

MISSOURI'S HIDDEN CIVIL WAR: FINANCIAL CONSPIRACY
AND THE DECLINE OF THE PLANTER ELITE, 1861-1865

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ABSTRACT

This dissertation explores a previously unknown Civil War financial conspiracy that backfired and caused a great deal of collateral damage among Missouri's pro-southern population. In 1861, a small group of pro-secession politicians, bankers, and wealthy men conspired to divert money illegally from Missouri's banks to arm and equip rebel military units then forming throughout the state. The scheme's collapse eventually caused a revolution in land ownership and permanently altered the state's political economy.

In 1861 and 1862, Missouri's banks paid the equivalent of hundreds of millions of today's dollars in unsecured loans to the state's southern sympathizers, in return for sham collateral. After Confederate defeat, litigation arising from these loans resulted in sheriffs' sales of over a half million acres of farmland. These land sales effectively ended the plantation system in Missouri and the leading role of Missouri's planters. The widespread distress caused by the land sales also intensified the state's notorious guerrilla insurgency, the worst such conflict ever fought on American soil. The financial history of the Civil War in the West has been hitherto largely unresearched, and this dissertation explains certain social and economic outcomes that otherwise seem anomalous. The dissertation also considers at length the development of antebellum state banking, its role in the slave economy, and the banking industry's wartime transformation.