



Birkenhead (Frank Leslie's Illustrated 30-4-64)

*by Serge Nairsain*

(Adapted in English by Gerald Hawkins)

*In the novel "Gone with the Wind", Rhett Butler is presented as the beau ideal of the Southern blockade-runners. Although the book and especially the movie are well known around the world, Europeans have little or no idea who exactly these blockade-runners were, what it meant to run the blockade and how or why it was ran.*

## **THE BLOCKADE AND THE BLOCKADE RUNNING**

### ***The Blockade***

On 19 April 1861, two months after the establishment of the provisional Confederate Government at Montgomery, Lincoln proclaimed the blockade of the Southern coasts. To be recognised by the foreign powers, the blockade had to conform to the provisions of the *Declaration of Paris* of 1851, article 4: "*to be binding, a blockade must be effective*".<sup>1</sup> It was an ambitious task to blockade the 3,549 miles of Southern coasts, from Alexandria (Virginia) to Brownsville (Texas), with plenty of rivers, bays, inlets and also with interior channels and shoals lying before or near many Southern harbours, especially along the Carolinas, Texas and Florida coasts. For the European powers, the blockade proclaimed by President Lincoln was a joke because it was the first time in history than a nation blockaded its own ports ... However, the real challenge was to make such a blockade effective with only ninety vessels of which only forty were steamers ... and according to Professor Soley, of these steamers only twenty-four were serviceable. When first declared, Lincoln's blockade was in reality a paper one but for political reasons pertinent to the foreign policies followed by France and Great Britain, it was to be taken seriously.

<sup>1</sup> *Diplomatic History - Bemis, pp. 368-69, 374-77; Great Britain and Civil War - Adams, pp. 137-17; W.H. Seward - Temple, pp. 37-42.*

At first it was not necessary for the northern navy to blockade the entire southern coast but only its main harbours. To be a centre of international exchange, in the years 1860, a port had to have a bar of twelve to twenty feet, a navigable channel and an anchorage of good depth along the docks used by ocean steamers or clippers. Moreover these international harbours also needed commercial connections and banking centres, good roads, river or railroad communication to transport the cotton to the ports and the supplies to the hinterland. Coastal cities of this type were not numerous in the ante-bellum South and the better ones were easily identified by the Federal navy: New Orleans, Charleston, Mobile, Savannah, Wilmington and Norfolk were the largest but Beaufort and Savannah in North Carolina, Pensacola in Florida and Galveston in Texas were very serviceable.

Needless to say that the Federal Government did a great job and very quickly too. It hastily began to create blockading squadrons with vessels of nondescript types while it recalled eighteen men-of-war from foreign stations. Eight months later the Federal Navy Department had bought 140 boats or steamers, the largest part not being fit for armed action but, by October 1862, the blockading squadrons already counted 256 ships, the next year 400 and 600 in late 1864 or early 1865.<sup>2</sup> As the war lingered on between North and South, a situation of conflicting interests in the maritime trade of the neutral powers developed. On one hand the Confederacy needed more and more manufactured goods from Europe to support its war effort, on the other "King Cotton" became more and more scarce on the French and British markets and thus attained higher quotations on the stock exchanges of both countries. So running the Federal blockade in order to buy Southern cotton at a low price to sell it on the foreign market with an incredible premium was becoming a very lucrative business that was not too risky, at least at the beginning of the war.

### ***The Blockade-Runners***

The area in which they operated was located between Bermuda, the Bahamas, Cuba and the Southern coasts of Mexico. New Orleans, Savannah, Mobile, Charleston, and Wilmington were the ports where the trade was the most important, and especially the three last ones after the seizure of the others. As the blockade running grew, the Union squadrons took form and substance. The large steamers that made the usual runs from Great Britain to the Southern ports encountered a growing vigilant Union navy and it quickly became impracticable for cargoes with a low draft to reach the Confederate harbours. New faster ships were necessary to elude those of the U.S. navy; the existing crafts being either too long or too small or simply unfit for the long trips through the Atlantic from Liverpool to Wilmington or Charleston. The solution was simple: large merchant ships loaded with manufactured goods and contraband of war were forwarded from Great Britain to Bermuda or the Bahamas instead of heading for Southern ports. There, their cargoes were landed on the wharves or stocked in warehouses managed by agents of the British companies or were sometimes directly transhipped from vessel to vessel. Return cargoes of cotton were transhipped in the same way. This method had several advantages: it made the continuity of the transaction much more difficult to prove and it enabled the English traders to use heavy steamers for their trips across the Atlantic and light draft swift vessels for blockade running. Moreover, as the heavy freighters were regular British ships registered in the United Kingdom with British captains and crews which were running between their

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<sup>2</sup> *King Cotton - Owsley, pp. 229-31.*

motherland and the British colonies, their cargoes of cotton or supplies of war were protected from seizure from Union war ships because, according to the *Declaration of Paris*, they had clearances ready to prove that they were not bound for a belligerent country.

The estimation of the number of ships which ran the blockade derives from conflicting references: in his record of December, 1865, Secretary of War Gideon Welles recorded 1,022 vessels captured or destroyed, 295 of which were steamers, 683 schooners and 44 ships, barges and brigs. In 1912 a definitive compilation was made by the United States Government, the number of blockade runners of all classes destroyed or captured by the Union navy amounting to between 1,400 and 1,500. Francis B. Bradlee cites "*1,149 ships captured of which 210 were steamers, 335 vessels burnt, sunk, driven ashore, or otherwise destroyed, of which 85 were steamers; making a total of 1,504 vessels*". His estimation is approximately that of Welles but unfortunately he does not give any information about his sources. Marcus W. Price of the National Archives published articles on the blockade running in volumes VIII, XI, XII, XV of the *American Neptune* (1948-1955) and he estimated at 8,250 the number of the successful trips through the Federal blockade. However he also points out that for many good reasons his meticulous work of research by no means represented all the business carried out during the war since there were many missing returns and incomplete records from the Southern ports.

In 1988, Stephen R. Wise published "*Lifeline of the Confederacy, Blockade Running during the Civil War*", a highly documented book revealing new sources and giving a definitive and most precise picture of the history of the blockade running. In his introduction, Wise wrote that the basic material related to the blockade runners published after 1865 contains a number of inaccuracies. Old tales of sailors of the time, reminiscences of "*Supercargo*" Tom Taylor, Hobert-Hampden, Wilkinson, Sprunt and articles in the Historical Society Papers, the Confederate Veteran and other period journals became the primary sources of future writings on that theme. Always according to Wise, more recent studies of Soley, Bradlee and Owsley himself "*used inaccurate and romanticised accounts that had been written during or just after the war*". Wise says also that Marcus Price's researches constitute a monumental achievement that became a highly quoted source on blockade running but that they however contain some flaws. Price's statistics seem to have been heavily inflated because the author "*defined a blockade runner as any vessel that cleared or entered a Southern port after Lincoln ordered the blockade. This meant that ships using the ports before the actual establishment of the blockade were defined as blockade runners*" and thus every ship appearing at a Southern harbour before it was effectively blockaded was considered by Price as a blockade violation.<sup>3</sup> Indeed, when one analyses the information contained in the identification sheets of the steamers cited by Wise, one finds only 1,012 successful attempts to run the blockade while, on the other hand, Price's estimation of 8,250 includes not only the steamers but also the schooners, sloops and other sailing ships which took part in the blockade running.

By dissecting the annexes of Wise's book, it appears that almost 350 steamers from all origins were directly or indirectly involved in the supplying of the Confederacy. Among the steam vessels that ran or tried to run the Federal gauntlet, about eighty were built in the Northern or Southern States before or during the war; approximately 200 were built in the United Kingdom and about ten in other countries, the balance including vessels whose performances are not precise, that never tested the

<sup>3</sup> *Lifeline* - Wise, pp. 4-5.

blockade or that were unfinished before the defeat of the Confederacy. Out of the approximately 300 steamers that cruised off the Southern coasts, Wise reviews about 160 that were captured, destroyed or burnt by the Federal navy. Gideon Welles' estimation of 295 is therefore surprisingly accurate and it obviously includes inaccuracies or confusion relating to the type of the captured or destroyed ships. It may also be possible for evident political reasons, that the Secretary of the Navy purposely over evaluated the effects of his navy on the blockade-runners. World Wars I and II are full of similar examples when counting one's own losses versus those of the enemy.

Two other interesting sources are Richard I. Lester's "*Confederate Finance and Purchasing in Great Britain*" and "*American Fighting Ships, vol. II - Confederate Ships*". The first reviews 105 steam blockade runners purchased, constructed or chartered by British owners; as a whole, all these steamers are listed by Wise. The second is also an excellent reference work that mentions more blockade-runners than those listed by Lester but not as many as compiled by Wise.

The next question that arises is to what extent was the enterprise risky? During the entire war the average number of successful violations of the blockade was not more than one in ten in 1861, one in eight in 1862, one in four in 1864 and one in three in early 1865. After the fall of the two last Southern Atlantic ports (Charleston and Wilmington), the blockade running concentrated in the Gulf of Mexico with an average success of one in two. After the surrender of the last Confederate armies and the capture of Jefferson Davis, there were probably fewer than 150 blockade-runners still afloat, either docked in the harbours of Halifax, Bermuda, Nassau or Havana or either "en route" to Liverpool or to Southampton. Some of these ships or their captains became living legends. Going through the blockade five or six times in a row was an achievement, however more than twenty-six captains or steamers ran it between ten and thirty-three times. Among the first rate ships we can cite the *DON*, *EUGENIE*, *HELEN*, *FLORA I*, *LITTLE HATTIE*, *LITTLE LILLY*, *SUSANNA*, *WILL OF THE WHISP*, *COQUETTE*, *ANNIE*, *R.E. LEE*, *BANSHEE I*, *CHICORA* (10 to 14 successful runs), the *PET*, *HAVELOCK*, *CITY OF PETERSBURG*, *CORNUBIA*, *MARGARET & JESSIE*, *MATAGORDA*, *FOX* (16 to 18 times) and the best of the first rate, the *KATE I* and *HANSA* which made it to a Southern port 20 times, the *LUCY 21*, the *HERALD II 24*, the *DENBIGH 26* and the *SYREN*, 33 times! According to certain sources, some of these vessels are credited with a larger numbers of successful runs but, as Wise says, it is information taken from tales of old sailors which has been perpetuated from author to author until the present time.<sup>4</sup>

There were no doubt a lot of small sailing crafts carrying less than one hundred bales of cotton which illegally entered or cleared the Bermuda and Bahamas ports, according to the American consuls present there and the stories of notorious captains like Hobart-Hampden, Watson, Wilkinson or Taylor. The majority of the ships which ran through the Federal gauntlet were private property but the Confederate Government, through its agents abroad, purchased or chartered ships for its own use. The story of these blockade-runners is sometimes difficult to follow because they frequently changed name when changing owner, such as the *ALFRED*, a successful blockade-runner from Bristol that was successively known as *OLD DOMINION* and *SHEFFIELD*. The case of the *STEPHEN HART* further illustrates the confusion of names: this schooner was built in the United States, bought by a British company and operated by Confederates under a British flag and registration.

<sup>4</sup> *American Fighting Ships, vol. II; Finance & Purchasing - Lester, pp. 222-232; Lifeline - Wise, pp. 285-328; Blockade Running - Bradlee, pp. 162-63; King Cotton - Owsley, pp. 259-61.*

Among the big British companies which played an important role in the blockade-running, one has to point out Lindsay's Bank, Edward Lawrence Co., Henry Adderly, Alexander Collie & Co., Hayle & British Co., Clyde Shipping Co., London Street Navigation Co. and Fraser and Trenholm. Some British shipbuilders like the Laird, Miller & Sons, Jones & Quiggin and the Thompson, not only built the majority of the blockade-runners but also kept some of them for their own use and profit.<sup>5</sup>

Let us now examine the amount of cotton exported abroad through the blockade. Regarding the number of ships that successfully ran the gauntlet of the Union blockading squadrons, we are faced with incomplete records. According to M.B. Hammond's book "*Cotton Industry*", the embargo recommended by President Davis (but never enacted as a law by the Confederate Congress) prevented the export of many cotton bales abroad in 1861. In 1862, 132,000 bales went to Europe; 162,000 in 1863 and 373,000 in 1864.<sup>6</sup> For a long time, Hammond's figures were considered as definitive. Nevertheless, by consulting the reports of the British Board of Trade published in the issues of the London *Economist* during the Civil War, Professor Owsley made clear that Hammond underestimated the volume of Southern cotton exported. Indeed, the United Kingdom alone imported about 251,400 bales instead of 132,000 according to Hammond. Moreover, in 1861 the *Economist* reports an increase of import of cotton from St. George, Nassau, Belize, Havana and Matamoros to about 270,000 bales, not included in the shipments to Europe. The bales shipped to Europe in 1861 and 1865 are not taken in account in these figures. Citing the reports of the Board of Trade in the London *Economist* of 11 March 1865, in his "*King Cotton Diplomacy*", Frederick L. Owsley wrote that 48,000 bales arrived in Europe between January and February 1865. However he observes also that "*the blockade which had been deposited in the West Indies and Mexico continued to arrive in England and on the Continent for several months after the close of the Civil War*", concluding that the amount of cotton would have been about 160,000 bales. This last figure added to Hammond's (1862-1864) makes a total of 800,000 bales for the war. If these interpretations can be relied upon and if their references are serious, Europe would have imported one million or more bales of Confederate *white gold* from 1862 to 1864.<sup>7</sup>

The quantities of contraband of war shipped from Nassau and Bermuda to the Confederacy lay with the contracts their companies had passed with the Confederate agents abroad. The great exploits of the captains who ran the blockade were generally described as romantic and courageous deeds which in reality were nothing else than lucrative operations: the British captains and their companies were involved in the blockade running enterprise, not for the sake of Southern Independence but to make money! And they made a lot of it! For example, salt, which was sold for 7,5 \$ in Nassau in early 1862 easily found a buyer for 1,700 \$ at Charleston or Wilmington. Throughout the first two years of the war the great Southern cities suffered little. The rich and well-established families made good use of the ports. Exploiting the conflict for speculation, local profit-minded merchants bought at high prices imported luxuries like China, liquor, wine, fancy clothes for women, shoes, carpets, cigars etc. There are numerous examples of the large profits they could realise on common supplies and to these profits must be added the benefits made on the cotton they sold on the European markets. Cotton that could be bought anywhere in the South for 6 cents a pound fetched from 56 to 66 cents a pound in England. A steamer with an average capacity of 800 bales often

<sup>5</sup> *Finance & Purchasing* - Lester, pp. 233-34; *navy in Europe* - Spencer, p. 193

<sup>6</sup> *Cotton Industry* - Hammond, p. 261.

<sup>7</sup> *King Cotton* - Owsley, pp. 263-66.

earned 420,000 \$ on a successful round trip. It was common knowledge that a ship owner could amortise his vessel after having run the blockade twice successfully. Tom Taylor wrote “*notwithstanding the total loss of the BANSHEE by capture, she earned sufficient on the eight round trips which she made, to pay her shareholders 700% on their investment*”.<sup>8</sup>

As already indicated a new generation of ships rose for blockade running purposes. Together the Laird, Jones & Quiggin, Denny Brothers, Stephen & Sons, Tod & McGregor and Miller & Sons built 70% of the British blockade-runners. However, these ships were not built for a long life but only for a specific task where swiftness and lightness were the main qualities required. Therefore most parts of these vessels were frail. The flimsy fashion in which some of them were constructed appears from reports of their condition. In some cases the woodwork of the deck amidships was encroached so much upon some of the working parts of the machines as to necessitate the cutting away of a portion of it, the tubes of their boilers were plugged or their decks required thorough caulking, some of the seams being three-quarters of an inch wide, with nothing in them. In other cases, ships went down because some of their steel plates gave way below the waterline. Sometimes also the powerful machines forced the framework through the frail steel shell and caused it to buckle and give way from the rivets, against the strong pressure of the waves. It should be remembered that, in the sixties, it was difficult to obtain even fifty tons of steel of uniform quality.<sup>9</sup>

With the exception of the *FINGAL* and *BERMUDA* in 1861, the purchasing agents in Europe chartered ships from British companies to forward their supplies to the Confederacy. In the beginning, thanks to that system, the Confederate Government could spare heavy investments that could never have been found before 1862 for the purchasing of such a large fleet of merchant ships. Officers of the Confederate navy, like John Wilkinson, John N. Maffitt, H. Davidson were frequently in command of blockade-runners belonging to British private companies.

During this period, the woeful inadequacies of the Confederate resources were becoming clearer to the chief of the War Department. A system of priority was set up because the blockade running firms were prone to leaving contraband of war in the warehouses of Bermuda or the West Indies in order to take aboard more lucrative cargoes. Medicine, drugs, salt, shoes, soap, civilian clothes in addition to other necessities of the custodian life in the South were imported from England in inestimable quantities and with large profits. However, as the chief requirements of the Confederate War Department were war materials of every kind and frequently heavy ones, that kind of goods did not pay merchants enough and some private carriers demanded from \$ 400 to \$ 500 (in gold) in advance for one ton of cargo space. Paradoxically, some of the provisions imported in the South came from the Northern States. According to Augustus Buell’s” (who was a clerk at the Union Headquarters in 1863-64) book “*Recollections of Service in the Army of the Potomac*, large quantities of beef and pork were shipped from New York, Boston and other Northern ports ostensibly for Liverpool via Bermuda or the Bahamas where they were reshipped on British blockade-runners bound for Confederate harbours.<sup>10</sup>

<sup>8</sup> *Blockade Runners* - Cochran, pp. 63-64; *Never Caught* - Hobart Hampden, pp. 12-13; *Blockade Running* - Bradlee, pp. 31-32; *Cotton Everywhere* - Pelzer, pp. 12-13.

<sup>9</sup> *Blockade Running* - Bradlee, pp. 118-119; *Lifeline* - Wise, pp. 108-145.

<sup>10</sup> *Blockade Running through Bermuda* - Vandiver, p. XXIX, 55; *Purchasing Abroad* - Thompson, pp. 24-25; *Blockade Running* - Bradlee, pp. 31-32, 64; *Lifeline* - Wise, p. 91; *ORN II-3* : pp. 552-53, 638 ; *Confederate Supply* - Goff, p. 43.

## **THE CONFEDERATE GOVERNMENT TESTS ITS OWN BLOCKADE RUNNERS**

### *The Gorgas-Bayne's Line of Blockade Runners*

As the Southern armies were becoming pitifully dependant on private blockade running, Colonel Josiah Gorgas, chief of the Ordnance Bureau wrote to Secretary of War Randolph on March 25th, 1862 that Caleb Huse, their commercial agent in Great Britain, still owed over £ 444,850 (\$ 5,925,400 in Confederate currency) for war supplies already delivered to the armies and that the foreign debt was a matter calling for immediate attention for avoiding the fall of the Confederate credit abroad.<sup>11</sup> So, in order to improve the government blockade running, Gorgas wrote to J.A. Seddon, the recently appointed Secretary of War, that it seemed the logical duty of the officers of the Navy Department to aid in bringing supplies of war to Wilmington and it was “*highly important that light-draft steamers should be purchased and used solely for the transportation of cargoes from Bermuda*”.<sup>12</sup>

Nevertheless it was not the first time that such an idea was suggested to a member of Jefferson Davis' Cabinet. The success of the *FINGAL*'s voyage, in January 1862, had boosted the morale of Commander James D. Bulloch and Major Edward C. Anderson. They had entered Savannah with a cargo that could supply ten to fifteen regiments with modern arms and equipment. For both the run of the *FINGAL* was the proof that the Confederate Government had to eliminate profit-gouging middlemen for the benefit of the nation. In order to organise such a line of blockade-runners, Major Anderson hurried to Richmond to report his suggestions. “*It was absolutely necessary (...) that the co-operation of the navy should be brought in requisition*“ wrote Anderson, “*Mr. Mallory met my suggestions with evident discourtesy, intimating to me that the Navy Department would regulate its own affairs (...) and yet he knew nothing whatever of the details of my arrangements or even the names of the vessels I was expecting (...) My old mess mate George W. Randolph occupied the position of Secretary of War at the time, I found him very much dissatisfied with his connection with Mr. Davis (...) and when I pressed him to accompany me in a call which I had to make on the President, I found him utterly inexorable*”.<sup>13</sup>

With the tacit approval of James A. Seddon, the new Secretary of War, Colonel Josiah Gorgas despatched Major Norman S. Walker to Great Britain during the fall of 1862 to deliver two million dollars worth of Confederate bonds to Major Caleb Huse, which were used to purchase light drafted steamers for the Ordnance Bureau. After meeting Huse, Major Walker proceeded to Bermuda where he had to work with S.G. Porter and Major Smith Stansbury, both of the Ordnance Bureau. There the three men were lucky to get the co-operation of a certain John T. Bourne, a Bermudan who knew very well the local wharf duties and worked also for Southern and British companies. Moreover, Bourne made no mystery of his sympathies for the Confederacy.<sup>14</sup>

Nassau, in the Bahamas, was the preferred stopover for blockade-runners and heavy steamers coming from Europe, but Gorgas' choice of St. George, in Bermuda, was motivated because his ships could not meet the competition at the port facilities and also because the nearest Union navy base, at Key West, was 700 to 800 miles from

<sup>11</sup> *Ploughshare into Swords - Vandiver, p. 89.*

<sup>12</sup> *OR IV-2 : p. 227.*

<sup>13</sup> *Confederate Foreign Agent - Anderson, p. 101.*

<sup>14</sup> *Ploughshare - Vandiver, pp. 86-87, 94-95; Bermuda - Vandiver, pp. xxi, xxii, xxxi; Purchasing Abroad - Thompson, p. 24; OR IV-2 : p. 227.*

Bermuda, and this was a good reason to think that not too many Federal blockaders would cruise off Bermuda.

Between the fall of 1862 and early 1863, three steamers were purchased for the Ordnance Bureau: the *CORNUBIA*, the *EUGENIE* and the *MERRIMAC*. In April 1863, Colonel Gorgas had received authority to “*control and manage the sea transportation for the Government*”; he began to supervise the business himself but that task on top of the Ordnance Bureau was too much for a person alone. Consequently, on July 23, 1863, Secretary of War Seddon gave consent that Gorgas’ brother-in-law, Major Thomas L. Bayne be “*the immediate representative of the War Department in all that pertains to the running and management of steamboats under the Collie contract. He will also be charged with the general management of the Government steamers under the direction of the Chief of Ordnance as heretofore*”.<sup>15</sup>

Bayne was a zealous officer and had good ideas to improve the importation of supplies, weapons and ammunition. He made several propositions that were adopted by the secretaries of War and of the Navy. In short, they were the following:

- Either requiring each private blockade-runner to take out freight equal to 1/3 of the cargo of their ships. For each trip, the owners would receive a cotton bale for each bale shipped on account of the Government;
- Either paying 5 pence sterling per pound of Confederate cotton to blockade runners devoting half of their cargoes to the Government;
- Either paying a rate of a bale of cotton for each bale that the private skippers loaded as part of a whole cargo of government cotton (say 600 bales) aboard their ship.<sup>16</sup>

It is neither possible to estimate the real impact of these propositions nor verify if they were effectively or strongly applied.

Although he was an army officer, Gorgas was the first to experiment the blockade running on a large scale for the sole account of Richmond. The first steamer purchased by Caleb Huse for the Ordnance Bureau was the *COLUMBIA*, a ferry-boat of the Clyde River renamed *CORNUBIA*. She arrived at St. George (Bermuda) on December 3, 1862, and ten days later ran into Wilmington. The *MERRIMAC* was the second. That ship was owned by Z.C. Pearson until the company was declared bankrupt just at the time the *MERRIMAC* was at St. George with a valuable freight for the Confederate army. As the Southern agents there could not get their cargo from the impounded ship, Huse purchased her for £ 7,000, military supplies included. Gorgas’ third steamer was the recently constructed *EUGENIE*. After she was renamed *LADY DAVIS*, the *CORNUBIA* acquired fame by running the blockade eighteen times successfully. She was captured off Wilmington on November 8, 1863. It was bad luck for the *MERRIMAC* from the beginning: upon reaching Wilmington her engines became fouled and as they could not be repaired quickly, Gorgas resold her to a private company. The *EUGENIE* was never captured, she ran the blockade ten times, however Gorgas had to resell her also, in December 1863, after her hull had been seriously damaged on a high seabed at the entrance of the Cape Fear River, on September 9, 1863.<sup>17</sup>

The ships of the Gorgas’ line successfully ran the blockade more than fifty times without a single loss and, on 15 November 1863, he reported to Seddon that from September 30, 1862 to September 30, 1863, his vessels had imported, in addition to Blakely guns and other military articles for the Ordnance Bureau, four times as many

<sup>15</sup> *Special Orders Nr. 174, Adjutant and Inspector General Office, Richmond (AGPF) - Personal Files, July 23, 1863, par. VIII in Ploughsare - Vandiver, p. 99; OR IV-2 : p. 540.*

<sup>16</sup> *idem, undated, Bayne’s Memorandum, in Ploughsare - Vandiver, p. 100.*

<sup>17</sup> *Ploughsare - Vandiver, pp. 91, 99-101; Lifeline - Wise, pp. 96-97, 294-95, 298; ORN II-9 : pp. 131-33.*



small arms as were produced by the armouries of Richmond, Fayetteville and Asheville. It was a significant example that the Government had no longer to depend on private ship owners charging expensive rates for sending cargoes to the South.<sup>18</sup> While the *CORNUBIA* and the *EUGENIE* were running large quantities of supplies of war for Colonel Gorgas, a fourth steamer was added to his flotilla, the *PHANTOM*. She was built for Fraser, Trenholm and Co. of Liverpool and George Trenholm resold her to the Ordnance Bureau. The fast side-wheeler *GIRAFFE*, renamed *R.E. LEE*, was the most notorious blockade-runner of Gorgas' Bureau. By late summer 1862, Lieutenant John Wilkinson, C.S.N. and Major Benjamin Ficklin, an agent of the Treasury Department, negotiated her purchase. The ship belonged to Alexander Collie who accepted to sell her for £ 32,000 with the provision that she would not be resold to private interests. The *PHANTOM* saw service between July and September 1863; she ran successfully the blockade several times but during her fifth attempt she ran aground and was destroyed by a Union vessel. The *R.E. LEE* was captured in November 1863 after having ran the Union gauntlet fourteen times.<sup>19</sup> So at the end of 1863, all the steamers operated by the Ordnance Bureau were out of service. Considering the success of Gorgas' new method, the Secretary of War wrote to Colin McRae, the Confederate financial agent in Europe, on 26th September 1863: "*Steamers are much needed, and as funds allow, many more ought to be acquired. I commend this especially to your consideration. If I had a command of twenty, of a proper class, I would probably render the Department independent of all foreign loans.*"<sup>20</sup>

### **The Crenshaw-Collie Line**

By December 1862, Secretary of War Seddon signed a contract with Captain William G. Crenshaw for the establishment of a new line of steamers running for the War Department and especially for the Commissary and Quartermaster Bureau's. Captain Crenshaw was an artillery officer who rarely saw the battlefields and who had a preference for the management of his own business in the Bureau's of the War Department. According to Seddon's agreement, he was authorised to enter into partnership with a British company and to purchase fast vessels for their new line of blockade-runners. This new line had the merit of providing more supplies for the Rebel armies but it also had the inconvenience of being tied to private interests. In Great Britain Mason was charged of protecting the Government's interests during Crenshaw's future negotiations but, on one hand Mason and him were friends and on the other, it was well known that the Confederate diplomat was meeting some difficulties in accomplishing that kind of job in a perfect manner.<sup>21</sup>

By mid-March 1863, Mason and Crenshaw entered in a agreement with the omnipresent Alexander Collie. According to the terms of their contract, the Confederate War Department had to pay three quarter of the cost of the steamers and Crenshaw and Collie one eight each. One half of the space of the ships would be allocated to the War Department, one fourth to the Navy Department and the last fourth to the Crenshaw-Collie partnership. It is important to say that Caleb Huse, Colonel Gorgas and John Slidell were kept out of the deal. Captain Crenshaw bought four iron-hulled, twin-screw steamers for a total cost of £ 14,000. The four were sister-ships of a speed varying

<sup>18</sup> *OR IV-2* : pp. 955-56 ; *Purchasing Abroad - Thompson*, p. 24; *Bermuda - Vandiver*, p. xxxii

<sup>19</sup> *Lifeline - Wise*, pp. 99-100, 316, 318 ; *Purchasing Abroad - Thompson*, p. 24; *Ploughsare - Vandiver*, p. 102; *Bermuda - Vandiver*, pp. 116, 121, 123; *Narrative - Wilkinson*, pp. 104-134; *OR I-9* : pp. 274-76.

<sup>20</sup> *AGPF, Seixas' Memorandum*, 26 October 1863.

<sup>21</sup> *OR IV-2* : pp. 244-45 ; *Purchasing Operations - Thompson*, p. 22; *Lifeline - Wise*, p. 101.

between 13 and 15 knots. The *HEBE* was launched on April 6th, 1863, followed with the *DEE* on May 6th, with the *CERES* on June 30th and the *VESTA* on July 15th, 1863. While these ships were in the building stage, Crenshaw also purchased the *VENUS*, a large paddlewheel steamer built in 1862.<sup>22</sup> With the *VENUS* and the soon completed *HEBE* on hand, Crenshaw planned to take aboard these two ships the supplies gathered by Major J.B. Ferguson, the purchasing agent abroad for the Quartermaster and Commissary Bureau's. When Caleb Huse discovered Crenshaw and Collie's activities, he was stunned and he refused to sanction their purchases because it was wiser and cheaper to keep all the business in the hands of its agent, S. Isaac, Campbell and Co. Colonel Gorgas also woke up when he learned the story and he made his best to assist Huse who was under the fire of the "Crenshaw clan" which included James Mason. Mad with anger because Huse's refusal threatened his own interests, Crenshaw wrote directly to Seddon. He accused Huse of diverting Confederate funds for his own use and of bribing the British companies with which he was dealing. He also urged the Secretary of War to make him a purchasing agent of equal rank to Huse so he could bypass him in his next purchases.

While the contention was expanding, Crenshaw's steamers could not get any freight and the bills piled up on his desk. By May 1863 his debt had grown to £ 115,334 (about 576,000 \$) and he had to resell the *VENUS* to Alexander Collie to pay some of his creditors. Disturbed by the challenge between his two agents abroad, Seddon went halfway by directing Huse to deal only with medical and ordnance supplies while Crenshaw was made responsible for buying goods for the Quartermaster and Commissary Bureau's. The indictment of Huse for bribery was an affair that caused much ink to flow and he was cleared finally of suspicion by Colin McRae, the financial agent in Europe since May 13, 1863.<sup>23</sup>

Instead of expanding Gorgas' line, Seddon caused interdepartmental rivalries among the Southern agents abroad by authorising Crenshaw to build a second line backed up by private interests. However, Seddon had in mind to increase the import of supplies of war for the army and although Crenshaw's and Gorgas' activities become more entangled, he continued to resort to private shipping companies. Crenshaw's flotilla reaped the storm that their owner had sown in the War Department's new blockade running system. By 1864, none of the Crenshaw-Collie ships were still afloat. The *HEBE*, the *CERES* and the *VENUS* were captured before the end of 1863. On January 11, 1864, the *VESTA* ran aground and was destroyed and the following month the *DEE* was lost at sea. As a whole, the five vessels had only made eleven successful runs through the blockade. Crenshaw's aggressive and self-centred attitude gained hostility from other shippers, from many citizens of Wilmington, and led him to lose the confidence of his British partner. Indeed, after the loss of the *HEBE* and the *VENUS*, Alexander Collie wrote to James Mason that he would continue his partnership as long as the other ships were still in operation but that he didn't want to build any new steamer for the contract, owing to Crenshaw's bad management of the ships and his "nasty jealous spirit". So ended the Crenshaw-Collie contract.<sup>24</sup>

<sup>22</sup> *Lifeline - Wise*, p. 102; *OR IV-2* : pp. 449, 478-82.

<sup>23</sup> *OR II-4* : pp. 478-79, 482, 535-46, 565-67, 588-89, 623-31, 644-47, 826-27, 886-94; *Ploughsare - Vandiver*, pp. 94, 97, 101; *Lifeline - Wise*, pp. 102-103; *Supplies for the Confederacy - Huse*, pp. 28-32.

<sup>24</sup> *ORN I-9* : pp. 168-74, 248-51, 336-39, 402-404; *Mason's Papers*, in *Lifeline - Wise*, pp. 137, 292-95, 304, 325.

## ***The Mallory Line***

While the Secretary of War tried to disentangle his internal problems, Mallory had directed Commander James D. Bulloch to find a fast steamer for running cotton for the own use of the Navy Department. Up to January 1863, Bulloch had already suggested to him “*that the Government should have its own fleet of packets to ply direct, and thus escape the killing freights on private steamers*“ and he added “*since the beginning of the war, 100.000 bales of cotton could have been run through the blockade (...) At present prices, 100.000 bales of cotton would yield nearly double the net amount of the proceeds of the Erlanger Loan, and it would seem not only advisable, but absolutely necessary, for the Government to take the trade into its own hands (...) I can build two or three fast light-draft paddle-steamers to do the work between the Confederate States and the islands (...) A successful voyage or two would pay for the ships*”.<sup>25</sup>

So, after having rejected Major Anderson’s suggestion, early in 1862, Mallory finally adopted it fourteen months later. By April 1863, while Bulloch was looking for a ship, Mallory ordered two steamers belonging to his navy, the *STONO* at Charleston and the *OCONEE* (or *SAVANNAH*) at Savannah, to be converted into blockade-runners. The State of Georgia had seized the first early in the war and the second was an old Union gunboat recently captured by the Confederate forces. Mallory’s initiative led to nothing because the *OCONEE* foundered while trying to run out of Savannah during her maiden voyage and the *STONO* was burnt by her crew after she ran aground off Fort Moultrie.<sup>26</sup>

The steamer *JUNO I* was running for a private company. She was built on the Clyde River in 1860. Mallory bought her for £ 21,000 while she was in the port of Charleston in December 1863 and used her as a gunboat fitted with one howitzer and a spar torpedo. In March 1864 the Navy Department found it best to employ her again for blockade running. Unfortunately, she was lost in a gale after escaping from Charleston around March 10, 1864.<sup>27</sup>

The purchase of the *COQUETTE* in September 1862 for £ 10,000 in cash and £ 14,000 worth of cotton certificates compensated largely for the loss of Mallory’s two previous blockade-runners. The ship had a ten-foot draft, her speed was 13.5 knots and she could carry a thousand bales of cotton. She appeared off Wilmington in October 1863 with a large supply of arms and two pairs of 200 HP marine screw engines destined for an ironclad with the tools necessary for installing them: spare India rubber valves, boilers riveted up in large pieces, hammers and spare rivets for completing them. Later the *COQUETTE* paid for herself well over the cost of her purchase by running thirteen times the blockade with goods for the navy and by carrying out cotton to Bermuda and the Bahamas.<sup>28</sup>

## ***Zebulon Vance’s Line***

At the beginning of the war, North Carolina was one of the Southern States counting the greatest number of spinning mills and tanneries. It used Confederate funds to turn out uniforms and make shoes, belts and other leather goods for North Carolina

<sup>25</sup> *Secret Services, vol. II - Bulloch, pp. 224-25.*

<sup>26</sup> *ORN I-14 : pp. 252, 492-94; II-2 : pp. 529-36; Lifeline - Wise, pp. 104-105, 319-20, 322.*

<sup>27</sup> *ORN II-2 : pp. 564-65, 575-78 - Lifeline - Wise, pp. 152-53, 306; Fighting Ships, vol. II - p. 541 (in that work there is some confusion between JUNO I and JUNO II).*

<sup>28</sup> *Secret Services, vol. II - Bulloch, pp. 225; Purchasing Abroad - Thompson, pp. 41-42 : navy in Europe - Spencer, p. 194.*

troops. By January 1863, the shortage of raw material becoming severe, the recently elected Governor Zebulon Vance decided to get them from abroad. He dispatched two men to Great Britain in order to purchase goods and a steamer to run them through the blockade: a certain John White accompanied by Thomas Crossan, a former lieutenant of the Confederate navy. To carry out their mission, both men received \$ 1,500,000 in cotton bonds issued by the North Carolina Legislature. These bonds paid 7% annually from July 1st, 1863 and the interest could be collected at Manchester (England) or got in cotton in North Carolina, after a sixty-day notice to the commissioners. As the exchange offered a better bargain than Confederate bonds, White and Crossan easily found an agreement with Alexander Collie to open a credit line for their purchases. Since John White was a merchant, he took charge of the supplies while Lieutenant Crossan bought the *LORD CLYDE* for £ 35,000 (or \$ 175,000). She was an excellent iron-hulled side-wheeler plying between Glasgow (Scotland) and Dublin (Ireland) since two years. When reaching Wilmington the *LORD CLYDE* was renamed *ADVANCE* (and not AD. VANCE). By the end of 1863, the import of goods by the *ADVANCE* alone showed excellent results. Tens of thousands of pairs of shoes, blankets, ready-made uniforms, more than 100,000 pairs of cotton cards, large quantities of machinery, bacon and army cloth were supplied to the North Carolina troops, the best clad soldiers of the Confederacy.

As Governor Vance had decided to increase the purchasing of goods abroad, he sold off one half of his interest in the *ADVANCE* to *Power and Low Co.* and with that money he bought one fourth interest in several steamers of Alexander Collie: the *DON*, *ANNIE* and *HANSA*. All these ships and the *ADVANCE* were captured between March and November 1864 but, in the meantime, they were to become record-ships of successful trips (from ten to twenty each).<sup>29</sup> Zebulon Vance settled the North Carolina accounts after the fall of Fort Fisher. According to them, from June 1863 to January 1865, his State alone had imported enough supplies to uniform at least 125,000 men with ready-made suits. As many as 342.000 uniforms were made by North Carolina and about 50,000 wool blankets, 45,000 pairs of shoes and a large amount of leather goods were delivered to the troops.<sup>30</sup>

### **Joseph Brown's Blockade Runners**

In Georgia, Governor Joseph Brown made an agreement with the *Importing and Exporting Co. of Georgia* for the import of state owned goods. Gazaway B. Lamar founded that company during the summer of 1863 and, later during the same year, he entered in partnership with a certain Henry Lafone of Liverpool. Lafone was the man who helped Bulloch in the outfitting of the *CSS SHENANDOAH* in October 1864. Together, Lafone and Lamar bought six fast blockade-runners and a sailing ship, the *STORM KING* for plying with their freight between Great Britain and the British West Indies. The Lamar-Lafone agreement with Governor Brown gave priority to Georgian cotton while some space was reserved for the shippers. These six steamers (*LITTLE ADA*, *FLORIE*, *LILIAN*, *EMMA HENRY*, *FLORA II* and *BADGER II*) saw service from February 1864 till June 1865. As a whole, they accomplished eighteen successful runs through the blockade. Some were lucky (with four to six trips), others not so. The *BADGER* was the only ship to survive the war. In 1864, Brown's blockade-runners

<sup>29</sup> *Lifeline - Wise*, pp. 286, 288, 296, 303 ; *Vance's Papers - Johnston*, p. 24, in *Wise* p. 156.

<sup>30</sup> *OR IV-3* : p. 117; *Raising, Organization and Equipment of North Carolina Troops - Clark*, pp. 59-62; *Fiscal and Economic Conditions in North Carolina - Boyd*, pp. 200-209 in *Lifeline - Wise*, pp. 225-26.

would supply his soldiers with 26,700 jackets, 28,000 pairs of pants, 37,000 pairs of shoes, 7,500 blankets, 24,000 shirts, 24,000 pairs of drawers and 23,000 pairs of socks.<sup>31</sup>

## **THE CONFEDERATE NEW PLAN**

A concerted effort to reorganise the purchasing operations abroad was necessary and it was precipitated in late 1863. President Davis and the Secretary of War Seddon, the Secretary of State Benjamin and the Secretary of Treasury Memminger planned a centralised agency for supervising finances and expenses abroad and General Colin McRae was appointed as Financial Agent in Europe. McRae was a capable businessman with a thorough knowledge of the cotton market. To make up for the weakness of the Confederate finances in France and in Great Britain, he suggested a plan in five points:

1. Recall of all contracts in Europe in which profits or commissions were allowed.
2. Limitation of the purchasing agents to two officers; one for the Army (Caleb Huse) and one for the navy (James D. Bulloch).
3. One general agent in Europe with discretionary powers for controlling the credit of the Confederate Government abroad.
4. All the imports and exports of cotton, tobacco and naval stores to be placed into the hands of the Government.
5. Purchasing of all the cotton and tobacco in the Confederacy at a price to be fixed by the Congress.<sup>32</sup>

All these recommendations were approved by President Davis and by his Cabinet and a “*Bill to impose regulation upon the foreign commerce of the Confederate States to provide for the public defence*“ was introduced in Congress to legalise the measures. It passed the Senate (January 19), the House (January 23) and was signed by the President on February 6, 1864, who on the same day also signed an “*Act to prohibit the import of luxuries or of articles not necessities or of common use*”. On March 5, the Congress passed a second law. It didn’t modify the first one but specified more precisely the mode of its enforcement. The new anti-blockade plan can be summarised as follows: one half of the outbound and inbound cargoes would be fixed according to new Confederate fixed rates and the private cargoes exported from the Confederate ports would in return bring supplies equal to one half of the proceeds of their expected cargo. Were not included in the implementation of the new law the blockade-runners using cotton certificates and those shipping goods exclusively for the governors of the State.<sup>33</sup>

When the acts were passed a storm of protests aroused from everywhere. The voices of Governors Vance and Brown were the strongest. The blockade-runners that they used belonged to private companies that were submitted to the New Plan. At first, the two governors refused to respect the law, particularly concerning the *ADVANCE* and the *LITTLE ADA* and, on several occasions, Secretary of War Seddon had to use military force to constrain them by law. The British maritime companies were shocked and, at the beginning they threatened to keep their ships out of the traffic if the New Plan was not abrogated or alleviated. Jefferson Davis’ cabinet stood firm and as the

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<sup>31</sup> *OR IV-3* : pp. 439-42, 1039-41; *ORN II-9* : pp. 375-80, 388-95; *Attitudes of a Confederate Businessman - Coddington*, pp. 26-32; *Lifeline - Wise*, pp. 158-60, 212, 289, 298, 300, 309.

<sup>32</sup> *OR IV-2* : pp. 824-27, 983; *Purchasing Abroad - Thompson*, pp. 83-84; *King Cotton - Owsley*, pp. 386-88.

<sup>33</sup> *Purchasing Abroad - Thompson*, pp. 87-89 ; *King Cotton - Owsley*, p. 388; *OR IV-2* : pp. 824-27; *IV-3* : pp. 187, 189, 370-71, 553-55; *Confederate Finance - Todd*, pp. 188-94.

blockade running was still highly profitable, the private ships resumed their trade after a few weeks of idling.<sup>34</sup>

Since Major Tom Bayne was well acquainted with the management of Gorgas' flotilla and as it was necessary to give him the power to firmly apply the new laws, he was promoted to Lieutenant-colonel and on March 17, 1864, he was placed at the head of the newly created Bureau of Foreign Supplies. This new service was no longer a subdivision of Gorgas' Ordnance Bureau although the collaboration between the two men was second to none.

According to the New Plan all the cotton belonging to the various departments was transferred to the Treasury Department. In the beginning this caused some problems because a few contracts made by the departments were still in existence. On May 2, 1864, Bayne approved the designation of some responsible men acting as disbursing agents in the main ports of the South. They would pay in cotton for freight imported in the South under the old contracts and until they could be brought. These disbursing agents were James D. Aiken at Charleston, A.B. Noyes at St. Marks, James M. Seixas at Wilmington and John Scott at Mobile. These men then shipped the balance of the cotton of the Government to Fraser & Trenholm at Liverpool where Colin McRae had the control of the whole proceeds for sale. In this way, 100 cotton bales exported by the Confederate Government could purchase the same amount that called for 600 bales under the private contract system. Under the New Plan 100 cotton bales could net 14,000 \$ or 311,000 Confederate dollars.<sup>35</sup>

By want of a large flotilla of cargoes and blockade-runners, the new system was slow and much too slow for the Quartermaster and Commissary Bureau's because the men in the armies could not wait for supplies much longer. Sometimes, the Confederate agents in Bermuda or the Bahamas used letters of credit or bills of exchange from Fraser, Trenholm & Co. for purchasing what they could find in these islands, and frequently at prohibitive rates.<sup>36</sup> In order to eradicate such useless expenses, the Departments of the Treasury, Navy and War decided, on April 14, to unite their efforts for the purchasing of a fleet of blockade runners for the transportation of Government cotton and goods. An appropriation of 20 millions dollars was made by the Congress for the purchase of these ships. It was a good measure but delivering the money was another thing because the Erlanger Loan was not in the best of form. In the meantime the Southern armies had to be supplied in another way.

Colin McRae examined the propositions of the *Mercantile Trading Co.* led by two pro-Southern Englishmen: Edward Pembroke (who played an important role in the payment of Lieutenant Sinclair's *CANTON*) and Edwin Stringer (who was the intermediary between the Lindsay Bank and Commander North for the financing of his "*N° 61*"). As their conditions were excessive, McRae turned to Charles K. Prioleau of Fraser, Trenholm & Co. of Liverpool. On July 7, 1864, he accepted to act as a guarantor for McRae for the purchasing of eight steamers. Four of them were already being built at Jones & Quiggin's yard at Liverpool. Bulloch had ordered the *STAG* and the *DEER* for the Navy Department and Fraser & Trenholm had ordered the *BAT* and the *OWL* for

<sup>34</sup> *Bermuda - Vandiver*, p. 35; *Purchasing Abroad - Thompson*, p. 89; *OR IV-3* : p. 10-11, 28-29, 42, 113-14, 151, 154, 439-42, 553-55, 928-29, 953-55; see also F.L. Owsley's "*State Rights in the Confederacy*" for more details about Vance's and Brown's positions toward Richmond.

<sup>35</sup> *AGPF Special Orders - Bayne to Gorgas*, pp. 102-103; *OR IV-3* : Bayne to Seddon May 2d, 1864, pp. 370-71 ; *Ploughshare - Vandiver*, pp. 99-103 ; *Confederate Finance - Todd*, pp. 189-94.

<sup>36</sup> *Lifeline - Wise*, p. 147.

their own account. Prioleau counselled Bulloch to order the other four ships (future *LARK*, *WREN*, *ALBATROSS* and *PENGUIN*) from the Laird Brothers.<sup>37</sup>

Since Alexander Collie had broken up with them, the Crenshaw brothers were again on the breach. They had three new steamers and two others were in building stage. With Seddon's approval, McRae gave them an advance of £ 140,000 to render again service to the War Department. McRae felt that the Crenshaw contract was a temporary one and that it would be re-discussed later. At the same time and for exactly the same reasons, in this case the necessity to supply their field forces, McRae negotiated a contract with Alexander Collie for a six-month period to ferry quartermaster and medical stores. This contract was unfavourable to the Confederacy but was signed as an emergency measure. McRae was especially displeased with the provision allowing A. Collie to demand title to 50% of the Confederate cargoes at the fixed price of six pence per pound.<sup>38</sup>

At this point in time the four steamers Alexander Collie had in service were the *FALCON*, *FLAMINGO*, *CONDOR* and *PTARMIGAN*. They were formidable side-wheelers of great swiftness built according to the most recent naval technology. They could be distinguished by their typical three-stack arrangement. All these steamers (those belonging to Collie and Fraser & Trenholm) were to be kept under the control of their owners until they were paid in cotton bales to the equivalent of their value, according to the stipulations of the contracts on royalties and quota of freight. The *BAT* and the *OWL* were quickly launched and they left for the Bahamas about August 1, 1864. The other six had to be delivered between November 64 and April 65.<sup>39</sup>

McRae was not yet satisfied, his finances grew and the Rebel armies needed more supplies. Consequently, he got a loan of £ 150,000 from J.K. Gilliatt of London guaranteed by 3 millions dollars in cotton certificates. He then contacted Jones & Quiggin for the building of five supplementary steamers (future *ROSINE*, *WIDGEON*, *CURLEW*, *SNIPE* and *PLOVER*) to be delivered in December 1864. The mode of reimbursement of these ships was to be approximately the same as for Fraser, Trenholm and for Alexander Collie.<sup>40</sup>

While McRae was assembling a Confederate merchant fleet in Europe, Lieutenant-colonel Thomas Bayne did not remain idle. He made a deal with the Southern firm *W.H. Peet-R.F. Mc Donald-T.A. Harris* in order to get ordnance supplies, saltpetre and electrical gear for the Torpedo service. He contracted also with *Power & Low* of Wilmington (who had shares in Zeb Vance's *ADVANCE*). As none of these companies had ships, he first made arrangements with the *Mercantile Trading Co.* of Stringer and Pembroke and then with the *Anglo-Confederate Trading Co.* of Liverpool.<sup>41</sup>

The plans of McRae and Bulloch in Europe and those of Bayne at Wilmington, of Heyliger and Walker at Nassau and St. George worked wonderfully. On July 4, 1864, McRae wrote to Secretary of War Seddon: "*Our credit begins to grow stronger and by proper management will soon be available for all our wants*". McRae insisted also upon the necessity to resist the pressure from private solicitors offering new contracts

<sup>37</sup> OR IV-2 : ppp. 824-27; IV-3 : pp. 370, 525-29, 554, 954; V-3 : pp. 78-82; ORN II-2 : pp. 594-614; II-3 : pp. 897-99; *Confederate Finance - Todd*, pp. 190-91.

<sup>38</sup> OR IV-2 : pp. 824-27 ; IV-3 : pp. 187, 189, 370-71, 553-55; *Confederate Finance - Todd*, pp. 188-94; *Colin McRae - Davis*, pp. 57-58 ; *Purchasing Abroad - Thompson*, pp. 93-94; *Lifeline - Wise*, p. 149.

<sup>39</sup> *Secret Services*, vol. II - Bulloch, pp. 239-40 ; *Fighting Ships : Annexe V*; OR IV-3 : pp. 527-30 ; ORN II-2 : pp. 720-22.

<sup>40</sup> ORN II-2, pp. 720-22 ; *Lifeline - Wise*, pp. 148-49 ; *Purchasing Abroad - Thompson*, pp. 93-94 ; *Colin McRae - Davis*, pp. 56-57; *Secret services*, vol. II - Bulloch, pp. 239-41; *Finance & Purchasing - Lester - Annexe X*.

<sup>41</sup> *Lifeline - Wise*, pp. 150-51.

because the first blockade runners owned by the Government would soon be ready to run for its own account.<sup>42</sup>

Two weeks later George Trenholm succeeded Christopher Memminger as Treasury Secretary. The change would have benefited the South had it intervened sooner. Indeed, in early 1861, Judah P. Benjamin, Alexander Stephens, Robert Toombs and George Trenholm opposed the cotton embargo and were partisan of a massive export of the cotton harvest of the year. But President Davis, the Southern press and the cotton lobbies did not value their advices.<sup>43</sup> Although Trenholm was a wise finance man, it was too late to make miracles. However, the credit of the Confederacy abroad improved slightly during the summer of 1864. The New Plan and the resistance of Richmond and of Atlanta against the strong Federal armies galvanised the Erlanger Loan. It passed from 42 to 77 points in August 1864.<sup>44</sup>

The Confederate finances and the supply to the field forces nevertheless suffered a unforeseen blow. Yellow fever suddenly plagued the West Indies Islands. For a period of almost two months the ships entering or sailing from Nassau, St. George or Hamilton were retarded or paralysed by a strict application of the quarantine. Many blockade-runners shifted their base of operations to Halifax (Nova Scotia, Canada) but at the fall of 1864, the situation became critical for the Army of Northern Virginia because the yellow fever had severely reduced their line of supply abroad and also because of the lack of salt for the local production of beef and bacon.<sup>45</sup> Thus while the steamers to be owned by the Confederate Government were still being built, the supplies of the Confederates were depending upon the private companies with which McRae and Bayne had contracted. The ships of these companies enjoyed varying degrees of fortune during the last months of the war.

© **Fraser, Trenholm and Co. (McRae's contract)**

Of the 14 steamers destined to the Confederate government, eight were unfinished by the end of the war (*ALBATROSS*, *CURLEW*, *PENGUIN*, *PLOVER*, *ROSINE*, *RUBY III*, *SNIFE* and *WIDGEON*). The *BAT*, the *DEER* and the *STAG* were captured between October 64 and January 65. The two first never could run the blockade. The *LARK*, *OWL* and *WREN* ran it successfully a few times and survived the war.<sup>46</sup>

© **Mercantile Trading Co. (in partnership with Peet, McDonald & Harris - Bayne's contract)**

At the beginning the firm had no ships. Apparently it used only or mainly the *CHARLOTTE* which successfully ran the blockade twice in November and December 64. Unaware of the fall of Fort Fisher (Wilmington) on January 15, 1865, the ship arrived before the port five days later and was captured by the Union navy.<sup>47</sup>

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<sup>42</sup> *OR IV-3* : pp. 525-29; *Lifeline* - Wise, p. 151.

<sup>43</sup> *Statesmen of the Lost Cause* - Hendrick, pp. 208, 299-301; *King Cotton* - Owsley, pp. 24-42; *Confederate Congress* - Yearn, pp. 165-67; *Finance & Purchasing* - Lester, p.13; *Financial and Industrial History* - Schwab, pp. 239-40; *War for Union, Improvised War* - Nevins, p. 100; *Confederate Finance* - Todd, pp. 127-29; *Life of J. Benjamin* - Butler, p. 157; *Diplomatic History* - Callahan, pp. 88-90; A. Stephens - Schott, p. 340; *Secret services*, vol. 1 - Bulloch, p. 340; J. Benjamin - Evans, p. 157; *OR IV-1* : pp. 277, 328-29, 836-37; *IV-2* : pp. 58-59, 461-63, 472-73, 488-89; *IV-3* : pp. 1066-67.

<sup>44</sup> *Secret Services*, vol. II - Bulloch, pp. 238-40; *Colin McRae* - Davis, p. 58; *ORN II-3* : p. 1186.

<sup>45</sup> *Salt as a Factor for the Confederacy* - Lonn, pp. 167-69; *Import of the Confederate Government* - Diamond, pp. 494-95.

<sup>46</sup> *Lifeline* - Wise, pp. 287, 290, 295, 308, 315, 321, 327.

<sup>47</sup> *id.*, pp. 150, 161, 196, 293; *OR IV-3* : pp. 301-2.



© **Anglo-Confederate Trading Co. (in partnership with Power & Low - Bayne's contract)**

The company's ships were particularly successful in their attempts to run the blockade: *BANSHEE II* (8 times between April 64 and March 65), *WILD ROVER* and *NIGHT HAWK* (both 8 times between September 64 and April 65), *WILL OF THE WISP* (12 times from October 64 until her destruction off Galveston, on February 9, 1865).<sup>48</sup>

© **Alexander Collie (McRae's contract)**

The four steamers purchased by this company were distinguishable by their three stacks arrangement. They were the product of the best recent naval technology but, like many prototypes, they had to be reworked between October and November 64. The *CONDOR* was lost on her maiden voyage, the *FALCON* and the *FLAMINGO* ran respectively 4 and twice successfully the blockade between July 64 and April 65. The *PTARMIGAN* ran the blockade twice in August 64 and February 65.<sup>49</sup>

President Davis summed up the effects of the Confederate New Plan in Europe in his answer to the Senate and House on December 17 and 20, 1864: “*My conviction is decided that the effect of the legislation has been salutary (...) These laws and regulations have enabled the Government not only to provide supplies to a much greater extent than formerly and to furnish the means for meeting the instalment on its foreign loan, but to put an end to a wasteful and ruinous contract system by which supplies were obtained before Congress was determined to exercise control over the imports and exports*”.<sup>50</sup>

By early 1865, Wilmington was the last important port of the Confederacy that was open to the blockade-runners. Its fall, on January 15, 1865, definitively cut the blockade running line between Europe and the Atlantic coast of the Confederacy. Some blockade-runners risked themselves in the Gulf of Mexico, sometimes with luck at Galveston but usually very little.

Thanks to the concerted action of wise men like Gorgas, McRae, Bayne, Trenholm and Bulloch, the Confederate credit abroad grew in 1864. From March to December of that year, 27,229 bales of cotton had been exported on the Government's account, netting £ 1,091,960 to its treasury. Before the New Plan, the War and the Navy Departments had exported together only 10,522 bales during a similar period of time, netting only £ 320,000.<sup>51</sup> Had McRae disposed of all his steamers sooner in the war, his system would have operated at full capacity and the war would probably not have ended in April 1865. As Samuel Thompson wrote in his “*Confederate Purchasing operations Abroad*”: “*The plan was one of the most intelligent bits of strategy ever formulated by the Confederacy*”.

It is difficult to assert that if the Confederacy had broken the blockade it would have won the war or settled a negotiated peace. It is also impossible to estimate the extent of foreign commerce that would have benefited the Confederacy in this case. However, it is certain that the blockade running enabled the Southern armies to fight longer than would have otherwise been possible. The blockade running was the most successful enterprise led by the Confederates, its failure was not due to the presence of

<sup>48</sup> *id.*, pp. 290, 314, 327.

<sup>49</sup> *id.*, pp. 294, 297, 317.

<sup>50</sup> Colin McRae - Davis, pp. 57-59 ; *Purchasing Abroad* - Thompson, pp. 93-94; *OR IV-3* : pp. 525-30.

<sup>51</sup> Colin McRae - Davis, p. 58.

the Union blockade squadrons but to the fact that the Confederate leaders understood too late and without any chance of recovering the lost time, that the blockade running should have been started as soon as their government was formed in 1861. As Stephen R. Wise's book proves, *"they had the ships but not the will to use them because they believed that King Cotton was a power strong enough to force the hands of France and Great Britain"*.

Hamilton Cochran ends his book *"Blockade Runners of the Confederacy"* by concluding that the *"blockade-runners were the connecting link between the Confederacy and the outer world, substantial evidence of the sympathy of other and older nations"*. His romantic views of the blockade-runners miss out the fact that if Egyptian cotton had then been as good as its Southern counterpart, the Confederacy would have survived barely longer than the rose blossom season, that is to say the span of Spring 1862!

*To be continued ...*