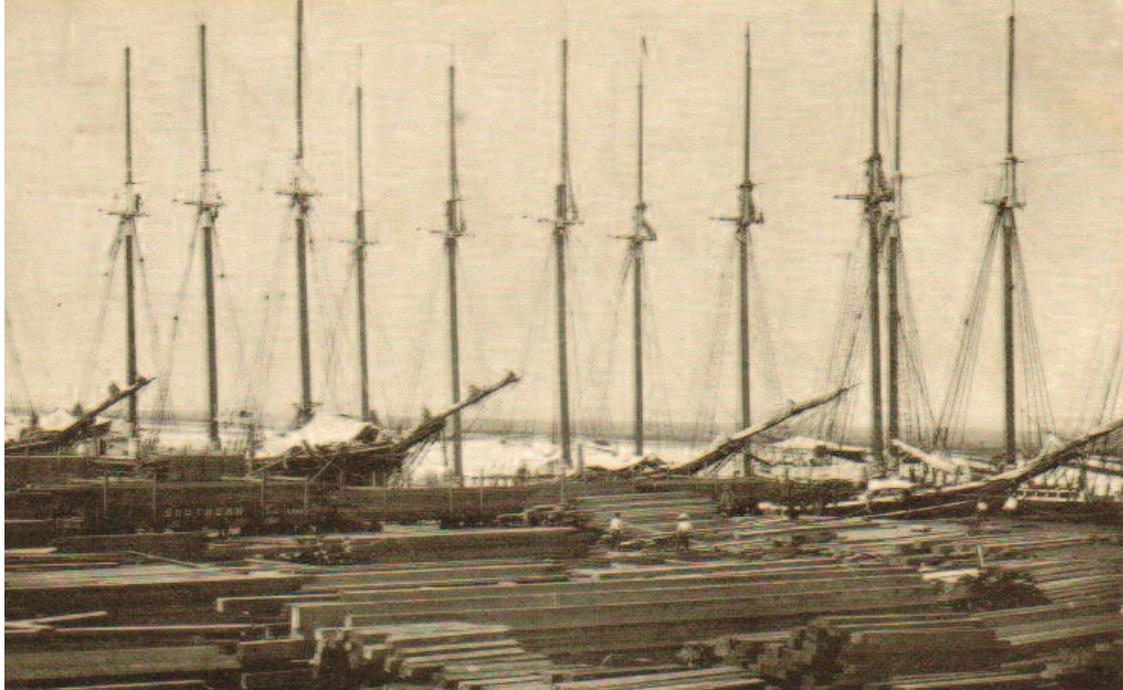


*The busy Port
of Brunswick.
Courtesy Golden
Isles Arts
& Humanities
Association*



The Terrible Year: 1893

By Leslie Faulkenberry

After the bitter defeat in war and the hardships of Reconstruction, prosperity returned to the coast of Georgia in the mid-1880s. The westward post-Civil War expansion created a demand for lumber, as well as railroad ties, to complete a transcontinental railway system. Former plantation land, cleared of massive oaks for cotton crops in the previous century, lay fallow and defenseless against marauding, intrusive pine trees. Once despised as a nuisance in productive cotton fields, the pines had become the South's economic deliverance in the form of a cash crop. The fast-growing trees yielded lumber as well as naval stores, a term that refers collectively to rosin byproducts such as turpentine.

Not only did Brunswick have nearby timber acreage, it had a superb port facility with rail access, ready to ship the in-demand forest products to distant markets. The population of the city swelled from about 468 people in 1860, according to the U.S. Census, to over 2,300 people a decade later. By 1880, the Census showed that 2,800 people lived in the city. In previous years, the county had a higher population when taking farms and plantations into account. By the mid-1880s, fortunes were being made in Brunswick, and that created an opportunity for banking.

The banking industry in Georgia, as in all states, was wildly variable and unregulated in the nineteenth century. In 1860, the cumulative capital in all banks in the state totaled \$13,500,000. In 1871, five miserable years after the end of the Civil War, banks in Georgia reported only \$2,384,400 in capital, less than 18% of their original value. But by 1877, a recovering economy gave rise to a total of 39 banks in Georgia, including 27 state and 12 national financial institutions.

In 1888, an impressive new City Hall building, designed by Savannah-based New Yorker Albert Eichberg, was completed on Queen Square in Brunswick. The Richardson-Romanesque style of the structure set the tone for Brunswick's architectural character,

featuring brick walls trimmed with contrasting gray limestone elements. A year later, in 1889, the Oglethorpe National Bank was chartered. Operating from its original home



at 301 Gloucester Street in the Madden Building, the new bank's directors included such notable names as Major Columbia Downing, John E. du Bignon and H.T. Dunn, brother of the former mayor of Brunswick, the late David T. Dunn. Apparently, the new bank grew quickly, for it built an imposing three-story building at 211 Newcastle Street (the contemporary number is 1419 Newcastle), on the northern side of Jekyll Square west. The building was brick with limestone trim, in keeping with the appearance established by the new Eichberg City Hall structure.

Historic City Hall, built in 1888. Courtesy Golden Isles Arts & Humanities Association

From the outside, anyone visiting Brunswick in 1890 would have been impressed with the city's vigorous building program of stately landmarks, neat shops and expanding seaport. To casual admirers, there would have been no indication of the coming catastrophe that would last for three years.

1890-1893: Oglethorpe National Bank

The new bank and trust moved from its first home in the Madden Building into the 3-story building on Jekyll Square in 1890 and was open for three years before the infamous Panic of 1893 hit the nation. The entire economy went into a spiral that was considered the worst in the nation's history until 1929. Only days before Grover Cleveland took office in 1893, a rapid succession of economic failures occurred. The impact was felt in Brunswick in numerous sectors, as well as the rest of the nation.

To oversimplify somewhat, the Panic of 1893 was the result of several factors. An overabundance of silver mines had been opened in the west, and their high level of production drove the price of silver down. To stabilize the silver market, the Sherman Silver Purchase Act was passed and the Federal government required all currency to be backed by silver or gold. On May 5, and again on June 27, 1893, the New York Stock Exchange crashed, and the nation was left without a system of credit.

As stocks fell, people exchanged greenbacks for gold. The resulting run on the banks depleted gold reserves in the U.S. Treasury to the point where the minimum was reached and the Treasury became unable to give people gold in exchange for currency. Since the Sherman Silver Purchase Act required the Treasury to provide silver or gold in exchange for these notes, Congress repealed that legislation late in 1893 to attempt to deal with the panic. The repeal of this act caused a steep decline in the value of silver and gold, which led to the closing of silver mines and related financial losses.

A boom economy in the late 1880s had encouraged speculation and rapid expansion by a number of industries, particularly the railroads. The overextended

railroads had hurried to build lines into areas that did not need and could not support them. Much of their growth was tied to servicing silver mines with both narrow gauge lines, which fed directly into mine areas, and standard gauge lines for passenger service. Railroad companies had borrowed aggressively to finance these new lines and hostile takeovers of competitors, and many were in the process of converting to all standard-gauge lines when the crisis began. With the closure of the mines, rail development projects became worthless, and the venerable Philadelphia and Reading Railroad went bankrupt.

Competing for Investors

The National Cordage Company, a major Ohio manufacturer of rope and other cord products, entered 1893 paying 100% stock dividends and 10% annual payments. It was the most actively traded stock on the exchange at the time. Such an aggressive stance attracted investors, but wiped out the company, which rapidly went into receivership. This event was a high profile failure outside of the usual banking centers in New York, which alarmed the public and precipitated the stock market's first crash. Historians speculate that the psychological impact of such a large loss of investor capital, in a part of the country that was considered stable and prosperous, tipped the public into the widespread panic that pushed thousands of companies into bankruptcy.

Over 15,000 companies and 500 banks failed, and an estimated 17%-19% of the workforce was unemployed nationwide at the peak of the crisis. People could not pay their mortgages and rent; houses and farms were abandoned. Nature added to the damage with a crippling drought in the western states, causing crop failures that wiped out farmers and their creditors.

The Crash Crushes Brunswick

In Brunswick, the impact was felt within the forest products sector as orders for the port's major export, railroad ties, were cancelled. New building stopped dead in its tracks, crippling the construction lumber market. This affected the utilization of the port as well as local sawmills and timber suppliers. Anything that affected the port's usage also impacted other local business, from suppliers of provisions such as fresh meat and produce, to shipyard repairs.

Insofar as parks and city squares were concerned in Brunswick, the city had already succumbed to financial shortfalls in 1892 and had dismissed its park keeper. Street cleaners took over the care of the parks, and in the five years of their tenure, the fountain of Hanover Square fell into such disrepair that it virtually stopped working.

The fountain was not the only casualty of declining fortunes in Brunswick. Three of the city's banks went out of business in 1893, including the Oglethorpe National Bank. Tragically, the president of the company shot himself over the loss of depositors' and investors' money. The street-level floors of the stately bank building sat empty, and the entire city was sobered by the tragedy. The building was used after the hurricane of 1898 to house records salvaged from the flooded county courthouse on Queen Square, which sat on another quadrant across from City Hall. Later, the county purchased the



The former Oglethorpe Bank building, repurposed after the 1898 hurricane as the County Courthouse. Courtesy Golden Isles Arts & Humanities Association

former bank building to use for that purpose until a permanent location, which is now called the Historic Courthouse, was completed in 1907. Brunswick Bank and Trust, later renamed American National Bank, purchased the building from the county in that year, and operated in the Jekyll Square West location until 1958.

Epidemic

Brunswick's economy was reeling from the sudden collapse of local and national investment icons. It must have seemed as if the city had its full measure of sorrow when another unexpected blow fell: yellow fever.

In 1876, an epidemic of yellow fever, brought in by recovering sailors on ships from Cuba, swept through Brunswick. In the seventeen intervening years, the city had made progressive moves to improve public health. A large well topped with an accessible fountain was installed in Hanover square in 1884. Wells were dug to supply more abundant fresh, clean water to an

expanded area within the city shortly afterwards. Although Cuban physician Carlos Finlay had identified mosquitoes as the carriers of the disease in 1881, it would be another two decades before U.S. Army Surgeon Walter Reed would complete research that finally proved Finlay's theories correct. In 1893, however, the words "yellow fever" were as deadly to a city's economic health as they were to the health of its human inhabitants.

Initially, a few scattered cases in the city were officially reported as isolated incidents. Word spread, and a panicked exodus ensued. City fathers tried in vain to hush the reports, especially when journalists from northern states began to ask questions. Business owners and other local leaders hurriedly published desperately optimistic reports of the outbreak being an exaggeration, and assured anyone interested in investing in the city that Brunswick's citizenry was in the best of health.

When families tried to leave town, however, only the early evacuees were successful. The Army quickly took control of the area and detained anyone attempting to leave. At that time, the degree of contagion caused by human-to-human contact was still unknown. Those who were held inland in squalid camps endured conditions worse than staying in the city in the comfort of their own homes.

The toll on the city was sobering. In 1890, the U.S. census reported 8,459 inhabitants in Brunswick. When the yellow fever epidemic ended with the colder weather of autumn, it had sickened 1,001 people and claimed 53 lives. It is worthwhile to note, however, that these were only the reported cases. With the city's fear of frightening off investors, the actual count might have been a much higher number.

Nature's Fury

Many citizens of Brunswick were successful in escaping the outbreak by leaving as soon as they heard the news of yellow fever. It was fortunate that they did, for on August 26, 1893, a "back door" hurricane swept by and caused a storm surge of 6 feet into downtown Brunswick. Part of the infamous "Sea Islands Storm" of 1893, the hurricane failed to inflict the high number of casualties in the city on the mainland because so many families had fled to avoid disease. Between 2,500 and 3,000 people on the barrier islands of Georgia and South Carolina died immediately in the storm, with countless more succumbing to disease and starvation in the months that followed.

The loss of life was racially disproportionate, with the strong majority of victims comprised of former slaves still living on barrier islands and in small communities at the water's edge. The families who chose to remain and eke out a barely adequate living in familiar surroundings after the war were totally unprepared for the storm. Many who lived on the mainland had access to newspapers and telegrams that informed them of an enormous weather system approaching. But far more who feared recapture, distrustful of their new freedom, had faded into the dense coastal woodlands and intentionally avoided contact with the rest of the unreliable world.

Freedmen clinging to survival from fishing and growing meager crops on small plots of land were the hardest hit. Their settlements were so remote that the Red Cross and other aid organizations had difficulty locating where they should have been in the aftermath of the hurricane. By the time the waters had calmed sufficiently to launch rescue and aid boats, all that was left of countless houses and cabins were their foundations and a few blacked hearthstones. Clusters of bodies of victims reappeared on shores far from their homes after the tides and currents returned to normal. Swept away by intense storm winds or the tidal surge afterward, the casualties were unknown to the isolated survivors desperately trying to assemble enough food, water and shelter to stay alive. Late summer crops in fields and home gardens were at their peak when the storm hit. The loss of those resources was catastrophic.

Those who did survive the Sea Islands Hurricane had horrific stories to tell to famed Atlanta journalist and author, Joel Chandler Harris. Writing a story for Scribner's Magazine on the recovery efforts after the storms, Harris took care to visit as many desperate clusters of African American families as he and his boatman could find. Stunned parents quietly shared heart-wrenching accounts of climbing trees with infants and younger children in their arms to escape rising storm tides, and of their anguish to see them ripped away from their embrace. Older children clung to nearby branches; but younger ones were unable to hold on against the storm's estimated 120 mph winds. Meteorologists who have studied the records estimate that the wind speed plus the extremely low barometric pressure (from 931-954 MB) would have placed the Sea Islands Hurricane above a Category 3 storm. Over 30,000 people along the southern coast were left homeless, their crops destroyed and fresh water contaminated by saltwater intrusion. Historians declared the storm the 4th deadliest in the history of the United States.

The Aftermath

No amount of positive thinking can derive any benefit from the outbreak of yellow fever. The monumental failure of the quarantine project put the Army's handling of the emergency under unfavorable scrutiny, which changed the procedure for such events in the future.

The death, devastation and grave human tragedy of the Sea Islands hurricane resulted in a great deal of examination of how the nation handled recovery and philanthropy after such an event. Joel Chandler Harris's article in Scribner's Magazine brought a great deal of validation, support and positive attention to the American Red Cross and its founder and president, Clara Barton.

The financial decline, however destructive at the time, did pave the way for a more stable banking organization in the nation. In Brunswick, the banks that did survive the crashing economy of 1893 became more organized, more service-oriented and progressive in their facilities and operations. The economic depression that began in that terrible year, 1893, was long in its resolution, but the nation - and Brunswick - did emerge victorious.