

Section 4

Efforts to Improve North Carolina

This section will help you meet the following objectives:

8.3.02 Investigate the conditions that led to North Carolina's decline and assess the implications for the future development of the state.

8.3.03 Identify and evaluate the impact of individual reformers and groups and their programs.

8.3.06 Evaluate the implications of the North Carolina Gold Rush.

8.3.08 Examine the impact of national events on North Carolina.

As you read, look for:

- North Carolina's new capital
- conditions that led to North Carolina's decline
- proposals made by Archibald Murphey to improve conditions in the state
- vocabulary terms **recession, internal improvements, canal, common school, Literary Fund**



Above: Joel Lane, whose plantation was the site for the new capital city of Raleigh, built this house in 1770. It is the oldest house in Raleigh.

Two children were left at their home in Cabarrus County when their parents went to church. Conrad Reed, 14, and his sister, Elizabeth, 12, decided to go wading in the nearby stream. Conrad was poking around in the water with a stick when he turned up a large shiny rock. Its yellow gleam was brighter than anything the two children had ever seen.

Their father, John, had never seen untreated gold. When he took the nugget to a silversmith in Fayetteville, the jeweler gave him \$3.50 for it. Only later, when he found more gold and opened the state's first mine, did he learn he had been cheated.

The Reed family story symbolized the many handicaps North Carolinians faced during the founding of the nation. They were proud people with close families and solid neighborhoods. But they knew little beyond the habits and values of their locality. Not only were schools lacking for most residents after the War of Independence, so were easy links to the outside world. The towns of the state, with minimal access to ports, continued to be small. There was virtually no statewide effort to build roads, and the quality of transportation varied considerably from county to county.

The State Establishes a New Capital

North Carolina made a major effort to get organized and move forward during the debate over the Constitution. The 1788 Hillsborough Convention had agreed to a site for a permanent state capital. The con-



vention chose an area in Wake County “within ten miles” of Isaac Hunter’s tavern. They chose Raleigh as the capital’s name. The site was just about equal distance for people in the backcountry, the Cape Fear, and the Albemarle to travel. After a commission found a location at the Joel Lane plantation, the legislature moved to Raleigh in 1794.

Not everyone accepted the Raleigh location. The newly created town of Fayetteville made a real effort to gain the capital. Fayetteville was the result of two colonial towns—Cross Creek and Campbelltown—growing together on the Cape Fear River. The town was named for the Marquis de Lafayette, a Revolutionary War general. Even after the 1788 decision, Fayetteville built a “new state house” to host the 1789 convention, hoping for a reversal. It did not get the right number of votes, and Raleigh’s streets were soon laid out. The new capital grew very slowly, however. One early visitor said that every street “ended in the woods.”

The First State University

The legislature that met in Fayetteville in 1789 also established a state University. William R. Davie, who led the effort, later chose a location for the school south of Hillsborough, near the New Hope Chapel of Governor Tryon’s day. Soon after the University was opened in 1795, school officials also established the village of Chapel Hill.

Above: The first capitol of the state of North Carolina was completed in 1796. It was used until it burned down in 1831.

CAROLINA PLACES

Reed Gold Mine



In the early 1800s, when most North Carolinians struggled to get by, a few state residents got rich. None was richer than the Reeds of Cabarrus County. They literally found gold in their own backyard.

John Reed had been a Hessian soldier in Cornwallis's army during the Revolution. He deserted and came to live with other Germans on Dutch Buffalo Creek. Reed was said to be "honest, but unlearned" and something of "a primitive character." He was soon married to Sarah Kiser. For twenty years, they eked out a living on meager soil, just like most folks in the backcountry.

One Sunday in 1799, John's son Conrad spied a shiny rock in Little Meadow Creek and pulled it out. It was unusually yellow. The Reeds, unaware it was gold, decided to use it as their front door stop. It lay on the front porch for two years.

Above: Little Meadow Creek was where gold was first discovered in the state by Conrad Reed.

Like most farm folks in the state, John Reed went to market every fall. In 1802, he went to Fayetteville. While there, he showed the rock to a silversmith. The craftsman knew it was gold. He also knew that he had a country bumpkin before him, so he shrewdly asked Reed to name his price for the rock. Reed asked for \$3.50, the most money he had ever gotten for any one thing in his life. The Reed children later recalled that their excited father splurged and bought coffee for the first time in his life. Meanwhile, the silversmith sold the 17-pound gold nugget for \$3,600.

Word soon got back to the Reeds that they had been cheated. They and some neighbors went looking for more

gold. In 1803, Peter Love, a neighbor's slave, dug down six inches into the stream and came up with a 28-pound nugget! The Reeds sent the nugget to the federal mint in Philadelphia and made a big profit.

For the next several years, the Reeds, their slaves, and their neighbors continued to dig holes up and down Little Meadow Creek. They found that most of the gold was about four feet deep, level with the nearby streambed. Sometimes they "dug up gold like potatoes," finding as much as 20 pounds in a day. When they did not turn up nuggets, they sifted the soil with "rockers" to separate the heavier gold from the lighter dirt.

The Reeds and their partners expanded the mine in 1821. By this time, more than fifty mines had been started in that area of the backcountry. Farmers looked for gold from Greensboro all the way south to Charlotte.

During this time, John Reed continued to live like the typical North Carolinian. His house was larger than that of his neighbors, but he still farmed his own fields. Reed even forbade his sons from digging holes for gold in planted fields.

When John Reed died in 1845, the family's fortunes began to change. His children agreed to share what they would find in the mine. However, the family began to argue about who would get how much. The mine was closed down for a decade, as family members sued one another.



Above: This man is looking up a shaft at the Reed Gold Mine, which is now a state historic site. **Left:** Visitors to the state can still pan for gold at the Reed Gold Mine. Notice the small nugget and other flecks in the pan.

Eventually, the mine was sold, first in 1846, then again in 1853. Although the new owners sank deep shafts into the ground and tried to use new technology to extract more gold, they did not make a profit. The Reed Mine passed from owner to owner after the Civil War. The last real nugget was found in 1896. The mine was closed during the first half of the twentieth century. Its last private owner donated the land to the state in 1962, and the state made it a historic site in 1976. Since that time, it has been one of the most visited places in the state.



Above: The Old East, shown here, was the first building, and the only one for two years, at the University of North Carolina. It was opened to students in 1795.

Did You Know?

The University of North Carolina at Chapel Hill is the nation's oldest state university.

The founding of the University was twenty years in the making. The leaders of Queen's Academy in Charlotte had made sure that the state promised to start "one or more universities" when the 1776 state constitution was written. Davie and several of the other University founders had been either teachers or students at Queen's.

The Poor Shape of the State

Despite the best efforts of some leaders in the state, North Carolina only slowly built itself up in the years after the Revolution. Wilmington, New Bern, and Beaufort all vied to be the leading port, but the shallow sounds and the capes kept many ships away. There was some growth in the backcountry towns, but when President Washington visited the state in 1791, he found Charlotte to be "a trifling place" and Salisbury at best to be "a pleasant village."

Low levels of trade meant less money to go around. Although the United States established a national bank in 1791, no branch was opened in North Carolina for years. In fact, every state in the Union had a bank before North Carolina got its first one. Banks in New Bern and Wilmington were privately opened in 1804. The legislature tried to open a state bank in 1805, but it took until 1810 to find enough investors. During the War of 1812, investment did increase, but that was because businessmen in the state were afraid to take their money elsewhere.

North Carolina even had continuing problems with its boundaries. In the early 1800s, state officials—among them Robert Henry, the former sentry at Cowan's Ford—set the western boundary line along the ridges of the Smokies. The state's southern boundary, however, ran into trouble in the mountains. South Carolina had once claimed a twelve-mile-wide strip of land that extended all the way to the Mississippi River. In 1803, Georgia and North Carolina each claimed an overlapping piece of it. Georgia created Walton County there, and soon rival settlers started the Walton War. The gun-toting feud eventually involved thousands of mountain residents in both states. By 1807, the national government had intervened and decided that North Carolina had the better case. But it was not until 1819 that Georgia officially agreed.

Conditions grew worse across the state after the War of 1812. By that time, two or three generations of farmers had plowed the best land over and over. Because little was done to preserve the land, the topsoil eroded away in heavy rains. Over time, the size of harvests went down. Soil washed into nearby streams, clogging them and increasing the chance



of flooding. There was a major flood in the western part of the state in 1816. Down east, the sediment carried by the Roanoke, Tar, and Neuse rivers gradually flowed into the sounds, making them even more shallow and harder to navigate.

North Carolinians tried to put the war behind them. Several partners started a cotton mill at Lincolnton to make yarn. Otway Burns used some of his wartime profits to run a steamboat from Wilmington to Fayetteville. Newly cleared land, however, just increased the erosion problem. Then, a national **recession** (economic slowdown) in 1819 caused many farmers to go into debt. Land values in the state fell by one-third in five years. Only Wilmington shipped more than \$1 million in goods during the period.

The state did little to help. Most of the legislators were followers of Nathaniel Macon, who continued to argue that most problems could be solved without government direction. North Carolinians elected representatives who would not raise the already low tax rate. Most years, the state barely had enough money to pay the salaries of state officials. Sometimes sheriffs did not even bother to send tax collections to Raleigh. Many of the academies founded in the state closed when students could not keep up payments. In 1826, a governor observed that it had been easier to be educated in North Carolina before the Revolution than it was after 1815.

There were only a few hopeful developments in the state during the 1820s. The best was the construction of the Buncombe Turnpike from

Above: The Schenck-Warlick cotton factory near Lincolnton was built in 1813 to help the state become more economically self-sufficient.

Did You Know?

The Buncombe Turnpike charged tolls for users. The tolls were 2 cents for each hog or sheep, 4 cents for each beef cattle, 5 cents for pack horses, 12.5 cents for each person on horseback, and 50 cents to \$1.50 for horse-drawn carriages.



Top: North Carolina's bad roads made it difficult for farmers to get their crops to market. **Above:** Archibald D. Murphey was the leading voice of reform in the state. His broad program for internal improvements gave the state a blueprint for the future.

the Tennessee valley to Charleston, South Carolina. The pike made Asheville a prosperous town.

North Carolinians increasingly left their state. They headed across the Appalachians to the newer states on the Mississippi River. In 1817, a legislator estimated that more than 200,000 natives had left in the previous twenty years. Some who left were among the most talented leaders of the new nation, like future presidents Andrew Jackson and James K. Polk. Five of the early governors of Tennessee were born in North Carolina, as were three of the first governors of Alabama. Levi Coffin, one of the founders of the Underground Railroad, left Guilford County for Indiana and later Ohio. Nathaniel Rochester, for whom Rochester, New York, was named, had gone there to take advantage of the new Erie Canal after the War of 1812.

Murphey's Proposals

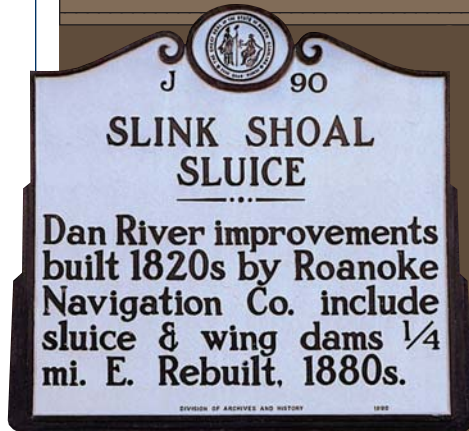
Some prominent North Carolinians tried to make the state better. Their leader after the War of 1812 was Archibald D. Murphey, one of the more renowned leaders in the history of North Carolina. Murphey grew up in Caswell County near the Virginia border. He attended David Caldwell's academy, then the University in Chapel Hill. He became a lawyer and judge and started a large farm west of Hillsborough. Murphey's allies in a program of reforms included William Gaston, a New Bern lawyer; Charles Fisher, a Salisbury newspaper editor; and Joseph Caldwell, the president of the University.

Murphey's group eventually presented a series of ideas to the legislature for funding. The two principal plans focused on internal improvements and public education.

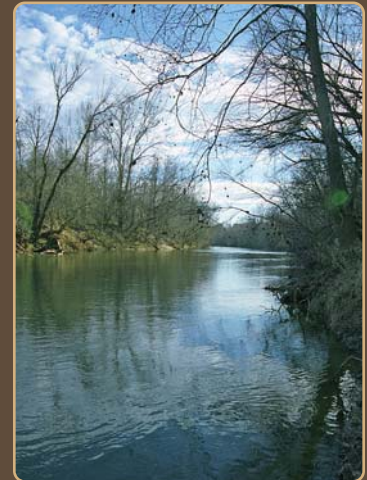
Internal improvements, a phrase popular at the time, referred mostly to transportation. For Americans after the War of 1812, that meant water-borne travel. In states like Tennessee or New York, a resident could

HISTORY BY THE HIGHWAY

Slink Shoal Sluice



Despite the failures of the Murphey Plan for internal improvements, some efforts were made to make North Carolina streams navigable in the early 1800s. The most promising area was the Roanoke River and its tributary, the Dan (pictured right). The hope was that the wing dams would allow enough water to build up to allow boats to float over the shoals at the town of Madison, in Rockingham County. The completion of the sluice (a controlled waterway) allowed flatboats to carry goods from plantations upriver.



take a boat from one end of the state to the other. This was not so in North Carolina, where residents in the backcountry continued to be separated from the coast by their rivers. And, eastern residents increasingly were hemmed in by clogged sounds.

Murphey's proposals attacked both problems. He recommended the state deepen channels through the inlets and sounds to enable ports like Edenton, Beaufort, and New Bern to receive larger ships. In the west, the state would remove all the rocks that made navigation of the Catawba and Yadkin rivers difficult. Then, Murphey proposed two **canals**, manmade water channels that allowed a horse or mule to pull flatboats with one-fourth the effort needed on the roads. One canal would connect the Roanoke, Tar, and Neuse rivers with the channel that went out at Beaufort. The other would connect the backcountry to the one sizable river in the state, the Cape Fear. The backcountry canal was to be dug from the Charlotte area to Fayetteville, opening the Catawba from Morganton and the Yadkin from Wilkesboro all the way to Wilmington.

The second part of the plan dealt with public education. Murphey, Caldwell, and others urged the state to fund in every county at least one **common school**, a school where even the most "common" family could send a boy to learn "the rudiments of education." Statewide taxes were to help pay the teachers. Students would pay according to their family's

Did You Know?

The common schools were to teach three years of reading, writing, and arithmetic. These schools were like the primary schools of today.



Above: The New Bern Academy had been founded in 1766 and was one of the oldest private schools in the new state. This building was erected in the early 1800s. By that time, dozens of private academies had been built across the state.

recession after 1819 made it hard for the state to pay its bills for a number of years. In 1825, however, the state legislature set up a **Literary Fund**, where revenues from stocks the state held in banks and canals could be used to help build schools. Little money was raised, however, since the state was so poor. Plus, the state kept borrowing from the fund, which stopped the growth of schools. The same course was taken with the Board of Internal Improvements. It scattered what little money it had for minor projects in different places in the state, to little effect.

Murphey himself did not live to see the fulfillment of his plan. He died in 1832, broke but not forgotten by his admirers, the very year that North Carolina began to take steps to do the right things.

income. In addition, academies would be built across the state for the better students to continue their education. The brightest students would be allowed to go to the academies with a scholarship. Finally, the brightest graduates of the academies would be sent on to the University. If a student from a poor family got that far, then he would go at reduced cost. In this way, the educational reformers hoped to keep the smartest students in the state, to provide the leaders for the next generation. Schooling was to be for all white boys—slave children would not be in the plan. Girls could go only to the common schools. However, among males, the plan was to be offered on an equal basis to “the rich and poor, the dull and the sprightly,” Murphey argued.

The leaders of North Carolina were still under the control of the frugal Maconites of the east. As a result, they were very slow to fund the Murphey proposals. A national

It's Your Turn

1. Why was Raleigh chosen as the location for the state capital?
2. What caused the poor harvests after the War of 1812?
3. What was the purpose of the Literary Fund? How successful was it?

CAROLINA CURIOSITIES

Who Was Peter Stuart Ney?

North Carolina had a few notable schoolteachers in its early days. For sixty years, David Caldwell in Greensboro ran the famous “log academy” that prepared students for the University. John Chavis’s Raleigh school helped start the careers of a number of famous citizens. The best-known, and most mysterious, teacher in the western half of the state in the 1800s was Peter Stuart Ney. Why? Because no one really knew if Ney was the Scottish schoolmaster he claimed to be or someone else.

P. S. Ney arrived in North Carolina in the early 1820s. At one point, he was a research assistant to Archibald Murphey. Ney went on to teach in private schools in the Piedmont, particularly in Davie and Iredell counties.

Ney was an excellent teacher. He was so skilled at mathematics that his students turned his notes into their own textbook. Ney could be very tough in the classroom. He would line the students up against the wall to recite their lessons. If anyone even got their toes out of line, Ney would be in the student’s face. Yet, his students loved him. He was so compassionate that if a student lacked the fees to pay the school, Ney would pay them out of his own meager salary.

No one really believed Ney was just a simple schoolteacher. People all across the state speculated that he really was a famous French general in exile. Michel Ney had been one of Napoleon Bonaparte’s best generals. Ney—whom Napoleon once called “the bravest of the brave”—was with the emperor in most of the great battles in the early 1800s. Ney even saved the French army when Napoleon unwisely invaded Russia in 1812.

After Napoleon was exiled in 1815, the French government ordered Ney shot as a traitor, for having helped

Napoleon escape from exile. Ney was taken to a Paris street and shot dead by a firing squad. After the body was put on display at a nearby hospital, it was buried.

Well, at least, some body was buried. By 1816, French refugees living in North and South Carolina buzzed with rumors that a Scottish schoolmaster looked just like the old



Above: Peter Stuart Ney’s grave is enclosed by this brick mausoleum in the graveyard of the Third Presbyterian Church in Cleveland, North Carolina.

general. Some people in Paris believed that Ney’s execution had been faked, that he had crushed a bag of red ink when he fell “dead.” Although the official report said that Ney had been shot in the head, descriptions of the body noted that the face was still recognizable, which was unlikely for someone who took round balls into his face at close range. It was claimed that French and English soldiers who had admired his bravery had covered his face with false wounds, then sneaked him out of France.