growing number of those who made their living in the world of commerce.29

In addition to the omnipresent burdens and risks already mentioned, the Cincinnati merchant faced the problem of credit, for throughout the period under discussion he depended on eastern money markets.30 Quantities of goods might be purchased directly from England, but the Philadelphia, Baltimore, New York, and New England firms which furnished most of the consignments tended to drain away the much needed stores of Western specie.31 A few years before the panic of 1819 a visitor described a Cincinnati shop maintaining a stock worth $20,000 to $30,000 and doing a $50,000 annual business. Half of the yearly intake, however, was purely a paper profit, since the merchant granted liberal credit terms of six to eighteen months. In turn, his Philadelphia supplier gave him only six to seven months’ allowance, thereafter charging 7 percent interest. Now the transit of goods from the city of brotherly love to Cincinnati usually took up to three months and required the payment of a 5 percent commission to a Pittsburgh firm for wagon and reshipment costs.32 When one considers, besides these heavy credit charges, the hazards of sluggish trade, oversupply, competition, and bad debts, it is not hard to see why the shopkeeper’s life was no bed of roses and why bankruptcies were not infrequent.

The merchant’s efforts to solve the credit problem33 by means of an adequate banking system created a series of issues affecting the economic, social, and political life of the community. If Cincinnati businessmen were to escape the onerous interest rates inflicted upon them by eastern capitalists,

31. See *Annals of Cleveland, 1818–1935: A Digest and Index of the Newspaper Record of Events and Opinions* (Cleveland, 1938), I, 733.
33. “Although engaged in profitable business, most of them [the merchants] have not the means of extending it to a scale proportioned to their enterprise, and the resources of the place. Money is consequently in great demand, and a high price is willingly paid for its use. For small sums 36 per cent per annum is frequently given, and for large ones from 10 to 20 per cent is common. Indeed the market value of money may be safely estimated at 10 to 15 per cent; for there are but few investments in which it will not yield that amount” (B. Drake and E. D. Mansfield, *Cincinnati in 1826* [Cincinnati, 1827], 82–83).
then western banking, insurance, or export companies had to serve them. Unfortunately, the wildcat banking in Ohio following the demise of the first United States Bank failed to halt the drainage of specie eastward, despite the excessive emissions of paper currency, and the branch of the second Bank of the United States only seemed to stimulate the flow.\textsuperscript{34} Good money in early Cincinnati passed to the merchant who in turn shipped it to eastern creditors. Indeed, the business of exporting coin became a profitable one.

The depression of 1819, with its attendant evils, increased the hostility toward the banks in the city and toward the eastern "aristocrats" who seemed to be solely preoccupied in mulcting the West.\textsuperscript{35} Cincinnati bank notes, never worth their face value even as far east as Pittsburgh,\textsuperscript{36} quickly depreciated 30 to 40 percent during the panic and were utterly worthless outside of the city.\textsuperscript{37}

Anti-banking groups attributed the city's economic collapse to a pernicious paper money system which encouraged waste, corruption, and speculation. Paper money, too, they believed, had sustained a number of parasite occupations antagonistic to regular business and encouraged cutthroat competition. Auctioneers, commission merchants, speculators, brokers, and jobbers, the anti-bank men charged, had risen with the paper system and now remained as a burdensome tax to the business society of Cincinnati. This is what happened when the paper system supplanted the use of solid capital and business was apportioned "to the number and resources of the people." One critic went so far as to describe "the theatre and the circus, brokers and shavers, speculation, luxury, extravagance, effeminacy in dress and manners, auctions and pawn brokers, lotteries and lottery offices, insurance, great and sudden changes in circumstances" as "productions of the paper system."\textsuperscript{38}

Much of the criticism leveled against the banking and commercial machinery now seems pointless and undiscerning and reveals an ignorance of the real issues. What Cincinnati needed, and this was true of the West in general, was an adequate and properly managed banking system. Moreover, the magnitude and complexity of city business required a force of middlemen to handle it. And yet some of the charges against the banking groups

\textsuperscript{34} Lippincott, \textit{A History of Manufactures}, 74. In 1819, the bank exported $400,000 in specie collected from the interior. See \textit{Annals of Cleveland}, 1, 431.

\textsuperscript{35} \textit{LHCG}, May 14, 1819.

\textsuperscript{36} Fearon, \textit{Sketches}, 235.


\textsuperscript{38} \textit{LHCG}, Sept. 3, 1819.
cannot be lightly dismissed. For instance, bankers were accused of purchasing the property of their poorer neighbors with bank notes while failing to retain enough specie (if they ever possessed it) to redeem them.⁴⁹ As a Cincinnati satirist put it:

Great Croesus, who with ready pen
Can sign a million notes—and then
(A theory extremely easy—
Persuade, demand, or threat who may)
Refuse without a blush to pay
A single sou of specie.⁴⁰

Bank stockholders on the inside, it was said, escaped responsibility by paying the bank back in the depreciated currency of other banks. Debtor merchants, owning houses and property, had it easier than the credulous farmers and mechanics who had to pay high prices for their necessities and had nothing to fall back upon.⁴¹

From the 1819 disaster through 1838, when this study ends, the credit problem remained unchanged. The same issues recurred and partisans debated the pros and cons with the same intemperance. In the thirties the question of the survival of the second United States Bank occasioned both the defense of the erstwhile "Eastern Monster" by the powerful commercial interests, now firmly entrenched, and the recriminations of the Jacksonian radicals. As in 1819, something could be said for both sides. A spokesman for the bank, emphasizing the dearth of specie in western communities and the West's consequent inability to transact business or develop its resources, pleaded for the retaining of the western branch. Without it, every class in the West would feel the pinch, and the local banks, now restrained by a central influence, would flood the community with worthless currency.⁴²

The Jacksonians admitted that the bankers served an important function, yet actual banking operations, they believed, seemed to work to the disadvantage of the "industrious classes." Directors and principal stockholders took unwarranted advantage of their positions and speculated in trading and commercial ventures. By borrowing large amounts from the banks, moreover,

⁴⁰. Thomas Proctor, *The Odes of Horace in Cincinnati; As Published in the "Western Spy and Literary Cadet," during the Year 1821* (Cincinnati, 1822), 8.
⁴². *CCLG*, Feb. 11, 1832.
they withheld vital capital from legitimate merchants and manufacturers. Price fluctuations determined by the surplus or shortage of currency gave them a powerful control over the welfare of the community. When money was tight, wages were low; during the boom periods commodity prices shot up without a corresponding rise in wages.\footnote{Cincinnati Advertiser and Ohio Phoenix, June 11, 1836.}

Now Cincinnati banking interests may not have willfully manipulated the flow of currency for their own interests as the Jacksonians charged, but they did constitute a kind of money bloc. Bankers, merchants, and middlemen had close affiliations, certainly a natural state of affairs in a town whose economy was essentially commercial. They were the leaders of Cincinnati, and they stamped the city with their character. If financial operations seemed to work for the exclusive benefit of these traders, their most influential spokesmen could justify this tendency; their domination of the wealth and resources of the country, it was claimed, insured the continuing prosperity of Cincinnati. Let the envious poor and the demagogue decry the rich, said James Hall, “but the truth is that this country has grown rich through the money of banks and the enterprise of merchants.”\footnote{James Hall, The West: Its Commerce and Navigation (Cincinnati, 1848), 17.}

Even granting Hall’s assumption to be true, however, a few realists early recognized the disadvantages of a purely mercantile economy and tried to supplement commerce with industry.

In addition to slowing down the slight progress of manufacturing in Cincinnati, the panic of 1819 further emphasized the mercantile nature of the city’s economic life. Cincinnati seemed hardly more than a distributing point for agricultural produce, a kind of western storehouse supplying raw materials to eastern and European processors. In times of crisis, when unfavorable trade balances drained away much needed capital,\footnote{LHCG, June 29, 1819.} the inadequacies of such a one-sided economy became apparent to the citizens, and demands arose for a greater economic autonomy. Commentators pointed out that tariff barriers and improved transportation would not permanently aid a community whose economy was geared to the importing of finished products.\footnote{Flint, Letters, 134–36. For similar sentiments expressed even earlier, see Goodwin, “Rise of Manufactures in the Miami Country,” 769–70.}

Industry had languished in the West because acquisitive-minded settlers saw prospects for greater riches in other fields. Furthermore, high labor
costs and credit difficulties discouraged the few immigrants familiar with manufacturing problems from undertaking industrial ventures. Life seemed speculative and hazardous enough without embarking on dubious experiments; land speculation and commercial pursuits, requiring neither training nor capital, offered quicker and surer profits than manufacturing.\(^{47}\) A Cincinnati writer sized it up in 1817. After describing the heavy initial expenses of the incipient manufacturer and his small immediate profit, he told how inexperienced promoters, ignorant of their business, made useless expenditures, adopted badly worked-out plans, and hired unskilled workmen. The combination of these factors with underdeveloped markets, low sales, and uneconomical management usually spelled failure, he concluded, although public patronage and individual persistence would remove the difficulties in the long run.\(^{48}\) But as long as Cincinnati’s merchants supplied an ever-expanding interior with imported goods and concentrated on marketing rather than making, capitalists found “a safer road to profit than the unexplored one of manufactures.”\(^{49}\)

By the 1830s, however, manufacturing had made considerable headway in Cincinnati (even if the merchant class retained its numerical supremacy) and had lost some of its experimental characteristics. Greater speculation and the emergence of new industries encouraged investment. So did the rapidly growing home market and the available resources of iron, coal, and wood which facilitated the erection of foundries and mills. By 1838 the basis was laid for a diversified industry which Cincinnati still retains, and the manufacturers and mechanics had begun to be recognized as the real sustainers of Cincinnati.

Before examining the productions of factories and mills, however, something more should be said about the primary industries which were, for a long time, more important economically than factory goods. I have already

49. A contributor to Drake and Mansfield’s *Cincinnati in 1826* maintained that before 1819, there were those in Cincinnati who understood the capacities and the wants of the West and made extensive plans for industrial enterprises. These men, ruined by the panic, were followed by

a new race of men, equally enterprising, equally valuable, but who were not sufficiently acquainted with facts, to induce them to enter upon an untried theatre of operations. The new population was composed of men of commercial habits, and flattered by the immediate prospects of realizing immense profits in their business, which required no preparations, and involved no loss of time, they devoted themselves at once to mercantile pursuits. (P. 67)
described how the agricultural surpluses of the Miami Valley led to the development of certain city industries, but the flour and pork businesses (as Cincinnati’s two leading cash products throughout this period) require more detailed discussion. As early as 1802, a system of flour grading had been established in Cincinnati, but a decade elapsed before the construction of the famous nine-story steam mill,50 made of stone and driven by a 70 h.p. engine. Since the valley specialized in wheat growing, particularly in those districts around the headwaters of the Miami and Mad rivers, flour production jumped tremendously during the next twenty years. This rich and well-watered “champagne” produced quantities of high-grade wheat, and when, as a result of the canals (1829–33), flour increased twenty cents a barrel,51 the merchants of Cincinnati prospered. But the city itself, in typical fashion, concentrated on the distributing end of the industry and never became a milling center.52

Meat packing could be more truly classed as a Cincinnati industry. Hog raising had played an important role in city economy from the outset, although the early meat packers devoted themselves to curing and packing rather than to slaughtering. In time the growth of banking facilities, regular hog supplies, and transportation improvements aided the packers; and at the end of our period, when the exporting of pork, lard, and hams from Cincinnati amounted to more than 3 million annually,53 meat packing had become a complicated enterprise involving many preparatory stages before final shipment.

“Growers” and “fatters” usually divided the functions of hog raising. The latter, a richer class of farmers or hog dealers, could afford to turn their droves into the cornfields of their bottom lands during the autumn months, “a mode of feeding,” according to one account, “too unceremonious for a less abundant country.” In November and December vast droves of hogs from the Licking and Miami valleys passed through the city streets on the way to the slaughterhouse along Deer Creek, commonly referred to as “Bloody Run” or “Butcher’s Hollow.”54 Here in the winter hogkilling went

51. CCLG, Sept. 7, 1833.
54. CCLG, Sept. 7, 1833; Nov. 28, 1834.
on with a skill and efficiency reminiscent of a later “mass production” age. Charles Fenno Hoffman, in his impressionistic and literary account of the butchering process, marveled at the degree of specialization worked out in a slaughterhouse where the “mallet,—the knife,—the axe,—the boiling cauldron,—the remorseless scraping iron” did their work, “and the fated porker, that was but one minute before grunting in the full enjoyment of bustling hoghood, now cadaverous and ‘chop-fallen,’” hung “a stark and naked effigy among his immolated brethren.” Large wagons then dragged the carcasses to the packinghouses, where the “clock-work” performance continued. “Weighers” passed the carcasses to the “blocking men,” who arranged them in blocks for the “cutters.” After the cutting and separating process, two-hundred-pound portions of meat were weighed out, thrown into the salt box, and passed on to the packer. The cooper received the packed barrel and “binded it.” With the barrel plugged, filled with brine, replugged, and branded, the last steps were completed, and the pork, transported to warehouses, was ready for shipment.55

Other industrial undertakings, spinning factories, breweries, distilleries, potteries, and foundries had slowly begun to take root in Cincinnati before 1819,56 although a host of misfortunes hindered the progress in manufacturing. Many budding enterprises went under during the 1819 depression, along with some well-established firms. Thomas Bakewell’s flint glass works, for instance, valued at $10,000 in 1797 and at $200,000 seventeen years later, never recovered.57 When the nine-story mill, which housed various manufacturing concerns, burned down in 1823, the owners lost $160,000, and the entire community suffered.58

But after the shock of the first depression new industries attracted the investment of Cincinnati capital. A complete economic history of Cincinnati from the years following the 1819 panic to the prosperous 1830s would have to include accounts of the hemp and white-lead industries, and the production of furniture, plows, carriages, hats, shoes, saddlery, tobacco, snuff, soap, candles, and clothing. It would include, too, the rise of the paper industry which grew to large proportions as early as 1826 and furnished the Queen

56. See NWR VI (May 28, 1814), 207–10; Flint, Letters, 150; J. V. Buechler, Land- und Seereisen eines St. Gallischen Kantonbürgers nach Nordamerika (St. Gallen, 1819), 78–80; E. Dana, Geographical Sketches on the Western Country (Cincinnati, 1819), 82.
57. Lippincott, History of Manufactures, 123.
58. LHCG, Nov. 7, 1823.
City with one of her most valuable exports. All of these industries helped to cut down Cincinnati's unfavorable trade balances and to diversify city economy, but no one of them played so important a role in the growth of Cincinnati's fame and prosperity as the metal industries.

First to become stabilized, carrying the highest amounts of capital investment, and facing an ever-expanding market, this industry enjoyed unique advantages. Cincinnati foundries and machine shops, protected more by their distance from seaboard competition than by high tariffs, and supplied with quantities of cheap fuel, made impressive gains after 1815. The interior demanded castings, hardware, and machinery. Cincinnati's closer proximity to western markets made up for Pittsburgh's easier access to coal and iron. Iron ore shipments from western Pennsylvania were not expensive, and Cincinnati always could rely upon the crude iron from districts in Kentucky and Ohio.

The development of steamboat manufacturing, in full swing by 1819, created increased demands for engines and other kinds of machinery, and the next decades saw a steady growth of steam engine and finishing establishments, blacksmith shops, and foundries. According to a private estimate in 1829, Cincinnati's exports of steam engines, cotton and wool machinery, and sugar mills amounted to $225,000. Sugar mills, in particular, became an extremely profitable sideline after 1826 and testified to the closer economic relationship growing up between Cincinnati and her southern customers.

59. In 1821, the Liberty Hall and Cincinnati Gazette proudly announced the opening of a new steam paper mill furnishing "as good paper and on as good terms as can be imported from the east" (Nov. 28, 1821); by 1825, according to one unofficial estimate, Cincinnati was exporting annually 20,000 reams of paper valued at $60,000. E. S. Thomas, Reminiscences of the Last Sixty-Five Years, Commencing with the Battle of Lexington (Hartford, 1840), II, 197–200.

60. Lippincott, History of Manufactures, 103–4.

61. In this year, a company formed in 1817 by five Cincinnati capitalists operated a factory covering an entire square and employing 120 workers. This establishment, consuming 40,000 bushels of coal a year, produced 3,000 pounds of casting daily. Twenty-one blacksmith shops within the corporate limits employed 80 to 90 men at this time and did a $70,000 yearly business. Cincinnati Centennial Paper (Cincinnati, 1888), 38.

62. The ironworks of Messrs. Shreve, Paul, and McCandless, begun in 1831 and finished two years later at a cost of $50,000, indicated the trend toward larger establishments in the thirties. This factory produced annually 350 tons of nails and 1,200 tons of bar, boiler, and sheet iron; its sixty hands received $13,000 a year. Cincinnati Journal VI (1833): 150.


64. W. H. Harrison, An Address Delivered Before the Hamilton County Agricultural Society, At Their Annual Exhibition (Cincinnati, 1831), 7–8. New Orleans had imported her first steam-
Thus, by 1834, when the Frenchman Michel Chevalier reflected on Cincinnati’s industry, the Queen City was exporting a great variety of manufactured and processed articles and strengthening her hitherto one-sided economy. Figures continued to show a greater percentage of imports over exports, but this indicated only that Cincinnati imported for a larger region than her exports reached. Chevalier noted the diversity of her products and, excepting the pork trade, the absence of any large-scale enterprises. “Household furniture and utensils, agricultural and mechanical implements and machines, and a thousand objects of daily use and consumption, soap, candles, paper, leather,” he observed, were furnished to the flourishing districts in the West and Southwest. These articles, while not remarkable for their high quality or style, were nevertheless neatly and cheaply constructed and ideal for the solid western folk unconcerned with the latest fashions. “The prosperity of Cincinnati,” he concluded, “therefore, rests upon the sure basis of the prosperity of the West, upon the supply of articles of the first necessity to the bulk of the community.” Country traders vending the usual lines of odds and ends to the people in the backcountry had no reason to go to Philadelphia for their supplies; Cincinnati’s artisans made practically everything they needed.

At the close of Cincinnati’s first fifty years the mechanical arts had been definitely established. “The skill of her artisans and the work of her shops,” according to a Cleveland newspaper in 1838, “have a fame as extended as the broad south and west.” Fittingly, the Ohio Mechanics Institute of Cincinnati held a fair in June of the same year to “permit the ingenuity and skill of western artists” not “to remain neglected and unknown, and to languish for want of patronage, while thousands of dollars are annually sent across the mountains, and even beyond the Atlantic” for the purpose of buying articles obtainable in Cincinnati. At the fair, Cincinnatians saw farmers’ tools, mathematical and musical instruments, locks, porcelain teeth, nails, labor-saving devices such as the hand spinning machine and the portable harnesses.

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driven sugar mill from Scotland in 1822. Four years later, a representative of some Louisiana planters traveled to Cincinnati with the plans of the Scottish-made mill and offered a local mechanic named William Tift a contract to make five of them if he would wait for his pay until after the sale of the coming crop. Tift not only accepted, according to one account, but he also sold both mill and engine for $5,000. The planters had paid $12,000 for the imported sugar mill. Cincinnati Commercial, Apr. 28, 1879.

65. Thomas, Reminiscences, II, 199.
vaults and safes, hats, an electric-magnetic machine, steam boilers, ice chests, carriages, and cloth-shearing machines. Specimens of elegant book-binding and miniature spectacles stood side by side with fire hose exhibits, soda water fountains, and turning lathes. An array of corsets, lampshades, footstools, covers, aprons, screens, and fancy reticules were presented for the approval of the “females.” Artificial eyes and cistern pumps, horse-collars and fine visiting cards revealed the wealth and resourcefulness of Cincinnati’s citizens and symbolized the efforts of a utilitarian society on the eve of a new industrial era.68

Cincinnati had by this time (1838) established herself on a more enduring and reliable economic foundation. She was no longer simply the distributing point of a fertile hinterlands; she no longer depended entirely upon eastern factories and eastern credit. With the development of her industries her population became more diversified and lost its exclusively mercantile character. Mechanics and artisans filled her workshops, and their various productions, featured in Cincinnati stores, drew visitors and buyers from a wide area.

The disinclination to invest capital in Cincinnati manufacturing enterprises becomes more understandable once we recognize the extent of the land speculation activities in this expanding river port. “The capital vested in uncultivated lands,” an English observer had written in 1819, “is mere dormant stock which cannot be applied to such active employments as the erection of workshops, machinery and other outlays necessary for the establishment of manufactures, unless it is replaced by other funds.”69 But western investors, searching for business opportunities which would involve high profits and slight risks, found what they were looking for in real estate deals rather than industrial enterprises. To be a successful manufacturer required considerable initial capital, skill, experience, and a willingness to take chances; the land speculator could start with a shoestring and watch his property triple and quadruple in value without lifting a finger. Frequently he boasted of his “prudence” and “foresight” in selecting his sites, but, as it was pointed out, the “advantages and disadvantages of particular localities, their relative values, and the prospective growth of towns founded upon them, or projected, afford subjects which have been much discussed, but which have baffled the

sagacity of the most acute speculators." Town founders, James Hall believed, rarely enriched themselves, and this certainly held true in the case of John Cleves Symmes, the original proprietor of Cincinnati, who perhaps had more vision than the wealthy landowners of a later day but none of their luck.

These landowners began acquiring city property at a time when Cincinnati was beginning its swift ascent; as Cincinnati grew larger, so did their bank accounts. Merchants, lawyers, doctors, anyone having idle capital, could make no safer investment than real estate in a city where there seemed to be a perpetual housing shortage and building boom. Occasionally, what was called "overtrading" might ruin a rash investor, but the same held true for merchants who bought more than they could sell or sold more than they could pay for. In fact, some Cincinnati "realtors" considered their business as necessary and productive as the merchants' and as much "entitled to bank accommodations, as those for example, who buy and sell pork, flour, or any other article of traffic." Real estate, they believed, based on great enduring values, principles "established by nature and necessity," provided a better risk for bankers than merchandise. The operations performed by merchants, this curious view maintained, were more risky than indispensable; where one succeeded, hundreds failed in spite of credit advantages and business talent.

Whatever the merit of this view, "population, the great cause of industry," raised Cincinnati property values in an incredibly short period, much to the delight of the "pioneers." Land which Symmes sold for 83.05 cents per acre in 1789 ranged in price sixteen years later from $2 an acre for unimproved land to $40, $50, even $150 an acre for improved lands. "You may tell your people," wrote a New England immigrant in 1811, "that Cincinnati is one of the finest towns this side of the Allegheny mountains. On some streets half acre lots sell for $2,000 and rising in value fast. There are now about four hundred houses in this town. You would be surprised to see how

71. CG, Dec. 14, 1836.
72. Drake and Mansfield attributed the steady rise of real estate to the tides of immigration and the constant demand for houses.

It is this, with the regular and certain increase of value, which makes investments of money in real estate both safe and profitable. Capital to a large amount may be so invested in real estate, that it will immediately produce from 10 to 12 per cent per annum. Many investments have been made that yield at this time from 12 to 18 per cent. Nothing can be hazarded in stating that, capital judiciously expended in the purchase of real estate in this city, at present prices, will yield permanently from 10 to 12 per cent per annum. (P. 82)

73. Beverly Bond, The Civilization of the Old Northwest (New York, 1934), 8. In 1830, Ethan Stone paid $60 apiece for three lots. Less than a decade later, he returned to Cincinnati and paid $9,000 for one-third of one lot. NWR LVI (1839): 387.
fast this country improves.” In 1813 he wrote to his Massachusetts friends
with some warmth: “Property increases one hundred percent in twelve
months. We are blessed in this country; we deserve to be; we fared hard in
New England, I wish half the people of that country would come here. I pity
the poor people there.”74 Two years later, choice city lots could be purchased
at prices ranging from $10 to $200 per front foot, and out lots sold at from
$500 to $1,000 an acre.75 By 1819, when this study begins, large sections of
land between the two Miamis were under cultivation and selling from $5 to
$200 an acre.

That opportunities continued after this period is borne out by a typical
letter of a successful young lawyer in Cincinnati, Timothy Walker, to the his-
torian George Bancroft, then teaching at Round Hill School in North-
ampton, Massachusetts. Writing in 1830, Walker told his friend that money
could be invested “with perfect safety at ten per cent and sometimes twelve.
Real estate is rising rapidly. Its value in many parts of the city will be doubled
in five years. In this way many fortunes have been made here in ten years.
The chance is of course not quite as good as it was, but nevertheless alto-
gether superior to any place in New England.”76

Just as eastern capital filtered into the West to take advantage of favorable
investment opportunities, so Cincinnati businessmen, now that the flush pe-
riods at home were over, looked farther West for speculative enterprises.
Some showed interest in the Chicago lands during the palmy middle thirties,
especially those areas adjacent to canal excavations. One Illinois canal com-
missioner, apparently familiar with the probable location of important points
and the plans of the principal engineer, placed $1,200 for a prominent Cin-
cinnati merchant and promised him $8,000 to $12,000 in eighteen
months.77 Another businessman, about the same time, purchased a $1,000
lot in what is now Milwaukee; the seller received an offer of $16,000 for half
of the same lot after the sale had been completed.78 Such windfalls encour-
egaged the speculative mania which seemed to infect all classes in Cincinnati.

75. W. T. Coggeshall MSS (Ohio Historical and Philosophical Society, Cincinnati).
76. Walker to Bancroft, Cincinnati, Dec. 8, 1830. Bancroft MSS (Massachusetts Historical
Society, Boston). The extent to which Cincinnati businessmen invested in Cincinnati real estate
is partly indicated by the will records of the Hamilton County Probate Court. Men like Nicholas
Longworth and David Este owned large amounts, but even a newspaper editor like Charles
Hammond owned about ten separate city lots when he died.
77. Gano MSS (Ohio Historical and Philosophical Society).
(1924): 57–66. For another account of Cincinnati investment in Milwaukee lands, see S. M.
Everyone was looking for easy profits and quick turnovers, and the atmosphere was charged with this gambling spirit. Economic and financial crises might puncture land booms, to the consequent embarrassment of optimistic speculators, but no panic could permanently quench the passion for speculation.

Now that the origins and nature of Cincinnati's chief economic enterprises have been described, some chronological account of its financial and economic history should be given, or rather a mention of the cycles of prosperity and depression which periodically cheered and disheartened the citizens.

Something has already been said of the panic which hit the town like a thunderclap in 1819. Local diagnosticians advanced the familiar series of reasons to explain the catastrophe: the "spirit of cupidity, speculation, and extravagance which pervaded the whole mass of the community," an unfavorable trade balance, the "lawless and unreasonable depression of the circulating medium" by "monopolists" and "speculators," and the baleful influence of the United States Bank. Almost everyone agreed that the evil was probably connected with the credit system, but hardly anyone showed any real awareness of the underlying causes of the panic. Excessive issues of the local banks, overspeculation in land and commodities, the sudden contraction of loans by the branch of the United States Bank which occurred almost simultaneously with the order of its removal from the city—all of these circumstances resulted in the ruin of Cincinnati's most influential businessmen and temporarily blighted her commercial reputation. Land values collapsed. The total suspension of building threw hundreds of laborers out of work. Only the branch bank came out ahead. It had acquired title to the choice lots painfully garnered by astute Cincinnati speculators.

79. LHCG, June 29, Aug. 31, Aug. 24, 1819.
80. Actually, Cincinnati was experiencing the same disastrous decline in commodity prices and general recession which had hit the seaboard cities a year before. Although the country was becoming increasingly interconnected economically, Cincinnati, during the period under discussion (1819–38), always trailed the seaboard cities in business declines and upsurges. See A. H. Cole, Wholesale Commodity Prices in the United States, 1700–1861 (Cambridge, Mass., 1938), 109–10; T. S. Berry, "Wholesale Commodity Prices in the Ohio Valley, 1816–1860," Review of Economic Statistics XVII (1935): 85.
82. Flint, Letters, 238.
and made tremendous profits when “normalcy” returned and property assumed its true value.

The spring of 1820 showed little improvement. Wages remained low and the unwillingness of merchants to bring in groceries and merchandise sent prices sky high. Farm produce could be purchased at bottom prices, but owing to the dearth of money, farmers had difficulty selling anything.

Signs of improvement became evident in the fall of the next year, if the rise of farm prices in the Baltimore and New Orleans markets is any criterion. Boat production increased. The *Liberty Hall and Cincinnati Gazette* boasted a little guardedly about the Queen City’s magnificent comeback and her potentialities.

Eastern Merchants, Travellers, Merchants’ Clerks and Dandies [had predicted] that Cincinnati would unquestionably retrograde;—that the city had out grown the surrounding country;—that its local advantages and commercial relations had been greatly overrated;—in short, that another twelve months would exhibit an entire suspension of improvement either public or private, and numberless deserted tenements.

Such gloomy prophecies had been dissipated, declared the paper, by the present building boom, and this in spite of the commercial stagnation throughout the union. Whereas Pittsburgh and Lexington remained stationary or declined, in Cincinnati busy factories, abundant market supplies, low prices, “the bustle and activity of business,” and city improvements indicated that good times were approaching. The city offered capitalists “strong and powerful inducements” to purchase choice property upon advantageous terms; only “the embarrassed situation of many of our citizens” made these bargains possible. Such was the response of the “GRAND METROPOLIS of the noble stream” to her detractors.83

But even with the slight upturn of business conditions during the next few years, the effects of the depression lingered. The citizens momentarily seemed to have lost their confidence; a lethargy descended over the city, and few dared to undertake any new enterprise. In May of 1824 the situation still remained grim. Unemployed workmen found it impossible to obtain work. The middlemen, auctioneers, and commission merchants who had multiplied during the prosperous years now found trading hardly worth the effort. Scarcely more than one steamboat owner in ten made expenses, and ship-

83. *LHCG*, Nov. 7, 1821.
pers during 1822 and 1823 continually operated at a loss. Those farmers who did their own marketing received negligible prices for their produce. Demands now arose for a larger home market, in lieu of the vanished European markets, and a high tariff.84

Then in 1825, the breaking of ground for the Miami Canal at Middletown encouraged the gloomy citizens and kindled their optimism.85 People began to feel that canals and roads and an adequate banking system would soon lift Ohio out of its depression, and the next two years justified this hope. Admittedly, prices remained low and an unfavorable trade balance hindered progress, but home factories, it was believed, would reverse the trend; new roads and canals would facilitate cheap importing and exporting. As if to confirm these expectations, buildings went up in 1826, and the corporation placed brick cisterns throughout the city as fire protection. Markets were full, prices cheap. By 1827 the city began to hum once more. The canal was nearly finished on the entire northern line of the city. Foreign capital began to flow into Cincinnati again; and the construction of bridges, dwellings, and storehouses, the production of steamboats, and the opening and improving of streets hinted that prosperous days were ahead. "Every portion of our city," it was reported, "presents one uninterrupted note of busy preparation."86

In spite of a destructive fire in December,87 1828 was a good year and prosperity continued with few interruptions until 1832. Immigrants poured in and the familiar problem of the housing shortage reappeared, a deficiency aggravated by the fact that old tenements had been torn down while many were in the process of being renovated.88 As new branches of industry were introduced and business boomed,89 Cincinnati smartened her appearance. Eight new churches were erected; elegant mansions and fine warehouses sprang up in the home of "industrious and enterprising free-men," where "labor is honored, and profits are constantly added to capital."90 Cincinnati’s

84. Ibid., July 25, 1823; May 18, 1824.
85. The coming of good times in 1825 of course coincided with national prosperity. The opening of the Erie Canal in this year and the development of canal and road transportation within the state of Ohio help to explain improved conditions. See Utter, The Frontier State, 295.
86. Western Tiller, Sept. 29, 1826; May 18, 1827. See also the Saturday Evening Chronicle, Jan. 1, 1828.
87. Greve, Centennial History of Cincinnati, I, 584.
88. WT, June 20, 1828.
89. CCLG, Mar. 7, 1829.
90. NHR XXXVIII (1830): 86–88.
population, more than 10,000 in 1819, had jumped to more than 24,000 in 1829. During 1831 a bitter winter checked all navigation and a disastrous fire slowed things down a bit, but in the spring of that year good times returned. Large receipts were proving the success of the canal, and sales of improved and unimproved lands to eastern capitalists introduced much needed capital. The offers of these capitalists, moreover, to subscribe to any amount of stock in the recently chartered Commercial Bank not absorbed by local investors indicated a renewed faith in the city's credit. Commenting on the prosperity of the Queen City at this time, a visitor reported that more buildings were going up than in any other preceding year. A whole new street was laid out and covered "with valuable edifices of four story brick," among which were a fine hotel and a spacious museum, "both five stories." Real estate had become tremendously valuable because the Miami Canal, stretching sixty-five miles from Dayton to the city, "had much enhanced the value of land." One lot, the visitor claimed, which had been purchased in 1822 for $600, sold for $40,000 nine years later. "This is passing strange but true," he insisted—"I have undoubted authority for it." 

Cincinnati's economic respite ended in 1832 when the spring floods ushered in a series of terrific disasters which reduced the ordinarily optimistic citizens to the gloomiest pessimism. A sixty-three-foot flood crest drove thousands from their homes and filled the main streets with ten feet of water. In the wake of this catastrophe there followed, in quick succession, a financial crisis, a fire, and an epidemic which further dislocated city life.

Although the flood caused immense damage, it does not seem to have seriously disrupted Cincinnati's progress. Quantities of farm produce had begun to arrive in the city during March via the canal; real estate still remained high. But the merchants, after a long period of easy credit, now began to feel the effects of Jackson's orders to suspend bank credits, and a few failures occurred. Cincinnati merchants at this time were extremely apprehensive about the future of the Second Bank of the United States, threatened, they believed, by an ignorant demagogue, and most members of the commercial

91. James F. Irwin to James Findlay, Cincinnati, Feb. 10, 1831, Torrence Papers, Box XII (Ohio Historical and Philosophical Society).
92. CCLG, Mar. 18, 1831.
93. Isaac Appleton Jewett to Joseph Willard(?), Cincinnati, Aug. 16, 1832, Jewett Letters, (Rosenbach Company, Philadelphia.)
94. Jewett to Willard, Cincinnati, Mar. 20, 1832, Jewett Letters; CCLG, Mar. 24, 1832.
95. L. Whiteman to J. Findlay, Cincinnati, Mar. 24, 1832, Torrence Papers, Box 27.
classes in the city prayed for its rechartering. If the bank were dissolved, two million dollars' worth of Cincinnati real estate would be thrown into the market and property values would drastically decline. Thousands would be ruined, businessmen maintained, if Jackson had his way. By June, creditors found it increasingly difficult to meet payments, and the sudden curtailment of loans resulted in more failures. An average wheat crop and a poor corn crop coming in this year of troubles only confirmed dark forebodings. Timothy Walker, who ten years before had grown lyrical over the city's prospects, wrote:

It cannot be disguised that the Bank Vote has already paralyzed our exertions. Our citizens are afraid to buy and sell. Enterprize yields to prudence. Each holds what he has. Land would not bring $1/4 of its value four months ago and therefore no one will now sell. Rents have not yet fallen, but they must fall. Things will remain just where they were, till after the Election. Then, should Clay succeed, all will be well. We shall rise like Antaeus, the stronger for our fall. But should it please Heaven that our country should be scourged by Jacksonism for another term, we must inevitably witness a severe reverse."

Walker felt that even Jackson could not ruin Cincinnati, but he grieved that "men who had struggled for years to buy and improve property, now had to sell it at a sacrifice."97

But Cincinnati had not yet seen the worst. Fire and pestilence struck after Jackson's vote. In August the city experienced a series of disastrous blazes which destroyed three steamboats, a sawmill, an iron foundry, and two hotels. The Pearl Street House, recently built at a cost of $40,000, burned to the ground in a blaze "unprecedented in the annals of conflagration." Suspecting arson,98 the authorities placed guards around other hotels and foundries while a volunteer city group numbering a hundred held nightly watch for a while. Not since 1819 had the spirits of the people sunk so low. The vote on

96. Whiteman to Findlay, Cincinnati, Aug. 8, 1832, Torrence Papers, Box 27. In the spring of 1832, a petition was circulated among the businessmen, irrespective of party, requesting the rechartering of the bank. The flood, so Robert Buchanan wrote to James Findlay, prevented about one thousand from signing, but enough signed "without respect to Party, to show you that an immense majority here is in favor of the measure." Buchanan to Findlay, Cincinnati, Feb. 22, 1832, Torrence Papers, Box 3.

97. Timothy Walker to Dr. George C. Shattuck, Aug. 26, 1832, Shattuck MSS (Massachusetts Historical Society, Boston).

98. Jewett to Willard, Cincinnati, Aug. 16, 1832, Jewett Letters; Whiteman to Findlay, Cincinnati, Aug. 8, 1832, Torrence Papers, Box 27.
the Bank of the United States, followed by acts of incendiariism, had so shaken the confidence of the Queen City that when the cholera epidemic, long anticipated with dread, finally appeared, it was almost the last straw. Invading every part of the city, the cholera killed an average of twenty-one people a day during the first few weeks and drove eight thousand inhabitants to seek refuge elsewhere. Hotels and theaters closed down. Markets were poorly supplied as farmers shunned the stricken "metropolis."99

Then, as if the Devil himself were bent on harassing the city fathers, Jackson triumphed at this time, an event which the commercial classes regarded as no less catastrophic than cholera. Looking back on these grim days, a Cincinnati Whig several years later summed up the effects of his city's misfortunes:

Our city has been upon the decline since Cholera & Jacksonism made their united and almost simultaneous attack upon it. The great scourge of cities has visited us in three successive years—has carried off great numbers and among them some of our most valuable citizens—and has given our city a reputation for unhealthiness which has deterred immigration and combined with other causes had induced many to leave. In the meantime as though the judgment of Heaven was not sufficient the administration made war upon the only institution which furnished our circulatory medium in the West and great pecuniary embarrassment has been added to the physical evils referred to. The combination has produced great distress and consequent decline in the business of our city.

I rejoice to hear that you are free from both of the evils which have borne so heavily upon us. New England has been peculiarly favored in escaping the fell destroyer and in being in possession of capital which generations of active and industrious citizens has [sic] accumulated. She is independent and beyond the reach of the vindictive administration of a ———- fool—!100

But by 1835, what one observer called "the vibration of the commercial pendulum"101 had begun its upward swing, and vetoes, removed deposits, floods, and fires were forgotten in the rush of spring business. Businessmen, so the accounts run, hurried about the streets, which were jammed with wagons and drays; the river was once more alive with steamboats arriving, de-

100. N. Guilford to J. E. Worcester, Cincinnati, Nov. 20, 1834, Worcester MSS (Massachusetts Historical Society, Boston).
101. CCLG, Mar. 28, 1835.
parting, and unloading.\textsuperscript{102} Storekeepers had no difficulty selling their goods to the throngs who crowded their shops, and the rise of pork, the new building boom, and the accounts of commercial prosperity in Louisville and Wheeling cheered the hearts of the merchants. One shrewd soul, however, tempered his optimism with a reflection on the nature of business cycles. Now “faces are shorter; purses are longer; creditors begin to hope; debtors begin to pay,” he wrote, but the boom will end and citizens may expect “the old steps retraced,—overtrusting, overtrading, hard times, hard customers, hard creditors, suits, failures, ruin and epidemic woe.”\textsuperscript{103}

Notwithstanding these fatalistic prophecies, Cincinnati continued to prosper, if modestly, during the next two years, even at a time when America suffered from the worst economic crisis in its history.\textsuperscript{104} The fact that Cincinnati had supplemented what had once been an exclusively mercantile economy with manufacturing is perhaps one reason why she succeeded in weathering this crisis, although she was to feel the full effects of the recession after 1839.\textsuperscript{105} As a former Cincinnati minister explained to a friend who had suffered reverses in 1837: “A manufacturing city must always grow larger in population. A commercial city will always remain small. All Real Estate speculations based on a growth of the country or of citys beyond the common growth must be ruinous.”\textsuperscript{106}

Although money was scarce in 1837, the city steadily went ahead. Public and private building continued, produce prices remained fairly high, and while not much real estate exchanged hands, values did not depreciate; in November the housing problem was almost acute, despite high rents. An interesting explanation of the city’s prosperity appeared in one of the papers in 1838. Cincinnati’s industrious and prudent citizenry, the paper declared, eschewed wild speculation and devoted themselves to commerce, manufacturing, and agriculture. Even with working capital reduced $1,500,000 in eighteen months, few failures occurred, emigrants continued to come in, and

\textsuperscript{102} Western Monthly Magazine IV (1835): 85–87; Mirror and Chronicle IV (1835): 203.

\textsuperscript{103} CCLG, Mar. 28, 1835.

\textsuperscript{104} Cincinnati Chronicle, Mar. 2, 1836; Daily Cincinnati Republican and Commercial Register, Feb. 9, 1836; Cincinnati Mirror and Western Gazette of Literature, Science, and Art IV (1836): 167; Western Literary Journal and Monthly Review I (1837): 75–76.

\textsuperscript{105} The sharp upswing of commodity prices in Cincinnati in 1838–39 only delayed the inevitable fall in prices which was to be nationwide. Here, as in the 1819 panic, Cincinnati was last to feel the effects of the 1837 collapse, but by 1843 she was as deep in the depression as any other city. See Cole, Wholesale Commodity Prices in the United States, 111.

\textsuperscript{106} J. H. Perkins to W. Greene, May 16, 1837, Greene MSS (Ohio Historical and Philosophical Society, Cincinnati).
the city maintained its public improvements. "Without instituting invidious comparison with other places," the article concluded, "or speaking at random, we feel authorized in saying, that for health, good society, schools, religious instruction, mechanical skill, the safe investment of capital in real estate, and profitable employment of it in commerce, and manufactures, Cincinnati yields to no city in the Union. She is now in her fiftieth year, and numbers her forty thousand inhabitants."\footnote{107}

Cincinnati had more than lived up to the expectations of its founders. She had outstripped most of her competitors by the close of the thirties and confidently asserted her preeminence among the river cities of the Ohio.

\footnote{107. \textit{CC}, Oct. 28, Nov. 11, Dec. 9, 1837; Aug. 25, Nov. 3, 1838; see also Hall, \textit{The West}, 311.}