In this excerpt from the forthcoming book Yankee Money: The Life and Legacy of the Great Southern Lumber Company, the authors examine the transformation of the Gulf Coast’s pine forests following the failed attempts to rapidly settle the region after the Civil War.

CAUSES AND CONSEQUENCES

OF THE FIRST LUMBER BOOM
IN LOUISIANA AND THE GULF SOUTH

The lumber boom in Louisiana and neighboring states during the early part of the twentieth century has been described as “probably the most rapid and reckless destruction of forest known to history.” Nearly 140 billion board feet of yellow pine lumber was produced between 1904 and 1930 in Louisiana and Mississippi alone. According to one historical account of Louisiana, “With a policy of ‘cut out and get out,’ priceless natural resources were lost by the millions of acres. Large sections of the state became vast ‘stumpscapes’ of barren cutover land.”

Such hyperbole, however, tends to obscure the political, economic, and ecological realities of the era and the region. The extensive lumbering in the longleaf pine (Pinus palustris) forests of the Gulf Coast region during the early years of the twentieth century was made possible a generation earlier when Congress, hoping to stimulate much needed economic development in the war-torn region, repealed the Southern Homestead Act and opened the remaining federal public lands in the South to cash purchase. Speculators, mostly from outside the region, quickly acquired vast stands of virgin longleaf and then waited while the lumber industry cut out the forests of the Lake States before moving south.

LUMBERING IN POSTBELLUM AMERICA

For most of the nineteenth century, “the manufacture of lumber was the foremost industry in America… It employed more men and capital, and produced more wealth than any other pursuit.” Recognizing the importance of the lumber industry to America’s economy, the Census Bureau in 1880 published the Report on the Forest Resources of North America (Exclusive of Mexico), prepared by Charles S. Sargent, Arnold Professor of Arboriculture at Harvard College and the leading expert on America’s forests. At that time, more than a third of all lumber produced in the United States came from the Lake States, with Michigan by far the leading producer of white pine (Pinus strobus L.), the preferred structural lumber at the time. (See Figure 1). The report anticipated that at the current rate of production, Michigan’s white pine inventory, along with that of its neighbors Wisconsin and Minnesota, would

BY MASON C. CARTER AND JAMES P. BARNETT
In this undated photo, a man stands among longleaf pines owned by the Great Southern Lumber Company on the north shore of Lake Ponchartrain, Louisiana.
The southern pine forests, although stripped from the banks of streams flowing into the Atlantic, are practically untouched in the Gulf States, especially in those bordering the Mississippi River. These forests contain sufficient material to long supply all possible demands which can be made upon them. Sargent’s report confirmed three things many northern mill owners already knew or suspected. First, the best and most accessible stands of white pine and hemlock, the bark of which was used for tanning leather, were gone or soon would be. Second, within little more than a decade the mills must relocate near a new source of raw material or go out of business. Last, the vast stands of southern pine, especially longleaf forests on public land along the coast, were the closest to existing markets, and recent congressional action had opened these public lands for purchase at very low prices.

Early lumbermen preferred longleaf pine, which they believed to be superior in strength and durability to all other southern pines. Longleaf occurred throughout most of the upland areas of Louisiana, but the pure virgin longleaf stands most coveted by lumbermen were confined to three areas on lower coastal plain and flatwoods soils separated by alluvial deposits of the Red and Mississippi rivers. Reliable timber inventory methods did not exist when Sargent gathered his data, but he estimated that Louisiana had 7.321 billion board feet of longleaf in the region north of the Red River, 13.351 billion board feet southwest of the Red River, and 5.826 billion board feet east of the Mississippi River.

A sense of the original extent of pure virgin longleaf may be found in a 1921 report from the Louisiana Department of Conservation, which estimated 7.4 million acres of longleaf pine and 4.4 million acres of shortleaf (primarily Pinus taeda and Pinus echinata), of which 75 percent of the longleaf and 85 percent of the shortleaf had been logged by 1921.

Shortleaf and longleaf were not the only two species harvested, though. According to a 1931 account of the southern pine industry, approximately 71 billion board feet of yellow pine lumber—which included all species—was produced in Louisiana from 1869 to 1929, an average of just over 6,000 board feet for every acre of pine timberland in the state.

**PUBLIC POLICY AND THE PUBLIC LANDS IN THE SOUTH**

During the first two decades following the Civil War, “the South was a laboratory for experiments in land reform.” With the Confederacy defeated and slavery abolished, Congress passed the Southern Homestead Act of 1866 to provide a pathway to landownership by freedmen. The law restricted entry on approximately 46 million acres of public land in the South to freed blacks and loyal whites. For a fee of just a few dollars, an eligible individual could file claim to 80 acres of land. Though well intended and in spite of the dedicated efforts of federal officials in charge of implementation, the act resulted in very few successful homesteads.

Among the many obstacles potential homesteaders faced in their efforts to file and establish a successful tenure were confused or hostile local officials, threats and physical violence from neighboring white landowners, and a lack of tools and equipment for farming. But the greatest barrier to successful homesteading was the fact that the vast majority of the available public land was not suitable for row-crop agriculture. English, French, and Spanish land grants from colonial days had claimed most of the prime bottomland along the major waterways. The federal government had been selling public land in the South for $1.25 per acre for many years prior to the Civil War. The Graduation Act of 1854 further reduced the price to as little as 12.5 cents per acre, depending on the length of time the land had been on the market. The Graduation Act was superseded by the Homestead Act of 1862, but during the eight years it was in effect, 77,561,007 acres of land was sold, more than half of which was in the South.

When the Southern Homestead Act was passed in 1866, most of the public land in Louisiana available for homesteading was covered with heavy stands of yellow pine or cypress, or it required large capital investments in drainage or flood control before it could be farmed successfully. Between 1866 and 1883, there were 121,964 homesteads established on 12,187,812 acres of the more than 40 million acres of federal land available in the five
southern public lands states—Alabama, Arkansas, Florida, Louisiana, and Mississippi. Of the few successful patents, many were to employees or agents of timber and mining interests who relinquished their titles to their employer.

As a recent reexamination of the Southern Homestead Act concluded,

*Using a new homestead-level sample from Louisiana, we ... find the overall poor quality of land available is the primary reason for the act's failure, while timber fraud and a lack of wealth among homesteaders had little effect on patenting. We find that literacy was strongly and negatively associated with patenting. We attribute this finding to literacy allowing homesteaders to learn quicker about the potentials of homesteads and thus optimally relinquish their claims on marginal land.*

By 1875, federal officials were ready to give up on the 1866 act and began urging repeal. Federal Land Commissioner S. S. Burdett observed, "Most of the land in the southern states, being valuable only for timber, was filed upon by employees of lumbermen who, when the timber was stripped off, abandoned the claims." His successor, J. A. Williamson, stated, "If valuable pine lands are to be given away...would it not be better to enact some law where the title can pass without perjury?"

By the 1870s most southern political and business leaders had lost confidence in homesteading as a means of building the rural economy. They believed opening public land to purchase would promote mining and lumbering, which, together with the accompanying expansion of railroads, would bring jobs and economic development. Northern lumbering interests and their representatives in Congress had supported the 1866 law in the belief that it would thwart development of competition from southern yellow pine. But they, too, changed their minds and began to look for opportunities to move their operations to the South.

On December 8, 1875, Senator Powell Clayton introduced Senate Bill 2 to repeal the Southern Homestead Act. Speaking in support of his bill, the Republican from Arkansas made it clear that opening up the public lands for lumbering was a major objective:
A citizen of Missouri who has found a tract of Government land valuable for its timber only, upon which he may wish to erect a sawmill...can purchase that tract by applying at the land office...if his neighbor in Arkansas...desires to engage in the same laudable pursuit he is stopped by the law we now seek to repeal.... In [Michigan] the value of lumber product amounts to nearly one-half of the entire products arising from agriculture, including stock. Now what would be thought in that State of a policy which would shut out this vast field of productive labor and hold it in the Government?21

Missouri Democrat Lewis Bogy spoke in support of repeal because he believed it would open up mining opportunities not just in his home state but across the South. Speaking before the Senate, he said that "persons who desire to become purchasers [of land] for the purpose of going into the mining operations and developing the resources of that State [Arkansas] are precluded; and this keeps these States in a sad condition all the time."

Senator Charles W. Jones also urged repeal. The Florida Democrat pointed out to his colleagues, "The act admitting [the State of Florida] into the Union provided that the State should relinquish forever its right to tax the public lands there, provided the Government would agree to pay the State 5 percent, of the net proceeds of the sales of those land, to be appropriated for school purposes."22 When and if the public lands in Florida were sold, the State of Florida would receive a portion of the revenues.

One week after Senator Clayton introduced Senate Bill 2, Frank Morey, a Republican from Louisiana, introduced a similar bill in the House of Representatives, where it met greater opposition than had the Senate measure.23 Several representatives from northern states opposed repeal of the Southern Homestead Act on the grounds that it would result in the sale of lands that might later be homesteaded. They offered an amendment that would restrict sale of public lands to those lands "which are unsuited for agricultural purposes...[and] all public lands in said States fitted for the purposes of agriculture shall be subject to disposal under the provisions of the homestead laws of the United States and not otherwise." But Morey, speaking for the Committee on Public Lands, offered the bill without amendments and turned the floor over to Alabama’s Goldsmith W. Hewitt, a Democrat who proceeded to offer a lengthy argument in support of repeal.25

Southern members of Congress, eager to promote development of the South’s timber and mineral resources, joined with northern legislators hoping to reduce regional tensions, and in 1876 repealed the Southern Homestead Act. Following repeal, the unpatented federal land in the South was offered for sale by auction, but again the results were disappointing. By the time the auctions were ended in 1880, only 112,292 acres had been sold at an average price of $1.70 per acre. The lands were then opened up for homesteading, as before, or for sale at $1.25 per acre.26

Lumbermen and capitalists from New York to the Lake States and as far away as Canada and California seized the opportunity to speculate in timberland. Timber cruisers, mill owners, and land agents descended on the Gulf South in droves, causing one to comment, "The woods are full of Michigan men bent on the same mission as myself."27

Nathan Bradley, a lumber mill owner originally from Maine who migrated with the lumber industry to Michigan, where he was elected a member of Congress, voted against repeal of the Southern Homestead Act, fearing that opening the vast southern yellow pine timberlands to lumbering would harm his business. When his efforts to thwart the repeal failed, however, Bradley joined the crowd and purchased 111,188 acres of virgin longleaf in southwestern Louisiana and started a lumber business; he later sold it to other lumbermen and then invested his profits in a new business.28

### Table 1. Large Purchases of Federal Land (5,000 acres or more) in the Five Southern Public Land States from 1880 to 1888

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Buyers</th>
<th>Residence of Buyers</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>7</td>
<td>MI-3; NY-2; MA-1; PA-1</td>
<td>121,983</td>
</tr>
<tr>
<td>Arkansas</td>
<td>7</td>
<td>IA-2; IL-2; KS-1; MI-1; MO-1</td>
<td>114,334</td>
</tr>
<tr>
<td>Florida</td>
<td>6</td>
<td>PA-2; IL-2; MI-1; NY-1; OH-1</td>
<td>64,243</td>
</tr>
<tr>
<td>Louisiana</td>
<td>41</td>
<td>MI-19; IL-5; PA-4; OH-3; NY-2; WI-2; CA-1; IA-1; KS-1; MA-1; NJ-1; Canada-1</td>
<td>1,370,332</td>
</tr>
<tr>
<td>Mississippi</td>
<td>32</td>
<td>MI-18; PA-3; NY-3; OH-2; CT-1; IN-1; MA-1; MN-1; WI-1; Canada-1</td>
<td>869,359</td>
</tr>
<tr>
<td>Total</td>
<td>93</td>
<td></td>
<td>2,560,251</td>
</tr>
</tbody>
</table>

#### By Northerners

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Buyers</th>
<th>Residence of Buyers</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>24</td>
<td>AL-19; FL-4; MD-1</td>
<td>463,242</td>
</tr>
<tr>
<td>Arkansas</td>
<td>10</td>
<td>AR-10</td>
<td>183,946</td>
</tr>
<tr>
<td>Florida</td>
<td>12</td>
<td>FL-9; GA-1; MD-1; NC-1</td>
<td>125,172</td>
</tr>
<tr>
<td>Louisiana</td>
<td>9</td>
<td>LA-6; AR-1; MS-1; TX-1</td>
<td>261,932</td>
</tr>
<tr>
<td>Mississippi</td>
<td>11</td>
<td>MS-9; LA-1; TN-1</td>
<td>134,270</td>
</tr>
<tr>
<td>Total</td>
<td>66</td>
<td></td>
<td>1,168,562</td>
</tr>
</tbody>
</table>

Historian Paul W. Gates reviewed purchases of 5,000 acres or more of federal land in the southern states between 1880 and 1888. He determined that 68 percent of the land was acquired by residents of northern states.
lumberman, bought 89,743 acres of Louisiana timberland scattered from Calcasieu Parish in the southwest to Morehouse Parish in the northeast to Washington Parish in the southeast. He too later sold to other lumbermen and, back in Michigan, used the profits to become “Muskogon’s philantropist and entrepreneur,” bestowing a series of gifts to the city valued at $12 million in 1905.29 There were scores of similar examples.

Historian Paul W. Gates reviewed purchases of 5,000 acres or more of federal land in the southern states between 1880 and 1888.30 Of the 3.73 million acres of land for which he could determine the residence of the buyer, 68 percent was acquired by residents of northern states (see Table 1). Moreover, some of the remaining 32 percent was acquired by southerners using capital supplied by northerners or by northerners who had established operations in the South. In Louisiana, where 44 percent of all large sales occurred, buyers from the North outnumbered buyers from the South by nearly five to one.

In 1888, after 12 years of unrestricted sales, a coalition of conservationists, agrarian land reformers, and southerners concerned about the increasing acquisition of land by northerners persuaded Congress to suspend all entry to public lands in the South except under provisions such as those of the Southern Homestead Act of 1866. Gates concluded: “The South had succeeded in wiping out the shameful act of 1866 from the statute books but in so doing it had opened the door for northern capitalists to skim off the cream of the best remaining timberlands.”31

However, that is exactly what Congress had invited them to do. In one of his final arguments for this bill, Senator Clayton stated,

It is easy for Senators to talk about speculators coming in. I know that is a great bugbear. But let speculators come in if they see proper to do so…when they come in they will pay into the Treasury of the United States the price of the land and subject themselves to high taxation from the State every year, and then, if they hold the lands from market, they will only be doing what the Government of the United States is doing today.32

LAND AGENT EXTRAORDINAIRE

The most prominent figure in “skimming the cream” of public lands in the South was James D. Lacey, who owned timberland, held interests in several lumber mills, and most notably, served as agent or broker for the purchase of millions of acres across the South. Lacey was born in Wayne County, Pennsylvania, around 1849. His father, a farmer and owner-operator of a small sawmill, introduced young Lacey to the lumber business. In 1866, Lacey moved to Grand Rapids, Michigan, and went to work as a drug store clerk, eventually owning his own drug store. In 1873, he established a business of formulating embalming compounds and began making frequent trips to the South, where there was a steady demand for his wares. During these visits he became aware of the quality and extent of the South’s timberlands. After a highly profitable personal purchase and resale of timberland in Missouri, Lacey decided to focus on the evaluation and brokerage of southern timberlands. In 1881 he formed a partnership with William B. Robinson, also of Grand Rapids. A contemporary industry journal described his business:

Mr. Lacey was one of the first lumbermen in Louisiana and Mississippi to realize the profits to be made in estimating, grouping and entering lands and reselling them in block to investors and operators. A conservative estimate of the transactions of this sort carried through by James D. Lacey and associates, since they began in 1880, places the total at an amount exceeding 5,000,000 acres; also during that time they have estimated fully double that amount of timber lands in the various southern states.33

The firm of Robinson and Lacey was the agent for many if not most of the acquisitions in Table 1.34 Robinson retired in 1892, and in 1898, the Robinson and Lacey firm was succeeded by James D. Lacey & Co., which continued to operate well into the twentieth century.35 The Lacey story demonstrates that a major opportunity for increasing the wealth of the Gulf Coast was lost when so little of its timberland was acquired by native residents. Buying large blocks of timberland was beyond the means of most southerners. For those few with the means, purchasing land with what was considered nearly worthless timber was a high-risk venture. The minimum selling price of federal land in the 1880s of $1.25 per acre would be the equivalent of about $33 per acre in 2015 dollars.36 Thus, a purchase of 5,000 acres would require the investment of the modern equivalent of $16,500 from which no return could be expected for perhaps a decade or more, and taxes, as well as other expenses, perhaps would be incurred during the interim. Few southerners, especially in Louisiana, knew and understood what northern lumbermen and others with intimate knowledge of the industry had learned from experience: the wealth derived from the lumber business came not from the manufacture and sale of lumber but from appreciation in stumpage values.37 These northerners had observed the steady increase in stumpage values as the lumber industry migrated from New England to the Lake States in the 1870s, and they were betting on a recurrence. James D. Lacey summarized the situation:

Government timberlands were to be had in Michigan as late as the year 1866 at $1.25 to $2.30 per acre [something less than $0.10 per thousand feet board measure for white pine]… White pine stumpage in Michigan passed the dollar mark in the early seventies and advanced to $5 a thousand and upwards in the year 1880… Anywhere in the Southern Coast States [that same year] pine stumpage could be had from the United States Government at $1.25 per acre (about 10 cents per thousand) and from the State governments at from 25 cents to 75 cents per acre.38
The diminishing supply of timber in the Lake States together with the increasing demand for lumber in the rapidly growing Midwest convinced many northern capitalists that investing in southern longleaf pine forest was a risk well worth taking. They anticipated that the boom in stumpage values that had occurred in the Lake States would be repeated in the longleaf pine forest of the Gulf states. And they were right. In a 1913 report on the lumber industry, the U.S. Bureau of Corporations concluded,

> Taking the rise of stumpage values as a rate percent per annum, it is likely to be greatest when a new region or a new species is just beginning to attract attention. When timber is selling by the acre at rates equivalent to 10 cents a thousand, it may rise almost at once to 50 cents a thousand. The increase of each thousand feet in such a case is unimportant; yet it is an advance of 400 percent.49

By the time of this report’s release, its conclusions were common knowledge across the Gulf Coast: the average stumpage price for yellow pine had increased more than tenfold between 1880 and 1904 (see Table 2). And the increase in stumpage price prompted an increase in the efficiency of utilization. James Lacey summarized the situation in testimony at a congressional hearing in 1909:

> [In the 1880s] in Louisiana and Mississippi…we located several million acres for northern lumber companies…. We estimated those lands would cut about 6,000 feet per acre, as they were cutting timber. They were not going above the first limbs; the balance was left in the woods or burned up…. Today in Louisiana and Mississippi they are cutting 12,000 to 15,000 feet to the acre…with the prices that prevailed they were able to take out most of the tree.48

Thus, land that sold for $1.25 per acre in 1884 was worth between $25 and $30 per acre for the timber alone by 1904, an annual appreciation rate of more than 15 percent.

One of the few speculators in Louisiana’s longleaf forest who applied his fortune to benefit the region was William M. Rice, a business executive in Houston. In 1882, Rice purchased 47,960 acres in Calcasieu Parish, Louisiana, from the government for $1.25 per acre.41 Upon his death, Rice left his timber interests and 22,760 acres in Calcasieu Parish increased from about $500,000 in 1880 to more than $22 million by 1897.43 Tax assessors were well aware that the timber was being harvested much faster than it could be replaced and were aggressive in their efforts to extract revenue while the timber supply lasted. The higher taxes pressured sawmill owners to accelerate the rate of harvesting, resulting in too much lumber on the market and depressed lumber prices, which in turn discouraged reforestation.

The lumber industry invested millions of dollars in manufacturing facilities and infrastructure to move logs to mills and lumber to markets. In 1860, Louisiana had about 300 miles of mainline railroad track, though much of this was destroyed during the Civil War. But by 1910 it had 5,554 miles of mainline track.44 Logging trunk lines often became permanent, and every parish except Cameron had one or more rail lines passing through it.45

The immigration and increased employment that southern congressmen had anticipated when the Southern Homestead Act was repealed did in fact come to pass, at least for a few years. Between 1880 and 1910, the population of Louisiana increased about 80 percent, and wage earners in the lumber-related industries increased forty-fold.46 However, the best-paying jobs seldom went to local workers because the out-of-state mill owners usually brought their skilled craftsmen and supervisory personnel with them to build and operate their new facilities.47

### Table 2. Stumpage prices for southern yellow pine (dollars per 1000 board feet) showing the rapid increases that followed development of the industry

<table>
<thead>
<tr>
<th>State/Year</th>
<th>1890</th>
<th>1899</th>
<th>1904</th>
<th>1919</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$0.78</td>
<td>$1.20</td>
<td>$1.55</td>
<td>$4.18</td>
</tr>
<tr>
<td>Arkansas</td>
<td>0.68</td>
<td>1.09</td>
<td>1.79</td>
<td>5.55</td>
</tr>
<tr>
<td>Florida</td>
<td>0.93</td>
<td>1.22</td>
<td>1.83</td>
<td>5.01</td>
</tr>
<tr>
<td>Louisiana</td>
<td>0.55</td>
<td>1.22</td>
<td>2.26</td>
<td>5.95</td>
</tr>
<tr>
<td>Mississippi</td>
<td>0.96</td>
<td>1.30</td>
<td>2.00</td>
<td>5.41</td>
</tr>
</tbody>
</table>

In 1913, the Bureau of Corporations’ conclusions were common knowledge across the Gulf Coast: the average stumpage price for yellow pine had increased more than tenfold between 1880 and 1904.

*Although most of the profits from increased stumpage values went to out-of-state speculators, southern citizens and state and local governments received some of the benefits. As stumpage prices increased, so did land values and assessments for state and local taxes. For example, the assessed value of real property for Calcasieu Parish increased from about $500,000 in 1880 to more than $22 million by 1897.43 Tax assessors were well aware that the timber was being harvested much faster than it could be replaced and were aggressive in their efforts to extract revenue while the timber supply lasted. The higher taxes pressured sawmill owners to accelerate the rate of harvesting, resulting in too much lumber on the market and depressed lumber prices, which in turn discouraged reforestation.*

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### FROM BOOM TO BUST

For Louisiana and its neighboring states, the lumber boom declined as rapidly as it had expanded. Even as yellow pine lumber production was peaking, per capita consumption of lumber was declining, from 5.2 board feet per person in 1905 to 2.2 board feet in 1930.46 Supply often outpaced demand, shrinking profit margins for sawmills and forcing them to maintain high output to pay taxes and service their debt.48 By the mid-1920s, the best, most accessible stands of virgin longleaf were near exhaustion, and mills began to shut down—some permanently, and some moved. In a domino effect, homes, stores, schools, hospital, and hotels—all built to support the mill workers and their families—emptied, too.49 One example is the Gulf Lumber Company and the town of Fullerton, Louisiana.

Early in the twentieth century, S. H. Fullerton, president of the Chicago Lumber and Coal Company, paid $50 per acre for a tract of timberland in Vernon Parish, Louisiana, and built a very large sawmill and the town of Fullerton. Operating under the name The Gulf Lumber Company, the mill went into production in 1906, producing 120 million board feet of yellow pine lumber per year.50 In 1920, the town of Fullerton was incorporated with a population of 2,412. Seven short years later, the company had exhausted its timber supply and the mill shut down. In 1930, the population was 148 people and still falling.51 This scenario was repeated in dozens of sawmill towns across Louisiana.52

The attitude of many lumbermen in the earlier twentieth century was summed up in the oft-quoted remark of Texas lumberman Harry T. Kendall in 1919: “When the lumberman of today..."
saw the trees he owns and scraps his plant, his capital will enable him to become the banker, the ranchman, or the manufacturer of some other commodity. In fact, however, most of the lumbermen who made fortunes from the vast longleaf forests of Louisiana and its neighbors along the Gulf Coast became bankers, ranchers, or manufacturers somewhere other than in the South.

Lumbermen and speculators were not the only nonsoutherners to benefit from the South’s lumber boom during the first quarter of the twentieth century. A generation of homesteaders and other settlers in the Midwest did as well. In _The Timber Pines of the Southern United States_, published in 1897, the botanist Charles Mohr wrote, “The importance of the pine forests in the western Gulf region cannot be overestimated, considering the development of the immense timberless area beyond their western limit.”

One hundred and twenty years later, historian David Nesheim confirmed Mohr’s contention:

> The yellow pine forests opened by repeal of the Southern Homestead Act amounted to a giant subsidy for western settlement. The profits may have unevenly accrued to a precious few, but the increased supply, especially following the decline of the Great Lakes industry, helped to keep prices down for the average citizen.

Although it may be true that northern lumbermen transformed southern forests into stumpscapes, it was the pine from those lands that made the transformation of America possible.

Nesheim’s conclusions highlight a basic dilemma in public policy that has existed since the early twentieth century. The rapid harvesting of the South’s pine forests with almost total disregard for restoration led to widespread condemnation of the lumber industry and calls for federal regulation to avoid a timber famine. However, the glut of lumber that resulted from the timber boom kept lumber prices low, stimulating the housing industry, and benefiting the national economy.

The U.S. Forest Service’s employee manual from 1905, known as _The Use Book_, stated, “Forest reserves are for the purpose of preserving a perpetual supply of timber for home industries… the welfare of every community is dependent upon a cheap and plentiful supply of timber.” Although a “cheap and plentiful” supply of timber is beneficial for housing construction and economic growth, it can be a deterrent to the practice of sustainable forestry by private landowners. In 1909, Carl Schenck, the chief forester for George Vanderbilt’s sprawling Biltmore Estate, stated, “Obviously, no owner of forests can be expected to use the forests wisely when and as long as [forest products] are cheap. We do not expect the farmer to raise cotton when the price of cotton is low, nor can we expect the forester to raise timber, pulpwood… so long as [forest products] continue to be of little value.”

When reflecting on his time working for Vanderbilt a half-century later, Schenck wrote,

> “We should not blame the man who transforms the primeval forest into barren wastes; you and I in his place, would certainly act as he does. Forestry resulting in second growth must come by slow evolution and from the willing efforts of those within the logging camps; it cannot come by quick revolution and by pressure of public opinion from without.”

Sustainable forestry eventually came to the South’s forests, but as Schenck predicted, it came slowly: more than half a century—with all the challenges and opportunities brought about by the Great Depression and the Second World War—would transpire before the region would again see the enormous economic, environmental, and cultural benefits of this magnificent natural resource.


**NOTES**


7. Sargent, Report, 537.


11. The limit was 40 acres if the land was within six miles of a railroad or navigable stream, 80 acres outside the six-mile limit. The maximums were increased to 80 and 160 acres in 1868.


16. Lumbermen were not alone. Coal and iron companies obtained vast acres of land by the same ruse. See Gates, “Southern Public Land States.”


19. Ibid.

20. Congressional Record, 44th Congress, 1st Session, 185.

21. Ibid., 815.

22. Ibid., 816.

23. Ibid., 226.

24. Ibid., 3288.

25. Ibid., 3288–92.


32. Congressional Record, 44th Congress, 1st Session, 818.

