



Changing the Fate of a City by “Digging:” The Houston Ship Channel

by Scott Sosebee

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(Nov 7, 2022) Houston has a number of nicknames, all that reflect the nature and identity of the city. It is variously known as the “Bayou City,” “Space City,” “H-Town” and more recently, “Energy City,” which reflects the importance of petroleum as well as the city being the headquarters of so many corporations associated with that industry. However, I have never heard of Houston referred to as “Ship Channel City” (not to be confused with an actual city, Channelview), but there is no doubt that much of what the city has become—including its importance in the shipment of petroleum products, is owed to one of its most distinguishing features and a man-made engineering feat that has made Houston—a city fifty miles inland—into the United States’ busiest port both in terms of U.S. exports and foreign tonnage.

Oil may not have been the absolute genesis of the Houston Ship Channel, but it is what made it the economic giant for the city that it became. Houston began as a potential shipping point, and the founders of the city, Augustus Chapman Allen and his brother John Kirby Allen, built their town on Buffalo Bayou with the express purpose of taking advantage of the waterway. Buffalo Bayou was the only waterway in Texas that was dependably navigable year-round, and since it emptied directly into Galveston Bay barges and riverboats could use the Bayou as access to the sea at Galveston Island. Quickly, it became the supply point for Texas, and while the advent of railroads cut into its importance, it remained the most important entrance point in the state for large goods as the nineteenth century came to a close.

Houston commercial firms resented the dominance of the Galveston port; the presence of this additional “middleman” cut into their profits and helped to make Galveston a financial powerhouse. They wanted to bypass Galveston in some way and have direct access to the Gulf, so in 1869 a consortium of merchants capitalized the Buffalo Bayou Ship Channel Company to accomplish just that. They lobbied Congress to make Houston a port of delivery, which led the Corps of Engineers to survey and recommend dredging and expanding the channel of the Bayou. Their luck ran out at that point as Congress never appropriated funding to do so and the effort went fallow. It revived again in 1874 in the person of Charles Morgan. Morgan, a New Yorker who began his shipping career trading in the Caribbean, rose as a prominent marine businessman in the Gulf of Mexico. He established the first scheduled steamship line between New Orleans and Galveston less than a year after Texas won independence, and from his base in Galveston he expanded regular service all over the upper Gulf Coast, and he also gained the contract to deliver the mail in the region.

Morgan and the Galveston Wharf Association, which controlled the Port of Galveston, were also at odds over rates, costs, and other issues, and so he also decided that bypassing Galveston was in his best interests. He bought the dormant Bayou Ship Channel Company in 1874 and began to dredge a channel for ocean-going vessels. It took his engineers and workers two years to complete the project to near what was then the little town of Clinton, which today is wholly within the city limits of Houston. Morgan began operations in the new channel in 1876, but despite his moniker as the “Father of the Houston Ship Channel.” His efforts were only moderately successful and Galveston continued to dominate Texas’ Gulf Coast trade. Morgan generally lost interest in the enterprise and moved on to begin to shift from marine trade to investing in railroads. The United States government purchased what was left of the channel in 1890 and became the responsible for its upkeep and management.

Congressman Thomas Ball, and Mayor Baldwin Rice shaped the next chapter of the Houston Ship Channel. Ball shepherded a bill through Congress in 1898 that first allowed for operations to deepen the channel to twenty-five feet, and then build a terminus port at what is now known as the Turning Basin. Progress moved slowly, hampered first by the Great Hurricane of 1900, and then by inadequacy of funding. Mayor Baldwin moved to spur the project forward so he presented to federal officials the “Houston Plan,” a proposal that obligated the city to pay one-half the cost of finishing the dredging project. The city created a Navigation District, with the Texas legislature’s authorization, and the city’s voters approved a \$1,250,000 bond issue to finance construction. Construction began in earnest in 1912 and finished in 1914, but World War I delayed the beginning of its deep-water development.

The end of the war brought growth to the port, and by the end of the 1920s Houston was the leading cotton port in the nation, and the leading oil shipping port in the world. But, shipping was changing and newer, larger ocean vessels were quickly rendering the Houston Ship Channel obsolete. The channel was too shallow and could not accommodate the draw of these new ships. Houston financier Jesse Jones picked up the mantle of earlier Channel proponents and began to work on a solution. Jones had cultivated a good relationship with not only Texas' congressional representatives—a must for any business leader in the early twentieth century—but also with incoming President Franklin Delano Roosevelt. Jones, and a group of other Houston business principals successfully lobbied Congress and the President, in 1933, to authorize federal funding to dredge and modernize the channel. It worked and once again the economic fortunes of the city began to turn. Nine refineries were located along the channel by 1930, and through the 1940s and 1950s it became the center of industrialization in the city. Houston, by 1960, had become Texas' industrial center, a place that in many ways more closely resembled a midwestern manufacturing urban center than the stereotypical Texas city.

The Houston Ship Channel continues to be a significant brick in Houston's—and Texas'—economic might. It provides, of course, jobs, but its presence as a leading entry point for foreign goods has made Houston into a truly international city. The city is home to almost a hundred foreign consulates, the third-most of any U.S. city, that represent nations all over the globe. Maybe Houston should consider “Ship Channel City” as another nickname.

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