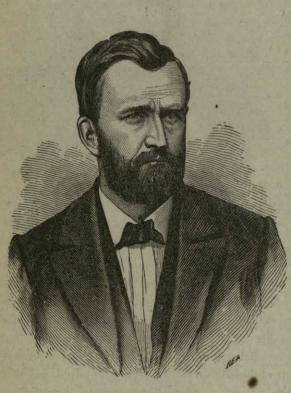
## CHAPTER LXVIII.

GRANT'S ADMINISTRATION, 1869-1877.

ULYSSES S. GRANT, eighteenth President of the United States, is a native of Ohio, born at Point Pleasant, in that State, April 27th, 1822. At the age of seventeen he entered the United States Military Academy at West Point, and was graduated in 1843. He served with



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distinction and was promoted for gallantry in the Mexican war; but his first national reputation was won by the capture of Forts Henry and Donelson in 1862. From that time he rapidly rose in rank, and in March, 1864, received the appointment of lieutenant-general and commander-in-chief of the Union army. His subsequent career at the head of that army has already been narrated. At the close of the war his reputation, though strictly military, was very great; and his being involved in

the imbroglio between President Johnson and Congress rather heightened than diminished the estimation in which he was held by the people of the North. Before the Republican convention, held at Chicago on the 21st of May, 1868, he had no competitor, and was ananimously nominated on the first ballot. On the day following his inauguration as President, he sent in to the Senate the following nominations for cabinet officers: For secretary of state, Elihu B. Washburne of Illinois; for secretary of the treasury, Alexander T. Stewart of New York; for secretary of the interior, Jacob D. Cox of Ohio; for secretary of the navy, Adolph E. Borie of Pennsylvania; for secretary of war, John M. Schofield of Illinois; for postmastergeneral, John A. J. Creswell of Maryland; for attorney-general, E. R. Hoar of Massachusetts. These nominations were at once confirmed; but it was soon discovered that Mr. Stewart, being engaged in commerce, was ineligible, and George S. Boutwell of Massachusetts was appointed in his stead. Mr. Washburne also gave up his office to accept the position of minister to France; and the vacant secretaryship was given to Hamilton Fish of New York.

The first event by which the new administration was signalized was the completion of the Pacific Railroad. This vast enterprise was projected as early as 1853; but ten years elapsed before the work of construction was actually begun. The first division of the road extended from Omaha, Nebraska, to Ogden, Utah, a distance of a thousand and thirty-two miles. The western division, called the Central Pacific Railroad, reached from Ogden to San Francisco, a distance of eight hundred and eighty-two miles. On the 10th of May, 1869, the great work was completed with appropriate ceremonies.

Before the inauguration of President Grant two additional amendments to the Constitution had been adopted by Congress. The first of these, known as the Fourteenth Amendment, extended the right of citizenship to all persons born or naturalized in the United States, and declared the validity of the public debt. This amendment was submitted in 1867, was ratified by three-fourths of the States, and in the following year became a part of the Constitution. A few weeks before the expiration of Mr. Johnson's term the Fifteenth Amendment was adopted by Congress, providing that the right of citizens of the United States to vote shall not be denied or abridged on account of race, color or previous condition of servitude. This clause, which was intended to confer the right of suffrage on the emancipated black men of the South, was also submitted to the States, received the sanction of three-fourths of the legislatures, and on the 30th of March, 1870, was proclaimed by the President as a part of the Constitution.

In the autumn of 1869 occurred the most extraordinary monetary excitement ever known in the United States, or perhaps in the world. A company of unscrupulous speculators in New York city, headed by Jay Gould and James Fisk, jr., succeeded in producing what is known as a "corner" in the gold market and brought the 554

business interests of the metropolis to the verge of ruin. During the civil war the credit of the government had declined to such an extent that at one time a dollar in gold was worth two hundred and eightysix cents in paper currency. But after the restoration of the national authority the value of paper money appreciated, and in the fall of 1869 the ratio of gold to the greenback dollar had fallen to about one hundred and thirty to one hundred. There were at this time, in the banks of New York, fifteen million dollars in gold coin and in the sub-treasury of the United States a hundred millions more. The plan of Gould and Fisk was to get control by purchase of the greater part of the fifteen millions, to prevent the secretary of the treasury from selling any part of the hundred millions under his authority, thenhaving control of the market - to advance the price of gold to a fabulous figure, sell out all which they held themselves, and retire from the field of slaughtered fortunes with their accumulated millions of spoils! Having carefully arranged all the preliminaries, the conspirators, on the 13th of September, began their work of purchasing gold, at the same time constantly advancing the price. By the 22d of the month, they had succeeded in putting up the rate to a hundred and forty. On the next day the price rose to a hundred and forty-four. The members of the conspiracy now boldly avowed their determination to advance the rate to two hundred, and it seemed that on the morrow they would put their threat into execution. On the morning of the 24th, known as BLACK FRIDAY, the bidding in the gold-room began with intense excitement. The brokers of Fisk and Gould advanced the price to a hundred and fifty, a hundred and fifty-five, and finally to a hundred and sixty, at which figure they were obliged to purchase several millions by a company of merchants who had banded themselves together with the determination to fight the gold-gamblers to the last. Just at this moment came a despatch that Secretary Boutwell had ordered a sale of four millions from the sub-treasury! There was an instantaneous panic. The price of gold went down twenty per cent. in less than as many minutes! The speculators were blown away in an uproar; but they managed, by accumulated frauds and corruptions, to carry off with them more than eleven million dollars as the fruits of their nefarious game! Several months elapsed before the business of the country recovered from the effects of the shock.

In the first three months of 1870 the work of reörganizing the Southern States was completed. On the 24th of January the senators and representatives of Virginia were formally reädmitted to their seats in Congress, and the Old Dominion once more took her place in the Union.

On the 23d of February a like action was taken in regard to Mississippi; and on the 30th of March the work was finished by the readmission of Texas, the last of the seceded States. For the first time since the outbreak of the civil war the voice of all the States was heard in the councils of the nation.

In this year was completed the ninth census of the United States. It was a work of vast importance, and the results presented were of the most encouraging character. Notwithstanding the ravages of war, the last decade had been a period of wonderful growth and progress. During that time the population had increased from thirty-one million four hundred and forty-three thousand to thirty-eight million five hundred and eighty-seven thousand souls. The centre of population had now moved westward into the great State of Ohio, and rested at a point fifty miles east of Cincinnati. The national debt, though still enormous, was rapidly falling off. The products of the United States had grown to a vast aggregate; even the cotton crop of the South was regaining much of its former importance. American manufactures were competing with these of England in the markets of the world. The Union now embraced thirty-seven States and eleven Territories.\* From the narrow limits of the thirteen original colonies, with their four hundred and twenty-one thousand square miles of territory, the national domain had spread to the vast area of three million six hundred and four thousand square miles. Few things, indeed, have been more marvelous than the territorial growth of the United States. The purchase of Louisiana more than doubled the geographical area of the nation; the several Mexican acquisitions were only second in importance; while the recent Russian cession alone was greater in extent than the original thirteen States. The nature of this territorial development will be best understood from an examination of the accompanying map.

In January of 1871 President Grant appointed Senator Wade of Ohio, Professor White of New York and Dr. Samuel Howe of Massachusetts as a board of commissioners to visit Santo Domingo and report upon the desirability of annexing that island to the United States. The question of annexation had been agitated for several years, and the measure was earnestly favored by the President. After three months spent abroad, the commissioners returned and reported in favor of the proposed annexation; but the proposal was met with violent opposition in Congress, and defeated.

The claim of the United States against the British government for damages done to American commerce by Confederate cruisers during the \*Including the Indian Territory and Alaska.

civil war still remained unsettled. These cruisers had been built and equipped in English ports and with the knowledge of the English government. Such a proceeding was in plain violation of the law of nations, even if the independence of the Confederate States had been recognized. Time and again Mr. Seward remonstrated with the British authorities, but without effect. After the war Great Britain became alarmed at her own conduct, and grew anxious for a settlement of the difficulty. On the 27th of February, 1871, a joint high commission, composed of five British and five American statesmen, assembled at Washington city. From the fact that the cruiser Alabama had done most of the injury complained of, the claims of the United States were called THE ALABAMA CLAIMS. After much discussion, the commissioners framed a treaty, known as the Treaty of Washington, by which it was agreed that all claims of either nation against the other should be submitted to a board of arbitration to be appointed by friendly nations. Such a court was formed, and in the summer of 1872 convened at Geneva, Switzerland. The cause of the two nations was impartially heard, and on the 14th of September decided in favor of the United States. Great Britain was obliged, for the wrongs which she had done, to pay into the Federal treasury fifteen million five hundred thousand dollars.

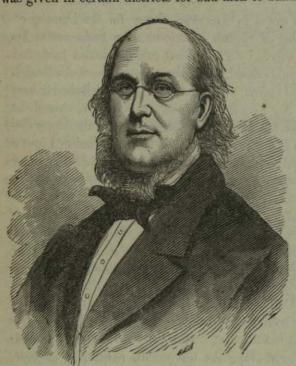
During the year 1871, there were laid and put into operation in the United States no less than seven thousand six hundred and seventy miles of railroad! There is perhaps no fact in the history of the world which exhibits so marvelous a development of the physical resources of a nation. Ere the mutterings of the civil war, with its untold destruction of life and treasure, had died away in the distance, the recuperative power, enterprise, and genius of the American people were revealed, as never before, in establishing and extending the lines of travel and commerce. In 1830 there were but twenty-three miles of railway track in the New World. In 1840 the lines in the United States had been extended to two thousand eight hundred and eighteen miles. Ten years later there were nine thousand and twentyone miles of track. According to the reports for 1860, the railroads of the country had reached the enormous extent of thirty thousand six hundred and thirty-five miles; and in the next ten years, embracing the period of the civil war, the amount was nearly doubled. Such is the triumphant power of free institutions—the victory of free enterprise, free industry, free thought. There stands the fact! Let the adherents of the Old World's methods, the eulogists of the past, take it and read it. Wherever the human race pants for a larger activity, a more glorious exercise of its energies, let the story be told how the United States, just emerged from the furnace of war, smarting with wounds, and burdened with an enormous debt, built in a single year more than twice as many miles of railroad as Spain, ridden with her precedents of kingcraft and priestcraft, has ever built in her whole career.

The year 1871 is noted in American history for the burning of Chicago. On the evening of the 8th of October a fire broke out in De Koven street, and was driven by a high wind into the lumber-yards and wooden houses of the neighborhood. The flames leaped the South Branch of the Chicago River and spread with great rapidity through the business parts of the city. All day long the deluge of fire rolled on, crossed the main channel of the river, and swept into a blackened ruin the whole district between the North Branch and the lake as far northward as Lincoln Park. The area burned over was two thousand one hundred acres, or three and a third square miles. Nearly two hundred lives were lost in the conflagration, and the property destroyed amounted to about two hundred millions of dollars. No such a terrible devastation had been witnessed since the burning of Moscow in 1812. In the extent of the district burned over, the Chicago fire stands first, in the amount of property destroyed second, and in the suffering occasioned third, among the great conflagrations of the world.

On the 21st of October, 1872, was settled the only remaining dispute concerning the boundaries of the United States. By the terms of the treaty of 1846 it was stipulated that the North-western boundary line, running westward along the forty-ninth parallel of latitude, should extend to the middle of the channel which separates the continent from Vancouver's Island, and thence southerly through the middle of said channel and of Fuca's Straits to the Pacific. But what was "the middle of said channel"? for there were several channels. The British government claimed the Straits of Rosario to be the true line intended by the treaty, while the United States would have the Canal de Haro. So the question stood for a quarter of a century, and was then referred for settlement to the arbitration of William I., Emperor of Germany. That monarch heard the cause, decided in favor of the United States, and the Canal de Haro became the international boundary.

As the first official term of President Grant drew to a close the political parties made ready for the twenty-second presidential election. Many parts of the chief magistrate's policy had been made the subjects of criticism and controversy. The congressional plan of reconstructing the Southern States had prevailed, and with that plan the President was in

accord. But the reconstruction measures had been unfavorably received in the South. The elevation of the negro race to the full rights of citizenship was regarded with apprehension. Owing to the disorganization of civil government in the Southern States, an opportunity was given in certain districts for bad men to band themselves together



HORACE GREELEY.

in lawlessness. The military spirit was still rife in the country, and the issues of the civil war were rediscussed, sometimes with much bitterness. On these issues the people divided in the election of 1872. The Republicans renominated General Grant for the presidency. For the vice-presidency Mr. Colfax declined a renomination, and was succeeded by Henry Wilson of Massachusetts. As the standard bearer of

the Liberal Republican and Democratic parties Horace Greeley, editor of the New York Tribune, was nominated. This was the last act in that remarkable man's career. For more than thirty years he had been an acknowledged leader of public opinion in America. He had discussed with vehement energy and enthusiasm almost every question in which the people of the United States have any interest. After a lifetime of untiring industry he was now, at the age of sixty-one, called to the forefront of political strife. The canvass was one of wild excitement and bitter denunciations. Mr. Greeley was overwhelmingly beaten, and died in less than a month after the election. In his death the nation lost a great philanthropist and journalism its brightest light.

A few days after the presidential election the city of Boston was visited by a conflagration only second in its ravages to that of Chicago

in the previous year. On the evening of the 9th of November a fire broke out on the corner of Kingston and Summer streets, spread to the north-east, and continued with almost unabated fury until the morning of the 11th. The best portion of the city, embracing some of the finest blocks in the United States, was laid in ashes. The burnt district covered an area of sixty-five acres. Eight hundred buildings, property to the value of eighty million dollars, and fifteen lives were lost by the conflagration.

In the spring of 1872 an order had been issued to Superintendent Odeneal to remove the Modoc Indians from their lands on the southern shore of Lake Klamath, Oregon, to a new reservation. The Indians, who had been greatly mistreated by former agents of the government, refused to go; and in the following November a body of troops was sent to force them into compliance. The Modocs resisted, kept up the war during the winter, and then retreated into an almost inaccessible volcanic region called the lava-beds. Here, in the spring of 1873, the Indians were surrounded, but not subdued. On the 11th of April a conference was held between them and six members of the peace commission; but in the midst of the council the treacherous savages rose upon the kind-hearted men who sat beside them and murdered General Canby and Dr. Thomas in cold blood. Mr. Meacham, another member of the commission, was shot and stabbed, but escaped with his life. The Modocs were then besieged and bombarded in their stronghold; but it was the 1st of June before General Davis with a force of regulars could compel Captain Jack and his murderous band to surrender. The chiefs were tried by courtmartial and executed in the following October.

In the early part of 1873 a difficulty arose in Louisiana which threatened the peace of the country. Owing to the existence of double election-boards two sets of presidential electors had been chosen in the previous autumn. At the same time two governors—William P. Kellogg and John McEnery—were elected; and rival legislatures were also returned by the hostile boards. Two State governments were accordingly organized, and for a while the commonwealth was in a condition bordering on anarchy. The dispute was referred to the Federal government, and the President decided in favor of Governor Kellogg and his party. The rival government was accordingly disbanded; but on the 14th of September, 1874, a large party, opposed to the administration of Kellogg and led by D. B. Penn, who had been returned as lieutenant-governor with McEnery, rose in arms and took possession of the State-house. Governor Kellogg fled to the custom-house and appealed to the President for help. The latter immediately ordered the adherents of Penn to dis-

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perse, and a body of national troops was sent to New Orleans to enforce the proclamation. On the assembling of the legislature in the following December the difficulty broke out more violently than ever, and the soldiery was again called in to settle the dispute.

About the beginning of President Grant's second term, the country was greatly agitated by what was known as THE CREDIT MOBILIER INVESTIGATION in Congress. The Credit Mobilier of America was a joint stock company organized in 1863 for the purpose of facilitating the construction of public works. In 1867 another company which had undertaken to build the Pacific Railroad purchased the charter of the Credit Mobilier, and the capital was increased to three million seven hundred and fifty thousand dollars. Owing to the profitableness of the work in which the company was engaged, the stock rose rapidly in value and enormous dividends were paid to the shareholders. In 1872 a lawsuit in Pennsylvania developed the startling fact that much of the stock of the Credit Mobilier was owned by members of Congress. A suspicion that those members had voted corruptly in the legislation affecting the Pacific Railroad at once seized the public mind and led to a congressional investigation, in the course of which many scandalous \*transactions were brought to light, and the faith of the people in the integrity of their servants greatly shaken.

•In the autumn of 1873 occurred one of the most disastrous financial panics known in the history of the United States. The alarm was given by the failure of the great banking-house of Jay Cooke & Company of Philadelphia. Other failures followed in rapid succession. Depositors everywhere hurried to the banks and withdrew their money and securities. Business was suddenly paralyzed, and many months elapsed before confidence was sufficiently restored to enable merchants and bankers to engage in the usual transactions of trade. The primary cause of the panic was the fluctuation in the volume and value of the national currency. Out of this had arisen a wild spirit of speculation which sapped the foundations of business, destroyed financial confidence, and ended in disaster.

Not the least of the evil results of the great monetary disturbance was the check given to THE NORTHERN PACIFIC RAILROAD. As early as 1864 a company had been organized under a congressional charter to construct a railway from Lake Superior to Puget Sound. The work also contemplated the running of a branch road, two hundred miles in length, down the valley of the Columbia River to Portland, Oregon. Large subsidies were granted to the company by Congress, and other favorable legislation was expected. In 1870 the work

of construction was begun and carried westward from Duluth, Minnesota. Jay Cooke's banking-house made heavy loans to the company, accepting as security the bonds of the road; for it was confidently expected that such legislation would be obtained as should secure the success of the enterprise and bring the bonds to par. In this condition of affairs the Credit Mobilier scandal was blown before the country; and no Congress would have dared to vote further subsidies to a railroad enterprise. Jay Cooke's securities became comparatively worthless; then followed the failures and the panic. The work of constructing the road was arrested by the financial distress of the country, and has since been pushed forward but slowly and with great difficulty. In 1875 the section of four hundred and fifty miles, extending from Duluth to Bismarck, Dakota, had been put in operation; and another section, a hundred and five miles in length, between Kalama and Tacoma, in Washington Territory, had also been completed. Meanwhile, the attention of the country was turned to the Texas and Pacific line, which had been projected from Shreveport, Louisiana, and Texarkana, Arkansas, by way of El Paso to San Diego, California - a distance from Shreveport of a thousand five hundred and fourteen miles. In 1875 the main line had been carried westward a hundred and eighty-nine miles to Dallas, Texas, while the line from Texarkana had progressed seventy-five miles towards El Paso.

On the 4th of March, 1875, the Territory of Colorado was authorized by Congress to form a State constitution. On the 1st of July, in the following year, the instrument thus provided for, was ratified by the people; a month later, the President issued his proclamation, and "the Centennial State" took her place in the Union. The new commonwealth embraced an area of a hundred and four thousand five hundred square miles, and a population of forty-two thousand souls. Public attention was directed to the territory by the discovery of gold, in the year 1852. Silver was discovered about the same time, and in the winter of 1858-9, the first colony of miners was established on Clear Creek and in Gilpin County. The entire yield of gold up to the time of the admission of the State was estimated at more than seventy millions of dollars. Until 1859, Colorado constituted a part of Kansas; but in that year a convention was held at Denver, and in 1861 a distinct territorial organization was effected. Since 1870, immigration has been rapid and constant.

The last years of the history of the Republic have been noted for the number of public men who have fallen by the hand of death. In December of 1869, Edwin M. Stanton, secretary of war under President Lincoln, and more recently justice of the supreme court of the United States, died. In 1870 General Robert E. Lee, president of Washington and Lee University, General George H. Thomas and Admiral Farragut passed away. In 1872 William H. Seward, Professor Morse, Horace Greeley and General Meade were all called from the

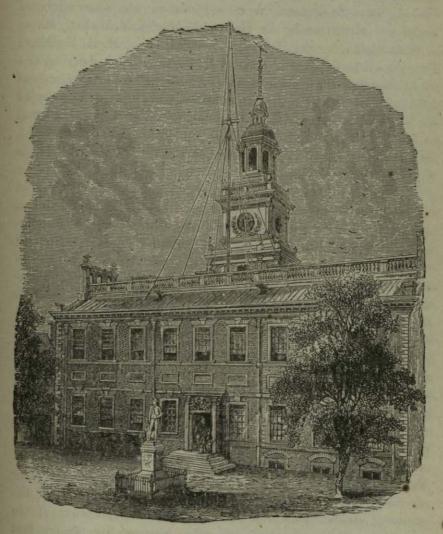


CHARLES SUMNER.

scene of their earthly labors. On the 7th of May, 1873, Chief-Justice Chase • fell under a stroke of paralysis at the home of his daughter in New York City; and on the 11th of March in the following year, Senator Charles Sumner of Massachusetts died at Washington. He was a native of Boston; born in 1811; liberally educated at Harvard College. At the age of thirty-five he entered the arena of public

life, and in 1850 succeeded Daniel Webster in the Senate of the United States. This position he retained until the time of his death, speaking much and powerfully on all the great questions that agitated the nation. His last days were spent in considering the interests and welfare of that country to whose service he had given the lifelong energies of his genius. On the 22d of November, 1875, Vice-President Henry Wilson, whose health had been gradually failing since his inauguration, sank under a stroke of paralysis and died at Washington city. Like Roger Sherman, he had risen from the shoemaker's bench to the highest honors of his country. Without the learning of Seward and Sumner—without the diplomatic skill of the one or the oratorical fame of the other—he nevertheless possessed those great abilities and sterling merits which will transmit his name to after times on the roll of patriot statesmen.

As the Centennial of American Independence drew near, the people made ready to celebrate the great event with appropriate ceremonies. A hundred years of national prosperity—though not unclouded by ominous shadows and not unhurt by the devastations



INDEPENDENCE HALL, 1876.

of war—had swept away, and at last the dawn of the centennial morning was rising in the eastern sky. It was not to be supposed that the thoughtful and patriotic of the land would allow so lustrous an epoch to go by without impressing upon the present generation the lesson of the past and the hope of the future. As early as 1866, a proposition was made by Professor John L. Campbell of Wabash College, that steps should be taken looking to the proper celebration of the great national anniversary. About the same time the question of an international exhibition in honor of our independence, was agitated by the Honorable John Bigelow, a former minister of the United States to France. A correspondence was soon afterward begun and carried on by the Honorable Morton McMichael, Mayor of Philadelphia, Senator Henry S. Lane of Indiana, M. R. Muckle of Pennsylvania, and General Charles B. Norton, who had served as a commissioner of the United States at the Exposition Internationale of 1867. To these men, more than to others perhaps, must be awarded the honor of having originated the Centennial Exposition. But it is hardly to be supposed that the American people would have failed, from the want of leaders or any other circumstance, to mark with an imposing display the hundredth year of the Republic.

Such was the origin of the movement; but the development of the project was discouraged for a while with considerable opposition and much lukewarmness. The whole scheme was a vision of enthusiasm, a Quixotical dream, -said the critics and objectors. No such an enterprise could be carried through except under the patronage of the Government, and the Government had no right to make appropriations merely to preserve an old reminiscence. We had had enough of the Fourth of July already. Besides,-said the wits and caricaturists,-the other nations would present a ludicrous figure in helping us to celebrate the anniversary of a rebellion which they had tried to erush a hundred years ago. Victoria was expected-so said theyto send over commissioners to heap contumely and contempt on the grave of her grandfather! No nation of Europe would consent to its own stultification by joining in the jubilee of republicanism. Besides all this caviling, it was foreseen that Philadelphia would quite certainly be selected as the scene of the proposed display, and on that account a good deal of local jealousy was excited in the other principal cities of the Union. Nevertheless, the advocates of the enterprise continued to urge the feasibility and propriety of the exposition; the more enlightened newspapers of the country lent their influence, and the popular voice soon declared in favor of the

As early as the beginning of 1870, the general plan and principal features of the celebration had been determined in the minds of its projectors. As to the form of the display, an International Expo-

sition of Arts and Industries was decided on; as to the scene, the city of Philadelphia, hallowed by a thousand Revolutionary memories, was selected; as to the time, from the 19th of April to the 19th of October, 1876. The first organized body to give aid and encouragement to the enterprise was the Franklin Institute of Philadelphia. Through the influence of that patriotic organization, a Centennial Commission, consisting of seven members appointed by the city council, was constituted, with John L. Shoemaker as chairman. Shortly afterwards a resolution was adopted by the Legislature of Pennsylvania, invoking the aid of Congress in behalf of the proposed celebration; and on the 3d of March, 1871, a bill was passed by the House of Representatives, which became the basis of all subsequent proceedings relating to the Centennial.

In this bill it was provided that an exhibition of American and Foreign arts, products and manufactures should be held under the auspices of the Government of the United States, in the city of Philadelphia, in 1876; that a Centennial Commission, consisting of one member and one alternate from each State and Territory, should be appointed by the President; that to this board of commissioners should be referred the entire management and responsibility of the enterprise; that the members of the board should receive no compensation; that the United States should not be liable for any of the expenses of the exposition; and that the President, when officially informed that suitable buildings had been erected and adequate provisions made for the proposed exhibition, should make proclamation of that fact to the people of the United States and to all foreign nations. During the year 1871, the Centennial Commission was constituted in accordance with the act of Congress. On the 4th of March, 1872, the members assembled at Philadelphia and effected a permanent organization by the election of General Joseph R. Hawley of Connecticut as President. Orestes Cleveland of New Jersey, John D. Creigh of California, Robert Lowry of Iowa, Robert Mallory of Kentucky, Thomas H. Coldwell of Tennessee, John McNeill of Misseuri, and William Gurney of South Carolina, were chosen as the seven vicepresidents of the organization. As secretary, Professor John L. Campbell of Indiana was elected. The important office of director-general was conferred on Alfred T. Goshorn of Ohio; and as counselor and solicitor John L. Shoemaker of Pennsylvania was chosen.

The question of money next engaged the attention of the managers. How to provide the funds necessary for carrying forward so vast an enterprise became a source of much discussion and no little