in 1871. Masses of labourers were brought into situations from which they could not easily escape ; and masses of capital were locked up in railways which were finally un­productive, and resulted only in total loss. The result was the financial crisis of 1873, from which the country has hardly yet fully recovered.

1. For the first time in the history of the United States, the South has taken a normal part in all this development (§ 304), though it was not until about 1885 that Southern progress was fully understood by the rest of the country. Staggering under a load of poverty and discouragement which might have appalled any people, with the addition of social problems which no other country has solved with any great satisfaction, the Southern people began to feel for the first time the healthy atmosphere of free labour. The former slave is a free labourer, and the white man has gone to work ; white labour produced 10 per cent. of the cotton crop of 1860 and 55 per cent. of that of 1886. The last eighteen slave­labour crops of cotton amounted to 51,000,000 bales ; the first eighteen free-labour crops amounted to 75,000,000 bales. And the latter figures are deceptive from the fact that, in their period, the South had turned a large percentage of its labour and capital into industries which had not been possible, only longed for, under the slave system. Cotton­seeds were waste under slavery : 600,000 tons of them were crushed in 1886, giving an entirely new production of $12,000,000 per annum of cotton-seed oil. Southern railways, which had made but a meagre comparison with those of the North and West in 1860, began to assume something of the network appearance of the latter ; they too began to concentrate into “ systems,” to reduce rates and improve service, and to develop new territory. Southern manufactures began to affect Northern markets ; cotton-mills in the South began to reap the advantages of their immediate contiguity to their raw material. Pennsylvania ironmasters were startled as their product was undersold in the Philadelphia markets by Southern iron; and the great mineral fields of Tennessee and northern Georgia, Alabama, and Mississippi, over which Sherman’s and Hood’s men had so lately been tramping and fighting, were brought into notice and development. Wonderful as the general progress of the United States has been during this period, the share of the new South under free labour has been one of the most remarkable phases in it.
2. The population rose from 31,443,321 in 1860 to 38,558,371 in 1870 and 50,155,783 in 1880. At the normal rate of increase up to 1860—one-third for each ten years—the increase from 1860 to 1870 should have been about ten and a half millions, instead of seven millions. The difference represents the physical influences of the civil war. This influence was shown most plainly in the Southern States, notably in South Carolina and Alabama, which had hardly any increase, and a real decrease in adult males. It should also be noticed that natural checks on the increase of population are plainly perceptible in the Atlantic States in 1880, and were probably in operation, to a less extent, in 1860-70, though they were made in­distinguishable by the war. The increase in 1870-80 at the former normal rate should have been a little over a million more than it was. The tendency will be more evident in future, but it ought to be allowed for in 1860-70.
3. The material prosperity of the country brought its own disadvantages. The sudden development of wealth gave the country for the first time a distinct wealthy class, not engaged in production of any kind, and very often having none of the characteristics of the people who are the real strength of the country. The inevitable extravagance of Government management, aggravated by a period of civil war, when the people were disposed to excuse almost any error of detail for which good motives could be shown, had its reflex influence on the people, as well as on the Governments of the nation, the States, and the cities. An era of legal tender paper currency (§ 272), legally unvarying in value, but showing its effects in the constant shiftings of price in every other thing, brought uncertainty as to every article, price, and transaction. The people had learned that “ unhappy lesson—that there is an easier way to make a dollar than by working for it ” ; and it was not long before speculation among the people called out its correlative of dishonesty among Government officials. Money was lavished on the navy ; in expendi­tures on that branch of the service the United States stood third or fourth among the nations, while the effec­tive results were discouraging. “ Rings ” of politicians obtained control of the larger cities. The “ Tweed ring ” in New York city was overthrown in 1872 ; but New York was not the only city of corruption : Philadelphia, Chicago, and almost every city large enough to have fat opportunities for fraud and to deprive universal suffrage of the general acquaintance of neighbours, each fell under control of its “ ring,” and was plundered without mercy. Corruption even attacked the judiciary ; for the first time American judges were found who were willing to prosti­tute their positions, and the members of the “ Erie ring ” were able to hold their ill-gotten railroads because they owned the necessary judges. A “ whisky ring ” of distil­lers and Government employees (1874) assumed national proportions, and robbed the Government of a large per­centage of its internal taxation on spirits. The “star­routes,” in which the contracts for mail transportation were altered at the discretion of the contractor and the Government after the competition for the contracts bad been decided, gave rise to as great scandals through the connivance of Government agents with dishonest con­tractors. No one who lived in this period will wonder at the pessimistic tone of the public speeches which marked the hundredth year of the republic (1876).
4. The republic had life and vigour in it, and its people showed no disposition to despair before the mass of corruption which confronted them. The newspapers attacked the star-route contractors, and drove the Govern­ment into an attack upon the ring, which broke it up. The efforts of private individuals, backed by newspapers, broke up the Tweed ring, banished or imprisoned its members, expelled the corrupt judges from the bench, and carried destruction into the widespread whisky ring Local rings were attacked in city after city, were broken up and revived again, but always found the struggle for existence more and more desperate. The people have shown themselves almost vindictive in driving out of public life any who have been proved dishonest : when the “ Credit Mobilier,” the construction company of the Central Pacific Railroad, was shown to have bribed or influenced members of Congress to vote for it, there is ground for believing that the punishment was distributed more widely than justice demanded ; and it has come to be recognized as a decided disadvantage for a public man to be known as shrewd rather than honest.
5. The completion of reconstruction in 1870, and the adoption of the 15th amendment (§ 125), made negro suffrage the law of the land, even in the Southern States. The Southern whites were the tax-payers ; the negroes were the majority; and the negro legislatures proved hopelessly corrupt. In one or two States the whites recovered control of their States by hiring their negroes to remain at home on election day, or by threatening them with discharge for voting. Failing in this line of action