



GEORGE A. TRENHOLM

Last Secretary of the Treasury

By Ethel Trenholm Seabrook Nepveux

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INTRODUCTION

by Gerald Hawkins and Serge Noirsain

George A. Trenholm was the main shareholder of the "John Fraser" company of Charleston. After Fraser's death in 1854, Trenholm took over the business and renamed it "Fraser & Trenholm". This company grew slowly to become a world leader in import and export, handling up to 20,000 cotton bales in a single morning, on the eve the Civil War. The cartel of which Trenholm was pulling the strings had two main branches, one in New York and the other in Liverpool. The latter, managed by Charles K. Prioleau - the son of an eminent lawyer of Charleston - played a major role in the dispatching of military equipment to the South. Three years before the start of hostilities, Trenholm had encouraged - but in vain - the Southern investors to modernize their industry and develop their railroad network.

Immediately after the bombardment of Fort Sumter, Trenholm moved his head office from New York to Bermuda and the Bahamas, closer to British suppliers likely to convey the much needed goods of the South. Trenholm had perceived at an early stage the economical difficulties which would face the Confederacy and he suggested to the members of Jefferson Davis' cabinet to purchase the ten steamships that the British East India Company was selling for 10 million dollars or the equivalent in cotton. Convinced that his natural genius exempted him from any council, Jefferson Davis did not listen to

him despite the support of Robert Toombs, Judah P. Benjamin and Vice-president Alexander Stephens. It is nevertheless on Trenholm's shoulder that Secretary of the Treasury Memminger came to cry in May 1861, pleading him to convince the Southern banks to authorize a new cash loan. The banking world had indeed quickly come to grasp who were the puppet and the true businessman.

It is the entire history of blockade runners that would have to be developed to illustrate the major role that Trenholm and his Liverpool company played in the purchase and forwarding of military supplies to the Confederates. According to Thomas Dudley, the American consul in Liverpool, the fleet of Fraser and Trenholm imported to Great Britain the equivalent of \$ 4.500.000 in cotton.

Christopher Memminger was certainly no "Brains of the Confederacy", but since he had at one time achieved a brilliant feat in a conflict opposing the State of South Carolina to some of its banks, and since the domestic policy required the membership of a South Carolinian in the Confederate government, Davis appointed him Secretary of the Treasury. Memminger's task was all the more difficult since he had to start from scratch while enduring Jeff Davis' idiotic political and economical decisions, in particular the famous cotton embargo that was supposed to force the French and British governments to recognize the Confederacy, if not wage war at its side. All the American historians who have studied in detail this decision are unanimous in declaring that the Confederate president literally pushed his young nation to commit suicide. It is indeed a strange paradox to note that Jefferson Davis became the emblematic figure of the South's collective memory, whereas the most remarkable feature of this character is to have been the worst or, at best, one of the most incapable presidents in the history of the United States.

While Memminger was bogged down in an economic policy that was turning sour, Trenholm kept away from politics, too busy managing his businesses and blockade runners. When in February 1864, Memminger tried to control his economic rout by issuing new banknotes valued at a third of the old ones, the public opinion stood up against him and he resigned four months later. Courted for his financial experience and the discrete role that he played at Memminger's side during his last years in office, Trenholm halfheartedly agreed to take over his job since he knew he had no chances of reforming the economic policy of his country within a reasonable timeframe.

GEORGE ALFRED TRENHOLM LAST SECRETARY OF THE TREASURY

by Ethel Trenholm Seabrook Nepveux

Secretary of War

In July 1864, George Trenholm reluctantly accepted the position of Secretary of the Treasury of the Confederacy, withdrawing from all his firms. Historian Steve Wise wrote that Trenholm's experience in shipping and finance were sought to keep the government from breaking away from the shipping regulations drawn up in March, regulating trade with Europe and prohibiting the importation of luxuries.¹

¹ S. Wise, PhD Dissertation, 1983, p. 317.

Even so, Trenholm did not realize how bad the situation really was. He tried to rescue the Confederacy financially by curbing the use of treasury notes, urging heavy taxes, pleading with the people to buy Confederate bonds, and encouraging shipment of cotton overseas to secure foreign credit. Richard Todd, in *“Confederate Finance”*², discusses in detail the activities of the Treasury Department. In letters usually printed in the newspapers, Trenholm constantly informed the public of his activities. In Richmond he made a heroic effort to secure a revenue for the government.³

The *Charleston Mercury* described Davis as a Napoleon who sat upon his throne and a sceptered hermit, but described Trenholm’s behavior as different from other government officials who were indifferent to public opinion. Henry Hotze⁴ in England praised Trenholm’s ability and administrative talent. Three Richmond papers applauded Trenholm’s appointment: the *Sentinel*, the *Enquirer*, the *Courier* and other major Southern newspapers, including the *Augusta Daily Chronicle and Sentinel*, *Columbia Tri-weekly Guardian*, *Daily South Carolinian*, and *Savannah Republican* concurred.

The Confederate Congress had passed the “Secret Service Act” of 15 February, 1864, five months before Trenholm became Secretary of the Treasury. This appears to have been entirely separate from the Secret Service money handled by Bulloch. In April, President Davis ordered Jacob Thompson to Canada with one million dollars to spend at his own discretion to exploit and wreak havoc on the North from there. Thompson had been U.S. Secretary of the Interior in 1857 under President Buchanan but had resigned when the *Star of the West* had gone to Charleston to provision Fort Sumter. Under Thompson, Confederate operatives turned Canada into a northern theater of the war.⁵

Both sides were trying to abduct the other’s president and thus end the war. A Federal military expedition tried and failed to capture Jefferson Davis. The Confederate Secret Service would have liked to capture President Abraham Lincoln and seems to have had dealings with and contributed money indirectly to John Wilkes Booth. Booth supposedly traveled to and from Canada on blockade runners.⁶ Chapter 5 of William A. Tidwell’s *Confederate Covert Action in the American Civil War* discusses the role played by George N. Sanders and Jacob Thompson in connection with the Lincoln assassination and the trial of the associates of John Wilkes Booth. General Tidwell, the author, wrote *“One of the most ambitious operations (of the Secret Service) was the attempt to take President Lincoln hostage, and, in the end, the most successful effort was to divest the Confederacy of any apparent responsibility for his assassination”*.⁷ Although George Trenholm had nothing to do with the planning and directing of the Secret Service, he wrote the warrants to pay for its activities and may have known some of what it was doing. After Lincoln’s assassination, United States attorneys could have held him liable of high treason and considered him a candidate for hanging.

Soon after George Trenholm arrived in Richmond, Confederate Senator Herschel V. Johnson sent him a three page letter which apparently represented the feelings of many Confederate leaders. Johnson served in the Confederate Congress from its beginning to its end. During the First Congress he was on the committees of Finance, Foreign

² R.C. Todd, *Confederate Finances*, Athens, University of Georgia Press, 1954, pp. 79-82, 114-116, 157, 153-54, 173, 192.

³ *Cambridge Modern History*, vol. VII, New York, 1903, p. 613

⁴ Swiss-born Henry Hotze was the propagandist agent of the Confederate States in Europe and editor of the “Index” in England.

⁵ R.S. Davis, Jr., *The Curious War Career of James George Brown, Spy*, 1993 *Encyclopedia of the Confederacy*, vol. IV, pp. 1594-95.

⁶ H. Cochran, *Blockade Runners of the Confederacy*, New York, 1958, p. 131

⁷ W.A. Tidwell with J.O. Hall and W. Gaddy, *Come Retribution: The Confederate Secret Service and the Assassination of Lincoln*, Jackson, 1988.

Affairs, and Post Offices and Railroads. During both congresses he was on the Committee of Naval Affairs.⁸ Johnson was distressed at the impressment of supplies at below market prices saying: *“It is nothing more than tinkering, financial charlatanism, to expect to appreciate Treasury notes by seizing the property of citizens and compelling them to accept as compensation half or less than half that it will command in the markets of the country ... If a vigorous system of taxation [had been imposed] with the progress of the war, our financial condition [would have] had been entirely different today.... If it must pay enormous prices, it can also bring back to the Treasury by taxation sufficient [money] to meet the demand”*.

He also opposed restrictions on blockade running saying *“Hence you will perceive I will say in passing that I do not approve the legislation of Congress imposing heavy restrictions upon our foreign commerce, impressing all the blockade-running vessels and compelling them to share their cargoes equally with the Confederate States. It will crush out in due time that branch of business. When existing vessels shall have been destroyed or fallen into the hands of the enemy few more, if any, will be built. Men will not hazard such large amounts of private capital as are required to put steamers afloat if they are not permitted by government to reap all the fruits of their investments. This, at least, is my poor opinion. It was better for the government to give the utmost encouragement to this branch of enterprise. It might pass such laws as would make it the interest of the blockaders to bring in necessaries to the exclusion of mere luxuries, and in that way procure more copious supplies for the Army that will possibly result from existing laws and regulations ... My dear sir, ‘be bold’ don’t hesitate to take the responsibility to rescue us from disaster by all proper means”*.⁹

The Confederate government encouraged the use of private ships to bring military and civilian goods from Europe and even from the United States. As soon as George Trenholm arrived in Richmond, however, he sponsored a bill of amended regulations for foreign commerce of the Confederate States. It required that the owners of any vessel intending to sail from a Confederate port with a cargo of cotton, etc., should file with the collector of the port and use one half of the tonnage for the government both on the outward and the homeward voyages.

Trenholm reported to the government: *“I propose an additional duty of five cents per pound on the exportation of cotton and tobacco and the duplication of the duties on imports; payment to be made in coupons of the five hundred million loan, sterling exchange and specie as now provided by law. The price of cotton in Liverpool being about sixty cents per pound, the deduction of five cents for the tax would hardly have an appreciable effect upon its value in currency. The duty would fall chiefly on the foreign consumer, or be taken from the profits of the exporter; and an important financial advantage would be obtained at a moderate expense to the country. The increased duty on imports would be a small tax on this lucrative trade”*.¹⁰

Trenholm was behind a series of laws passed in 1864 for tight controls over imports and exports, the acquisition of government ships, and preemption of cargo space. The rate paid by the Confederacy on all shipments of cotton, tobacco, other things and on return freight then came under price controls, but it was too late to save the South.¹¹

⁸ P.S. Flipper, in “Herschel V. Johnson of Georgia”, in *Who was Who in the Civil War*, by Stewart Sifakis, New York, 1988, pp. 343-44.

⁹ *Letter from Herschel V. Johnson to Honorable G.A. Trenholm*, August 16, 1864.

¹⁰ *Report of the Secretary of the Treasury*, by G.A. Trenholm, November 7, 1864.

¹¹ D.B. Ball, *Financial Failure*; “George Alfred Trenholm” in *Encyclopedia of the Confederacy*, 1993, by Simon and Schuster, Inc.

George Trenholm was involved with the defense of Richmond. In May, Drewry's Bluff on the James River became vital in defending the water approaches to Richmond and General Beauregard, with 20,000 men, ended a big threat by the Federals to take over from land. On November 29, Trenholm sent a message to President Davis requesting additional appropriations of \$81,000 for the Navy Department. \$75,000 was for removal and erection of the naval rope walk and \$6,000 was for the erection of buildings at Drewry's Bluff for the accommodation of acting midshipmen. In 1863, William H. Parker, CSN, had sent Fraser & Company a list of books, apparatus, etc. needed for the establishment of the naval academy and the company's Liverpool agent at Rumford Place was to purchase the articles.¹² The CSS *Patrick Henry*, berthed at Drewry's Bluff, became the floating campus of the Confederate States Naval Academy.¹³

In the fall of 1864, Secretary of War Seddon, George Trenholm, and Colin McRae¹⁴ hoped to ship out enough cotton to pay the South's financial obligations but they would have to use Gulf ports which had not been utilized very much.¹⁵ Shipping cotton by railroad to Charleston or Wilmington tied up valuable railroad space. The blockade runners *Lark* and *Wren*, built and operated by Fraser, Trenholm & Co. for the government and run by John Fraser & Co., joined other ships in running to Galveston in January. The ships, 552 tons each, were the smallest in the government's new program and could get into the isolated harbors of the Gulf ports.¹⁶ Together they made seven round trips into Galveston. On August 3, Government officials ordered General Kirby Smith to turn over the Trans-Mississippi Department's cotton board to Peter Gray of the Treasury Department, and Gray was supposed to head up an independent agency responsible only to Secretary Trenholm. Gray, however, continued to operate under Kirby Smith for the rest of the war.¹⁷

Using the Gulf ports to bring out cotton helped Trenholm when he tried to float another European loan late in 1864 for reform of the currency. The scheme was proposed to Trenholm on December 9 by B. S. Baruc representing some Paris bankers. He suggested a £15,000,000 loan at 7%, half in gold and the other half in the notes of a bank to be established in South Carolina. The notes would be redeemable in coin in Paris and were to be used in buying up Confederate currency at market pieces. Trenholm took steps to get the loan authorized by Congress and to get a charter from his own state. South Carolina officials rushed through a charter for the Franco-Carolina Bank purportedly to establish a direct commercial intercourse with France and for advancing means by which the natural resources of South Carolina could be developed and railroads and water communication improved and extended. The real purpose was to help the war effort. The bank's capital would be in gold or silver or foreign exchange, one-twentieth to be raised in South Carolina. Theodore Wagner was to be a director. It came too late to get in operation and help the South.¹⁸

¹² Wm Parker, *Recollections of a Naval Officer, 1841-1865*, New York, 1883, p. 322.

¹³ D. Werlich, "Drewry's Bluff" in *Encyclopedia of the Confederacy*, 1993.

¹⁴ In May 1863, Colin J. McRae was appointed Chief Confederate financial agent in Europe. Wakelyn J.L., *Biographical Dictionary of the Confederacy*, Westport, Connecticut, 1977.

¹⁵ Wise, Dissertation, p. 359.

¹⁶ S. Wise, *Lifeline of the Confederacy; Blockade Running during the Civil War*, University of South Carolina, 1988, p. 149.

¹⁷ Wise, Dissertation, p. 412.

¹⁸ C. Cauthen, *South Carolina Goes to War*, University of North Carolina Press at Chapel Hill, 1950, pp. 199-200.

By February, 1864, the Confederate Funding Act¹⁹ (passed before Trenholm's appointment as Secretary of Treasury) had destroyed confidence in all Confederate financial paper and during the last half of 1864. Confederate finances entered the nightmare stage.²⁰ Trenholm could not counteract the effects of military disasters on the economy. When he realized that he could get little help from Congress, which was trying to operate with as little tax as possible, he didn't bother with the expense of having his own stationery printed, but replaced Memminger's name with his own. Because of its stringent though necessary measures, Trenholm's outline for currency reform had its opponents. In his diary, Robert Kean, head of the Confederate Bureau of War, claimed that Trenholm was unpopular for proposing very heavy taxation that would lie fairly on the agricultural and planting interests.²¹ Although Congress generally ignored Trenholm's requests, his easy manners stopped most of the friction between Congress and the Treasury Department.

Socially, however, Trenholm was quite a popular figure among government officials in war-ravaged Richmond. With the cabinet members, the Madeira wines that Trenholm bought by the cask rivaled Mallory's mint juleps in popularity, and Mrs. Trenholm's Saturday night suppers became the big event of the week for distinguished generals and government officials. Varina Davis included Trenholm on her list of favorite people which excluded several of her husband's important associates. Trenholm's wit was considered second only to Secretary of State Judah P. Benjamin's.

To provide some relief for the soldiers in the field, Trenholm called on the people for direct donations: money, jewels and silver plate and public securities. He contributed \$2,000 to help finance a Christmas dinner (postponed to New Year's Day) for Lee's entire army. The people of Virginia provided "*the biggest barbecue ever gotten up on this continent*". The food was packed in boxes and barrels and served to the troops "*on a table twenty mile long*".²²

On February 6, 1865, James A. Seddon resigned as Secretary of War after Congress had proposed to Davis that his cabinet should be overhauled and all dismissed except George Trenholm. Major General John C. Breckenridge replaced Seddon.

The cabinet members received orders to leave the city just before Richmond fell to the Federals. The most famous refugee train of the war included all the members of the cabinet except the secretary of War, John Cabell Breckenridge. Anna Helen Holmes

¹⁹ Todd, *Confederate Finance*, pp. 111-114: To rectify the weakness of the previous funding measures (October 13, 1862 and March 23, 1863), Memminger recommended the adoption of additional compulsory legislation which would force note holders to give up their notes for bonds, thus correcting the redundancy (...). On February 17, 1864, Congress passed "An Act to reduce the currency and to authorize a new issue of notes and bonds". This was the third and last of the compulsory funding acts. (...) The act was aimed primarily at reducing the redundant Treasury notes (...) Unable to cause a permanent reduction of currency the funding act has the ill effect of impairing popular confidence in the Confederate Government. Concerning the ill effect of the funding act, Secretary Trenholm wrote to Governor M.L. Bonham of South Carolina on August 5, 1864: "... *However patriotically intended, it is not to be denied that the compulsory measures (...) had the unhappy effect of inspiring the public mind with feelings of fear and distrust as to the course that would ultimately be pursued in relation to that part of the public debt that is represented by the Treasury notes. Apprehensions of ultimate repudiation crept like an all-pervading poison into the minds of the people, and greatly circumscribed and diminished the purchasing power of the notes (...) it must be now be universally admitted that the policy was erroneous*".

²⁰ P.V.D. Stern, *When the Guns Roared; World Aspects of the American Civil War*, New York, 1965, p.299.

²¹ "Mr. Hunter is very much dissatisfied with Mr. Trenholm's scheme for benefiting the treasury. The real difficulty I suspect is that he proposed very heavy taxation and to lay it on the agricultural and planting interest. As this is the predominant interest in Congress, there is small chance for the adoption of the plan, and Trenholm will, like Memminger, have to administer a patched up plan without consistency". E. Younger (edit.), R. Kean, *Inside the Confederate Government*, Baton Rouge, 1957, p. 179.

²² *Official Records of the Union and Confederate Navies*, vol. I, pp. 12, 77-78, 86; S. Foote, *The Civil War; a Narrative; Red River to Appomattox*, New York, 1974, p. 857.

Trenholm was the only woman among thirty men. The peach brandy, which she took along for her husband, made a big hit with everybody. The group arrived in Danville, Virginia, which for a short time became the last capitol of the Confederate States of America. When they left Danville the Trenholms tried to walk on the road but it was extremely difficult for them as red clay oozed over their shoe tops. Someone found a sideless cart for them to ride in for a while, then an ambulance arrived for them. It was so rough that Trenholm vomited violently.

In the meantime, as the fugitive Trenholms struggled down rough country roads, back in Richmond, Major General Edward Otho C. Ord and his handsome wife moved into the Trenholm house. Mrs. Ord had enraged Mrs. Lincoln by being allowed to ride alongside General Grant on his way to review the troops.²³ According to family reports, the house now houses the Valentine Museum.

The flight and capture

The government officials left Richmond on the night of April 2, 1865, and Robert E. Lee surrendered on April 9. Secretary of the Navy Mallory ordered Midshipman James Morris Morgan to escort Varina Davis, her children, and the Trenholm girls to Charlotte, North Carolina.²⁴ From Charlotte, Morgan and the Trenholm daughters continued on to Abbeville, South Carolina, to meet William and Kate Trenholm in a small rented house. Cellie was staying in Spartanburg with her aunt Arsene. Helen, Eliza and Josephine moved in with Kate who had to find food for 25 whites, 14 blacks, and 18 horses and mules.

As the officials traveled, people along the way expected Trenholm as the Treasurer of the Confederate States of America to redeem their personal fortunes. They assumed, quite erroneously, that Trenholm carried with him the gold reserves of the Confederate government, and would act as a sort of roadside bursar, exchanging the peoples' Confederate bonds for the Treasury's supposedly large amounts of gold. One of his last official acts regarding the government's gold took place on April 1 when he signed a warrant for \$1,500 in gold for a Secret service appropriation payable to Judah Benjamin, Secretary of State.²⁵

In Charlotte, the cabinet members learned that Lincoln had been assassinated on April 14. Major General John Echols had arranged lodging for George and Anna Helen Trenholm at the home of William F. Phifer of North Tryon Street. Davis called the cabinet together there where Trenholm was sick and attended by a doctor. From Charlotte, the expedition moved into South Carolina where the people lined the streets as for a triumphal tour.²⁶ At Fort Mill, South Carolina, Trenholm resigned, saying that he could not attend to the duties of his office.

He and his wife went on to Chester where Theodore Wagner arrived to be with them. They went through Winnsboro and Newberry, and on May arrived at Abbeville where they met Morgan, the girls, and their son, William, and his family.²⁷ In Abbeville, no one in the group had any money except Mr. Trenholm who had some twenty dollar gold pieces which no one could change. Morgan, who later married Helen Trenholm, and

²³ S. Foote, *The Civil War*, pp. 846-47.

²⁴ B. Davis, *To Appomattox*, New York, 1959, pp. 9, 18, 115-116.

²⁵ Warrant in Perkins Library, Duke University.

²⁶ A.J. Hanna, *Flight into Oblivion*, Bloomingdale, 1938, pp. 45, 53, 57-58. See also M.B. Ballard, *A Long Shadow ; Jefferson Davis and the Final Days of the Confederacy*, Jackson, Mississippi, 1986, 25, 39, 52-53, 67, 77, 81, 87-88, 100, 109, 117-118, 124, 153.

²⁷ J.M. Morgan, *Recollections of a Rebel Reefer*, Boston & New York, 1917, pp. 228-232, 243.

Lieutenant Alexander Macbeth, who later married Eliza Trenholm, went on trading expeditions to get food from farmers. For exchange, they used bolts of cotton cloth that the Graniteville Mill (in which the Trenholms owned stock) gave as dividends to stockholders.

For years, people have searched unsuccessfully for the assets of the Confederacy that were supposedly taken along on the flight of the officials.²⁸ Captain William Howard Parker, assisted by Confederate midshipmen, was in charge at first²⁹ and released the job to Captain Micajah H. Clark who became acting Secretary of the Treasury after Trenholm's resignation. Clark published a description of the disposition of the money he handled.³⁰ James A. Semple, a bonded officer of the Navy, Secretary Mallory's paymaster, concealed \$86,000 in a false bottom of a carriage and attempted to carry the money to Savannah or Charleston and send it by ship to Liverpool for the account of the Confederate government.³¹ Historian Tom H. Wells said that Semple came to Richmond from the *Merrimack* after the vessel was destroyed and said "*Semple, a son-in-law of ex-President John Tyler, had been in the United States Navy for seventeen years. He was aggressive, universally admired, a thoroughly competent man for his job. He was one of the last men known to have control over the Confederate treasure before it disappeared in April, 1865*".³² Judah Benjamin used his \$1,500 gold warrant to pay for a boat to take him out of the country.

Studies now indicate that Jefferson Davis had some personal control over the covert activities of his Secret Service operation, and that the operation to abduct President Lincoln had been done to try to snatch a Confederate victory over impossible odds. Payments to the Secret Service fund were specified either for "*Necessities and Exigencies*" or for "*Secret Service*" which meant covert action such as sabotage. They were specified for exchange on England, in gold, or in Confederate currency. After 1864, the list shows that gold was usually requested.³³ The warrants, signed by George Trenholm, were made out to Judah Benjamin and often went through Fraser, Trenholm & Co. in Liverpool.

Reverdy Johnson, a reputable attorney, was the first counsel for Booth's friend, Mrs. Mary Surratt, but he stepped down because he felt that justice was not being done. Johnson later succeeded Caleb Cushing as the United States minister to England and was involved with post war lawsuits by the United States against the Trenholm firm. The Confederate Secretary of War, John Breckenridge, Secretary of State, Judah Benjamin, and Secretary of Treasury, Trenholm, were the next in line after Davis to be punished. Benjamin and Breckenridge fled the country and Trenholm was the only one of the three left. Breckenridge and Trenholm do not appear to have been involved in the Secret Service except in their official positions.

On June 1, 1865, Frank, George Trenholm's son, was married to Mary Elizabeth Burroughs in the president's house on the campus of the South Carolina College. She was nineteen years old and he had just turned twenty. On June 5, Trenholm's family moved to Columbia, South Carolina, leaving the small Abbeville house for William and his family. Mrs. Trenholm wrote in her diary, which she kept from April to June 15,

²⁸ Ibid, pp. 90-116.

²⁹ Parker, *Recollections of a Naval Officer*.

³⁰ Southern Historical Society Papers, 1881, pp. 542-49 ; E.S. Nepveux, "George Alfred Trenholm" in *Carologue*, South Carolina Historical Society, Fall/Winter 1995.

³¹ Durkin, *Stephen Mallory, Confederate Navy Chief*, University of North Carolina Press, Durham, North Carolina, 1954, p. 336 ; E. Evans, *Judah P. Benjamin*, 1988, p. 311 ; Hanna, *Flight into Oblivion*, p. 116.

³² T. Wells, *The Confederate Navy, a Study in Organization*, University of Alabama Press, 1971, p. 74.

³³ Tidwell, *Confederate Covert Action*, pp. 198-204.

with short entries through July 9, “*Our heavenly father seems to watch over us. He has provided another home for us here. Lord what am I that thou shouldn’t be so mindful of me! Give us grateful hearts*”.³⁴ George Trenholm purchased a house from a man who wanted to leave Columbia. Their country villa, called De Greffin, had been deliberately hunted out and burned by a detail of seven Federal soldiers. It lay in ruins with only a small room built away from the building still standing. Inside the door were the names of five of the men.³⁵ William wrote to Fred that all that was saved was his and his father’s silver, bed and table linens and clothing that had accumulated there.

The Trenholms weren’t settled long. According to James M. Morgan, a very talented but not always accurate writer, an event in Charleston brought things to a head in Columbia. On July 12, Wagner (manager of the Charleston office of Fraser & Trenholm) wrote to Charles Prioleau (manager of the Liverpool office) that the presidents of the blockade running firms, Theodore Jervey and A.S. Johnson, were in jail because they would not disclose the location of their company funds.³⁶ An official of the firm had paid \$10,000 to keep from being charged with treason, for which a guilty verdict meant death. Since the threat worked so well, the Federals decided that the head of the firm should be worth much more and sent to Columbia for Mr. Trenholm, permitting him to come without official escort. Trenholm and Morgan, with a large portmanteau containing some twenty dollar gold pieces, drove to Orangeburg from where a train was available to Charleston. In Charleston, a company of Negro soldiers, waiting at the depot for Mr. Trenholm, marched them like desperate criminals to the jail. At the door, Morgan was struck in the pit of his stomach with the butt of a gun and was left outside.

Morgan tried to guard the money day and night until Mr. Trenholm told him to take it to Mrs. Henry King, whose small estate Trenholm had managed. Her late father was James L. Pettigru, a consistent Union man who had acted as attorney for South Carolina railroads and for the firm of John Fraser & Co. One night, Mrs. King and Morgan unloaded the yellow double eagles between her mattresses upstairs while her guests downstairs included the provost marshal and the commanding general who had demanded money from the company. Other and probably more accurate sources disagree and indicate that William Trenholm was the one accompanying his father to jail, and that William walked out with valuable company assets in a satchel. Mr. Trenholm was brought in a carriage to the commanding officer who made it understood that he was the only one who could release the prisoner. “*I am very sorry to hear you say that*”, replied the captive, “*If you had any intention to free me without the payment of money, you would never have had me arrested, and as I regard it as disgraceful to offer a bribe as to accept one, I do not propose to part with a cent for the purpose of obtaining my freedom*”. He was returned to jail, but not in style. The gay and stylish Mrs. King visited him often, sitting on the dirty straw softly crying while the courtly old prisoner tried to comfort her.³⁷

On June 14, 1865, Major John P. Hatch, in Charleston, wrote to his commanding officer, “*I have confined in the city jail, Mr. Trenholm, late rebel Secretary of the Treasury and on parole, Mr. T.D. Wagner, manager of the firm of Trenholm, Fraser, & Co. What shall I do with them?*” The next day, Hatch received orders to send Trenholm

³⁴ Diary in Caroliniana Library at the University of South Carolina.

³⁵ Account written by Eliza Trenholm Macbeth.

³⁶ Prioleau Letterbooks, box 1, p. 144.

³⁷ Morgan, *Recollections*, pp. 248-49.

to Hilton Head, South Carolina, and then to Fort Pulaski, Georgia.³⁸ James M. Morgan went along and, at Hilton Head, a guard took them to a neat looking cottage which was General Quincy Gillmore's headquarters. "*A splendid, soldierly-looking man*" came out, greeting Mr. Trenholm like an old friend, who indeed they were; they had known each other before the war in Charleston. General Gillmore dismissed the guard, and took Trenholm and Morgan into his house for refreshments. Getting a written parole from Trenholm, Gillmore sent the former treasurer home on the next boat. Gillmore wrote in his records that he had paroled Trenholm to the corporate limits of Columbia, South Carolina, because he had performed many acts of kindness to Union prisoners and because of his feeble health.³⁹

The Reverend Porter, on June 18, wrote to Col. Richard Lathers in New York, saying "*for heaven's sake, do all you can do for Mr. Trenholm. No man from his influence and ability could do more than he to bring order out of chaos*".⁴⁰

According to Morgan, the general in command at Charleston resented Gillmore's releasing Trenholm and Washington officials relieved General Gillmore of the command at Hilton Head, apparently because of Trenholm's release. On July 7, Gillmore himself wrote to Edwin Stanton, Secretary of War, saying "*I have received General Townsend's telegram of the 2nd, conveying your rebuke for my alleged interference with the prisoners ordered by your department to be confined and for assuming to set aside the orders of the Department. There is a grave mistake somewhere. I never received any orders to arrest Mr. Trenholm nor any dispatches nor letter in which his name was mentioned, nor any reply to my telegram to the Adjutant General of June 16 notifying him that I had made the arrest. I have never set aside your orders nor knowingly disregarded your wishes*".⁴¹

Stanton ordered Trenholm to be sent immediately to Fort Pulaski.⁴² Stanton was especially conscious of the President's assassination because he had been linked to the conspiracy. Stanton and his wife, who disliked Mrs. Lincoln, had refused an invitation by the President to go with him and his wife to the theater on the fatal night.

Mrs. King obtained a permit for Morgan to visit Trenholm at the fort and there Morgan found all the cabinet members except Mr. Benjamin and General Breckenridge. At the request of her elderly mother who herself added a short letter, Sue Pettigru King wrote to President Johnson asking for a pardon for Trenholm. The ladies wrote that in Judge Pettigru's last hours George Trenholm had provided for their table and wardrobe. The State of South Carolina represented by citizens of Charleston also wrote to the President as well as residents of Camden and Kershaw, including the Episcopal Bishop of the Diocese of South Carolina and the pastor of Grace Church, Camden. The State of Georgia, represented by citizens, wrote in August mentioning that they had heard that George Trenholm was imprisoned on a charge of high treason. All the letters stressed Trenholm's rising in business without an education, his integrity and high sense of honor and duty.

The prisoners had cots on which they sat and slept. Morgan said they could see and smell the tide ebb and flow beneath the planks of the building. From prison, Trenholm wrote long letters home.⁴³ He reported that the officer in command, Major William C.

³⁸ *Official Records of the War of the Rebellion*, Series I, vol. 47, Part 3, p. 648.

³⁹ *Ibid*, Series II, vol. 8, pp. 723-24.

⁴⁰ A.F. Sanborn, *The Reminiscences of Richard Lathers*, New York, 1907 ; *News and Courier*, Dec. 7, 1990 "South Battery Mansion Sold to real estate firm".

⁴¹ *O.R. Series II*, vol. 8, p. 701.

⁴² Hanna, *Dictionary of American Biography*, "George Alfred Trenholm".

⁴³ Letters in Caroliniana Library at the University of South Carolina.

Manning, was doing everything that could be reasonably expected. Despite the severity of his circumstances, Trenholm resumed as best he could the role of paterfamilias, sending encouraging messages about the work at home that needed to be attended: that the hay making ought not to be neglected; the girls should persevere with their Latin. He thanked his wife, who had married him while a “*dear sweet child of seventeen*”, for her “*eight and thirty years of undeviating sweetness and love*”. He mentioned that his health was better. Through his wife, he sent for articles for other prisoners, being a caretaker as usual. The judge didn’t need shirts any more. Mr. Yulee (David) had taken the one she sent and wanted three more. Mr. Seddon’s purchases were to be paid for from Mr. Yulee’s money. The socks fit Mr. R.M.T. Robert Hunter exactly. Trenholm noted that the hat his wife had sent him fit alright [sic] but didn’t look right. The glasses that were sent were better for distant objects than the ones he had been wearing. The men all felt that Mr. Halsey in Charleston had charged very reasonable prices.

Trenholm was worrying about Morgan’s desire to go to Paris to study law, and about the proneness of his mind to be discontented with its present occupation and to believe that some other profession or pursuit would be far more advantageous and agreeable. He decided that Morgan and Helen could be married whether he was out of prison or not. In trying to encourage his newly married son, Frank, to attend to his career, Trenholm urged, “*riches take to themselves wings and fly away, our wealth was great, but where is it?*” He seemed to think that Morgan always thought the grass was greener somewhere else than where he was. Trenholm’s letters stressed that discontent “*lodged in the brain*” can’t be cured by outward circumstances, and pointed out that “*God alone can satisfy the soul. He alone can give us perpetual peace and contentment*”.

Rainy weather was again suggested in the same letter when the prisoner stated that his health had been good, but “*If I can escape a new attack of Neuralgia in these damp cells, I hope in other respects to get on safely ... In the meantime, I must endeavor to bear my share of passing trials with fortitude. It is some consolation to believe that I am suffering that the people of the state may be more generously dealt by. I suppose it was necessary that some persons in South Carolina should be held to answer, if not for his past bad conduct, at least for her future good conduct. Magrath (last wartime governor of South Carolina) and I should be willing to fulfill this duty with cheerfulness*”.

On August 21, A. K. Allison, former governor of Florida, Charles Clark of Mississippi, David L. Yulee, ex United States senator, G. A. Trenholm, A. G. Magrath, James A. Seddon, former Secretary of War, R.M.T. Hunter, second Secretary of State, and James A. Campbell, Assistant Secretary of War, gave their parole of honor not to leave the post and were given the liberty of the island.⁴⁴ On October 11, the United States Secretary of War ordered Trenholm, Clark, Campbell, Alexander Stephens, and John H. Reagan of Texas released on parole.⁴⁵

In June, a list of people and firms owning more than three fourths of the wharves and more than two hundred dwellings, warehouses, and other buildings in Charleston, had taken the oath of allegiance to the United States and petitioned the Secretary of the Treasury for permission to take temporary possession of the property in order to make repairs. Theodore Wagner and John Fraser & Co. were on the list. The letter went from the President of the United States to the Secretary of War to Quartermaster General M.C. Meigs, who answered: “*Charleston was a hostile fortress ... The warehouses and wharves used in the contraband trade ... have been used in aid of the rebellion. To restore this property, which cost the loyal people so much blood, and so much treasure,*

⁴⁴ *O.R. Series II*, vol. 8, pp. 723-24.

⁴⁵ *Ibid.*, p. 763.

to the original disloyal owners would, it seems to me, give a shock to every earnest and loyal man. Far better give the property to the families and heirs of the victims of the massacre of Wagner or of those who perished upon the monitors sunk by the agents of the Torpedo Bureau in Charleston Harbor".⁴⁶ However, on September 29, President Andrew Johnson directed that the property be returned to the people who had sent the petition because they were the owners at the time the Federal forces had entered the city.

Soon after the war ended, Secretary of State William Seward directed Charles Francis Adams to take up the question of damages caused by the Confederate cruisers with the British minister, Earl Russell, making Confederate property suits an issue with the British, basing claims on wrongs caused by the Queen's proclamation of neutrality that had conferred belligerent status on the Confederacy. In October, Caleb Cushing, former Attorney General, was appointed Special Agent to go to London to supervise the United States prosecution of property suits to obtain Confederate and Trenholm property held by the Liverpool branch. The original firm in Charleston, John Fraser & Co., headed by Theodore Dehon Wagner, had worked unceasingly to help win the war. Although George Trenholm had resigned from his firm when he became Secretary of the Treasury, his partners were held liable. Theodore Wagner, James Weisman, William Lee Trenholm, and Charles Prioleau were attacked in lawsuits.

Although Charles Prioleau (manager of the Liverpool office of the firm) only owning 5% of the company, had been in a vital position during the war, James Weisman, a 15% partner, was also in Liverpool for much of the war but little is available about his activities there. In Liverpool, Charles Prioleau was having problems. The value of the ships the company owned had lost 2/3 of their value while shipbuilders demanded wartime prices for ships still under construction for the firm.

Lawsuits relating to Trenholm involvement in the war began soon after the war ended and went on to the end of George Trenholm's life. Among other things, the Government tried to collect custom's duties on everything the firm had brought in through the blockade. In England, Fraser, Trenholm & Co. continued to run Confederate affairs and supplied means to pay the wives and families of men serving on ships.⁴⁷ The Confederate agents simply went home, leaving Fraser, Trenholm & Co. with the Confederate debts and obligations.⁴⁸

By August, James Welsman wrote that he had been pardoned and that he was trying to get the ship *Amelia* out of England. On October 4, George Trenholm wrote from Fort Pulaski to Charles Prioleau "*As for the abolition of slavery, I have not a single objection to offer to it*". He said that only 300 of near 1,000 former slaves had left during the war even when run over by Sherman's army and were awaiting his release to decide finally on contracts. Many of his slaves had probably been purchased along with plantations he bought in 1863.⁴⁹

George Trenholm received a parole, and his son Fred returned from England. The family met in Charleston for the wedding of daughter Helen on November 16 to James Morris Morgan.⁵⁰

How Trenholm rebuilt his fortune is another story ...

⁴⁶ *Memorial with Endorsement*, Charleston Library Society.

⁴⁷ C. Painter, *The Recovery of Confederate and Other Assets Abroad*, Dissertation, (Washington DC, 1993), p. 139 ; *Prioleau Lettersbooks*, Box 6, pp. 3-13.

⁴⁸ Wise, *Lifeline of the Confederacy*, p. 222; Dissertation, p. 519.

⁴⁹ *Prioleau Letterbooks*, Box 1, Item 28.

⁵⁰ *Letters to Morgan Goldbarth and Ethel Neveux from Dr. Charles East*, editor of « Sarah Morgan, The Civil War Diary of a Southern Woman », manuscript in Duke University Library.