

Title of Lesson: *Birmingham: The Magic City*

(Suggested grade level: 4)

This lesson was created as a part of the Alabama History Education Initiative, funded by a generous grant from the Malone Family Foundation in 2009.

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Montgomery County School System

Montgomery, AL

Background Information:

Background information for teacher:

- Birmingham, Alabama (bûr'mĩng-hă'm')
 - It was first settled in 1813 as the town of Elyton.
 - Blast furnaces began operating in late 1800s because of the rich iron ore and other mineral deposits.
 - The city was laid out at the intersection of two railroads.
 - It was incorporated in 1871 and grew rapidly as an industrial center, earning it the nickname "Magic City."
 - The location of the county courthouse was moved from Elyton to Birmingham.
 - The "iron boom" in Alabama began in 1880, which is the year Alice furnaces started operating.
 - Birmingham was once called the "Pittsburgh of the South."
- Birmingham, England (bûr'mĩng-əm)
 - This was a major industrial center and was a center of the Industrial Revolution in the eighteenth century.
- Pittsburgh, Pennsylvania
 - This was once an industrial center.

Suggested reading:

Davis, Christopher. "The Role of the Elyton Land Company in Birmingham During the Depression of 1873 to 1879 ." Samford University, Copyright 2001. Web. 6 Jul 2010.
<<http://www4.samford.edu/schools/artsci/scs/davis.html>>.

See also, the Encyclopedia of Alabama article on [Birmingham](#).

Overview of lesson: Students will use primary source documents and images to gain an understanding of what led to the founding and growth of Birmingham in the late nineteenth and early twentieth centuries.

Content Standards

[Alabama Course of Study: Social Studies](#) (Bulletin 2004, No. 18)

Fourth Grade: Standard 10, p.32

[Alabama Course of Study: English Language Arts](#) (Bulletin 1999, No. 17)

Fourth Grade: Standard 3, p.26

Fourth Grade: Standard 8, p.27

Fourth Grade: Standard 9, p.27

National Standards for History, 1996

Standards of Historical Thinking for Grades K-4 (p. 15)

Standard 1 – The student thinks chronologically.

1A – Distinguish between past, present, and future time

Standard 4 – The student conducts historical research.

4B – Obtain historical data

Standard 5 – The student engages in historical issues-analysis and decision-making.

5A – Identify problems and dilemmas in the past

5B – Analyze the interests and values of the various people involved

Standards in History for Grades K-4 (p. 29)

Topic 2, Standard 3 – The people, events, problems, and ideas that created the history of their state

3E – The student understands the ideas that were significant in the development of the state and that helped to forge its unique identity.

National Curriculum Standards for Social Studies, (Bulletin 111, 2010)

Chapter 4 Learning Expectations: Early Grades

Standard 2 – Time, Continuity, and Change, p. 70

Primary Learning Objective(s):

The student will:

- Analyze the significance that location plays in the founding and growth of towns, specifically Birmingham.
- Examine how the availability of transportation and resources leads to the growth of towns and cities.
- Explore perspectives of the relationships, culture, and events of the founding of Birmingham that can be gained through images.
- Empathize with people from the past.
- Describe and illustrate reasons leading to the fast growth of Birmingham.

Time allotted: 30 minutes

Materials and Equipment:

- History of Elyton Land Company and Birmingham, Alabama (Copy of document attached as Elyton Land Co. PDF.)
- Modes of Transportation Photos (attached)
- Four-Fold Graphic Organizer (attached)
- Document-based Essay Questions (attached)
- Image-based Questions (attached)
- Wall map of Alabama or the southeastern United States
- Wall map of the world or a globe
- One square piece of white copy paper – approximately 8.5” x 8.5” or larger - per student
- Colored pencils or crayons – enough for all students

Technological Resources:

- Computer with internet access
- Digital projector

Background/Preparation:

- The students should have an understanding of the economic condition of the South after the Civil War and the necessity of rebuilding the southern economy.

Procedures/Activities:

Engagement/Motivation Activity:

The teacher will start the lesson by asking these questions:

- Have you ever heard of Birmingham?
- What do you know about Birmingham?
- Do you know why it became a city?
- Do you think transportation played a role?
- Why did they decide to call it Birmingham? (Have a student do a quick internet search to find this answer if it is not known by any students or share the reason – found in background/preparation section. Tie this in with Step 1.)

Step 1	Have students locate Birmingham, Alabama, and Birmingham, England, on a world map or globe. Make geographical comparisons.
Step 2	Discuss the importance of location, transportation, and availability of resources with regard to where cities are located.
Step 3	<p>The teacher or student will read indicated portions of Chapter 1 (listed below) of the History of Elyton Land Company and Birmingham, Alabama, a primary resource document. Students will discuss these excerpts as the teacher walks through the points of the article using document-based questions. (Copy of document attached as Elyton Land Co. PDF.)</p> <ul style="list-style-type: none">• Page 3, first paragraph; contains: ...South and North Railroad ...in course of construction from Montgomery to Decatur... knowing that there were immense deposits of coal and iron ore in Jefferson County, and knowing also that the above mentioned railroad must cross the Alabama and Chattanooga Railroad... around the intersection of the two roads and forming a corporation for the purpose of building a town thereon.• Page 7, second paragraph; contains: ...vast possibilities of BirminghamPage 10, first partial paragraph; contains: Birmingham grew and prospered...
Step 4	<p>After discussing the Elyton document, the teacher will ask these questions:</p> <ul style="list-style-type: none">• What role did railroads play in the building of Birmingham?• What was the importance of the railroad? <p>(You may wish to explain that Elyton is now a community within Birmingham.)</p>
Step 5	<p>Then the teacher will show at least four of the seven images of transportation (attached) from this time period using a document camera or computer and projector and will use image-based questions to engage students with these primary resources. The following images are saved in the Word document: Modes of Transportation Photos and can be found individually on the internet as follows:</p> <ul style="list-style-type: none">• Great Southern Railroad engine• L & N Railroad engine• Mule-drawn streetcar• Barges on the Warrior River• Railroad yard in Montgomery

	<ul style="list-style-type: none"> • Barge and train transporting coal • Image of streetcar track in downtown Birmingham <p>The students will compare modes of transportation of the time period and will discuss transportation by river, highway, and rail.</p>
Step 6	Students will complete the graphic organizer assessment and then share and display their products. (Simple directions for the teacher on how to fold the graphic organizer are attached as a Word document: Four-Fold Graphic Organizer.)

Assessment Strategies:

- Students will use a fold-it graphic organizer to show and tell four reasons that led to Birmingham becoming a city and earning the nickname “Magic City.” Students will label each flap with a reason and description or explanation, then draw a related illustration on the back of each flap. In the center square of the graphic organizer, students will illustrate a scene from Birmingham in the late 1800s or early 1900s. (Sample of Four-Fold Graphic Organizer attached.)

Extension:

- Students will create a three-column graphic organizer by folding a piece of paper into thirds and then unfolding it. (Make hamburger-like folds – or fold the paper to make short, wide columns – not hotdog ones, which would be long and narrow.) Students will then write one of these headings at the top of each column: liquid highway, concrete highway, and steel or rail. Beneath each of these headings, students will list as many methods or modes of transportation as they can. For example, boat would be listed under liquid highway.

Remediation:

- Provide one completed example – showing a reason and an illustration – of the fold-it graphic organizer assessment activity.

Accommodation:

- Do not count off for spelling.
- Require fewer answers, such as completing only three of the four flaps, in the assigned fold-it graphic organizer assessment activity.

Modification:

- Provide the student with a partially completed fold-it graphic organizer to use as an example while completing the project.
- Review Individualized Education Plans, 504 Plans, and Gifted or ELL Plans for instructional and assessment accommodations or modifications.
- Provide multiple opportunities for students to demonstrate comprehension and mastery of appropriate learning objectives.

Charles Murray Rudolph

HISTORY

OF THE

Elyton Land Company

AND

BIRMINGHAM, ALA.

By H. M. CALDWELL

President Elyton Land Co.

: 1892 :

[THIS BOOKLET REPRINTED IN 1926, IN CLOSE CONFORMITY TO ITS ORIGINAL APPEARANCE, AND PRESENTED TO THOSE WHO WILL FIND PLEASURE IN THE READING OF AN AUTHENTIC HISTORY OF THE EARLY DAYS IN BIRMINGHAM.]

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HISTORY OF THE
Elyton Land Company
AND BIRMINGHAM ALA.

CHAPTER I.

THE INCEPTION AND ORGANIZATION OF THE ELYTON LAND COMPANY

Names of Corporators—Christening of the City—Administration of Colonel Powell, the First President of the Elyton Land Company—Growth and Progress of the City—Removal of the Courthouse From Elyton to Birmingham—Hard Times in 1873.

In the year 1870 several gentlemen, most of them connected in one way or another with the South and North Alabama Railroad, which was then in course of construction from Montgomery to Decatur, Ala., knowing the fact that there were immense deposits of coal and iron ore in Jefferson county, and knowing also that the above mentioned railroad must cross the Alabama and Chattanooga Railroad (then completed from Chattanooga to a point near Tuskalooosa), at some point in Jones valley, in the vicinity of Elyton, conceived the idea of purchasing the land at, and around the intersection of the two roads and forming a corporation for the purpose of building a town thereon. Negotiations were subsequently entered into with the owners of the farms east of Elyton, for the purchase of the property, which resulted in the transfer of the titles to 4,150 acres of land to Mr. Josiah Morris, of Montgom-

ery, Ala., he agreeing to pay for the same \$25 per acre, three-fourths cash, and one-fourth in stock of the company proposed to be formed. On the 20th day of December, 1870, there was filed in the Probate court of Jefferson county the following declaration:

The State of Alabama, Jefferson County—To the Probate Judge of said County:

The undersigned respectfully represent unto your honor that they have formed an association for buying lands and selling lots with a view to the location, laying off and effecting the building of a city at or near Elyton, in said county, in which county the business is to be carried on, and are desirous of becoming incorporated.

And for that purpose attach hereto a declaration in writing, as required by law.

The undersigned apply for a charter and to be incorporated under the general incorporation law of the State of Alabama.

JOSIAH MORRIS,
J. R. POWELL,
SAM TATE,
CAMPBELL WALLACE,
H. M. CALDWELL,
BOLLING HALL,
J. N. GILMER,
B. P. WORTHINGTON,
W. F. NABERS,
WM. S. MUDD.

We, whose names are subscribed to this declaration, being desirous of forming an association for buying lands and selling lots with a view to the location, laying off and effecting the building of a city at or near the present town of Elyton, and of becoming incorporated, do hereby declare and make known for the purposes aforesaid as follows:

1. That said association shall be known by the corporate name of the "Elyton Land Company," and the object for which it is formed is, the buying lands and selling lots with

the view to the location, laying off and effecting the building of a city, at or near the town of Elyton, in the County of Jefferson and State of Alabama.

2. That the amount of the capital stock is \$200,000, which is divided into 2,000 shares.

3. That the names of the stockholders and the number of shares held by each are as follows:

Josiah Morris, who holds 437 shares.

James R. Powell, who holds 360 shares.

Samuel Tate, who holds 360 shares.

Campbell Wallace, who holds 120 shares.

Henry M. Caldwell, who holds 120 shares.

Bolling Hall, who holds 120 shares.

James N. Gilmer, who holds 120 shares.

Benjamin P. Worthington, who holds 133 shares.

William F. Nabers, who holds 180 shares.

William S. Mudd, who holds 180 shares.

On the 26th of January, 1871, the corporators held a meeting at the office of Josiah Morris & Co., in the city of Montgomery and organized the Elyton Land Company by the election of five directors. At a meeting of the directors held on the next day, Col. J. R. Powell was unanimously elected President of the Company, and the property previously purchased by Mr. Morris was formally transferred to the Company. After adjournment of the board of directors the convention of stockholders reconvened and adopted by-laws, among which was the following:

"The city to be built by the Elyton Land Company, near Elyton, in the County of Jefferson, State of Alabama shall be called 'Birmingham'."

Immediately after his election to the Presidency, Colonel Powell commenced preparation for carrying out the purposes of the Company. He without delay proceeded to the scene of operations, and opened an office in a small two-room house, which had been built by the Alabama and Chattanooga Railroad for a section house, which was situated on the south side of the railroad, immediately opposite where the lower

end of the union passenger depot now stands. Engineers were put to work surveying the property and laying it off into streets and avenues. The railroads having determined their location through the property, agreeing for the convenience of the proposed town to run their lines parallel to each other for a considerable distance through the property, the avenues were run parallel to the lines of the railroad tracks. This fact explains why the streets and avenues of Birmingham were not laid off corresponding to the points of the compass.

In July, 1871, Colonel Powell appointed Maj. W. J. Milner Secretary and Treasurer of the Company, and he has remained in the service of the Company from that time to the present.

Finding it impossible to build a city without building material, and in order that all parties desiring to build houses should not be delayed for want of it, Colonel Powell made an arrangement with a contractor from Montgomery to make a large quantity of brick upon the land of the Company, agreeing to pay for them as fast as they will burn, and to supply them at cost to builders as they were needed. The surveys having progressed sufficiently, on the 1st day of June, 1871, the office was opened for the sale of lots. The first lot sold in Birmingham was the corner of First avenue and Nineteenth street, opposite where the Morris building now stands. This lot, 50 by 100 feet, was sold to Maj. A. Marre for \$100, and is still owned by him, and is probably worth now not less than \$50,000.

There being a pressing necessity for hotel accommodations in the new town, Colonel Powell determined to build a hotel, but the treasury of the Company being empty he decided to appeal to the stockholders to furnish the money for this purpose. He, therefore, without delay issued a circular to the stockholders, setting forth the urgent needs of the town and asking them to pay into the treasury of the Company an assessment of 5 per cent. upon their stock. At this time, the stockholders having high hopes of the future prosperity of the town, responded with alacrity, and the hotel—a frame struc-

ture containing some thirty rooms—was built upon the railroad reservation on Nineteenth street, and was called the "Relay House." This was the principal hotel of Birmingham from the time it was opened in December, 1871, by Mr. William Ketchum, who came here from Rome, Ga., at the solicitation of Colonel Powell, to take charge of it, until it was torn down and removed in the spring of 1886 to make room for the present magnificent passenger depot.

Early in the year 1872 it became apparent that the water supply would soon be insufficient to supply the wants of the town and Colonel Powell immediately began the agitation of the question of building water works. Being unable to induce parties having the necessary capital to undertake the work, he decided that the Elyton Land Company would have to do it. On the 25th of September, 1872, the directors of the Company adopted a resolution authorizing the President to build water works. Work was immediately commenced and in the month of May, 1873, the water was turned on the town.

Colonel Powell was a man of commanding influence, by reason of his very positive character and indomitable energy, and having entered into the project of building a city, he bent all the energies of his nature to that end. Having an abiding faith in the vast possibilities of Birmingham, by an extensive system of advertising and the confident manner in which he proclaimed its brilliant future, he exerted a wonderful influence in inspiring confidence in others. When the day came on which he had given notice that he would commence the sale of lots many eager purchasers were on hand, ready and anxious to buy property. Lots were rapidly sold and in a remarkably short space of time houses were springing up in all directions, where but a few months ago cotton and corn had been growing, and where the rail fences were still standing.

The following extract from Colonel Powell's report to the stockholders, made on the 27th day of February, 1873, shows the progress of the city up to that time:

“At the date of my last report, one year ago, we had a population of about 800, with about 125 houses, among which were seventeen brick and thirty or forty frame stores. Our population now is about 4,000, with about 500 houses, of which fifty-four are brick or stone (none less than two stories high) and about 125 frame stores, the remainder consisting of about 250 neat and substantial brick and frame dwellings, six church edifices—which were erected by our own citizens almost entirely without assistance from abroad—two public mills, four hotels, of from ten to thirty rooms each, several private boarding houses, and restaurants, a national bank in successful operation, several manufacturing establishments and all the other concomitants which go to make up a thriving and prosperous city.”

The location of the site for the future city of Birmingham within two miles of Elyton, then the county seat of Jefferson County, naturally excited in the breasts of the citizens of the latter village some feeling of jealousy. As Birmingham made rapid progress this feeling became intensified until, in the latter part of the year 1872, when the President of the Elyton Land Company prevailed upon the Legislature of the State to pass an act requiring the Sheriff of the County to order an election to decide the question as to the permanent location of the Court House as between Birmingham and Elyton, the excitement rose to fever heat. This election was held under the loose election laws adopted by the Reconstruction Legislature which permitted a voter to cast his ballot at any precinct in the County without regard to residence, and under the operation of which the newly enfranchised “citizens of African descent” might vote at two or more places the same day with very little danger of detection.

Colonel Powell was a man who, when he made up his mind to accomplish a certain object, allowed no ordinary obstacle to defeat his purpose. He had determined to capture the Court House and he at once organized a vigorous campaign. His plans were of a most elaborate and comprehensive character and were carried out in all details with consummate skill. On the day fixed by law for the election, the first Mon-

day in May, 1873, he had prepared, on the lot selected by him for the future Court House, a barbecue on a most extensive and liberal scale to feed the hungry voters which he proposed to bring to Birmingham. He had perfected arrangements with the railroads to run excursion trains from the furthest confines of the County and perhaps beyond, and to transport free every voter, without reference to "race, color or previous condition of servitude," who would vote his way. About noon on the day of the election, these trains packed almost to suffocation with a dark mass of perspiring, hungry humanity, rolled into Birmingham. Colonel Powell, mounted on old man Dobbins' calico pony, with a drawn sword in his hand, was at the depot to marshal his forces and march them to the ground, where long tables, improvised for the occasion, were now groaning beneath the load of savory meats just from the smoking pits. While the dusky sovereigns were being formed in line of march preparatory to the charge upon the dining tables, some wag caused it to be whispered among them that the tall, dignified gentleman on the calico pony was General Grant, and forthwith every mother's son of them was prepared to exercise the prerogative of a free American citizen by voting for Birmingham as General Grant (?) wanted them to do.

The contest resulted in an overwhelming majority for Birmingham, and the Court House of Jefferson County was by the edict of the people permanently located at the Magic City. *Vox Populi! Vox Dei!*

This election was a striking commentary upon that feature of our government which, in the decision of great questions having a direct influence upon the value of real property, gives as much weight to the vote of the ignorant, impecunious citizen, who does not own enough ground in which to bury him, as to the vote of the intelligent, thrifty man, who counts his acres by the thousand.

A most intense feeling of indignation was aroused in the breasts of the good people of Elyton by this election, the canvass preceding it and the manner in which it was conducted. They honestly felt that the Court House which had been at

Elyton since the formation of the county and had recently been rebuilt by them, belonged to them by right of possession at least. They believed the building was amply sufficient for the immediate needs of the county, and it seemed to them a great piece of injustice for Birmingham, their young, but cheeky neighbor, to deprive them of it in this manner, and in addition, to tax them for the erection of a new one, which, in their opinion, was an unnecessarily extravagant building. But in a comparatively short period "grim visaged war had smoothed its wrinkled front," all the wounds inflicted by this acrimonious contest had healed, and the people of Elyton found, as Birmingham grew and prospered to such an amazing extent, that what at one time appeared a great calamity, was really a "blessing in disguise," and they realized that the wonderful development of Birmingham had enhanced the value of their possessions greatly beyond their most sanguine expectations, and that they were much better off on account of their proximity to great Birmingham than they would have been by the possession of the Court House alone.

The Court House, built immediately after this election, and which was considered at that time such an extravagant building, was torn down in less than twelve years from the time it was erected and replaced by the present magnificent structure, costing over \$300,000, and which, spacious as it is, is even now too small for the constantly increasing business of the rich and prosperous County of Jefferson.

Up to the spring of 1873 the town grew rapidly and had fairly won the title of the Magic City, but about that time the building of houses ceased. The carpenters and brick masons who had been kept busy for a year and a half in the erection of buildings, found themselves without employment, and as a natural consequence the trade of the merchants fell off. The financial panic which occurred in Wall street in the spring of 1873 had a depressing effect upon the whole country, and of course the young and struggling city felt it keenly. Then followed a very serious epidemic of cholera which appeared in Birmingham in June of this year and which almost entirely de-

populated the town. Many residents of Birmingham who had left during the cholera epidemic did not return after it was over, and many nonresident property-holders, believing that the town was a failure, were anxious to sell the property they bought in the new town, but it was difficult to find buyers. Bats and owls were the sole occupants of many buildings which had been rented by anxious tenants and occupied almost before they were finished, only a year and a half before. The streets, which but a short time before were the scenes of busy industry, were now silent and almost deserted, presenting the usual listless aspect of the typical Southern village. A stranger was rarely seen upon them, and when one did make his appearance he was the "observed of all observers." Gloom had settled like a dark pall over the young city, while despair had seized upon its people, who were formerly bouyant with hope.

The population of Birmingham, which in the early part of 1873 had been estimated at 4,000, had now dwindled to less than 2,000. Property continued to decline in value. From the early part of 1873 to 1879—six years—the first period of depression in Birmingham, sales of property by the Elyton Land Company were barely enough to pay interest and office expenses. Improved business property sold during this period for less than one-fourth of the cost of the improvements on it. The stock of the Company continued to decline in value, and its creditors were clamorous for their money. Colonel Powell called meeting after meeting of his Directors, and vainly urged them to adopt some plan to relieve the Company of its financial embarrassment. Meanwhile, the debts of the Company were growing larger and larger by the accumulation of interest, and creditors were becoming more pressing. At a meeting of the Directors held November 21, 1873, the President stated that in view of the present financial crisis which had caused an almost complete suspension of the business of the Company, he would remit his salary for the unexpired term of his office and serve them without compensation. About this time the salary of the Secretary and Treasurer was reduced, and it was decided that the Company could not afford to pay a salary to the Superintendent of the Water Works, and the works were

turned over to him to operate, allowing him to receive the entire net earnings as his compensation.

During this long period of stagnation in business and depression in values in Birmingham there was, as a natural consequence great dissatisfaction among the people, who, when prospects were bright had in many instances invested their all in property in the Magic City. Croakers were not wanting who expressed no hope for the future of the city, and who hesitated not to ascribe to the Elyton Land Company the responsibility for all their woes. Bitter feelings toward the Company were freely indulged in, and the harshest criticisms were heard on every hand of the Company, its officials and their management.

CHAPTER II.

Resignation of Col. Powell, and Election of Dr. H. M. Caldwell to the Presidency—Four years more of Depression—Revival in 1880—Boom in 1886.

In March, 1875, Col. Powell resigned the office of President, and Dr. H. M. Caldwell was elected in his stead, and has been continued as President from that day to this. At this time the indebtedness of the Company amounted to about \$70,000. It had no credit, no money, and nothing to sell except land and water; there was absolutely no demand for the former, and scarcely enough for the latter to pay the cost of furnishing it, and its capital stock would not sell on the market for \$15 per share.

Immediately after his election the President was authorized by the stockholders to issue \$80,000 of bonds bearing 8 per cent. interest, secured by a mortgage on all the property of the Company, and to sell these bonds at 80 cents on the dollar for the purpose of raising money to pay the debts. The mortgage was executed and the bonds issued, but purchasers for the bonds could not be found, and but one small creditor of the Company could be induced to take the bonds for his debt. One creditor of the Company, who was prevented by a legal technicality from getting a judgment in the courts, became very anxious about his claim, which amounted at that time to about \$18,000. The President of the Company proposed to pay him the amount of his debt in bonds at 80 cents on the dollar, or give him enough land at its then cash value, to be fixed by disinterested parties, to pay his claim in full; or to induce the stockholders to transfer to him a sufficient amount of stock in the Company at \$50 per share to extinguish his debt. All three of these propositions were rejected

by him, and his claim was finally adjusted by giving him the note of three stockholders, payable in five years, with 8 per cent interest, who took the bonds of the Company on the same terms they were offered to him. If he had accepted the 360 shares of Elyton Land Company stock offered him for his debt of \$18,000, and sold out at the market price ten years afterwards, collecting his dividends in the meantime, he would have realized \$1,722,000 for debt, which he thought at one time he was in great danger of losing entirely. This gentleman is now a prominent iron master and an honored citizen of Birmingham. No doubt when he thinks of this lost opportunity he realizes that

“There is a tide in the affairs of men which, taken at the flood,
Leads on to fortune.”

Finally, the Elyton Land Company succeeded in funding its debt, but for several years, there being but little demand for property, there was a constant struggle to pay the interest on its debt and expenses, and no dividends were declared to gladden the hearts of the stockholders until 1883.

Its capital stock, which sold as low as \$15 per share, had risen in 1877 to \$25 per share, but did not reach par until the spring of 1881.

In August, 1879, the first rays of the rising sun of prosperity began to illumine the long darkened horizon of Birmingham and the Elyton Land Company, when it was announced that the Company had donated to Hillman and DeBardeleben twenty acres of land at the west end of the town upon which to erect a blast furnace. The public, however, who had so often been disappointed by reports of coming iron works which never came, were slow to credit this, until in the spring of 1880, work upon Alice furnace No. 1 was actually commenced.

From the time work was begun on the Alice furnace, the population of Birmingham began slowly to increase and property to advance steadily in value. During the year 1880 the building of the Birmingham Rolling Mills was also commenced.

The total sales of property by the Elyton Land Company from 1880 to 1883 were as follows:

1880	\$ 69,448.00
1881	106,995.00
1882	176,713.00
1883	355,817.51

The average price per lot received by the Company upon sales of property inside the corporate limits of Birmingham will give some idea of the enhancement of values up to this time:

1880	\$260.00
1881	360.00
1882	511.71
1883	905.49

As a part of the history of the Elyton Land Company and of Birmingham, extracts from the annual report of the President will be given in this paper. The following is an extract from the report to the stockholders at their annual meeting in January, 1883:

“For ten long years, at each recurring convention of stockholders, you have listened to the report of your President and directors, and have been regaled with alluring hopes of the future prosperity of your Company and the great prospective value of your property. We were expected to present something; we had nothing else to offer but encouraging words and bright hopes for the future.

To-day we are gratified to be able to present you with something more substantial and satisfactory. Since you last assembled in annual convention your bonded debt has been entirely extinguished and \$80,000 of the mortgage bonds of your Company are herewith presented to be destroyed or disposed of in such manner as you may direct. Your Company is now out of debt and has a constantly increasing annual income and an accumulation of assets, which affords a substantial guarantee of regular and handsome dividends from this time on. The extinguishment of your entire

indebtedness and the addition of \$25,000 in permanent improvements of your water works in one year, and the enhancement in the market value of your stock within three years from twenty cents on the dollar to four hundred is, we think, cause for congratulation and sufficient evidence that the hopes with which we endeavored to inspire you during the years of adversity through which your company has passed, were well founded.

The future prosperity of Birmingham is, in our opinion, now assured and we do not doubt that the present prices of property will be maintained, but we should not be content to fold our arms and let things take their course. Much can and should yet be done by the Elyton Land Company to promote the prosperity of the city and still further enhance the value of your property."

During the year 1883 there was a considerable increase in the total sales of real estate and values were considerably advanced. This year there was paid to the stockholders of the Elyton Land Company cash dividends amounting to \$200,000 or 100 per cent. upon the capital stock, being the first dividends received by the shareholders since the organization of the Company.

In the year 1883 the Elyton Land Company erected the building on Twentieth street and Morris avenue, in which, since its completion have been located the offices of the Company.

The Georgia Pacific Railroad was completed from Atlanta to Birmingham in 1883, and on the 1st of January, 1884, the general offices of the company were removed from Atlanta to Birmingham.

In 1884 the Elyton Land Company commenced work, preparatory to building the Highland Avenue Railroad, with the view of developing its property situated on the South Highlands, at that time an almost inaccessible wilderness. Highland Avenue was laid out 100 feet wide extending from the intersection of Seventh avenue South, and Twenty-ninth street, and winding around by graceful curves, at one point

reaching an elevation of 200 feet above the city, to Twentieth street. Extensive improvements were also begun on Lakeview Park and in building the Belt Railroad.

In the early summer of 1884 the failure of Grant & Ward occurred in New York and was followed by another serious financial depression, from the effects of which the country did not recover until the latter part of the year 1885.

The Elyton Land Company, notwithstanding this great financial stringency, continued without cessation the improvements which it had inaugurated upon such an extensive scale.

Below is given extracts from the report of the President of the Elyton Land Company to the annual convention of the stockholders in January, 1886.

“At the date of your last annual convention, the country was in the midst of a great financial depression, which had set in in May of the previous year, and it is only within the last few months that we have seen any substantial evidence of a revival and restoration of confidence. Yours, in common with every business interest in the country, has felt the effects of the depression, as is evidenced in the falling off in the sales of real estate; but there is a fact that should greatly encourage you as to the security of your investment, which is: That while the demand for property in Birmingham has been dull, there has been no decline in values, but a steady increase. Birmingham has suffered less from the financial depression than almost any other city in the country and it has been remarked by more than one intelligent observer, that there seemed to have been no hard times in Birmingham. This condition of things has doubtless been due in some measure to the policy pursued by the Elyton Land Company in pushing work during the dull times upon the various improvements inaugurated by it. The work done by your Company during the past summer has tended greatly to inspire confidence, and the money spent has enabled many a working man to bridge over the most trying period.

“This period of depression may have been to you and to all others interested in Birmingham “a blessing in disguise.”

All the great iron and coal industries, which are the life blood of Birmingham, instead of being forced by low prices to shut down, as has been the case in many of the iron districts of the country, have kept steadily going, constantly increasing their capacity, and one of the best evidences that they have not lost money is the fact that they, with scarcely a single exception, are arranging to make still further additions to their productive capacity. This test through which the iron industries of Birmingham have just passed has at least done one thing. It has convinced the world that the claim we have set up, of being the cheapest iron producing district in the country, is not simply an idle boast.

“Birmingham is at this time attracting the attention of almost the entire civilized world; her wonderful growth and matchless development is noted in every land. As many as three great railroad corporations are endeavoring now to reach her borders from the west, while at least two more from the east are looking with longing eyes towards the ceaseless and constantly increasing volume of rich freightage which she now supplies to the transportation lines which are in position to reach it. If you will imagine what Birmingham will be with four or five more railroads centering here and as many additional blast furnaces, you can appreciate in some measure the value of your property. The future possibilities of this property are immense, almost beyond conception; great will be the harvest which you will reap from it, a harvest which will ripen even if you sit by watching for it to mature, but how much more bountiful will the harvest be if you adopt a vigorous and progressive policy of development.”

The total sales of property by the Elyton Land Company for the year 1884 were \$373,227.84, but in the year 1885 the amount was reduced in consequence of the financial stringency to \$210,764. Dividends paid in 1884 amounted to 95 per cent., and in 1885 to 45 per cent, upon the capital stock.

THE BIRMINGHAM WATER WORKS COMPANY

In the year 1884, foreseeing that the works then in operation by the Elyton Land Company would ere long be inade-

quate to supply the rapidly increasing needs of the city, and having ascertained by surveys that the water from the springs forming the headwaters of Five Mile Creek could be brought by gravity to the pumping station at North Birmingham, the land on which these springs were located was purchased. In the year 1885 citizens of Birmingham obtained from the legislature a charter and afterwards organized a corporation called "The Birmingham Water Works Company," for the avowed purpose of supplying the city of Birmingham with water. Some surveys were made and suits instituted in the courts for the purpose of condemning the waters of Five Mile Creek. In the month of June, 1885, the Elyton Land Company bought out this corporation and transferred their works to it, taking payment therefor in stock of the Birmingham Water Works Company, which stock was then transferred to the stockholders of the Elyton Land Company as a dividend.

In the early part of the year 1886 the Company, as an experiment, bored a well on the south side of Red Mountain, and at a depth of 600 feet obtained a flowing well of excellent water, but not sufficient in quantity to be of any considerable service in supplying the city. Immediately after this experiment work was commenced on the canal or aqueduct extending from the springs forming the headwaters of Five Mile Creek, about six miles, to the pumping station at North Birmingham. In the year 1887 the consumption had increased to such an extent that the pump was taking about all the water afforded by Village Creek, up to that time the exclusive source of supply for the city of Birmingham. Toward the latter part of the summer of 1887 a well was bored near the pumping station, which afforded about 150,000 gallons daily, which amount was added to the supply. Finding this was not sufficient, an additional pump was placed further down the creek to force back into the pump well the water from several springs below the pumping station. Much anxiety was felt by the officials of the water company during this period, and the stroke of the fire bell was heard by them with fear and trembling, as they alone knew that any considerable conflagration in Birmingham would result in the entire exhaustion of the water supply,

which meant untold damage to the city and its great iron industries. In the meantime every effort was made to push the work on the canal, and men were kept at work both day and night. Notwithstanding all these efforts to supplement the supply and every effort to economize the consumption by shutting off the supply from elevators and street sprinklers, there was not enough water. Every drop which could be obtained was pumped into the reservoir. The engine was kept going night and day, but by each Saturday night the water in the reservoir was greatly lowered. The reduced consumption in consequence of the shutting down of manufacturing plants on Sunday, permitted the refilling of the reservoir only to be lowered again by the Saturday night following, showing that the consumption was gaining on the supply.

About this time the company was threatened with an injunction to restrain them from using the waters of Five Mile Creek by the owners of an old saw mill, situated on the creek some twenty-five miles below the source, and in order to prevent delay by this injunction suit, which might be prosecuted an injunction had been served the company would have been with some semblance of justice, the company was forced to pay \$5000 for the mill and forty acres of land, which they have never been able to sell for half that amount. Finally, when they believed that they would be able to turn on the water from Five Mile Creek in two or three days, but fearing that they would be delayed and harrassed by other injunction suits, they caused it to be announced in the papers that it would be at least two weeks before the water would be turned on. Notwithstanding this announcement, on the day after, the 17th of November, 1887, the president of the company received information, about 8 o'clock at night, that attorneys of the city who had been employed by the riparian owners along the creek were preparing to sue out an injunction to restrain the company from turning on the water. Here was a dilemma; if compelled to pay whatever amount was demanded or delay turning on the water until the courts could act on the question, a delay, which the officials of the company knew meant ruin to Birmingham and her great industries. Within one hour from the time this information was received, a special mes-

senger was speeding with all haste to the headwaters of Five Mile Creek, seven miles away, with positive instructions to the foreman in charge of the work to cut the dam and turn the water into the canal without a moment's delay. The next morning the sparkling waters of Five Mile Creek were pouring into the reservoir at the pumping station, at the rate of 4,000,000 gallons daily, and the attorneys, who were preparing to spring a trap on the company, were unconsciously drinking the water at their breakfast tables before going to their offices to prepare their injunction papers.

ESTABLISHMENT OF ELECTRIC LIGHT PLANT IN BIRMINGHAM

In the fall of 1885 an agent of the Thompson-Houston Electric Company was in Birmingham negotiating with the Gas Light Company for the establishment of an electric light plant in Birmingham. The Gas Company proposed to erect the plant, provided the city would agree to take a certain number of street lights, which the city authorities declined to do. Despairing of effecting an arrangement with the Gas Company, the agent aforesaid made a proposition to the Elyton Land Company, offering to furnish all the machinery required, the Elyton Land Company furnishing a lot upon which to erect the plant, and the money required in its erection. Anxious to keep Birmingham abreast with all improvements, the Elyton Land Company promptly acceded to this proposition, and work upon the plant was commenced without delay. The Gas Company, finding that it was about to have a competitor in the light business, at once opened negotiations with the Elyton Land Company for the purchase of the plant. An agreement was soon reached, the land company agreeing, as soon as the works were completed and the lights turned on, to sell its interest in the plant at cost and a bonus of \$5000. When Birmingham, for the first time in its history, was lighted by electricity, the trade was consummated, and the works transferred to the Birmingham Gas Light Company.

In the year 1885 the building of the Williamson furnace was commenced. Mr. C. P. Williamson, who owned and was

at that time operating an extensive machine shop and foundry, subscribed his real estate and machinery and the Elyton Land Company subscribed a block of land upon which to build the furnace, taking therefore their respective amounts in the capital stock of the Williamson Iron Company. A mortgage was then executed upon the entire property of the Company and \$60,000 of bonds issued, the proceeds of which were used in building the furnace, the Elyton Land Company taking the entire issue of bonds as the money was needed.

Confident that its original estimate of the marvelous resources of this section was correct, the Elyton Land Company had gone steadily forward in its policy of inducing the location of manufacturing establishments in Birmingham, and up to this time it had given to various industrial enterprises and for public uses near 2,000 acres of land from its original purchase of about 4,000 acres, and had besides invested over \$1,000,000 in cash in various enterprises for the improvement and benefit of the town. Birmingham had at this time (the latter part of 1885) a population of near 20,000, having during the previous two or three years attracted to herself from the most prominent cities of Alabama and adjoining States numbers of their most intelligent and enterprising citizens, most of whom had made fortunate investments in their new home. The plaintive notes of the croaker who, during the recent depression for the second time in the history of Birmingham, had "bobbed up serenely" to say, "I told you so," were now silenced by the onward march of progress, and all her citizens, with scarcely a single exception, were full of snap and energy, and buoyant with hope and confidence in the future.

Early in the year 1886 the real estate market became exceedingly active, and continued to grow in breadth and activity until about the middle of the year. Such a scene of excitement in real estate speculation as was presented in Birmingham at this time was perhaps never before witnessed in the South. People from all parts of the South flocked to Birmingham, attracted by the reports which had spread all over the country of the wonderful profits being so rapidly realized here

by speculation in real estate. Hotels and boarding houses were packed to overflowing by eager fortune hunters. Almost every prominent window facing on the business streets was rented at fabulous prices for real estate offices, while glib-tongued speculators never tired of pouring into listening ears fabulous stories of the enormous profits being so rapidly realized by lucky investors. Day by day the excitement grew—upon street corners, in hotel corridors, and in private parlors, the one theme of conversation was real estate speculation; young and old, male and female, merchant and clerk, minister and layman—everybody seemed seized with a desire to speculate in town lots. Conservative citizens who in the early stages wisely shook their heads and predicted disaster to purchasers of property, as prices climbed higher and still higher, with scarcely a single exception, ceased to bear the market, and when prices had advanced two or three hundred per cent. above what they had pronounced extravagant, entered the market, bought property and joined the great army of boomers. Wilder and wilder the excitement grew. Stranger and resident alike plunged into the market, hoping to gather in a portion of the golden shower which was now falling in glistening sheets upon the Magic City. Each day the office of the Elyton Land Company was crowded with a throng of eager purchasers, and the President of the Company, who alone had charge of sales of the Company, was kept busy at the maps from morning until night pricing property and making sales. A memoranda of each sale as soon as made was handed over to a clerk, who would receive the cash payment and give a receipt for the same. In many instances the purchaser would seize his receipt and rush out on the street and resell the property at a handsome profit before his bond for title could be executed. One instance may be mentioned where a real estate speculator bought of the Elyton Land Company a large amount of property, and in less than three months sold the same for 400 per cent. advance. On several occasions during this year the President of the Company stopped sales, and more than one time left the city, but in a few days he would be overwhelmed with telegrams urging him to return. Many strangers who

came to Birmingham during this period of excitement did not reach the Elyton Land Company at all, but bought property from speculators at prices far beyond what they could have bought property for from the company in the same locality.

During this phenomenal period of excitement all sorts of corporations were formed and an endless variety of financial schemes were floated. A syndicate would be formed, a tract of land purchased, a land company organized, the land being subscribed at an immense advance above the purchase price, and the stock put on the market, to be eagerly taken by a confiding public, with scarcely a question as to the amount of capitalization. Any number of schemes for building suburban towns contiguous to Birmingham were organized, and land five to ten miles from the city, which had never before been considered worth above \$10 to \$12 per acre, was within a few months valued at from \$500 to \$1,000. Land owners in town and country could, by computing their possessions at the public estimate, easily figure themselves rich.

Suddenly, in the spring of 1887, the storm of speculation which had raged so fiercely for a year subsided. When the boom collapsed many of the real estate agents and speculators gave up their high-priced and richly-furnished offices, and, "like the Arabs, folded their tents and silently stole away." Many speculators sold out, and pocketed handsome profits but somebody had to be left "with the bag to hold," and many of them, when the purchasers had left the field, found themselves overloaded with high-priced property, the purchase money of which was unpaid, and no one at hand to take the burden off their hands. Naturally feeling that somebody was to blame for the unfortunate predicament in which they were left, and unwilling to take the blame upon themselves, many of them, and even some who had bought property from speculators and not from the Company, endeavored to shift the entire responsibility for their unfortunate condition upon the Elyton Land Company.

Now that a sufficient time has elapsed to enable the people to view the situation calmly, will an impartial public say

that the Company should bear all the blame, if blame there be? If, after waiting fourteen years before receiving one dollar's interest upon its original investment, and after the donation of about one-half its possessions and the investment of over \$1,000,000 for the purpose of building a town and creating a demand for its property, if when the demand arose for the same the officers of the Company had closed the office and refused to sell lots when people were clamoring to buy them, would not they have been considered fit subjects for a lunatic asylum?

On the 24th of December, 1886, a card was issued from the office of the Elyton Land Company, addressed to each of the stockholders, upon which was neatly printed the following:

"MERRY CHRISTMAS AND HAPPY NEW YEAR.

"OFFICE ELYTON LAND COMPANY,

"BIRMINGHAM, ALA., DEC. 24, 1886.

"M———

"I am gratified to be able to present you to-day with an order for a dividend of 100 per cent. upon your stock in the Elyton Land Company, payable on the 24th of December.

"This makes 135 per cent. for the month of December, and 340 per cent., or \$680,000, which has been divided among the stockholders during the year 1886. Your obedient servant,
H. M. CALDWELL, *President.*"

Extracts from the report of the President of the Elyton Land Company to the annual convention of stockholders, May 5, 1887:

"The amount of sales of real estate for the year, you will perceive, is \$4,866,955.57, more than quadruple any previous year's business since your organization as a company.

"It is gratifying to your directors to be able to present you with so favorable a statement. Such an enormous increase of available assets as the Elyton Land Company shows for one year is doubtless without a parallel in the history of Southern corporations. The distribution of \$500,000 of water

works stock worth par, the payment of \$1,320,000 of cash dividends, the investment of \$250,000 in permanent improvements, and the setting aside of \$3,614,395.58 to the credit of reserved profits, making a grand total of \$5,684,395.58 as the visible fruits of one year's business, we think ought to satisfy the average stockholder.

"Those of you who attended the meetings of the stockholders in the dark days of yore can but appreciate the marvelous change which time has wrought in the financial condition of the company.

"The sales of near \$5,000,000 worth of property during the current year just passed shows a most remarkable and unprecedented activity during the entire year. Your past experience has been that an active real estate market is usually followed by a period of dullness, and these recurring periods usually follow each other at short intervals. The dull period which has just set in, following such a long extended time of activity, may be more than usually protracted.

"So far as our rival claimants for industrial supremacy are concerned, Birmingham can confidently rely upon the fact that it is in a great measure a question of the 'survival of the fittest.'

"All intelligent men who know the facts realize and concede the fact that the Elyton Land Company has been the backbone of Birmingham, and to it more than any other influence she owes her marvelous growth and wonderful prosperity. In the days of your poverty you extended sympathy and such aid as was in your power to struggling industrial enterprises in your midst, and as you grew more prosperous you spent your money with a lavish hand in various enterprises for the development of Birmingham. As the city has prospered so have you prospered, and to-day Birmingham is the most prosperous city, and the Elyton Land Company the most powerful corporation, financially, in the South. Stimulated by your success, rival cities all over the South are organizing for the development of their resources, striving to secure for themselves a portion of the benefits of the great industrial activity which Birmingham has awakened.

An important question for us to determine is whether we shall pocket our profits and let Birmingham take care of itself, or continue to expend our energies and money to keep the city of our founding in the lead in the great race for industrial supremacy."

* * * * *

"Should this convention adopt strong resolutions announcing to the world that the Elyton Land Company has determined to sustain Birmingham by inaugurating some such scheme as suggested, it would effectually remove all doubt from the minds of the public that here was to be the great industrial center of the South. It would at once establish confidence and enhance the value of your property more than the entire amount the works would cost you.

"While we may not fully subscribe to the proposition that 'Providence is always on the side of the heaviest artillery,' we must admit that many battles, both in war and commerce, are often decided in favor of the heaviest guns and the longest purse. The battle for commercial and industrial supremacy among the cities of the South has now commenced. None can equal Birmingham in position, and she may remain to the end secure and unscathed behind her natural fortifications, but the conflict will be quickly decided if the Elyton Land Company will bring into action its heavy reserve."

At this meeting of stockholders the following resolution was unanimously adopted:

Resolved, That the directors be and are hereby authorized to expend the sum of \$1,000,000 in the erection of a rolling mill and such other manufacturing enterprises as in their judgment may be expedient, the time and mode of investment to be at the discretion of the board of directors.

This convention also:

"Resolved, That in consideration of the efficient and eminently successful service of Dr. Henry M. Caldwell, as President of this Company, the Elyton Land Company hereby presents to Dr. Caldwell a residence lot, to be selected by himself, on or near Highland avenue, in such locality and

embracing such lots or parts of lots not exceeding one acre in area, as he considers most desirable, and Josiah Morris is hereby authorized and empowered to execute to Dr. H. M. Caldwell a conveyance of the lot or parcels of land so selected by him."

In the latter part of the year 1887 the directors of the Elyton Land Company decided to issue \$2,400,000 of trust bonds, an equal amount of real estate notes being placed in trust as security for the payment of the interest and principal of these bonds. These bonds were issued and divided among the stockholders, making a dividend of 1,200 per cent. upon the capital stock of the Company.

Dividends were paid to the stockholders of the Elyton Land Company during the year 1887 as follows:

	Amount.	Per Cent.
Cash	\$ 410,000 or	205
Birmingham Water Works Stock.....	500,000 or	250
Birmingham Water Works Bonds.....	100,000 or	50
Birmingham Trust and Savings Company Stock	200,000 or	100
Highland Avenue and Belt Railroad Com- pany's Stock	1,000,000 or	500
Elyton Land Company Dividend Trust Bonds	1,400,000 or	1,200
Total	\$4,610,000 or	2,305

The market price of the stock of the Elyton Land Company in December, 1882, reached \$350 per share, and on the 20th day of November, 1885, at an administrator's sale in Birmingham, thirty shares sold for \$700 per share, cash. From this time on it advanced rapidly in value until the spring of 1887, when several shares sold at \$4,000 per share.

CHAPTER III.

INVESTMENT BY THE ELYTON LAND COMPANY SINCE THE "BOOM" OF 1886.

Birmingham—Its Present Condition and Future Prospects.

As has been shown in preceding pages, the Elyton Land Company, upon an investment of \$100,000, during a period of five years extending from 1883 to 1887 made dividends in cash and securities to its stockholders as follows:

1883—	100	per cent	\$ 200,000
1884—	95	"	190,000
1885—	45	"	90,000
1886—	340	"	680,000
1887—	2305	"	4,610,000

or a total of \$5,570,000, besides having invested over \$500,000 in cash in permanent improvements upon property which it still owns, and it has now a considerable proportion of its original holdings in unimproved property yet remaining.

In the year 1886 the building of the Caldwell Hotel was commenced. The Elyton Land Company contributed \$100,000 to this much needed improvement for Birmingham.

Since 1886 the Elyton Land Company has expended over \$300,000 in the erection and operation of the Birmingham Railway Supply Company, and about \$40,000 in the Birmingham Tack Works, and has paid off and retired over a half million dollars of its trust bonds issued in 1887.

In the year 1887 the Birmingham Water Works Company, fearing that the project of obtaining a sufficient supply of water for the future needs of the city from storage reservoirs at the head of Five Mile Creek was not feasible, determined to bring the waters of Cahaba River through Red Mountain to Birmingham. This stupendous work, which took two years to complete, has been accomplished at a cost of above a half million dollars, and on the first day of January,

1891, the waters of Cahaba River were flowing into the supply mains of the city. Birmingham has now two separate and distinct sources of water supply, one on the north and the other on the south. In case of accident to the pumps or supply mains of one system the other is ready to furnish water until the repairs can be made. No city in the South has such a perfect and complete system of water works as Birmingham now enjoys.

Recently the Water Works Company employed Col. J. T. Fanning, of Minneapolis, a hydraulic engineer of national reputation, to make an examination and report on the works and sources of supply. After a very thorough examination he submitted to the Company a report, from which the following extracts are taken:

"We have evidences of the favorable sanitary and physical qualities of these waters, when the streams are low, in the analyses made of them by Alfred F. Brainard, Analytical Chemist, about the 1st of August, 1888.

"Very few American cities are supplied with waters showing more slight impregnation of mineral matters, or with such slight traces of ammonia and chlorine as we have reported here for the main branch.

"The available mean annual flow of both streams, with such storage as is easily possible, is sufficient to supply the City of Birmingham with an abundance of water until its population exceeds one third of a million, and it is possible to procure a good and adequate supply of water from the two branches of the Cahaba for five hundred thousand people.

"Replying to the first inquiry: "What is the estimated daily quantity of water required for the city during the next decade?" Were it not true that most cities grow in accordance with laws having but moderate flexibility, as do races, nations and individuals, as does commerce, the arts and manufactures, a prediction of a future magnitude of a city or of a city's future necessities would be of little value. We may learn useful lessons and to predict with a moderately useful certainty by a careful study of statistics that have bearing on the line in which we search.

"The statistics of the past populations and of water consumptions in Birmingham lead most directly to the facts on which must be based the answer to your first inquiry. The existence of Birmingham as a city is short compared with any other city of its size and stability, and its annual statistics are few for the establishment of laws of growth, yet we shall find its several increases such as population, of children in schools, of trade, of municipal valuations, consumptions of public water supply, to follow in as uniform ratios, though in greater ratios, than in the older cities of America.

"A compilation of the statistics of population of the city and of those suburbs closely adjoining the municipal limits, and which share in its water supply, gives us the approximate past populations since the incorporation in 1871, when the population was 800.

"When the above data of populations and water consumptions are plotted to a true scale as in the accompanying diagram, their uniformity of increase, as if according to a well defined law is apparent, and it is also apparent with what fairness the curves of their increase may be extended as in the diagram to indicate the probable populations and probable uses of water during the next one and a half decade. The estimates as shown in the diagram are tabled as follows:

TABLE OF ESTIMATED POPULATIONS AND WATER CONSUMPTIONS

YEAR.	POPULATION	WATER CONSUMPTIONS.	
1891	49,300	5,795,982	gallons daily.
1892	53,900	6,160,000	"
1893	58,300	6,560,000	"
1894	62,800	6,960,000	"
1895	67,400	7,360,000	"
1896	72,000	7,760,000	"
1897	76,300	8,160,000	"
1898	80,000	8,560,000	"
1899	85,400	8,960,000	"
1900	90,000	9,360,000	"
1901	94,500	9,760,000	"
1902	99,000	10,200,000	"
1903	103,700	10,560,000	"
1904	108,200	10,960,000	"
1905	112,200	11,360,000	"

Since the spring of 1887 the real estate market in Birmingham has been exceedingly dull. Sales of property have been made only for improvement or investment, scarcely anything having been bought for speculation. The process of liquidation has been going steadily on on all sides and in every department of business. The Elyton Land Company alone has up to this time taken back property sold during the "boom" and released purchasers from their obligations amounting to over one million dollars. Many holders of unimproved property bought on speculation, finding themselves unable to pay for the same, have been frantically endeavoring to sell, which as a natural consequence has had a tendency to depress prices in some localities; but notwithstanding an inactive real estate market and depression in prices of unimproved property, it is a noticeable fact that improved central property has not only held up in price, but in many instances is higher now than it was in 1886.

On the other hand, many who found themselves with valuable unimproved property on their hands, have from their own resources and by the aid of loan companies improved their property, and Birmingham has during this period enjoyed a building boom almost equal in extent to the speculative boom just previous, and which has resulted in giving to Birmingham millions of dollars' worth of buildings, many of which for substantial character and elegance of design are not surpassed by those of any city in the South.

Birmingham now, twenty-one years since the first step was taken toward its founding, is a busy, bustling city, with a population, including those who daily throng its streets from its immediate environs, of not less than fifty thousand. It has block upon block of splendid business houses, magnificent stores filled to overflowing with every article of necessity or luxury with which to supply the wants of its people; streets, avenues and alleys in the business portion of the city paved with belgian blocks; it has the finest court house in the State, numbers of magnificent churches, palatial dwellings, elegant public school houses and hotels, which would do credit to any city in the land; it has over ninety miles of street and subur-

ban railways, equipped with electric and steam motors, a telephone exchange with 700 subscribers, myriads of electric lights and other modern improvements which go to make up the concomitants of a great industrial city.

If the spirits of the departed are permitted to have cognizance of the affairs of this earth, with what feelings of gratification and pride must the shade of the lamented Powell view the wonderful transformation which has taken place in the city of his founding since he last walked its streets.

At this time it may not be uninteresting to inquire what caused the great boom in real estate in Birmingham in 1886, and whether there will be a recurrence of the wonderful activity in the real estate market which was witnessed at that time. Of course the first and most important factor which brought it about was the confidence in the minds of the public in the unparalleled advantages possessed by Birmingham for the manufacture of iron, and the belief that here would be developed a great industrial center, and secondly, the fact that several great railroad systems were at that time building their roads to this city. Five years ago, however, there was a very general impression throughout the country that Birmingham was a very unhealthy locality, that its water supply was contaminated and it was believed that it was a very doubtful question, if not an absolute impossibility, to get a sufficient supply of water for any considerable city. The railroads which were then in course of construction have been completed, and at least two additional ones, not then calculated on, have been added to our lines of transportation. The world, both old and new, is now convinced that at no point in America, possessing equal transportation facilities, can the materials for the manufacture of pig iron be assembled so cheaply as at Birmingham. The successful and economical manufacture of iron, which was then only a theory, is now an established fact, being conceded by the iron trade throughout the world, our twenty-six blast furnaces having gone steadily on through the greatest depression in the iron market the country has ever witnessed, constantly improving their methods, and are today

making more clear money than they ever made before, a fact which cannot be successfully controverted.

In this connection an extract from a recent number of the *Iron Trade Review* shows that the iron men of the country are beginning to realize the true condition of affairs here:

"It has been quite the custom of late to impute financial weakness to Southern furnaces and to predict that the present heavy production in that quarter will soon be attended with serious results. A source in which we have been in the habit of reposing trust for conservative statement, is our authority, however, for a strongly contradictory statement. Says our correspondent upon this subject: 'An extended trip through the region ending last week, reveals some facts not generally admitted among Northern producers. The larger companies, instead of reducing their output, are running every stack to its full capacity and have no thought of shutting down, unless it be an occasional furnace temporarily for repairs. By improved methods, economical management, better furnace practice and steady improvement in the coke, the cost of iron has been steadily reduced while the quality has been steadily improved. For these reasons furnaces that two years ago would have lost heavily on a market like the present, are now holding their own or actually gaining. Nearly every important iron company in Alabama has, during the last year, largely reduced outstanding indebtedness from current earnings. These points are quite at variance with statements recently made by writers in Northern journals usually well informed. They are facts, however, and Northern producers who expect to crush out Southern competition because of weakness in that quarter, are calculating without due knowledge of the facts. One or two weak spots in the South have developed and been considerably talked about. These, however are exceptional in their location, management and in other respects. Their outcome has no logical bearing upon the main argument of producing cheap iron in the Birmingham district.'"

This seems to be the prevailing sentiment now being expressed by Northern iron trade journals upon this subject, and

it is in marked contrast with the opinions expressed a short time ago.

Experts seem to be now thoroughly satisfied of the entire practicability of making steel from our ores, and the recent consolidation of several of the largest iron companies of the district gives promise of the early development of the steel industry.

Our population since 1886 has been more than doubled; our merchants have increased immensely their trade, and are now shipping goods into a dozen States; our everlasting hills and valleys, with their limitless wealth of coal and iron, are still here, which have been found by further exploration to be vastly more extensive than was ever dreamed of. Our water supply is now ample for a population of half a million people. Our splendid sewerage system has made Birmingham one of the healthiest cities in the land. The great army of workers in coal and iron who are the support of the immense retail trade of the city are still profitably employed here in largely augmented numbers.

Over speculation, local financial embarrassment and general financial convulsions have for a time retarded our progress, but in view of our unparalleled advantages of location and upon a careful and intelligent comparison of our condition five years ago with what it is at present, it needs no prophet's ken to foretell that Birmingham is now upon the eve of another forward movement towards that grand destiny which, so sure as day follows night, awaits her in the future.

Modes of Transportation in Alabama, Late 1800s-Early 1900s

Engine of the Alabama Great Southern Railroad in front of a building in Birmingham, Alabama.



Engine of the Alabama Great Southern Railroad in front of a building in Birmingham, Alabama. The engine number is 68.

File Name: Q10158

Author: Alabama Department of Archives and History

Collection or Series Title: Alabama Department of Archives and History photographs collection – places vertical file

Box Number: 8

Folder Title: Jefferson County, Birmingham, Miscellaneous (folder 2 of 2)

Part of the Sloss Furnace in 1881.



Colonel James Withers Sloss convinced the L & N Railroad to complete the South and North rail line through Jones Valley, the site of the new town of Birmingham.

"L & N Railroad ." *Sloss Furnaces National Historic Landmark*. Web. 25 Jun 2010.

<<http://www.slossfurnaces.com/education/story.html>>.

Mule-drawn streetcar in Selma, Alabama.



An African American man is driving the car, which is labeled, "Selma St. & Suburban Ry."

File Name: Q3638

Author: Trippe, Silas Orlando

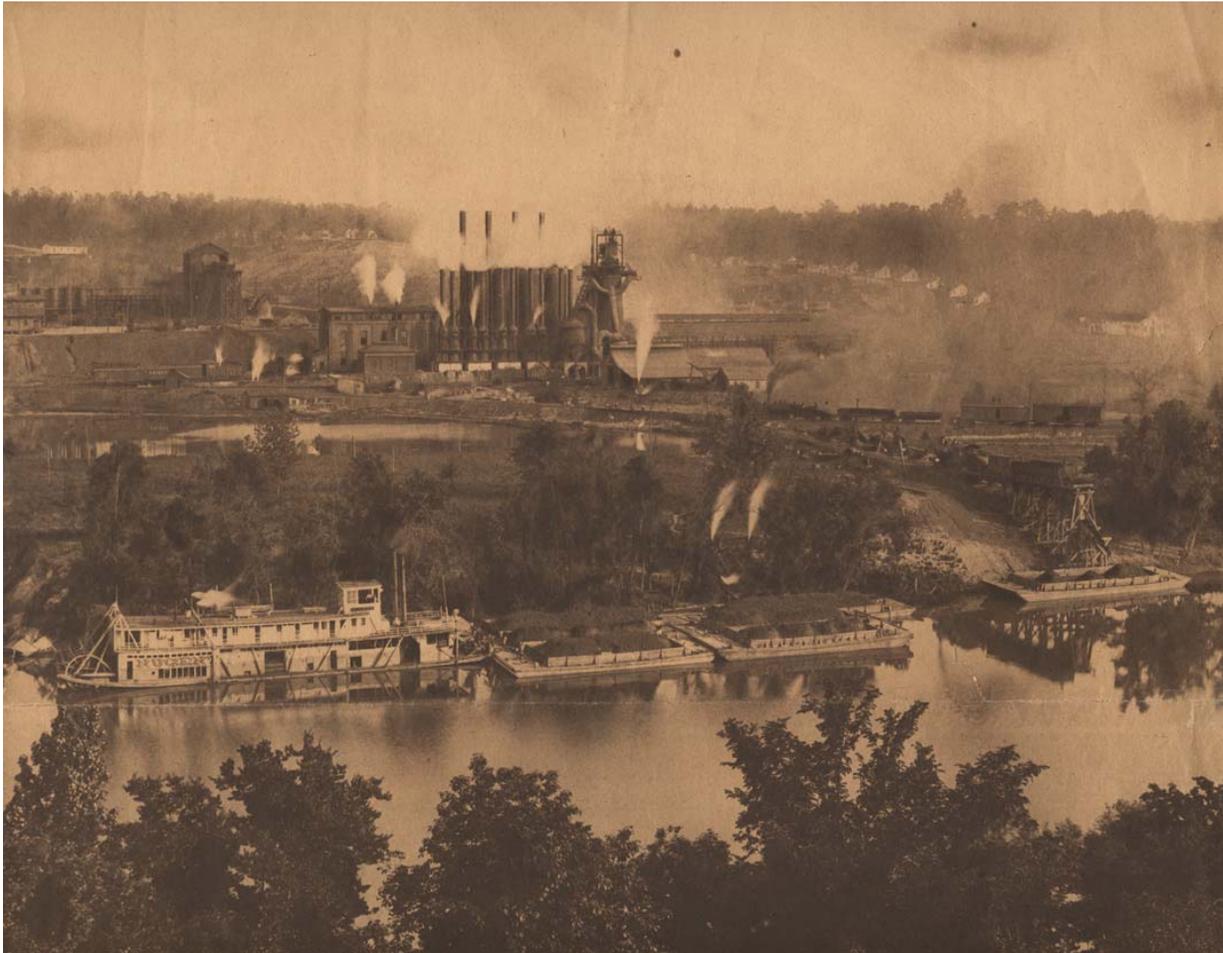
Collection or Series Title: Silas Orlando Trippe photograph collection

Box Number: SPP46

Folder number: 2

Folder Title: Selma, Dallas County, Alabama

"For Export: Utilizing the Great Warrior River Waterway to the Gulf."



"Loading Coal Barges in Tuscaloosa County for Export at Mobile and New Orleans."
From the rotogravure section of the *Birmingham Age-Herald*, Sunday, October 17,
1915.

File Name: Q9658

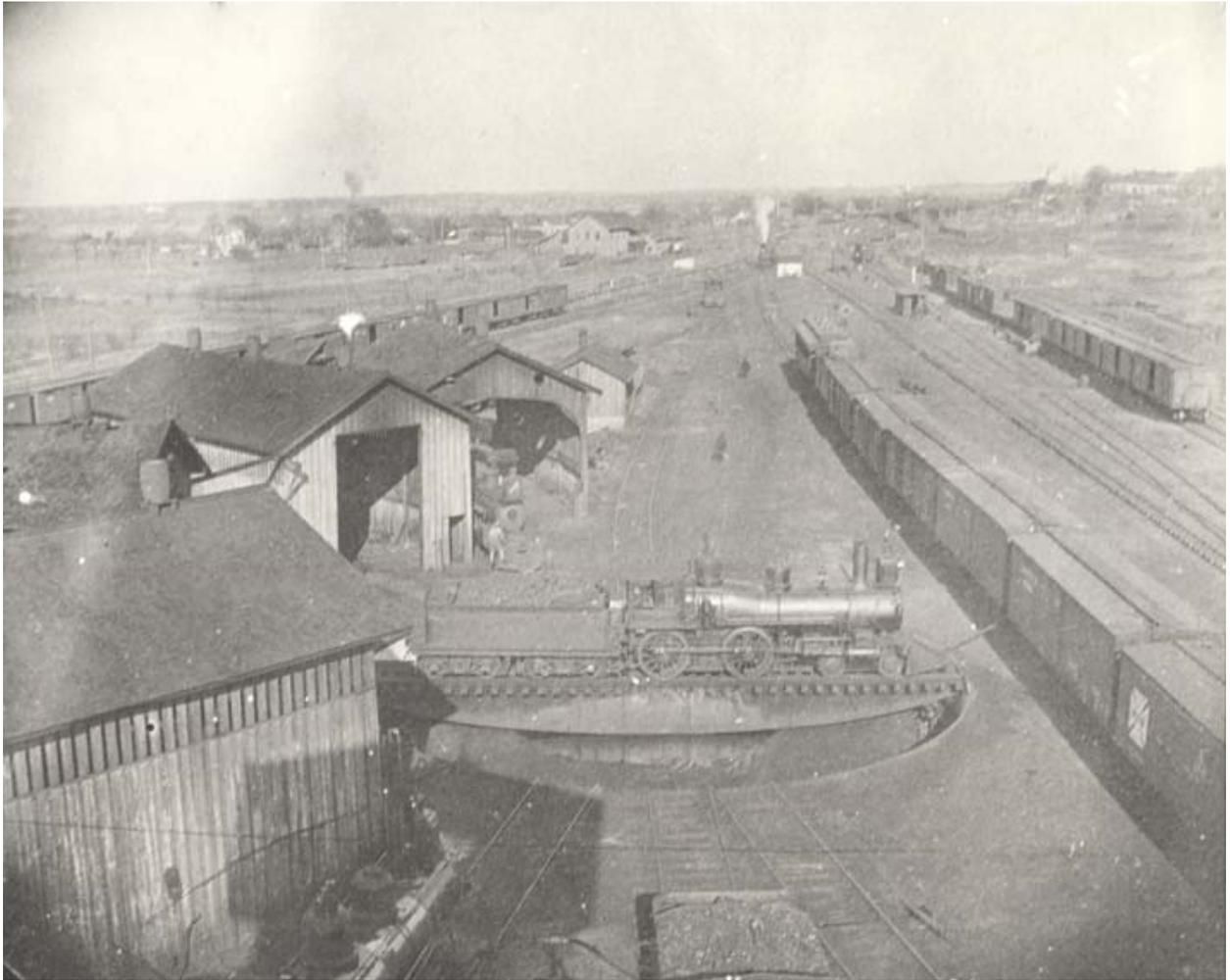
Author: Alabama Department of Archives and History

Collection or Series Title: Alabama Department of Archives and History photographs
collection – places vertical file

Box Number: 1

Folder Title: Baldwin County, Fort Mims

Tracks and turntable at the railroad yard in Montgomery, Alabama.



File Name: Q4354

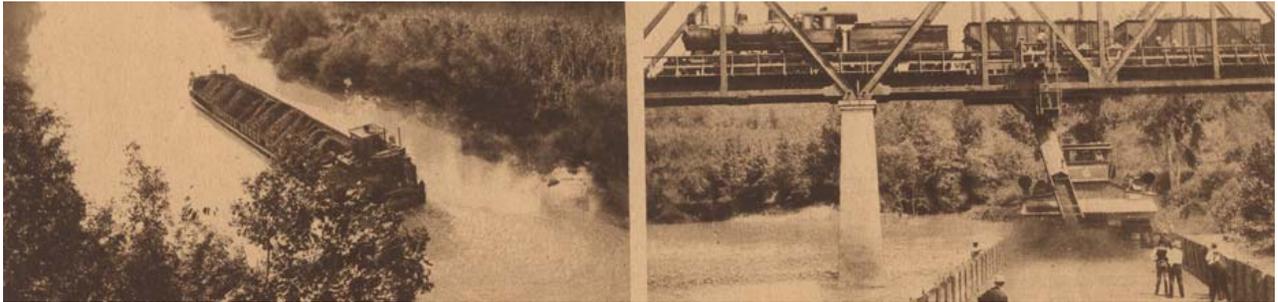
Author: Alabama Department of Archives and History

Collection or Series Title: Alabama Department of Archives and History photographs collection – places vertical file

Box Number: 19

Folder Title: Montgomery County, Montgomery, Railroads

"The First Edgewater Coal Sent Down the Warrior River to New Orleans."



"Photograph on the Right Shows Unloading First Car of Tennessee Company Coal from Southern Railway Bridge Over Warrior River. Photograph on Left Shows the First Load of Edgewater Coal Off for New Orleans by Self Propelling Barge. Contains 782 Tons." From the rotogravure section of the *Birmingham Age-Herald*, Sunday, November 28, 1915.

File Name: Q9619

Repository: Alabama Department of Archives and History

Looking south down 26th Street in Birmingham, Alabama.



Time Period: 1880-1899

File Name: VF000699

Author: Alabama Department of Archives and History

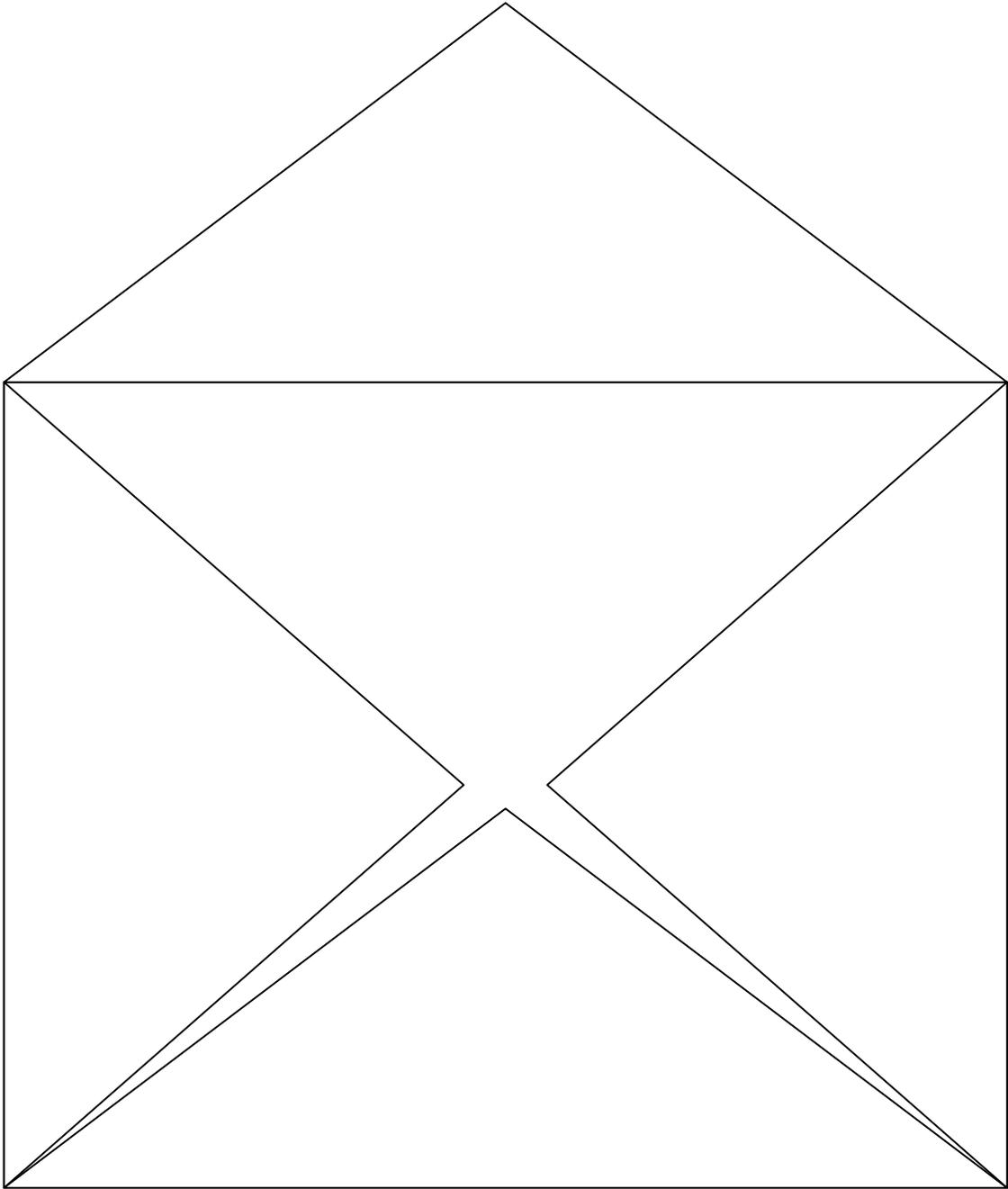
Collection or Series Title: Alabama Department of Archives and History photographs collection – places vertical file

Box Number: 8

Folder Title: Jefferson County, Birmingham, Street Scenes

Four-Fold Graphic Organizer: Visual Guide

Use a square piece of paper approximately 8.5" x 8.5"



Primary Source Image-based Questions

1. Looking down into the picture, what do you see?
2. Jumping into the picture, what does it feel like?
3. Can you identify any figures in the picture?
4. If those figures could speak, what would they be saying?
5. Moving around in the picture, what is the temperature like?
6. Do you feel comfortable in your surroundings?
7. If you could taste the scene, what would it taste like?
8. Looking around the background, do you notice anything you previously missed?
9. If you could touch particular parts of the scene, what would they feel like?
10. Does the picture remind you of a place where you have been or a different place you have read about?
11. What is your emotional response to this picture?