

under the sanction of law, has been of no real benefit to our government; but, on the other hand, has inflicted very great injury upon the public service. It has induced a spirit of speculation and plunder among the people, who have entered into a disgraceful scramble for wealth during a time of war, waged to save the life of the nation, and has fed that greed of gain which must wound the public morals. It has tended to the demoralization and corruption of the army and navy by the exhibition of the vast rewards which have accrued from this trade and from the temptation and bribery with which they have been constantly assailed. It is believed to have led to the prolongation of the war, and to have cost the country thousands of lives and millions upon millions of treasure.

The object of the existing laws has been almost entirely evaded. The testimony before the committee discloses the shameless and treasonable character of the trade which has been carried on within the rebel lines with rebel agents, and for the use of rebel armies. The amount of supplies necessary for the support of rebel armies which, under the cover of this trade, has been sent through the rebel lines at New Orleans, Memphis, Norfolk, and other places, almost surpasses belief. Negotiations have been entered into, and correspondence carried on, by citizens of the United States with rebel agents to deliver for the rebel government provisions and other necessary articles to sustain the rebel armies, in return for cotton.

Your committee have had no opportunity to examine, to any considerable extent, into what has been done under the regulations of the Treasury Department, since the passage of the act of July 2, 1864, except so far as relates to contracts entered into by Hanson A. Risley, an agent authorized to purchase the products of insurrectionary States, at Norfolk, Va., but who has been located in Washington. By a statement sent from the Treasury Department to the Senate, it appears that this agent, from November 4, 1864, to January 24, 1865, made contracts with sixty-one persons to purchase over 930,000 bales of cotton. How many bales of cotton have been contracted for, or purchased, by agents at New Orleans, Memphis, Nashville, Beaufort, Port Royal, and Pensacola, has not yet been ascertained; but probably not less than 2,000,000 of bales.

The action of this agent at Washington seems to have been characterized by much irregularity and carelessness, though nothing has appeared to challenge the official integrity of Mr. Risley. There seems to have been no system governing the making of these contracts, and no uniformity in the requirements necessary to obtain them. Some parties made affidavits that they owned and controlled products in insurrectionary States; others made application in writing; others made verbal application; and no particular kind of proof seems to have been required that the parties were loyal and responsible men, acting honestly and in good faith.

Persons holding office under the government of the United States appear as contractors. Contracts, certificates, and Presidential orders have been materially altered and changed. It is in proof that orders of the President have been altered without his knowledge or consent.

Immense contracts have been made with particular individuals, in the propriety of some of which, at least, the committee are not able to concur. They have failed to become satisfied with the contracts made with several parties, and particularly with that made with Samuel Noble, for the enormous amount of 250,000 bales of cotton, it appearing that this Mr. Noble was recently from the rebel States, and that no sufficient evidence was required or received of his loyalty, honesty, and good faith, or that he either "owned or controlled" this very large number of bales of cotton. And it may be here stated, that, in the judgment of the committee, it was never contemplated by the existing laws, or by the regulations under them, that such vast contracts were to be given out to such a small and peculiar class of persons, and in the manner which has been allowed. In many other cases besides that of Noble there was the same want