Nauvoo was originally called Quashquema, meaning a peaceful place, by the Sauk and Fox Native Americans who first inhabited the area. Led by Sauk chiefs Black Hawk and Keokuk, the Native Americans lived off their farms and the Mississippi River.

The area remained largely ignored by others until a treaty in 1804 provided for the construction of Fort Madison along the Mississippi, upriver from Nauvoo. Fort Madison brought other settlers into the area whose way of life conflicted with that of the Native Americans. A series of skirmishes culminated in the Battle of the Bad Axe, which drove the Sauk and Fox westward into the then Iowa Territory.

Among the first settlers was Captain James White, considered to be the first white settler in Nauvoo. Illinois gained statehood in 1818 and in 1824; Captain White purchased land in present-day Nauvoo. Hancock County was created the following year, and two years after that, in 1827, Captain White built a stone house on his land. In 1830, a post office was erected to serve the town of Venus, not far from Captain White’s land. A. White and J. B. Teas made plans and purchased 26 blocks of land for a town they called Commerce. This unrecorded community made up a portion of what is present-day Nauvoo, in 1834. Commerce would allow for portage around seasonal rapids on the Mississippi. At the time of the Mormon arrival in 1839, few houses had been built in the flat area that was mostly swamp, and a financial crisis in 1837 had panicked investors. Other settlers, as well as the local Native Americans built on higher ground in Nauvoo. Mormon drainage of the flat area allowed for the construction of homes there. Captain White’s house no longer stands, as it was flooded following the construction of the hydroelectric dam in 1913. Captain White and his wife are buried in Nauvoo’s Old Cemetery.

In 1839, Joseph Smith, the founder of the Church of Jesus Christ and Latter-Day Saints, bought 170 acres of land for his followers to settle.
The acquisition was made following a Mormon extermination order signed by the Missouri governor on October 27, 1838. The order forced the removal of some 10,000 Mormons, as members of the LDS Church are called. Smith gave Nauvoo its name, which means, "a beautiful place". A short time after their arrival, the Mormons secured a city charter that provided for the initiating of the Nauvoo Legion, a militia of 3-4,000 men, as well as local governance over laws, courts and schools. Smith owned a general store that served as a gathering place and informal headquarters for the church of Nauvoo. Coinciding with this time period and Smith's general store was the construction of the Hotel Nauvoo in 1841 by J. J. Brendt, who was a Mormon, later finished by Adam Swartz, a German immigrant. The hotel stayed in the Swartz family through the early 20th century and was purchased in 1946 by the Kraus family, the fourth generation of who still own and operate it today. Of interest is that there are bricks from Joseph Smith's general store contained in one wall of the Hotel's Nauvoo Room. On January 19, 1841, Smith had a revelation asking for the erection of a temple. Smith and his family moved into the Mansion House in August 1843. A wing was added shortly thereafter so the building could serve both as the Smith home and as a hotel for visitors. The Mormons prospered in Nauvoo, and by 1846, the population of the city rivaled Chicago in size.

The Mormons' neighbors, however, saw their prosperity and their beliefs as a political and economic threat, as had happened in Missouri. Tensions escalated both inside and outside the church. In June 1844, some of the disaffected Mormons published a paper criticizing Smith. Under the authority of Smith, then Nauvoo's mayor, the Nauvoo Legion destroyed the printing press. On June 24, 1844, Joseph Smith and his brother Hyrum traveled to the Carthage jail to face charges of inciting a riot. Though guaranteed protection by the Illinois governor, the brothers were murdered three days later when a mob stormed the jail. Both are buried in Nauvoo.

Brigham Young succeeded Joseph Smith as president of the church. Tensions continued, however, and in September 1845, a group opposed to the Mormons burned 100 homes and several farms outside of present-day Nauvoo. Brigham Young promised the Illinois government that the Mormons would leave the following spring. The Mormons continued to face difficulties, and the first of three emigrations began on February 24, 1846, when 2,500 Mormons crossed the Mississippi River to wait in Iowa for the remaining members of the church. A second emigration numbering 10,000 people left in May 1846, days after the dedication of the original Nauvoo Temple on April 30, 1846. Most of the remaining 700 Mormons left in September 1846. The Nauvoo Temple was burned by arsonists on October 9, 1848 and a tornado subsequently destroyed what remained in May 1850. Not all Mormons left the area to go out west: some stayed; many farmed and others went to different parts of the county and state.

In 1840, he published Voyage en Icarie, a novel that described a land where government ruled democratically, money and property were distributed equally regardless of one's occupation, and education and leisure activities were open to all, regardless of gender. As a result, the land was free from crime and poverty. Knowing that the Mormons had recently vacated, and searching for a place to build this sort of utopia, Cabot and his followers, mostly from France, chose Nauvoo. Using the Temple square and many of the houses and stores once occupied by the Mormons, the
Icarians endeavored to create a community akin to that in Cabet's book. By 1856, fewer than 1,000 Icarians lived and worked in Nauvoo and on 800 acres of surrounding farmland. Gambling and tobacco were banned, and consumption of alcohol was discouraged, though the Icarians owned a whiskey distillery and several wineries. Dissention arose about the direction of the community, however, and by 1864, nearly all had relocated to Cheltenham, Missouri and to Corning, Iowa.

In the 1840s other immigrants began arriving in Nauvoo and the surrounding area. Primarily German, their numbers let Nauvoo boast that it had the largest German-speaking population in Illinois for 50 years, until World War 1. The Germans, along with immigrants from Switzerland and England, founded the local Catholic, Lutheran, Baptist, Presbyterian and Methodist churches, and conducted service in German through the 1930s. The Catholic Church remains the largest church in Nauvoo, and is also among the oldest, with the earliest services conducted in the original Mormon Temple. The Sisters of St. Benedict arrived in Nauvoo in 1874, and ran several schools and a convent until their relocation to Rock Island in 2001. The new arrivals were mostly farmers and merchants who reestablished many of the Icarian’s wineries. By 1871, nearly 800 acres of land around Nauvoo was planted with grapes, and the vineyard in the Nauvoo State Park is believed to be the oldest in Illinois. With the passing of time, the immigrants assimilated into American culture and became a significant group of permanent settlers in Nauvoo.

In the early 1850s two main bodies of the LDS church emerged: the Latter-day Saints (Utah) and the Reorganized Church of Latter-day Saints (Independence, MO). Both have returned to Nauvoo over the years to purchase properties and do restoration on local properties.

Grapes and peaches were commonly grown and shipped throughout the Midwest. Though Prohibition precipitated a decline in grape production during the 20th century, the wine cellars were discovered to be excellent for cheese production.

The Nauvoo Cheese Company opened in 1937 and used several wine cellars to age its blue cheese. It eventually grew to become the second-largest producer of blue cheese in the United States. Though currently closed, plans are underway to open a small “designer” cheese production operation for the local tourist retail at a different location.

Nauvoo is also home to the first oldest bonded Winery in Illinois. In 1936 Gem City Vineland Company (which is currently known today as Baxter's Vineyards) obtained a license to manufacture wine as Illinois Bonded Winery #52.

The oldest recorded concord grape vineyard in Illinois was planted in 1851 and is located in the Nauvoo State Park and the vineyard is still producing fruit.

Today Nauvoo celebrates its heritage in the annual staging of a grape and cheese festival at Nauvoo State Park, a festival first held in Nauvoo in 1941. The Mormon Church has rebuilt a nearly exact replica of its 1846 temple, which at the time of its original construction was the tallest building between Cincinnati and St. Louis. Nauvoo is the starting point of the 1,200 mile-long Mormon Pioneer National Historic Trail, which traces the Mormons’ route to Salt Lake City. Nauvoo has numerous areas of historical import, including two museums and the final resting places for several noteworthy citizens. Nauvoo's location on the banks of the Mississippi provides scenic and recreational opportunities. The Nauvoo Historical District, which comprises much of Nauvoo, the William J. Reimbold House, the Weld House and the Mix House are on the National Register of Historic Places. Nauvoo continues to be a community rich in culture and history. As Nauvoo grows, its history will become the foundation of a thriving community.