the next year, and 285 in 1864 ; but the real price prob­ably never went much above 250. As gold rose, specie disappeared. Other articles felt the influence in currency prices. Mr D. A. Wells, in 1866, estimated that prices and rents had risen 90 per cent. since 1861, while wages had not risen more than 60 per cent.

1. The duties on imports were driven higher than the Morrill tariff had ever contemplated (§ 258). The average rates, which had been 18 per cent. on dutiable articles and 12 per cent. on the aggregate in 1860-61, rose, before the end of the war, to nearly 50 per cent. on dutiable articles and 35 per cent. on the aggregate. Domestic manu­factures sprang into new life under such hothouse en­couragement ; every one who had spare wealth converted it into manufacturing capital. The probability of such a result had been the means of getting votes for an increased tariff ; free-traders had voted for it as well as protection­ists. For the tariff was only a means of getting capital into positions in which taxation could be applied to it, and the “internal revenue” taxation was merciless beyond precedent. The annual increase of wealth from capital was then about $550,000,000 ; the internal revenue taxa­tion on it rose in 1866 to $310,000,000, or nearly 60 per cent. Even after the war the taxation was kept up un­flinchingly until the reduction of the national debt had brought it to a point where it was evidently at the mercy of time (§ 322).
2. The stress of all this upon the poor must have been great, but it was relieved in part by the bond-system on which the war was conducted (§ 322). While the armies and navies were shooting off large blocks of the crops of 1880 or 1890, work and wages were abundant for all who were competent for them. It is true, then, that the poor paid most of the cost of the war ; it is also true that the poor had shared in that anticipation of the future which had been forced on the country, and that, when the drafts on the future came to be redeemed, it was done mainly by taxation on luxuries. The destruction of a Northern railroad meant more work for Northern iron mills and their workmen. The destruction of a Southern road was an unmitigated injury ; it had to be made good at once, by paper issues ; the South could make no drafts on the future, by bond issues, for the blockade had put cotton out of the game, and Southern bonds were hardly sale­able. Every expense had to be met by paper issues ; each issue forced prices higher ; every rise in prices called for an increased issue of paper, with increased effects for evil. *A Rebel War-Clerk's Diary* gives the following as the prices in the Richmond market for May 1864 :— “ Boots, $200 ; coats, $350 ; pantaloons, $100 ; shoes, $125 ; flour, $275 per barrel ; meal, $60 to $80 per bushel ; bacon, $9 per pound ; no beef in market ; chickens, $30 per pair ; shad, $20 ; potatoes, $25 per bushel ; turnip greens, $4 per peck; white beans, $4 per quart or $120 per bushel ; butter, $15 per pound ; lard same ; wood, $50 per cord.” How the rise in salaries and wages, always far slower than other prices, could meet such prices as these, one must be left to imagine. It can only be said that most of the burden was really sustained by the women of the South.
3. The complete lack of manufactures told heavily against the South from the beginning. As men were drawn from agriculture in the North and West, the in­creased demand for labour was shaded off into an increased demand for agricultural machinery (§ 231) *; every* in­creased percentage of power in reaping-machines liberated so many men for service at the front. The reaping- machines of the South—the slaves—were incapable of any such improvement, and, besides, required the presence of a portion of the possible fighting-men at home to watch them. There is an evident significance in the exemption from military duty in the Confederate States of “one agriculturist on such farm, where there is no white male adult not liable to duty, employing 15 able-bodied slaves between ten and fifty years of age.” But, to the honour of the enslaved race, no insurrection took place.
4. The pressing need for men in the army made the Confederate Congress utterly unable to withstand the growth of executive power. Its bills were prepared by the cabinet, and the action of Congress was quite per­functory. The suspension of the writ of *habeas corpus,* and the vast powers granted to President Davis, or assumed by him under the plea of military necessity, with the absence of a watchful and well-informed public opinion, made the Confederate Government by degrees almost a despotism. It was not until the closing months of the war that the expiring Confederate Congress mustered up courage enough to oppose the president’s will. The organ­ized and even radical opposition to the war in the North, the meddlesomeness of Congress and its “ committees on the conduct of the war,” were no doubt unpleasant to Lincoln ; but they carried the country through the crisis without the effects visible in the South.
5. Another act of Federal legislation—the National Bank Act—should be mentioned here, as it was closely connected with the sale of bonds (February 25, 1863). The banks were to be organized, and, on depositing United States bonds at Washington, were to be permitted to issue notes up to 90 per cent. of the value of the bonds deposited. As the redemption of the notes is thus assured, they circu­late without question all over the United States. By a subsequent Act the remaining State bank circulation was taxed out of existence. The national banks are still in operation ; but the disappearance of United States bonds threatens their continuance.
6. At the beginning of 1862 the lines of demarcation between the two powers had become plainly marked. The western part of Virginia had separated itself from the parent State, and was admitted as a State (1863) under the name of West Virginia. It was certain that Delaware, Maryland, Kentucky, and Missouri had been saved to the Union, and that the battle was to be fought out in the territory to the south of them. In the west Grant (p. 788), commanding a part of Buell’s general forces, moved up the Tennessee river and broke the centre of the long Confederate line by the capture of Forts Henry and Donelson (February 1862). The collapse of the Con­federate line opened the way for the occupation of almost all western Tennessee, including its capital, and the theatre of war was moved far forward to the southern boundary of the State, an advance of fully 200 miles into the heart of the Confederacy. It had been shown already that the successful officers were to be those from West Point ; but even they were getting their first experience in the handling of large masses of men. Grant and Sherman owed a part of that experience to the military genius of the Confederate commander, Albert S. Johnston, whose sudden attack on their army at Pittsburgh Landing (April 6) brought on the first great battle of the war. The Federal forces held out stubbornly until the arrival of Buell’s advance guard relieved the pressure, and the Confederates were driven back to Corinth, with the heavy loss of their commander, who had been mortally wounded. Steady advances brought the Union armies to Corinth, an important railroad centre, in June ; and the Mississippi was opened up as far as Memphis by these successes of the armies and by the hard fighting of the gunboats at Island Number Ten and other places. At the northern boundary of the State of Mississippi the Union advance stopped for the time, but what had been gained was held.