Forty-First Congress

March 4, 1869-March 3, 1871

First Administration of Ulysses S. Grant

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Historical Background

The former Union General and war hero, Ulysses S. Grant, was inaugurated as the 18th President of the United States on March 4, 1869. Soon after the 41st Congress convened in March 1869, it passed the Public Credit Act to provide for the payment in gold of some \$450,000 to those individuals who had purchased Federal bonds under the Legal Tender Act of February 25, 1862. With this Act the Grant Administration fulfilled a Republican campaign pledge of the previous fall.

The cessation of sectionalist hostilities allowed the country to refocus its energies on expanding territory westward and connecting the far-flung outposts of the republic with the metropolitan centers of the eastern seaboard. On May 10, 1869, the "golden spike" was driven at Promontory, Utah, signifying the completion the First Transcontinental Railroad. Ranging from Oakland, California in the west, the railroad connected to the eastern portion of the continent at its eastern terminus at Council Bluffs, Iowa. The joining of the Union Pacific and Central Pacific railroads shortened a coast to coast journey from six-eight months to one week.

The 41st Congress also saw the readmission of the remainder of the erstwhile rebellious states to the Union. With Virginia's readmission in January 1870, Mississippi and Texas reentering in February and March, respectively, and Georgia's readmission in July 1870, the last of the former Confederate states were accepted into the Union. That said, Congress still faced a difficult task as it sought during the next two years to blunt the terrorist activities of the Ku Klux Klan and similar organizations directed against Negroes, carpetbaggers, and scalawags in the South. In response, Congress enacted a series of Force Acts designed to protect Southern Negro civil and political rights. The first two of these acts, approved in May 1870 and February 1871, were specifically aimed at disciplining Southerners who continued to flout the 15th Amendment. The 41st Congress also enacted the Department of



President Ulysses S. Grant

House	Senate
Majority Party: Republican (171 seats)	Majority Party: Republican (62 seats)
Minority Party: Democrat (67 seats)	Minority Party: Democrat (12 seats)
Other Parties: Conservatives (5 seats)	Other Parties: None
Speaker of the House: James Gillespie Blaine	President Pro Tempore: Henry B. Anthony

Justice Establishment Act in June 1870 as a tool to vigorously prosecute the Federal government's campaign against the Ku Klux Klan and its ilk. Responding to demands for tariff reform, Congress partially reversed a decade long trend toward higher duties under the Morrill Tariff Acts, with the Tariff Act of July 1870.

Spoils politics (also known as a patronage system) and corruption within the Federal service aroused enough attention and support by early 1869 that, shortly before his first inauguration Ulysses S. Grant's declared that he supported civil service reform. He followed with a formal request for civil service legislation in his Second Annual Message to Congress, in December 1870. Acceding to the President's request, Congress created a Commission on Civil Service on March 3, 1871. Although the operations of the first Civil Service Commission slowed to virtually nothing after some three years, it was an important forerunner.

Source:

Dell, Christopher and Stephen W. Stathis. *Major Acts of Congress and Treaties Approved by the Senate, 1789-1980*, Government Division (CRS), Sept. 1, 1982. 97th Congress, 2nd Session, 82-156 GOV. ProQuest Congressional, CRS-1982-GOV-0005

Grant, Ulysses. <u>Message of the President of the United States, with the reports of the Postmaster General and of the Secretary of the Navy, communicated to the two Houses of Congress at the beginning of the second session of the Forty-first Congress, House, Dec. 6, 1869, 41st Congress, 2nd Session. H.exdoc.1/1 (Pr18.1:869). ProQuest Congressional, 1411 H.exdoc.1/1</u>

Grant, Ulysses. <u>Message of the President of the United States and Accompanying Documents to the two Houses of Congress at the Commencement of the Third Session of the Forty-first Congress, House, Dec. 5, 1870, 41st Congress, 3rd Session. H.exdoc.1/1 (Pr18.1:870). ProQuest Congressional, 1445 H.exdoc.1/1</u>

War or Peace?

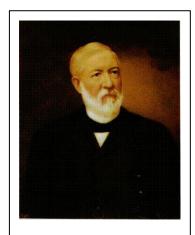
Reasserting American Prerogatives - an Activist Foreign Policy

In late 1870 President Grant addressed the nation highlighting United States' efforts related to international issues. He called for an increased presence in Latin America and the Caribbean, invoking the principles of the Monroe Doctrine and urged the Senate to ratify a treaty that would annex Santo Domingo, Dominican Republic. He stated it was a "measure of national protection and asserting our just claim to a controlling influence over commercial traffic." President Grant also reported budget cuts to the War Department, but asked Congress to increase naval spending. His justification was that the "Navy was our only means of direct protection to our citizens abroad, or for the enforcement of any foreign policy."

With President Grant calling for an increased naval presence in Latin America, direct military action was seen in Boca Teacapan, Sinaloa, Mexico on June 17, 1870. Members of the United States Navy and Marines engaged a pirate ship that had reportedly attacked several targets in the Pacific Ocean. Two American personnel were killed and eight injured, but they were eventually able to sink the pirate's steamboat with artillery strikes to the



Senate President Pro Tempore Henry B. Anthony



Speaker of the House James Gillespie Blaine

hull. The Americans decided to burn the ship's remnants so it could not be raised.

Westward Expansion

On the home front, a renewed drive for westward expansion and a seemingly inexhaustible cohort of settlers seeking new lands to develop independent farms and build new lives raised the possibility of new conflict with Native American tribes over the distribution of land and resources. Though the hostilities with Lakota, Cheyenne, and Arapaho tribes led by Red Cloud had ended with the Treaty of Fort Laramie in 1868, renewed settlement pressure in the Black Hills was to increase tension over the coming decade. On July 9, 1870, Red Cloud traveled to Washington D.C. to discuss the particulars of the treaty and continued settlement pressure with Commissioner of Indian Affairs Ely S. Parker and President Grant. Though he was well received in the capital, his visit had little impact on the increasing pressure from settlers and gold prospectors, which would culminate in the outbreak of the Great Sioux War of 1876.

Sources:

Grant, Ulysses. <u>Message of the President of the United States and Accompanying Documents to the two Houses of Congress at the Commencement of the Third Session of the Forty-first Congress, House, Dec. 5, 1870, 41st Congress, 3rd Session. H.exdoc.1/1 (Pr18.1:870). ProQuest Congressional, 1445 H.exdoc.1/1</u>

Department of Navy. Reports of the Secretary of the Navy and the Postmaster General, being part of the message and documents communicated to the two Houses of Congress at the beginning of the third session of the Forty-first Congress. House, Dec. 1, 1870, 41st Congress, 3rd Session. H.exdoc.1/5 (N1.1:870), ProQuest Congressional, 1448 H.exdoc.1/5

Economic Trends and Conditions

Following the readmission of the remaining former Confederate states to the Union, the southern states faced the herculean task of rebuilding, even reconceiving, the economy of the American south. In 1860, just prior to the secession crisis, the value of Black slaves owned by southern plantation owners is estimated to be \$3 billion (~\$5.6 trillion in 2018 dollars), roughly 10-15% of the total real wealth of the United States at the time. Compounding this tremendous loss of wealth on the part of white, southern plantation owners is the fact that the entire structure of the antebellum southern economy was built around the plantation and slave labor. At the end of the war, the no longer viable plantation agricultural system was replaced by a sharecropping model, in which the former Black slaves who worked on plantations leased small plots of that former planation land to farm. Agricultural output in the states of the former Confederacy would still not have managed to rebound to pre-war levels by 1879.

When the Public Credit Act was enacted in 1869, it allowed two Wall Street financiers, Jay Gould and James Fist, to corner the United States's small gold market. Gould and Fist befriended President Grant and recommended fellow financier Daniel Butterfield be appointed as an Assistant Treasury Secretary. Once confirmed, Butterfield agreed to alert them of the Government sale of gold. Gould and Fist began stockpiling gold, thus inflating prices. President

Grant, realizing their scheme, ordered the immediate sale of \$4 million in Government gold. Financial markets were caught unawares and gold prices plummeted, creating a mass sell-off or panic, in an event known as "Black Friday of 1869."

The Federal Government was also looking to curb spending in the years following the Civil War. For the fiscal year of 1869, the government collected a total of \$370,943,747.21, while spending \$321,490,597.75. Of all expenditures, support for the military was the strongest. The following year, the government was able to reduce the overall public debt by \$191,154,765.36, with the majority of money being brought in from Customs. The Government also greatly reduced spending in terms of military and naval applications in 1870, totaling almost \$80 million, a decrease of almost \$19 million from the previous fiscal year. The Secretary of Treasury forecasted, based on budgetary estimates at the time, that Government revenue for the 1872 fiscal year would yield \$11 million in income.

Sources:

Committee on Banking and Currency. *Investigation of gold panic in New York, 1869; testimony of Jay Gould, James Fisk, and others,* House, Mar. 1, 1870, 41st Congress, 2nd Session. H.rp.31 (Y4.B22/1:G56). ProQuest Congressional, 1436 H.rp.31

Boutwell, Geo. S. *Report of the Secretary of the Treasury on the State of the Finances for the Year* 1869, Department of Treasury, Dec. 6, 1869, 41st Congress, 2nd Session. H.exdoc.2 (T1.1:869). ProQuest Congressional, 1415 H.exdoc.2

Boutwell, Geo. S. *Annual Report of the Secretary of the Treasury on the State of the Finances for the Year 1870*, Department of Treasury, Dec. 5, 1870, 41st Congress, 3rd Session. H.exdoc.2 (T1.1:870). ProQuest Congressional Research, 1451 H.exdoc.2

Landmark U.S. Supreme Court Decisions

Texas v. White, concluded that Texas never actually left the Union during the Civil War, because a single state cannot make that decision unilaterally. The Court justified the President's decision to set up provisional governments as an exercise of the Commander-in-Chief's powers because they were to be regarded as provisional regimes that performed the governmental functions pending Congressional decisions, 74 U.S. 700 (1869).

Ex parte Yerger, concluded that the Court did have the authority, under the Judiciary Act of 1789, to consider on certiorari, a denial by a circuit court of a petition for writ of habeas corpus, on behalf of a military prisoner held in the South, 75 U.S. 85 (1869).

Paul v. Virginia, concluded that corporations, in this case an insurance company, are not considered a citizen, under the legal definition, and that a policy issuance did not constitute a commerce transaction. Also, held that the corporation was created from a local law, and had no legal existence beyond the limits of the sovereign entity that had created it; and that the corporation's recognition of existence rested exclusively at a State's own discretion, 75 U.S. (8 Wall) 168 (1869).

Veazie Bank v. Fenno, upheld the constitutionality of a provision of the National Bank Act of 1866 (14 Stat. 98, Chap. 184) that levied a ten percent tax on all bank notes issued by state banks. The court concluded that the perceived excessiveness of a tax does not, in and of itself, render it an unconstitutional direct tax and that the purpose of the particular provision of the Act was to stabilize and control the national currency, which is clearly within the Congress's purview, 75 U.S. (8 Wall) 533 (1869).

Hepburn v. Griswold, concluded that the provision of the Legal Tender Act that declares that the "greenbacks" issued by the Federal government under the auspices of that Act are legal tender for all debts and obligations is unconstitutional as, though the government is authorized by the Constitution to coin money, no such power is granted for the government to create paper legal tender, 75 U.S. (8 Wall) 603 (1870). The four-to-three majority opinion in Hepburn v. Griswold was overturned by the decision in Knox v. Lee, 79 U.S. (12 Wall) 457 (1871).

Source:

Costello. George A. and Johnny H. Killian. *Constitution of the United States of America. Analysis and Interpretation*. CRS, Library of Congress, Jan. 1, 1996. 103rd Congress, 1st Session, S. Doc. 103-6 (Y1.1/3:103-6). ProQuest Congressional, 14152 S.doc.6

1869 Events

- **Jan. 20**: <u>Elizabeth Cady Stanton becomes the first woman to testify before Congress</u>
- **Feb. 15:** Treason charges against Confederate leader Jefferson Davis are dropped
- **Feb. 26:** The Fifteenth Amendment to the U.S. Constitution is sent to the sundry states for ratification
- **Feb. 27:** John Menard becomes the first African American to make a speech in Congress
- **Mar. 5:** Dmitri Mendeleev presents the first periodic table of the elements to the Russian Chemical Society
- **Apr. 1**: In its 5-3 *Texas v. White* decision, the U.S. Supreme Court declares Radical Reconstruction constitutional, stating that secession from the Union is illegal
- May 10: The first U.S. transcontinental railway is completed when the Union Pacific Railroad, building west, and the Central Pacific Railway, building east, meet at Promontory Point, Utah. The completion of the 2,832 km/1,770-mile-long railroad is observed by driving a ceremonial Golden Spike
- **June 1:** Thomas Edison is granted a patent for his first invention: a voting machine
- **July 22:** The Irish Church Act of 1869 is passed by Parliament, which disestablished the Anglican Irish Church and stripped away their endowment
- **Sept. 13-24:** <u>Financiers Jay Gould and Jim Fisk attempted to corner the available gold supply, artificially driving up its value. The pair and the pair the supply is the pair to be a supply in the pair to b</u>

tried unsuccessfully to involve President Grant in the scheme and when their intentions were discerned, Grant ordered Treasury
Secretary George S. Boutwell to release \$4 million in Treasury gold to the market, causing the value to plummet in an event known as Black Friday

- Oct. 2: Mahatma Gandhi (honorific name of Mohandas Karamchand Gandhi), leader of the nationalist movement to free India from British rule through non-violent resistance, is born in Porbandar, India
- Nov. 17: French diplomat and engineer Ferdinand de Lesseps completes the 168 km/105 mi long Suez Canal in Egypt linking the Mediterranean and the Red Sea, and reducing the route from Europe to Asia by 8,000 km/5,000 mi.
- Nov. 24: American Women's Suffrage Association organized
- **Dec. 10:** Wyoming enacts a law allowing women the right to vote and hold office

1870 Events

- Jan. 8: The United States Mint at Carson City, Nevada begins issuing coin
- **Jan. 10:** President Grant proposes a treaty of annexation with Santo Domingo in an attempt to find land for freed slaves to settle
- **Jan. 10:** Incipient oil magnate John D. Rockefeller incorporates Standard Oil
- **Jan. 23:** 173 Piegan Blackfeet are massacred in Montana by the U.S. Army
- **Jan. 27:** Virginia is readmitted to the Union
- **Feb. 15:** Construction begins in Minnesota on the Northern Pacific Railroad
- **Feb. 23:** Mississippi is readmitted to the Union
- **Feb. 25:** Hiram Revels of Mississippi, the first African-American Senator, takes office and serves for a year
- Mar. 30: The Fifteenth Amendment, granting universal suffrage to all men, is ratified
- Mar. 30: Texas is readmitted to the Union
- **Apr. 22:** U.S. Congress defeats motion to annex the Red River Colony (Canada) to the United States; the motion suggested that the Americans send commissioners to the territory to negotiate terms with the settlers directly
- May 27: "Whiskey Ring Scandal"- Under President Grant, liquor taxes were raised to help pay off war costs; distillers and Treasury officials conspired to defraud the Government of millions by giving out cheap tax stamps.
- May 31: The First Force Act (First Ku Klux Klan Act) of 1870 prohibited people from forming groups "or to go in disguise upon the public highways" with the intention of denying a person their constitutional rights--therefore, directly attempting to prevent groups like the Ku Klux Klan from violent attacks on Black citizens

- **June 9:** President Grant meets with Sioux Chief Red Cloud in Washington
- **June 22:** Congress enacts a law organizing the Department of Justice
- **July 15:** <u>Georgia becomes the last Confederate state readmitted to</u> the Union
- **Aug.:** British Parliament passes the first Irish Land Act granting certain rights to tenant farmers
- Sept. 1: The last battle of the Franco-Prussian War is fought at Sedan, France, resulting in a Prussian victory and the capture of French Emperor Napoleon III the following day
- **Sept. 20:** New York Mayor William "Boss" Tweed is accused of robbing the city Treasury
- Oct. 7: French Minister of the Interior Leon Gambetta escapes Paris by balloon
- **Nov. 1**: The Weather Bureau, later known as the National Weather Service, gives its first meteorological forecast
- **Dec. 12:** Joseph Rainey of South Carolina, takes his seat as the first the African-American elected to the House of Representatives

Sources:

"An Act to enforce the Right of Citizens of the United States to vote in the several States of this Union, and for other Business." (16 Stat. 140, Chap. 114, May 31, 1870) ProQuest Congressional

"An Act to establish the Department of Justice." (16 Stat. 162, Chap. 150, June 22, 1870) ProQuest Congressional

Garfield, James Abram. *Gold panic investigation*, Committee on Banking and Currency. House, Mar. 1, 1870. 41st Congress, 2nd Session. H.rp.31 (Y4.B22/1:G56). ProQuest Congressional, 1436 H.rp.31

Grant, Ulysses S. [Convention with the Dominican Republic for the Lease of the Bay and Peninsula of Samana.] Message of the President. Jan. 10, 1870. 41st Congress, 2nd Session, Exec.Doc.G, 41-2. ProQuest Congressional, SED-41-2-4

Grant, Ulysses S. <u>Message of the President of the United States communicating the proclamation of the Secretary of State of the ratification of the Fifteenth Amendment to the Constitution of the United States, and recommending the adoption of means to promote education throughout the country, Senate, Mar. 30, 1870, 41st Congress, 2nd Session. S.exdoc.74. ProQuest Congressional, 1406 S.exdoc.74</u>

<u>Hearing before the Committee on Woman Suffrage, United States Senate, April 2, 1888.</u>
<u>Committee on Woman Suffrage.</u> Senate, Apr. 2, 1888, 50th Congress, 1st Session. S.misdoc.114.
ProQuest Congressional, 2517 S.misdoc.114

Hydrographic Office, Department of Navy. <u>General examination of Mediterranean Sea, summary of its winds, currents, and navigation [detailed description, with information on anchorages, navigation hazards and aids, sailing routes, and some data]</u>, GPO, Jan. 1, 1870. Hydrographic Office Pub. No. 25 (N6.8:25)ProQuest Congressional, N608-22.1

<u>"Ku Klux Outrages."</u> Congressional Globe, Vol. 45 (May 30, 1872) p. 4026, ProQuest Congressional, CG-1872-0530

McCulloch, H. <u>Branch mint at Carson City. Letter from the Secretary of the Treasury, asking for an additional appropriation for machinery, &c., required for the branch mint at Carson City. Nevada</u>. Committee on Appropriations, House, Jan. 11, 1869. 40th Congress, 3rd Session, H.exdoc.40. ProQuest Congressional, 1372 H.exdoc.40

Otto, W.T. <u>Letter of the Secretary of the Interior communicating, in compliance with a resolution of the Senate of this date, the report on the final completion of the Pacific Railroad, Committee on the Pacific Railroad. Senate, May 23, 1870. 41st Congress, 2nd Session. S.exdoc.90. ProQuest Congressional, 1406 S.exdoc.90</u>

Select Committee Concerning Whiskey Frauds. *Testimony before the Select Committee concerning the whisky frauds.* House, July 25, 1876, 44th Congress, 1st Session. H.misdoc.186. ProQuest Congressional, 1706 H.misdoc.186

Sheridan, Peter B. <u>Admission of States into the Union After the Original Thirteen: A Brief History and Analysis of the Statehood Process</u>, Government Division (CRS), Apr. 2, 1985. 99th Congress, 1st Session, 85-765 GOV. ProQuest Congressional, CRS-1985-GOV-0026

United States Senate. 42nd Congress, 1st Session. <u>"42 S. 257."</u> (Mar. 18, 1871) ProQuest Congressional

Major Acts

Public Credit Act of 1869. Provided for the payment of Government obligations in gold. Approved Mar. 18, 1869. (16 Stat. 1, Chap. 1)

First Force Act (First Ku Klux Klan Act). Designed to enforce the right of citizens of the United States to vote in Federal elections it provided heavy penalties for infringement upon the right to vote under the Fourteenth and Fifteenth Amendments, subjected individuals guilty of interfering with the civil or political rights of any person to heavy penalties, and placed the enforcement of this law in the hands of the Federal courts, which were authorized to employ U.S. marshals and the regular army. Approved May 31, 1870. (16 Stat. 140, Chap. 114) Certain provisions of this Act were subsequently held unconstitutional in United States v. Reese, 92 U.S. 214 (1876), Hodges v. United States, 203 U.S. 1 (1906), and James v. Bowman, 190 U.S. 127 (1903).

Department of Justice Establishment Act. Created the Department of Justice with the Attorney General as its head. Approved June 22, 1870. (16 Stat. 162, Chap. 144)

Tariff Act of 1870. Placed some 130 articles, mainly raw materials, on the free list, and reduced rates on other commodities such as coffee, sugar, tea, and wines. Also reduced the internal revenue tax, but continued to protect the products of Eastern mills and factories. Approved July 14, 1870. (16 Stat. 256, Chap. 255)

Second Force Act (Second Ku Klux Klan Act). Placed control of National elections in both the North and South under Federal control, empowered Federal judges to appoint elections supervisors, and authorized U.S. marshals to employ sufficient deputies to preserve order at polling places. In effect the Act also put local and State elections under Federal supervision, since they were held at the same time. Approved Feb. 28, 1871. (16 Stat. 433, Chap. 440)

Civil Service Commission Establishment Act. Authorized the President to prescribe rules and regulations that would best promote the efficiency of the civil service of the United States, and employ suitable persons to conduct interviews and establish regulations for those individuals who received civil service appointments. Approved Mar. 3, 1871. (16 Stat. 495, Chap. 114)

Source:

Dell, Christopher and Stephen W. Stathis. <u>Major Acts of Congress and Treaties Approved by the Senate, 1789-1980</u>, Government Division (CRS), Sept. 1, 1982. 97th Congress, 2nd Session, 82-156 GOV. ProQuest Congressional, CRS-1982-GOV-0005

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