

THE  
ECONOMIC  
CLUB OF  
CHICAGO

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The Club hosted the annual Discussion Series led by the Henry Crown Fellows on September 13 at The Chicago Club. This year, the conversation focused on the life of Ulysses S. Grant through the Civil War and Reconstruction.

As in years past, member Charlie Bobrinskoy – vice chairman, head of investment group at Ariel Investments – provided a presentation to attendees before they broke out into dinner discussion groups. To supplement the conversation, readings were sent to members before the program, including excerpts from Grant’s memoirs.

Mr. Bobrinskoy began the presentation mentioning the recent “rehabilitation” of Grant’s reputation.

“One of the things we’re going to talk about tonight is that different people have very different perceptions of Ulysses S. Grant,” said Mr. Bobrinskoy.

For years, Grant was considered a failure of a president. This sentiment was aptly represented in a 1942 presidential-ranking survey distributed to historians who collectively listed him second to last. By 1982, he had only climbed three spots on that list in a similar survey of historians. Although seen as a national hero when he died in 1885, resentment gained traction in the southern states, where many people criticized Grant as an ineffective leader that managed a corrupt administration. As the “Lost Cause” theory of the Civil War grew in popularity, Grant’s reputation declined.

Recent biographies of Grant, including one published by writer Ron Chernow, have re-examined Grant’s life, including his time as General of the Union Army, and the steps he took toward improving life for freedmen and women during Reconstruction.

Mr. Bobrinskoy presented on the different battles Grant led during the Civil War, showing members the various steps the general took to secure victory. The most momentous battle was in Vicksburg, which Mr. Bobrinskoy argued was “the best strategic campaign in American History.”

Once he became general of the entire Union Army, Grant led a successful land campaign against Robert E. Lee, who eventually surrendered at the Battle of Appomattox. As Mr. Bobrinskoy noted, President Abraham Lincoln famously told Grant to “let him up easy,” leading to generous terms of settlement.

“There was clearly an attitude of ‘let’s reunite and try to put this bitterness behind us,’ without frankly a lot of thought about whether that was too easy,” said Mr. Bobrinskoy.

Two weeks later, Lincoln was assassinated, and the idea of Reconstruction was put on hold for four years when Andrew Johnson, considered a southern sympathizer, took office. During that time, simmering resentments grew in the South, now divided into five different military districts. Within a year of the Civil

War ending, the Klu Klux Klan was founded with the goal of terrorizing freedmen in the South to prevent them from voting.

When Grant won the election of 1868, he led the charge to combat the Klan through the development of anti-Klan legislation that forms the Justice Department.

“Up until that time, all law enforcement was done at the state level and the federal government couldn’t prosecute anybody for murder, terrorism or anything,” said Mr. Bobrinskoy.

However, empowered by the anti-Klan legislation, thousands of newly-hired Justice Department employees traveled through the South, and charged Klan members with terrorism and eventually abolished the group.

Despite succeeding in this goal, Grant’s reputation as president was sullied when scandals came to light during and after his presidency. One scandal was the “Gold Ring” in which individuals used their relationship with Grant to gain information about the price of gold to corner the market on the New York Gold Exchange. However, their advice and manipulation led to severe economic damages that lasted over a year. Another major scandal was the “Whiskey Ring” that involved collusion between distillers and United States Treasury officials to avoid paying millions in tax dollars. Unfortunately, many historians note that Grant did not know about these scandals as they were occurring, and any punitive measures he imparted on members of his administration did not change public perception of his involvement.

A poor investment in his son’s Wall Street brokerage house was the final scandal of Grant’s life that ultimately left him bankrupt. His son’s associate misled the Grants and investors, leading to the bank’s failure. Soon after, he was diagnosed with throat cancer. In order to make an income, he wrote several articles on the Civil War for a magazine before he was approached to write a book of memoirs.

“Grant was close to bankrupt and he got cancer of the throat and [was] really in a race against cancer to finish this book to take care of his family,” said Mr. Bobrinskoy.

Notable author Mark Twain, a friend of Grant and aware of his financial troubles, made him an offer to sell the book of memoirs for a 75-percent royalty to the Grant family, unheard of in publishing. Grant died days after finishing the memoirs, which would become the best-selling work of non-fiction in the United States up until that point in history.

Before ending his presentation Mr. Bobrinskoy presented the group with questions to discuss:

- Was Grant the greatest general in American history?
- Why wasn’t Grant and his administration more successful in Reconstruction?

After their dinners, members reconvened to share the main themes of their discussions and had the option to continue the conversation on The Chicago Club Terrace.