

The River of Prosperity:

An Analysis of How the Trinity River Affected the Growth of Palestine, Texas from 1846 – 1880

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Rivers have been essential for growth since the beginning of time. Civilization began to flourish in large regard to the Euphrates and Tigris Rivers in the Mesopotamian River Valley. These rivers caused the land to be fertile and gave the nomads a place to settle down. The nomads never had the time or resources to develop civilizations before they settled down near the rivers. Once settled, the newly founded civilizations were able to spend less time hunting and more time developing religions, learning to read and write, etc. Rivers are not only essential for agriculture, but they also helped develop massive trade networks throughout the world. Rivers decreased the amount of time it took to get from one place to another significantly. This was especially true with the development of the steam engine. In the early to mid-19th century, steam engines defined North American trade networks. The ability to move up and down the massive American rivers allowed a large, sprawling country to be able to share in common interests. Trade goods flowed from the coasts through the states on the steamships and stopped at most ports along the way. This is especially true for the Trinity River in Texas. It is not nearly as famous as many large rivers, but it provided many small Texas towns, such as Palestine, the opportunity to prosper.

Palestine was strategically placed to become not only the political seat of the county, but also the economic hub. Palestine was in the center of Anderson County and located near Fort Houston. The founders, Dan Lumpkin, John Parker, and William Turner Sadler, established Palestine in 1846. The town received its name because John Parker had come from Palestine, Illinois. This new city served as the seat of Anderson County and the first courthouse was built

soon after. The first official census taken in Palestine was in 1848. The census records that there were 179 people in total, 31 “Negroes” and 148 whites, in Palestine two years after it was founded.¹ The Trinity River was key in the decision making process as to where Palestine should be located. The city could not be extremely close to the river because of the frequent flooding; however the distance between Palestine and the Trinity River would be the key to establishing economic growth in the city. Moving products to and from the river would take a large amount of time if the city had been located farther away from where it was founded originally. Considering how much cotton was being produced on some local plantations, the time it took to get one shipment to the river was very important. On horse and buggy, the trip from Palestine to the Trinity took little more than an hour.

The Trinity River is about ten miles west of Palestine, Texas. The river flows from north to south from Dallas to the Gulf of Mexico near Galveston. The Trinity was extremely important in transporting goods from Dallas to the coast and visa-versa. The first shipment went up the river via steamboat around 1836. The Trinity River was vital to the growth of Palestine after its establishment in 1846.

Palestine, more specifically Magnolia, became a halfway point for the steamboat captains, crew, and anybody who was traveling up or down the Trinity.² Magnolia, Texas was established in the 1840’s about 10 miles west of where Palestine was located. Magnolia disappeared long ago and all that is left now are some rocks and weeds, but Magnolia cemetery

¹ USGenWeb Archives, “The First Census of Palestine, 1848,” <http://files.usgwararchives.net/tx/anderson/census/actcen001.txt> (accessed October 29, 2013).

² Van Devender, "Map of Magnolia Texas," Map, July 7, 1924, University of North Texas Libraries, The Portal to Texas History, December 04, 2013, <http://texashistory.unt.edu/ark:/67531/metaph11920/> (accessed December 10, 2013).

is still maintained. The cemetery is located close to a mile away from where Magnolia had been. In reference to current highways, the cemetery is about 3 miles south of Highway 79 on Farm to Market Road 294 and it is located on the right side of the road. Magnolia was located on the bank of the Trinity River and the small town was significant for Palestine's growth during the steamboat era.

The main components of discussion will be how the steamships on the Trinity affected the economic growth of Palestine, why the city of Magnolia as a port contributed to the growth of Palestine economically and physically, and how the railroad caused Palestine's merchants to cease using the Trinity River. These three components work together to prove that Palestine and Magnolia, Texas enjoyed a mutually beneficial relationship until the arrival of the railroad in Palestine in 1872.

The establishment of Magnolia, Texas provided Palestine an influx of new citizens and social elites, a halfway point to store cotton and dry goods, and a stopping point for travelers. Magnolia did not grow generally because of sickness and flooding, and at its height had a population of 800 citizens, but Magnolia was crucial for Palestine to rapidly grow after its founding in 1846.^{3 4} Magnolia was not a popular place to live, but merchants from all over the world enjoyed stopping in Magnolia temporarily and experiencing some of the lavish parties that took place in town.

³ Adolphus Sterne, "March 7, 1851," *Diary* (March 7, 1851), quoted in Carl Avera, *Wind Swept Land* (San Antonio, TX: The Naylor Company, 1964), 11.

⁴ Carl Avera, *Wind Swept Land* (San Antonio, TX: The Naylor Company, 1964), 12.

Magnolia became a vital halfway point between Dallas and Galveston. Magnolia was also a central staging point for Palestine's businessmen who imported and exported cotton frequently. W.A. Hagood established his warehouses in Magnolia because the town became a fundamental location for the steamboats and businessmen of Palestine. Carl Avera, a Palestine historian, states, "There were times when the warehouses at Magnolia were packed with up to five thousand bales of cotton waiting for the steamboats' arrival."⁵ These warehouses were important for Palestine because they helped improve the process of moving cotton down the river. According to a map of Magnolia drawn in 1924, the warehouses in town made it possible for cotton to be quickly moved from the warehouses and onto the boats because the distance between the river and warehouses was only a few hundred yards.⁶ Without the warehouses the wagons would have to move the cotton from Palestine to the boats. This process would have cost too much time and money because of how little the wagons could hold and how much cotton was to be moved.

Magnolia provided the citizens of Palestine a chance to get out of town and experience lavish events on the Trinity. Whenever the steamships were coming into port, the captain sounded the whistle a few miles before getting into Magnolia. This signal was able to be heard ten miles inland, in Palestine, and it caused all the citizens who were expecting merchandise to travel into Magnolia. The young ladies of Palestine rode into Magnolia for the luxurious parties that were held at Mr. Hagood's tavern and hotel. Carl Avera, in a newspaper article, states, "At

⁵ Ibid., 13.

⁶ Devender, "Map of Magnolia Texas".

one such ball, Dr. Robert Lacy, a passenger, met his future bride.”⁷ Magnolia was a social hub for the citizens of Palestine, and it gave them a way to have fun and relax.

Sometimes the Trinity River was extremely low and the steamships that were docked in Magnolia became stranded in port for extended periods of time, causing more money to be spent in both Magnolia and Palestine. W.A. Hagood owned many buildings in the city of Magnolia, including the Hagood Tavern/Hotel. According to the map of Magnolia from 1924, the hotel was not very far from the river itself.⁸ Lodging for two horses and one man was \$2.00 a night at Hagood’s hotel in 1870, or \$35.71 in today’s money, a bargain for any hotel.⁹ By offering such a great bargain, steamship captains and crew became encouraged to stay in the hotel and travel into Palestine for any products they may need that could not be obtained in Magnolia.

Magnolia became very influential. Many prominent individuals who had traveled on the river actually stayed at Hagood’s hotel. Among those men who signed the guest register were General Sam Houston and Colonel George Wright.¹⁰ Adolphus Sterne states in his diary on March 7, 1851, “...went to Magnolia on the Trinity stopped all night, this place is also new, it is the present head of navigation of Trinity and is an Excelent(sic) place for a large business, and if one gets started may become the principal point on the river, such as Shreveport is on the Red River, but it is very sickly, and for that reason would not like to reside here with my family,

⁷ Carl Avera, “Old Magnolia Was Important Trinity Point,” *Palestine Herald Press*, November 18, 1968.

⁸ Devender, “Map of Magnolia Texas”.

⁹ Avera, “Old Magnolia Was Important Trinity Point”.

¹⁰ Devender, “Map of Magnolia Texas,” Description.

stopped with Mr. Hagood.”¹¹ Many people traveled to Magnolia, but it never grew to a large size. As Mr. Sterne states, the town was simply too sickly for anyone to actually want to live there. This sickness Sterne mentions could be a common occurrence due to the fact that Magnolia was in the floodplain of the Trinity. Whenever the Trinity River overflows, the land around it becomes flooded for extended periods of time. The standing water, in turn, attracts mosquitos and other insects that carry diseases. Also, the Trinity is not a clean river and water borne bacteria were likely much more common in a time when sanitation was not very well developed. The founders of Palestine were wise to make sure that Palestine was established well outside of the floodplain, but still in a proximity that allowed the city to prosper from the river.

The Trinity River began to receive a positive repute that was beneficial for Magnolia and Palestine’s economy. More people traveled on the river as its reputation grew, therefore bolstering the economies in Magnolia and Palestine. In *Texas and Mexico in 1846* it states, “The Trinity offers the best steamboat navigation in Texas. Boats have already ascended to New Cincinnati and Osceola and can go easily to the Three Forks, in the mineral region, two or three hundred miles above. This is a district of remarkable fertility and beauty.”¹² This statement is likely popular advertising, but in large regards it is true. The Trinity is a very wide and deep river at most points and allows easy access to most steamships. Captains preferred to take easier routes in an attempt to decrease their chances of wrecking. By stating these good qualities about the Trinity River and the valley, the report really made traveling up the Trinity

¹¹ Adolphus Sterne, “March 7, 1851,” *Diary* (March 7, 1851), quoted in Carl Avera, *Wind Swept Land* (San Antonio, TX: The Naylor Company, 1964), 11.

¹² John Newman, *Texas and Mexico, in 1846: Comprising the History of Both Countries With and Account of the Soil, Climate, and Productions of Each* (New York: J.K. Wellman, 1846), 26.

sound enticing. The more traffic on the river, the better off Palestine's economy would become.

Cotton and general dry goods became the main source of exports and imports for Palestine. Growing cotton was extremely popular in America during the 1800s, particularly in the Southern states. Texas was one of the states that had been exporting a significant amount of cotton through the Gulf of Mexico. European traders picked up the cotton they purchased in the Gulf of Mexico to take back to Europe. Great Britain was one of the largest purchasers of American cotton. The only way to keep up with the demand was to move the supply of cotton down to the coast quickly, and the fastest way to get cotton to the coast was on one of Texas' many inland rivers. Dry goods were also imported and exported on the rivers in Texas.

Palestine's economy relied on cotton. In 1860 the price of cotton was 10 cents per pound and just a few years later, during the Civil War, the price of cotton was \$1.89 per pound.¹³ The cotton prices were crucial to how much money Palestine brought in, especially during the Civil War. Palestine was actually established before the Civil War and the county's production of cotton, as well as the production of food, helped Palestine survive the war. Other smaller cities like Palestine struggled during the war, but because Palestine was near the Trinity River its merchants were able to make money by selling cotton to buyers overseas. The Union blockade during the Civil War had little effect because the blockade runners were very successful. Frank Owsley wrote that out of 485 runs from Nassau Bay, between 1861 and 1864,

¹³ Eugene R. Dattel "Cotton and the Civil War," Mississippi History Now, July 2008, <http://mshistorynow.mdah.state.ms.us/articles/291/cotton-and-the-civil-war> (accessed December 09, 2013).

only 15 percent were captured by the Union blockade. Even with the blockade, products were still shipping out of Palestine on the Trinity River.¹⁴

The cotton prices were vital to how much money Palestine's merchants made, but the quantity of cotton being sold was more crucial. In a journal entry written by James Hall, in 1860, he states, "The river down and one flat boat from Parker's bluff laying shore with 307 bales of cotton." In this particular situation the ship was actually stuck at Parker's bluff with its load because of the low water. However, this was quite a large amount of cotton being shipped out of Palestine. Given that cotton bales are 500lbs a piece, each bale was worth \$50 which would make that shipment of 307 bales worth \$15,350.¹⁵ To put the previous statement into perspective based off of an inflation calculator \$15,350 in 1860 is worth \$426,388.89 in 2013. There were reports of some boats having a carrying capacity of 900 bales of cotton.¹⁶ Without the Trinity River readily accessible, cotton farmers would not have been able to ship the bales out in such a large quantity; therefore, they would not have been able to make very much money at any one time. The Palestine cotton farmers had to be able to keep their supply up with the European demand and the Trinity River made that requirement a possibility.

The establishment of the warehouses in Magnolia was important to ship large amounts of cotton out of Palestine. These warehouses were owned by W.A. Hagood, a citizen of Magnolia. Hagood had to make his storage prices affordable and desirable for his consumers,

¹⁴ Stanley Lebergott, "Through the Blockade: The Profitability and Extent of Cotton Smuggling, 1861-1865," *The Journal of Economic History* 41, no. 4 (December 1981): 874, <http://media.etbu.edu/stable/2120650?seq=8> (accessed December 10, 2013).

¹⁵ C.B. Clope III, Andrew W. Hall, Joe J. Simmons III, Texas Historical Commission, *The A.S. Ruthven A Preliminary Survey for the Texas Historical Commission*, 8.

¹⁶ James M. Hall, *A Journal of the Civil War Period: 1860-1866*, February 18, 1860.

which consisted mainly of farmers from Palestine and Anderson County. W.A. Hagood had placed an ad in the December 10, 1853, edition of *Trinity Advocate* which stated that Hagood had established a storage fee of 25 cents per bale each month. The fee was an excellent deal regarding the fact that after each bale had been sold they were worth \$50 a piece. Hagood's warehouses were not only fair and profitable, but also essential for Palestine's growth.¹⁷

The Trinity also proved to be vital in providing merchandise to stock the twelve dry good stores located in Palestine. The steamboats were most commonly known for moving cotton down the Trinity, but they also brought in different dry goods that came from the coast. Hagood established rates for storing dry goods in his warehouses, as he did with cotton. Most dry goods were shipped in barrels and Hagood stored each barrel for 12 ½ cents.¹⁸ By offering storage for the barrels, Hagood was expanding his markets, which made him a profit, and it allowed the storeowners in Palestine to accumulate the barrels in Magnolia until they were able to retrieve them and bring the barrels to their stores.

The twelve dry good stores in Palestine imported a variety of dry goods and then resold them at a higher rate to the public in an effort to make a profit. James Hall wrote in his journal in 1863, "merchandise lists were brought back including every imaginable product from pins to plows."¹⁹ Hall then listed some of the specific products such as: calico, bleached domestic, furniture, sidesaddles, coffee, sugar, tea, and spices.²⁰ These were just a few of the many products to travel down the Trinity and enter Palestine's marketplace. The Trinity gave local

¹⁷ W. A. Hagood, "Notice!" *The Advocate* (Palestine, TX), May 20, 1857.

¹⁸ *Ibid.*

¹⁹ Hall, *A Journal of the Civil War Period: 1860-1866*

²⁰ *Ibid.*

citizens the opportunity to enjoy a diversity of goods from around the world. This stimulated the economy and caused the citizens to spend their money on the groceries and products they needed and wanted.

The steamboats on the Trinity River actually helped bring about their own demise in the 1870's. Palestine soon became a thru point for the Houston and Great Northern Railroad Company. The company finally finished construction in Palestine in September of 1872. The railroad took advantage of the Trinity River just like Palestine had been doing for over 20 years. The steamships on the Trinity River helped bring the International-Great Northern Railroad to Palestine.

Many sources say that the last pieces of steel to finish the railway lines in Palestine came in on the steamships from the Trinity River. Linda Richardson of the Palestine Herald Press wrote an article on Magnolia and in this article she uses a quote stated by W.B. Woodhouse, a Palestine resident, whose father lived in Magnolia in 1859. Woodhouse stated, "one of the last steamship trips up the river was a ship carrying steel for the building of the I&GN Railroad."²¹ For clarification, I&GN railroad stands for International-Great Northern Railroad. This was the railroad that formed in Texas whenever the Houston and Great Northern Railroad merged together. The steamship captains may not have seen their demise by assisting in the construction of the railroad, or the captains may have seen the situation as inevitable and they chose to profit the most they could in the time they had left. Either way, the steamboats stabilized Palestine's economy for more than a century by helping bring in the International-Great Northern Railroad.

²¹ Linda Richardson, "Magnolia's Colorful Past," *Palestine Herald Press*, February 2, 1964.

With the new inland route, Palestine's commerce increased. Unlike river transportation, the railroads could carry goods across the country all year, despite droughts or bad weather. Palestine was a hub for transporting "Large quantities of cotton, lumber, cottonseed oil, and fruit" on the International-Great Northern Railroad.²² The shipments also were not limited to the coast anymore. The railroad lines went up to St. Louis which made it possible for Palestine's merchants to ship products as far up as Missouri on the I&GN railroad.

When the International-Great Northern Railroad opened up in Palestine, the company required a railroad depot be built in the town. The depot was located on flat ground down at the bottom of the hill from where the original courthouse was located. Eventually, the railroad in Palestine became so influential that it caused the courthouse to be moved closer to the depot. It was at this point that "new town" began to form and left "old town" Palestine behind. Everything began to shift towards the railroad. When the new depot was brought into Palestine, it caused many jobs to become available.

As Palestine finished construction of the railroad, Magnolia began to slowly slip away. An article written by the Palestine Daily Herald in 1924 states, "The coming of the railroad did away with the river shipping business on the Trinity and most of the people moved to Palestine. The railroad was the one step that Palestine needed to become wide awake, and from then on, each year the little city grew and increased in population."²³ Palestine became "wide awake" and the citizens began maximizing their potential use of the railroad since its establishment in

²² Lester Hamilton, "History," Visit Palestine Texas, 2012, <http://www.visitpalestine.com/history.php> (accessed December 10, 2013).

²³ *Palestine Daily Herald*, "Growth and Development of Anderson County," April 26, 1924.

1872. Every year the city of Palestine grew in response to construction of the railroad and its formation of more jobs.

After the establishment of the railroad, citizens outside of Palestine began flocking into town to secure some of the new jobs. One situation in particular included the main offices for the railroad being moved to Palestine. The New Braunfels Railroad Museum states that in May of 1874 the International and Great-Northern Railroad “general offices moved from Houston to Palestine.”²⁴ The moving of these offices included the transfer of some personnel as well. It was impractical to train a new staff when they could transfer the staff in Houston to Palestine. By bringing in these new citizens the railroad was bringing in more money that could be spent in town.

With the Trinity River, the citizens of Palestine were able to prosper through a period in time when trade was difficult. The Trinity provided Palestine’s citizens an opportunity to ship their dry goods or cotton to the coast for sale. The Civil War would have been especially difficult for Palestine, as a newer town, to survive, had not the merchants been able to ship cotton on the river to Galveston during the war. The blockade in Galveston seldom caught the ships that left port to sell their product in foreign countries. Before the railroad, the Trinity River had been crucial for Palestine to not only survive, but prosper as well.

History proves that before the railroad, cities near rivers or the coast were far more likely to flourish compared to cities that were farther away. Palestine is another prime example of that lesson. It would have been much more difficult for Palestine to rapidly grow in

²⁴ New Braunfels Railroad Museum, "The History of the International and Great Northern Railway," I&GN HISTORY, <http://newbraunfelsrailroadmuseum.org/ignhistory.htm> (accessed December 10, 2013).

population, industry, and agriculture had it been located farther away from a river. The establishment of the railroad made it possible for any inland cities to be able to prosper equally as those near rivers. Palestine's citizens were fortunate enough to enjoy the luxury of having both a river and railroad in the city's vicinity.

Palestine and Magnolia formed a mutualistic relationship, but it was eventually destroyed by the railroad in Palestine. Palestine continued to survive after the 1880's, but all that is left of Magnolia is the land where everything stood and the Magnolia cemetery. However, the citizens of Palestine have been successful ever since its establishment in large part thanks to the location of the Trinity River and Magnolia. If history shows anything, it is that location is vital in developing a new city. The founders were wise in their decision to place Palestine near the river, but outside of the floodplain. This decision caused Palestine's citizens to be successful then, and, through later developments, the city of Palestine, Texas continues to thrive.

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