

Traders or Traitors: Northern Cotton Trading During the Civil War

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During the American Civil War, the Lincoln administration promoted trade with southerners for a variety of reasons. The trade was controversial, especially as the Confederate government received critical supplies in exchange for southern staple products. Lincoln's contemporaries were contemptuous about these policies. A Congressional investigation concluded that the trade:

induced a spirit of speculation and plunder among the people, who have entered into a disgraceful scramble for wealth during a time of war, waged to save the life of the nation, and has fed that greed of gain which must wound the public morals....It is believed to have led to the prolongation of the war, and to have cost the country thousands of lives and millions upon millions of treasure [U.S. House, 1864-65, pp. 1-2].

The *New York Herald* published an "expose" about the inter-belligerent trade. The paper claimed that prominent northerners, including some with the connivance of Treasury Department officials, were involved with the trade, concluding that the rebellion, "was kept alive and the war prolonged by villainies carried on from our side [of] the lines by a league of the copperheads and of corrupt men in the confidence of the government" [New York *Herald*, 21 July 1865, pp. 2 and 4].

Why did northerners trade with southerners? Were the traders experienced cotton dealers, or did the wartime trade create new participants? Was the *Herald's* accusation that these traders were Copperheads accurate? Was the paper's other assertion that Treasury agents were corrupt accurate? What role did President Lincoln have in the trade?

The Potential Profitability of Trading Cotton

The non-intercourse edicts passed by both Federal and Confederate governments combined with the Union navy's blockade's growing effectiveness to create large changes in the terms of trade for northern and southern produce. In the North, raw cotton's purchasing power over northern provisions increased

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sharply during the war, while, concurrently, raw cotton's purchasing power over similar provisions decreased in the South [*Hunt's Merchants' Magazine*, 1865, Vol. 52, pp. 121-22; Lerner, 1954, pp. 139, 146]. Clearly, any merchant who could cheaply get cotton to New York or provisions to the South stood to make a handsome profit. New York resident Charles Gould, who had declined to participate in such a venture, described the potential profits from trading cotton. For an initial \$100 in greenbacks, one could buy a 400-lb. bale of cotton in the South. The bale would be worth \$500 in greenbacks in the New York market. Since the government paid only three-quarters the current New York price under the terms of the September 1864 regulations, the trader received only \$375. The trader could then take goods worth one-third of this amount back to the Confederacy. For \$125, the northern trader could purchase 568 pounds of bacon at twenty-two cents per pound. Southerners were willing to pay \$6 per pound (in Confederate currency) for bacon. With the \$3,408 in Confederate currency, the northern trader could purchase 2,180 pounds of cotton at \$1.25 in Confederate currency (subtracting the Confederate discount of 20%, reducing the \$3,408 to \$2,726.40). Still, the trader would receive over \$2,000 in greenbacks after selling the cotton and remitting the one-fourth portion to the government [U.S. House, 1864-65, p. 18].

Gould's description did not factor in transportation costs. The blockade and non-intercourse edicts raised the differences between prices of a pound of cotton at southern ports and at Liverpool or New York from the usual peacetime difference of one or two cents per pound to fifty cents per pound. In addition, the non-intercourse edicts theoretically meant that a trader who violated the law could lose his load and his freedom. However, a trader who received official permission to trade and who received, perhaps, military assistance in getting himself and his goods across the military frontier faced greatly reduced transportation costs. Such a trader stood to earn great profits, especially if the trade was constricted (thereby keeping prices high). The scarce trade permits became valuable property rights, and the selection of an allocation mechanism was crucial in avoiding cronyism and bribery.

Why The Federal Government Allowed Trade

The Federal government implemented its naval blockade to prevent southerners from earning revenue by exporting their staple products and to prevent them from freely importing needed manufactured goods and provisions. However, there were several compelling reasons for northerners to get raw cotton. First, southerners and northerners alike thought that Europeans might intervene if their cotton textile manufacturers were deprived of raw cotton. Indeed, such a belief inspired the South's informal embargo on exports of raw cotton during 1861-62. Northerners hoped to capture a southern port and open an outlet for raw cotton, thereby relieving pressure for European governments to intervene. Second, many northerners, Lincoln included, believed that latent Unionism was strong throughout the Confederacy but especially in

the border states. To foster such Unionism, Lincoln countenanced small amounts of trade to succor loyalists in occupied areas such as Norfolk, Memphis, and New Orleans. Third, northern textile manufacturers needed raw cotton to remain in business. In addition, northerners might export cotton to Europe for badly needed specie. A leader of the cotton manufacturers, Edward Atkinson, persuaded Lincoln to loosen restrictions on between-the-lines trading. Atkinson argued that the increased price of raw cotton in New York meant that southerners were receiving the same revenue as they did before the war, so the North might as well engage in trading for cotton and get some badly needed specie [Futrell, 1950, p. 417; Welles, 1911, Vol. II, pp. 66-67]. Lincoln repeated Atkinson's thoughts in his response to General Edward Canby (who opposed the between-the-lines trade) in late 1864. He also claimed that southerners benefited more from trading through the blockade (with Europeans) than by trading with northerners:

Better give him guns for it than let him, as now, get both guns and ammunition for it....And if pecuniary greed can be made to aid us in such effort, let us be thankful that so much good can be got out of pecuniary greed [Lincoln, 1953, Vol. VIII, pp. 163-64].

Lincoln's arguments were specious. The blockade-induced increase in transportation costs raised the average real price of cotton three and four-fold in New York and in Great Britain, but such increased real prices did not help cotton growers much [Donnell, 1872, pp. 532 and 536]. The blockade also reduced the volume of raw cotton exports; such exports were only one-eighth (during 1864) the South's pre-war volume, so southern revenue from raw cotton fell sharply. Indeed, the terms of trade from between-the-lines exchange were more advantageous for the Confederacy than running cotton through the blockade, especially when the southerners received goods instead of greenbacks or gold for cotton; northern traders, too, received improved terms of trade from the sanctioned trade. By permitting such between-the-lines trade, the Federal authorities were allowing the Confederates to negate the effects of the blockade. So, Lincoln's admonition about Europeans giving "guns and ammunition" for raw cotton was reversed, and it was northern traders who were giving up guns and ammunition while Europeans gave up only guns. Nor did southerners immediately switch labor from producing cotton to other endeavors, and the crop of 1861-62 was about the same size as the previous one. Eventually southerners switched labor from growing cotton to other pursuits, but the savings in labor was not as beneficial as Lincoln portrayed.²

² Southern growers probably produced between six and seven million bales of cotton during the war. Southerners destroyed perhaps 50% of these bales to prevent capture by Union forces [Lebergott, 1981, pp. 88-83]. Some cabinet members opposed the trade [Welles, 1911, Vol. I, pp. 79-80, 167, 283, 304, 334-35, 339-40; Bates, 1933, pp. 414, 427].

With the capture of New Orleans, Memphis, and Norfolk in early 1862, overland trade in cotton became feasible.³ At first, the administration relied on a system of licenses regulating the participants in the trade. Eventually, in order to minimize southern gains from trade, the administration devised a system where Treasury officials would pay three-fourths of the current market price for cotton. Traders could take non-contraband merchandise to exchange with southerners for cotton, but only up to one-third of the value of the cotton. Although gold was sometimes used to purchase cotton, the regulations were altered to substitute Greenbacks for gold. These restrictions discouraged southerners from trading cotton, but the restrictions never completely squelched southern willingness to trade. Of course, northern traders were not pleased with the restrictions, either. However, trading goods for cotton remained a profitable venture for them [Lincoln, 1953, Vol. VIII, pp. 20-22; Chase, 1954, pp. 143-44].

The spate of permits issued in late 1864 and early 1865 encountered changing market conditions: Cotton prices began skidding as northern victory became more likely. For government agents buying cotton, this presented a problem. Purchasing at the current market price entailed a large risk that by the time the cotton reached northern buyers, the price would fall sufficiently that, even with the 25% tax, the government would take a loss. New York cotton prices fell from \$1.90 per pound to \$1.05 between August and October 1864. While the prices rebounded to \$1.41 in November, they began a decline to 85 cents in February and below forty cents by early April 1865 [U.S. House, 1864-65, pp. 202-203; Donnell, 1872, pp. 532, 536]. For northern traders, the war's imminent conclusion reduced fears that trading with southerners would unduly help the southern war effort while increasing fears that cotton's inordinate profitability would diminish.

Despite the frenetic activity of cotton traders, the Purchasing Act of July 1864 (embodied in Treasury Secretary William Fessenden's and Lincoln's orders of late September) resulted in the purchase of fewer than 55,000 bales (out of the 1.5 to 2.0 million 400-lb. bales of cotton purchased by European and northern buyers during the war) [U.S. House, 1866-67, p. 6]. The most compelling reasons for obtaining cotton—fostering Unionists in the South, deterring foreign intervention, supplying Union troops with uniforms and tents, and selling cotton to Europeans for gold—were probably moot by 1864, but European and northern buyers purchased over half a million bales during 1864 alone. The acts of mid-1864 and the attendant “cotton rush” did not greatly serve national interests and may have prolonged the war [Surdam, 1994, p. 30].

Who Received The Trade Permits

The permit system was designed to forestall anyone or any group from monopolizing the cotton trade; Lincoln was adamant that the trade be opened

³ Prior to these captures, northern textile manufacturers would have had to smuggle cotton through the Federal blockade. Corrupt customhouse agents and lax consuls aided such illicit trade [Johnson, 1967, pp. 32-34 and Hartman, 1957, pp. 448-49].

to all loyal citizens [Futrell, 1950, pp. 422-23]. To insure that the trade was open and fair, a Treasury agent had to investigate the loyalty of the applicant (and whether the applicant truly owned or controlled cotton in the South) before approving the permits. While the granting of permits might have been an open process, some people faced an "opener" process than others. The system depended upon the integrity and diligence of the Treasury agents. Such agents needed to be pillars of rectitude to withstand the blandishments of prospective traders. Such blandishments need not be mere cash. Prominent administration officials, politicians, and businessmen lobbied to have their associates appointed Treasury agents, and, in return for these political favors, agents no doubt displayed favoritism in approving some permits or in granting approval rapidly.

Some agents, such as Hanson Risley, were lax in enforcing the regulations. Many of the traders chose to misrepresent their ownership or control, preferring to get the permit and then finding cotton "to own or control." In some cases, the applications were patently false. Lincoln's friend, Leonard Swett, received three permits on 7 December 1864 for a combined 150,000 bales of cotton. These permits covered cotton in every state of the Confederacy except Virginia and North Carolina. How an Illinois resident "owned or controlled" cotton in so wide an area was not seriously questioned by Risley. Lincoln's sometime bodyguard, Provost-marshal Ward Lamon of Illinois, recommended that his brother, Robert, receive permits for a more modest 50,000 bales of cotton, also widely scattered throughout the Confederacy. Samuel Noble, a Georgia planter representing a group of Georgia growers, applied for and received a permit to bring out 250,000 bales of cotton from four states [U.S. House, 1864-65, pp. 170-73, 176, 180]. Risley approved Noble's application because the southerner was accompanied by Ward Lamon and because he possessed references from both President Lincoln and a Georgia clergyman who had a brother in New York. Risley testified before the Congressional investigation that he granted applications based on the applicant's appearance, "from his surroundings and from those who brought him to me" [U.S. House, 1864-65, pp. 169, 174-75, 204]. During a three month period at the end of 1864 and beginning of 1865, the enthusiastic Risley issued permits to traders covering over 900,000 bales of cotton. Men recommended by the President or Thurlow Weed controlled the vast majority of these bales. Fortunately for the Union cause, the war ended before many of these bales were shipped from the South. Risley finally admitted that he erred in issuing so many permits [U.S. House, 1864-65, pp. 170-73, 184].

President Lincoln personally recommended some applicants for trade permits [Lincoln, 1953, Vol. VIII, p. 35]. As the war continued, requests for Lincoln to approve permits or issue executive orders regarding trade accelerated. Lincoln approved all of the requests made by friends and family, or at least all requests where he explicitly identified someone as a friend or a relative (including several in-laws). Although Lincoln also approved permits or issued orders on behalf of people not identified as friends or family, of those whose requests he denied no one was identified as friends or family. In denying some

requests, Lincoln alluded to a likely rationale employed by traders: "I know it is thought that one case is not much, but how can I favor one and deny another" [Lincoln, 1953, Vol. VI, p. 307, see also pp. 294, 507].

The lure of spectacular profits proved too much for even patriotic men. Thurlow Weed, Leonard Swett, Benjamin Butler, and most of the others were undoubtedly staunch believers in the Union. One can imagine that they rationalized their actions in two ways. First, the Lincoln administration stated that obtaining cotton was necessary. Therefore, a trader might believe that he was doing good by doing well: filling his coffers by getting cotton from southerners and helping the national interest to boot. Second, even if the traders recognized the absurdity of the administration's announcements concerning cotton, each individual trader probably thought that his "mite" of trade did not particularly injure the Union cause while making him wealthy.

New York lobbyist Thurlow Weed was a friend of Treasury agent Risley, who assigned trading permits. Weed's biographer, Glyndon Van Deusen, believes that Weed made a large amount of money in the trade. While defending Weed's patriotism, Van Deusen conceded that Weed's Civil War financial dealings were questionable and weakly concluded that, "there was probably as little shoddy in Weed's fortune as there was in any of those made during his period" [Van Deusen, 1947, pp. 288-89 and 294]. Certainly Weed was aware of the opprobrium attached to the cotton trade. Then New York governor Edwin Morgan had told him that the trade was fraudulent enough, "to destroy any administration at any other time" [Johnson, 1966, pp. 102-103]. And, indeed, Weed hesitated before getting involved. He possessed a trading permit in early 1863, but it is unclear whether he exercised it. He was asked by a Jephtha Fowckes to help get cotton through the blockade, but again it is unclear whether Weed did so. His documented cotton activity began in 1864. Weed linked up with two traders hoping to get out a combined 450,000 bales of cotton. Unfortunately for Weed, the two traders were interrogated by the Congressional investigation on trade with rebellious states, exposing his activities. Later, Weed and Lincoln's friend, Swett, began their joint endeavors. They organized a Florida venture with some other New York traders while also trading in Memphis. Perhaps Weed hesitated in getting directly involved with the cotton trade until he thought that the North was assured of winning the war (or perhaps he feared the end of cotton's profitability with the war's nearing conclusion).

Even though Edwin Morgan realized that the cotton trade was scandalous, he, himself, was involved in the trade with Lincoln confidant, Orville Browning. Browning was a one-time Illinois senator and later cabinet member. Morgan also became a senator and, ironically, ended on the committee investigating trade with rebellious states. As historian Ludwell Johnson put it, "He asked very few questions" [Johnson, 1963a, p. 95]. Entangled with Browning and Morgan was Judge James Hughes, who often adjudicated claims concerning captured cotton. These prominent men teamed with James Singleton, who was to travel to Richmond (with the administration's approval and official permission) to make contracts to get cotton, tobacco, and other southern staple

products. As Browning wrote in his diary, he discussed the proposed venture with Lincoln, pointing out that this was "a scheme out of which he [Lincoln], Singleton, Judge Hughes of the Court of Claims, Senator Morgan, myself and some others, hope to make some money, and do the country some service." Lincoln approved of the venture and said, "he wanted to get out all [the produce] he could, and send in all the Green backs he could in exchange" [Browning, 1933, Vol. II, pp. 1, 5]. Lincoln gave Singleton and Hughes the necessary passes to go through Union lines to Richmond and to return with southern goods. This incident is interesting in that it is the only venture that implies that Lincoln might make some money, but there is no other evidence that Lincoln ever profited from the cotton trade. Browning believed that the trade was harmless, especially when Greenbacks were used in payment; indeed, he believed that the trade made southerners more "interested in [the Federal] government and [becoming] its friend," leading to demoralization. Thus, Browning, like most traders, donned the flimsy cloak of respectability afforded by the administration's announcements regarding the nation's need for cotton, thereby warding off criticisms of their trade activities. Ultimately Singleton's efforts were futile, as the produce he contracted for was burned in the final days of the war [Browning, 1933, Vol. II, pp. 10-12, 25-26].

Lincoln drafted an order for William Butler, a longtime friend, and several other men, including several from Louisiana, permitting them to move their cotton through Union lines in Louisiana [Lincoln, 1953, Vol. VII, pp. 213-14]. Although the record is unclear whether Lincoln formally signed this draft, such presidential orders were highly coveted. While Treasury permits were important, an order from the President generated greater cooperation from local authorities and facilitated getting cotton out of the South, thereby lowering costs. In testimony before a Congressional committee, former Treasury clerk turned cotton trader Thomas Conatty admitted that "the special value of the permit arose...from the fact that it had Mr. Lincoln's order accompanying it." Conatty was involved in a group of traders who had altered a Treasury permit with Lincoln's signature—changing the amount from 15,000 to 50,000 bales and also changing a name on the permit—all without the President's knowledge [U.S. House, 1864-65, pp. 38-39, 202].

Although Ludwell Johnson repeated the cliché that the "war corrupted men," he amended it to say that, "men also corrupted the war" [Johnson, 1966, p. 115]. Yet, many of the tactics used were continuations of antebellum and postbellum antics. Using connections to gain advantages was not novel, and Lincoln and others may have seen the cotton trade as a way to help the national cause while simultaneously helping them politically. Indeed for many of these men, it was "business as usual." Corruption did not arise with the Gilded Age, but rather was a continuous process. Certainly some of the players were the same: Thurlow Weed and Benjamin Butler, for instance. Weed and General Butler had been involved in odious wartime profiteering at the very beginning of the war. Indeed, Weed's Albany political machine was well-placed to take

advantage of the profitable opportunities afforded by the war, and one might have been more surprised if such trade did not attract such men.

A Congressional investigation called several witnesses who admitted being involved with the cotton trade. Aside from Charles Hawks, none of the witnesses had ever been involved in growing or trading cotton prior to the war. Their occupations ranged from farmer to Vice President of a railroad company to former Minister to Mexico. A few identified themselves as speculators.

Nor were businessmen, lawyers, and politicians who had never grown or traded cotton before 1861 the only ones affected by the desire for quick riches. The Congressional debate concerning the July 1864 regulations excoriated some naval officers for confiscating cotton along southern rivers and declaring such cotton "prizes of war," thereby preventing the Federal government from reaping the benefits of such confiscations (while enriching the officers) [*Congressional Globe*, 1864-65, 38th Cong., 2nd sess., pp. 1349, 1350-56 and 1st sess., pp. 2821-22, 3323; Gordon, 1882, p. 325]. Generals, though, were not immune to the trade's charms either, as witness the careers of Benjamin Butler, John A. Dix, Napoleon Dana, and Samuel Curtis [Browning, 1925, Vol. I, pp. 573, 579, 583]. The military was destined to be involved regardless of whether officers wanted to be or not. As Senator Grimes of Iowa pointed out, since the trade permit system was largely designed to get cotton from areas not under Union control, the traders needed assistance from the local military commanders [*Congressional Globe*, 1864-65, 38th Cong., 2nd sess., p. 1350]. However, some of the military officers proved as venal and corrupt as any civilian. General Butler and his brother, Andrew, gained widespread notoriety for their attempts to profit from cotton, although the General was too astute to ever be directly implicated. General Dana allowed his brothers-in-laws to trade in cotton within his military district, while threatening or blackmailing other traders. According to cotton trader John Morse, General Dana had threatened him prior to his testimony before the Congressional committee, so the trader did not immediately answer the question whether he had ever paid anything to officers of the army for getting cotton out. Later he described some of the army officers' tactics: arbitrary arrest, blackmail masquerading as taxes, and the incurring of legal fees (\$20,000 total in his case) [U.S. House, 1864-65, pp. 94-97, 109-10, 113; Johnson, 1966, pp. 112-14; Johnson, 1963b]. Morse claimed that hospital dues, warehouse fees, and militia fees were levied against his and other traders' cotton, even though the hospitals and militia were supported by the government and did not need or receive any fees. The warehouse fee was applied arbitrarily, whether or not cotton was stored [U.S. House, 1864-65, pp. 118-19].⁴

Many military officers were opposed to the trade. Generals William Sherman, Ulysses Grant, and Edward Canby were staunch opponents, although Sherman initially approved of small growers around Memphis bringing in

⁴ See also the testimony of John Finnell, adjutant general of Kentucky, pp. 73-74.

enough cotton to sustain their families. Canby blasted the trade policy, claiming that it corrupted heretofore honest men, causing them to, "barter the cause of which [the army] is fighting, with all the baseness of Judas Iscariot, but without his remorse" [U.S. House, 1864-65, p. 4]. These officers did what they could to deter trading. Edwin Stanton and Gideon Welles took their time in promulgating orders to their officers after Lincoln and Fessenden's orders of September 1864. Because of the delay in implementing the trade permit system, traders often resorted to seeking executive orders from Lincoln (who issued perhaps forty of these orders) [U.S. House, 1864-65, pp. 181, 202].

Some of the Treasury agents were unwilling to deny themselves the benefits of the trade, as the legislators clearly perceived [*Congressional Globe*, 1864-65, 38th Cong. 1st sess., p. 2823]. Some agents were selected on the basis of recommendations by prominent northerners, including Lincoln. William Orme was appointed agent at Vicksburg; he had Lincoln's effusive recommendation: "one of the most active, competent, and best men in the world" [Lincoln, 1953, Vol. V, p. 353].⁵ Hanson Risley was an associate of Weed and Secretary of State William Seward. Cotton traders accused George Ellery, Treasury agent at Memphis, of corruption. He allegedly bought and sold cotton with a six cents differential. Traders were willing to buy back cotton from Ellery as it was then not subject to the 25% tax [U.S. House, 1864-65, pp. 55, 119]. Despite these compromised Treasury agents, some legislators did not want to terminate all trade, recognizing that citizens living along the Mississippi would be unfairly burdened by trade regulations as they needed the trade to survive. But an opponent of the trade, Senator Benjamin Wade of Ohio, decried the favoritism inherent in the permit system and advocated either closing the trade entirely or letting everyone participate [*Congressional Globe*, 1864-65, 38th Cong., 2nd. sess., p. 1353].

Aside from the rapaciousness of Federal officials, traders faced other obstacles in getting goods to southerners and getting cotton north. While some Federal generals, such as Benjamin Butler and John A. Dix, encouraged the cotton trade, their efforts were partially stymied by Confederate and state authorities who discouraged citizens from trading. Jefferson Davis was ambivalent towards the trade and never fully embraced the need for it. In many cases, southern authorities were for government-run trade and attempted to deter private trading. Growers had to evade or bribe the cavalry pickets assigned to stop trade. Guerilla groups often preyed upon growers and traders and sometimes extorted \$50 to \$75 per bale; these groups were usually mere outlaws acting without military authority. In addition, southern authorities burned large quantities of raw cotton that was in the path of invading Federal soldiers [U.S. War Department, 1880-1900, Ser. I, Vol. 15, pp. 504-10; Vol. 26, pt. ii, pp. 434-36; and Vol. 48, pt. i, p. 1316]. If the traders could get a southern intermediary who could get the Confederate government to cooperate, then the costs of

⁵ See Vol. VII, p. 156 for Lincoln's recommendation of Charles Hawks for another Treasury agent position.

trading would diminish. James Singleton and Beverley Tucker supposedly had such influence with southern leaders, and northern traders, such as Swett, Lamon, and Weed, hoped to use these men to facilitate getting southern products out. Meanwhile, other traders simply met with local Confederate officers and negotiated transactions, usually taking in militarily useful provisions and manufactured goods. One trader not-so-candidly described his meeting with a Confederate commissary officer at a "fish fry," but he claimed that the conversation never turned to such mundane topics as trade [U.S. House, 1864-65, pp. 132, 147-48, 187-94].

Conclusions

The tightening Federal naval blockade created potential for spectacular profits for those who could obtain and transport cotton cheaply. A total ban on trade would have only magnified the potential profits and would have likely created a greater impetus for illicit smuggling and its attendant evils.

Lincoln wanted to use cotton, and perhaps he believed that even greed could be used to further the national interest. Lincoln, himself, was scrupulous about his personal finances [French, 1989, p. 382; Donald, 1995, p. 313, 325]. Why did a man with such personal integrity eventually countenance a system that became rife with abuse and corruption? Why did he grant favored treatment to so many friends and associates in obtaining permits? In comparison, Jefferson Davis was so strict regarding cotton that he didn't help his older brother, Joseph, in preserving their stocks of cotton from being burned [Hermann, 1990, p. 105].

In an ironic twist, General Grant saw and condemned the corruption inherent in the trade, but later he became renown for an administration characterized by his associates' corruption. Lincoln oversaw a system whereby his associates gained even at the possible cost of prolonging the war, but we revere him as "Honest" Abe. Lincoln was at least sensitive to the potential scandal from the cotton trade. On some instances he refused to issue permits because of the impropriety involved. Still, the cotton trade, with its attendant profitability, probably posed too great a temptation for any set of men to avoid some sinful behavior; Lincoln was not surrounded by saints.

Moreover, the attempts to get cotton and the methods for apportioning permits served critical local interests. Massachusetts and New York were critical states for the Republicans in 1864. The Massachusetts cotton textile manufacturers needed cotton to stay in business, and Lincoln was loathe to abandon them. New York was not safely Republican, and Lincoln needed to insure the support of men such as Thurlow Weed (Lincoln won the state by fewer than 7,000 votes). But satisfying local interests was a risky strategy. Grant's military strategy was to pin Lee down and starve him out by cutting the supply lines from the South; by allowing the trading of food supplies for cotton in southern Virginia, Lincoln's cotton policies were undermining Grant's strategy at a time when war-weariness was at its peak. By helping Massachusetts and

New York manufacturers and traders, Lincoln was putting the war effort at risk. Fortunately for him, his military leaders won vital victories before the 1864 election, maintaining the Union cause, but the margin for error was slender.

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