

***FORGOTTEN VERY SUCCESSFUL NINETEENTH CENTUARY***

***BUSINESSMAN***

***By Carole E. Scott***

On the eve of the Civil War, the greatest concentration of millionaires outside New York City was Natchez, Mississippi. In 1860, Southern planters accounted for nearly two-thirds of all American men with wealth of \$100,000 or more. Among these was Leroy M. Wiley (1796-1868), who was one of the 3,000 planters owning more than 100 slaves.<sup>1</sup> In an autobiographical 1855 book, former Georgia Governor George R. Gilmer said that Leroy, a New York City businessman who began his career in Georgia, was one of the richest men in the world. In

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<sup>1</sup> Juliet E. K. Walker., *The History of Black Business in America*, Volume 1 (Chapel Hill, 2009) p. 87.

an 1842 list of the wealthy citizens of New York City his name was included.<sup>2</sup> Having only been a businessman and lacking descendants, it didn't take long after his death for Leroy to fall into an obscurity from which he deserves to be rescued because of what can be learned about the era he lived in by studying his life.

The antebellum years were pioneering years for businessmen. There were many business opportunities available to exploit, but the risk was very high. Leroy was good at identifying opportunities to make money and was willing to work hard and take big risks to earn it. This is why he became wealthy. During Leroy's lifetime the economic roots were established for what would become the world's most prosperous economy. As a lender and investor, Leroy was one of those who provided the capital needed to create these roots.

During the Civil War his many assets in the South were threatened by Confederate government confiscation. His numerous assets in the North were threatened by Federal government confiscation. Having

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<sup>2</sup> Mosel Yale Beach (editor), *Wealth and Pedigree of the Wealthy Citizens of New York City* (New York, 1842).

spent a large part of the year for decades traveling through all but the far West in doing business and living for years in New York City must have made him aware of the possibility the North would crush the South's bid for independence.

When he was 15, Leroy, who lacked a formal education, helped his widowed mother, who had six other children to support, by obtaining a job in a Milledgeville dry goods store owned by Farish Carter.

Mentioned in an account of Leroy's life in the *Georgia Weekly Telegraph* on July 10, 1868 is that Carter later became his business partner and friend. Among Carter's letters at the University of North Carolina are many from Leroy. After working as a youth for Carter, one of Georgia's most wealthy men, Leroy formed his own business, Wiley & Baxter, in Milledgeville. Later they opened a second store in Macon, which had just begun to be developed. (Leroy's partner and brother-in-law, Thomas Baxter, ended his business career as a merchant and manufacturer in Athens.)

Leroy began making buying trips for Carter to New York City in 1816. (Cartersville, Georgia is named after Carter.) Being a lifelong bachelor may have caused Leroy to be the partner in his businesses in the South who made long trips to acquire merchandise. Fortunately, travel became vastly easier as he aged. Steamboats and then railroads drastically reduced how long merchants had to be away from home on buying trips. Southern merchants went to northern cities such as New York and Philadelphia to stock their stores because there they found credit, selection, and prestige. No city in the South—even New Orleans—could rival the capital reserves of the wholesale merchants in Philadelphia and New York City where they could buy the latest fashions from London and Paris.

In 1829, freight to Macon from Savannah was by pole boat, and it took three to four weeks. Later steamers moved it in a lesser number of days. At that time Macon had fewer than 3,000 people, nearly half of whom were slaves. Leroy spent much of the year on the road and at sea. In the Edgeworth Bird family papers at the University of Georgia's

Hargrett Rare Book & Manuscript Library are a number of very detailed letters he wrote to Thomas W. Baxter about what he saw on a trip to England.

Leroy moved to Charleston, South Carolina in 1832 after accepting a managing partnership in the Charleston house of Parish, Marshall & Company of New York City, which did business throughout the South. He moved to New York City when he was made a junior partner of its New York house. There he founded a New York wholesale dry goods business, Leroy Wiley & Company, at 162 Pearl Street.

Pearl Street was the City's wholesale district. Goods would arrive by horse and cart from the docks along Front Street, and get hoisted by pulley into the upper floors of "counting houses," then sold in the stores downstairs. Merchants would come in from towns throughout the Territories... They would place their orders for the next twelve months—carpets and linens, corkscrews and thimbles, bone china, smelling salts, and teakettles—then head back up the river. Pearl Street was the nation's storefront in those

years, the first World Trade Center... gridlocked with wagons at every working hour: a microcosm of the city to come.<sup>3</sup>

By the eighteen-thirties, New York had begun to feel, for the first time, like the center of the universe. Its population tripled between 1825 and 1850. The Erie Canal, completed in 1825, slashed the cost of shipping goods inland, and New York became the primary gateway for westerners, via the Hudson, for ocean freight from Europe and Asia. (Nowhere else was it possible to build a canal through the eastern chain of mountains.) Two-thirds of all our imports came through the New York City. Southern planters sent their cotton to and ordered foreign goods from New Yorkers. In the 1850s New York City merchants depended on the foreign slave trade more than ever because New Yorkers financed ships that picked up captives in West Africa that were sold in Cuba and Brazil.

Advice from Leroy to Farish Carter included in Carter's papers reveal one reason why Leroy liked New York City. After he received a

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<sup>3</sup> Burkhard Bilger, "Mystery On Pearl Street," *The New Yorker* (January 7 2008).

letter from Carter in which he complained about his health, Leroy advised Carter to take a northern trip and see new things and experience new surroundings. A decade later he begged Carter to visit him in New York, where he could attend Italian opera, which he wrote is of itself worth visiting New York for. He also mentioned Christie's minstrels, the Olympic, Broadway, and the Bowery. He concluded by telling Carter that he would live ten years longer if he visited him in New York once a year.

In a day when most people relied on candles to light their homes, the Astor House where Leroy resided had a gas manufacturing plant that supplied gas lighting throughout the building. (Some guests were asphyxiated in their sleep because they blew out the light.) A steam engine in the Astor's basement pumped water to a reservoir on the roof from which water was made available on every floor. In a day when indoor plumbing was considered miraculous, each floor of the Astor House had hot and cold running water as well as water closets.

Over the years in Georgia, South Carolina, and New York, Leroy was a member of many partnerships. (When engaging in risky businesses, sharing cost and risk is wise.) He, Baxter, and Carter formed a partnership that was apparently designed to invest in land and mining interests. Leroy also formed a partnership for land speculation with Ker Boyce, Sr. of Charleston and Richard K. Hines of Milledgeville and with James Hamilton of South Carolina. The latter partnership purchased land in Mississippi and Texas. Other partners he had over the decades included men named Lane (W. G. and E. H.), Banks, Vanderzee, and Baner. Among the stockholders of the Bank of Milledgeville were Leroy and Ker Boyce, Farish Carter, and William G. Lane. Leroy, Carter, and Boyce were among the founders of the Bank of Macon. Leroy and Boyce were also among the founding directors of the Bank of Charleston, the Southeast's largest bank and a major supplier of foreign exchange (foreign currencies) vital to cotton growers. Leroy was also a director of the Bank of New York. <sup>4</sup>

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<sup>4</sup> John Doggett, Jr., *The Great Metropolis, Or Guide To New York For 1849*, Volume V (New York, 1849) p. 93.

Early in his business career Leroy began engaging in factoring. Factors purchased promissory notes at a discount. (Those buying on a credit basis provided the seller with a promissory note. Sellers could sell these notes before they matured in order to get money sooner. European importers of cotton issued promissory notes, and cotton planters importing goods from Europe issued them too.) In New York City Leroy was a dry goods jobber, buying imports and selling them to country merchants. Late in his business career after he had withdrawn from merchandizing, he was still buying and selling foreign exchange. He also engaged in mortgage lending for land and slaves. “...On the 27th of February, 1847, upon a bill in equity, which charged in substance as follows: That Reddick Pierce mortgaged to Leroy M. Wiley certain negroes, to wit, Harriet and her two children Lucy and Adeline...”<sup>5</sup>

When he was born in Georgia to Scots-Irish parents from the Carolinas, even it, one of the original thirteen states, was largely unsettled by other than Indians. Due to subsequent, large acquisitions of

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<sup>5</sup> James M. Kelly, *Reports of Cases in Law and Equity Argued and Determined in the Supreme Court of Georgia Commencing January 1847*, Volume II (Savannah, 1847) p. 326.

land by the United States, throughout his life new land was being settled to the west and northwest of Georgia. This created an abundance of very high risk, but potentially very high returning investment opportunities, including speculation in land. In Illinois he invested in railroads. In Mississippi and Texas he invested in land.

Leroy used some of the fortune he earned as a merchant; factor; investor in banks, marine insurance, railroads; other businesses; and speculation in land to become a planter. In his testimony in an 1856 law suit, he testified that he had two plantations in Georgia and two in Alabama.<sup>6</sup> One of these was in Macon County, Georgia. Another was in Barbour County, Alabama. They may have been superintended by his brother Laird Harris Wiley. In 1841, Leroy purchased the Macon County property for \$20,000 from Dr. Alford Clopton, president of the Commercial Bank of Macon and the father-in-law of his brother Dr. Jack Barnett Wiley.

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<sup>6</sup> Surrogate's Court, *The Parish Will Case in Six Volumes, A Litigation Pending in the Courts of the State of New York, from April, 1856 to June, 1864, Upon the Validity of the Last Will and Testament, with Three Papers Purporting to be Codicils Thereto, of Henry Parish, of the City of New York, Merchant Deceased* (New York, 1864).

His brother, Jack, a physician in Macon also had a plantation in Barbour County. The Barbour County, Alabama slave census shows that in 1860 Leroy had 190 slaves on his plantation there; Jack had 187. Leroy told Farish Carter in a letter that because he visited his plantations so infrequently, “the Negroes at both my plantations seem hardly to know they belong to me”.<sup>7</sup>

“During the time that [Leroy] Wiley owned the land [in Macon County, Georgia] he cultivated extensively. The highway which runs through it had already been blazed by Andrew Jackson’s men when they went to Florida to fight the Seminoles, and it became known as “Wiley’s Lane”. Wiley planted the Cherokee rose on both sides of his land for miles, and it is a pity that the ruthless hand of progress had destroyed them. Wiley had a toll ferry across the river, not only to connect his farm lands, but it was used also for public purposes.”<sup>8</sup>

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<sup>7</sup> William Kuffman Scarborough, *Masters of the Big House; Elite Slaveholders of the Mid-Nineteenth-Century South* (Baton Rouge, 2003) p. 231.

<sup>8</sup> Louise Frederick Hays, *Macon County History* (Atlanta, 1933).

In a March 1837 letter to Mirabeau B. Lamar, a native of Georgia who was President of the Republic of Texas, James Hamilton, a South Carolina businessman, politician, and planter, wrote at the suggestion of Lamar's "former townsman," L. M. Wiley, for Lamar's help in regard to land purchased by Leroy, Ker Boyce, and himself.<sup>9</sup> Hamilton had a plantation, Retrieve, in Brazoria County, Texas. Leroy and S. F. Austin owned land bordering it.

In testimony in the 1856 New York City court case concerning the will of Henry Parish, Leroy's deceased business partner, he identified himself as a planter. Possibly he agreed with James Henry Hammond, a South Carolina lawyer/planter/ politician, who believed the South's antebellum planters were essentially what the nobility were in other countries. The Parish will case is far from being Leroy's first brush with the courts. Leroy was involved in a number of cases in various federal and state courts. Many of the cases were brought by Leroy to collect money he was owed, but had been unable to collect. In Leroy's day

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<sup>9</sup> Charles Adams Gulick, Jr. (editor), *The Papers of Mirabeau Bonaparte Lamar*, Volume II (Austin, 1922) pp. 542-543.

litigation was combined with lending. "...Creditors used the courts and agents of law to secure their debts, often at or close to the time when they lent money...Much antebellum litigation served the same function and took nearly the same form as what today lawyers call secured transactions." By getting judgements at the time credit was extended, the seizure and sale of the debtor's property would be expedited when and if the debtor defaulted.<sup>10</sup>

Leroy supplied wholesale goods on an open account to Mark Anthony Cooper's mining business on the Etowah River near Cartersville. Mark Anthony Cooper, a Georgia lawyer/planter/politician and entrepreneur, and his partner, Moses Stroup, owned an iron foundry, nail factory, rolling mill, flour mill, and a short line railroad which connected their operations to the state-owned Western & Atlantic Railroad.

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<sup>10</sup> Thomas D. Russell, "The Antebellum Courthouse as Creditors' Domain: Trial-Court Activity in South Carolina and the Coomittance of Lending and Litigation," *American Journal of Legal History*, Volume 40 (July 1, 1996) oo, 332-333.

On a visit by Cooper to New York to purchase goods, Leroy told Cooper he wanted an interest in his property, Cooper agreed. Leroy owned a third of this business until Cooper bought out Stroup. Leroy paid a visit to Cooper when Cooper was unable to repay a huge loan--\$100,000--owed Leroy's wholesale business. Leroy was not interested in taking on running this business. He told Cooper he "...should buy the property on three years' time". With help from friends, Cooper obtained the money he needed to do this.<sup>11</sup>

Unlike Farish Carter and others he was associated with, such as his brother-in-law, John J. Gresham, Macon's mayor, Leroy appears to never have held political office. Like Carter, he had close ties with the Democrat party. He supported James K. Polk, a Tennessean, who was introduced to Leroy by James Hamilton, Jr. as a New York import merchant.<sup>12</sup> Hamilton, one of many of his associates, including Ker Boyce, who held political office, served as South Carolina's governor and represented it in the U.S. House of Representatives. A cotton

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<sup>11</sup> Mark Anthony Pope, III and Donald McKee, *Mark Anthony Cooper, The Ironman of Georgia* (Atlanta, 2000) p. 211.

<sup>12</sup> James L. Rogers, *Correspondence of James K. Polk*, Volume 10 (Knoxville, 2004) p. 204.

merchant and factor, Hamilton was the first president of the Bank of Charleston that Leroy and Boyce were founding directors of.

Leroy had opinions about political issues of the day. During Andrew Jackson's administration, a major political issue was whether the federal government should renew the federal charter of the second Bank of the United States, a weak forerunner of our central bank today, the Federal Reserve System. During the financial crisis of 1837 that followed Jackson vetoing recharging this bank, there was talk of resurrecting it. Leroy said he hoped "never to see [another] one in operation again possessing the power of the former ones." Because he was a merchant creditor, Leroy lost heavily in the depression following the financial crisis. This depression's severity was only exceeded by the one experienced in the 1930s. He attributed his losses to the operation of the bankrupt law in Georgia, where he had a number of outstanding loans, and to "the low grade of morals at present"<sup>13</sup> The Bank of

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<sup>13</sup> *Op. Cit.*, Scarborough, p. 140.

Charleston occupied the building vacated by a branch of the second Bank of the United States when its charter was not renewed.

Leroy was one of nine New Yorkers and three Bostonians selected as directors of the newly chartered Illinois Central Railroad in 1851, the same year in which the Hudson River Railroad Company that Leroy was also a director of began operating between New York City and East Albany. The Illinois Central is given a lot of the credit for Illinois moving up from having the nation's eleventh largest population and ranking seventeenth in wealth in 1850 to being fourth both in population and wealth in 1860. "The grant by Congress, through the act of September 20, 1850, to the States of Illinois, Mississippi, and Alabama, of the alternate, even-numbered sections of lands for the sole purpose of aiding in making a 'National Highway' from the upper Mississippi at Dubuque, and the lakes at Chicago, to the Gulf of Mexico, although opposed and criticized at that time, is now, by all, recognized as a

measure of wise statesmanship.”<sup>14</sup> Leroy was also a director of New York’s Atlantic Mutual Insurance Company.

While on a trip in April, 1853, he experienced a slight paralysis that thereafter affected his speech and writing, particularly the latter. Thereafter he became less active; however, the *Sangamo Journal/Illinois State Journal* reported on October 13, 1853 that he and other Directors of the Illinois Central Railroad and its chief engineer were in the city attending the state fair. He was on a post-war trip from Georgia to New York when his final, “brain” illness struck. Failing to recover, he was taken to his plantation, Welanee, in Alabama, where he died in April 8, 1868, nursed by his sisters and nieces from Georgia.

The new Republican Party ran its first candidate for president, Georgia-born John C. Fremont, in 1856. On September 25, 1856, Nathaniel Prentis Banks, the Republican Speaker of the U.S. House of Representatives, made a speech on the steps of the New York Merchants’ Exchange sponsored by Republican merchants that led to a

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<sup>14</sup> Harry P. Robinson (editor), *The Railway Age*, Volume 31 (Chicago, 1901) p. 116.

Democrat merchants' group Leroy was a prominent member of to invite Virginia Governor Floyd to speak to them on October 2, 1856.

In his speech, Banks said that the South has no literature, science, or mechanical and manufacturing industry of its own, and it has little or no commerce of its own. The South, he said, has "...no results or products of those combinations of elements of power that distinguish our civilization, except such as is forced upon them by our success and our example—a kind of reflective compulsion—they have given their whole undivided attention to matters concerned with government. Now, we propose to divide this little business of government with them."<sup>15</sup> (Since the republic's earliest days New England had been concerned about the South's political power; once even considering secession.)

The primary focus of Floyd's speech to the much larger Democrat group was on the states' right to determine their domestic policies and the threat to the preservation of the Union of the rise of a sectional party—the black Republicans—represented. He complained about the

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<sup>15</sup> Nathaniel Prentiss Banks, "Address of Hon. N. P. Banks Delivered from the Steps of the Merchants' Exchange, September 25, 1856," *Republican Documents* (Washington, 1856) p. 8.

North looking down on the South and reminded the merchants of all the foreign exchange the sale abroad of the South's agricultural products provided the nation.

Floyd denied that the South had tried or had succeeded in controlling the government. He pointed out the series of major political compromises, such as the Missouri Compromise, the South had agreed to which denied it the equality states were entitled to. The equality the founders of the nation intended is why each state has the same number of senators. The president's power to veto bills is for the protection of the minority from the majority, a responsibility of the president because he is elected by all the people. "Why", Floyd asked if the Republicans were really concerned with the well being of the black man, "did this 'free soil,' free speech party exclude the colored man forever from Kansas!"<sup>16</sup> (Illinois and Oregon also prohibited blacks from settling there.)

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<sup>16</sup> Committee of New York Merchants and Speech of Governor Floyd of Virginia, "Proceedings of the Merchants' Great Democratic Meeting at the New York Exchange," (October 2, 1856) p. 27.

In 1860, a native of Boston, Thomas Prentice Kettell, published *Southern Wealth and Northern Profits* in which he condemned people like Massachusetts Senator Charles Sumner, who threatened to splinter the nation, because the official figures he had accumulated showed the necessity of union for the future prosperity and welfare of the republic. He claimed that the North took out of the South an annual profit of \$232,500,000. He called Southerners suckers for submitting to this vassalage and said the Constitution permitting the importation of slaves until 1808 was a concession to New England shippers who carried on this trade. Slaves had, he said, benefitted from the prosperity experienced in the antebellum period.

Northern merchants gained from southern demands for shipping cotton to markets abroad and from the demand by southerners for northern domestic and imported consumption goods. The low price of raw cotton produced by slave labor in the South enabled textile manufacturers—both in the United States and in Britain—to expand production and provide benefits to consumers through a declining cost

of textile products. As manufacturing of all kinds expanded at home and abroad, the need for food in cities created markets for foodstuffs that could be produced in the areas north of the Ohio River. The primary force at work was the economic stimulus from the export of the South's cotton. When James Hammond, a South Carolina politician, exclaimed in 1859 that "Cotton is King!" no one rose to dispute the point.

Before the war, most New Yorkers appear to have supported slavery, and the City was segregated. Because of New Yorkers' heavy investment in the South and their dependence on the cotton trade, the nation's chief export, commercial and financial interests in New York City counseled compromise with the South. New York's governor urged moderation. Due to the enormous value to New York City of its business with the South, some influential New Yorkers feared that, due to the Confederacy's low tariffs, the City would lose a lot of its business to southern ports. This led to New York City's mayor, Fernando Wood, proposing turning New York into a sovereign city-state. In this radical position Wood not without support. Among those supporting the idea

were Congressmen James E. Kerrigan and Daniel Sickles, a future Union general, and U.S. Marshall Isaiah Rynders.

Although well known and influential newspaper editor, Horace Greeley, opposed Wood's proposal, he initially wanted to let the South be allowed to go in peace. Wood, New York's mayor from 1855 to 1858 and from 1861 to 1862, was a Democrat. Despite having once been a member of the nativist Know Nothing Party, his chief supporters were immigrants. In 1860, 47 percent of the City's 805,658 residents were foreign born, the majority in Ireland. Less than two percent of its City's residents were black.

Despite his great wealth and extensive business interests in the South, North, and Midwest, it appears Leroy did not come to the attention of the general public until the 1860s. In *The New York Times* was the report that, "Unfortunately, the railroad engine president-elect Abraham Lincoln boarded in Springfield, Illinois in order to go to Washington for his inauguration was named after L.M. Wiley, a South Carolina slave owner." Elsewhere Leroy was described as "a slaveowner

and secessionist who made a fortune growing cotton in South Carolina.” The railroad engine bore Leroy’s name because he was a director of the railroad company that owned the engine, the Great Western Railroad Company.

It is not known if Lincoln ever met Leroy, but he must have heard of him because Leroy was one of the founders of the Illinois Central Railroad and served on its board of directors throughout the eight years during which Lincoln handled numerous legal cases for the Illinois Central. A huge, \$5,000 fee Lincoln sued to get from the Illinois Central for his work on a case in 1857 enabled him to finance his political activities, including his debates with U.S. Senator Stephen A. Douglas. (At this time the value of a dollar was well over 20 times its value today.)

On March 4, 1861, the day on which Abraham Lincoln was inaugurated, Lane, Boyce & Co., “...a New York firm, being insolvent and largely indebted among others, to August Belmont & Co. made a general assignment of all the property and effects of the firm to Leroy

M. Wiley and Frederick N. Lawrence, for the benefit of their creditors.”<sup>17</sup> (Ker Boyce, Sr. was Lawrence’s father-in-law.) It was claimed that the greatest part of the assets of Lane, Boyce & Co. firm were bills, receivables, and other securities of parties in the South that Leroy had taken with him to the South. In addition to Leroy and Lawrence, all the partners in, Lanes, Boyce & Company except William G. Lane, had departed to the South.<sup>18</sup> On June 17, 1861 August Belmont & Co. unsuccessfully challenged the court’s decision in the New York Supreme Court.

On September 6, 1861, *The New York Times* reported: “There is an immense amount of property in the Northern States owned by rebels at the South, many of whom are now actually in the Southern Army fighting against the Government. If Northern men are to be deprived of their property merely because it is within the limits of the rebel States, every consideration of justice and good policy requires the adoption of

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<sup>17</sup> Nathan Howard, Jr. *Practice Reports of the Supreme Court and Court of Appeals of the State of New York*, Volume XXVIII (Albany, 1865), p. 133.

<sup>18</sup> Supreme Court, City and County of New York, *John Kelly, Sheriff of the City and County of New York Against William G. Lane, Edward Lane, Jesse C. Lane, Ker Boyce (Jr.), Joseph W. Pamelee, William T. Boardman, LeRoy M. Wiley, Frederick N. Lawrence, and the United States Trust Company.*

similar policy on our part. It has been commenced in regard to shipping, but we see no reason why it should not be extended to all kinds of property.”

Until they were overruled by President Lincoln, some Union generals used the first federal confiscation act passed in 1861 as justification for freeing slaves. The second confiscation act passed in 1862 was virtually an emancipation proclamation. Its Section 12 gave the President the right to colonize “in some tropical country beyond the United States...” persons of the African race made free by the provisions of this act. Additional measures passed on March 12, 1862 and July 2, 1864 defined property subject to seizure as that owned by absent individuals who supported the South. According to Chief Justice Salmon P. Chase, all people of a region in insurrection against the United States had to be considered enemies until that region returned to its former allegiance.

In 1863 a case extensively reported on in *The New York Times* was filed in the District Court of the United States for the Southern District

of New-York which called for the confiscation of Leroy's stock in the Great Western Railroad Company of 1859. In it a Charles Gould was identified as an informer. It was filed under the 1861 and 1862 Confiscation Acts for the confiscation and forfeiture of 1,756 shares of Leroy's capital stock and for upward of \$50,000 due on coupons of bonds of the same corporation. Alleged was that Leroy had used the property to aid the rebellion and that he was guilty of treasonable acts. The estimated value of the stock was \$500,000. The inclusion of the date 1859 in the name of the Great Western Railroad was the result of Leroy and another man having been assigned in 1859 as trustees to operate what had previously just been named the Great Western Railroad until it was sold.

The Judge in this case, Betts, ruled Leroy was an enemy alien enemy and, therefore, was denied the right to appear and defend himself. The Great Western Railroad Company of 1859, acting as Leroy's trustee, was not allowed to defend him. The Judge directed the company to cancel the certificates of stock in Leroy's name and to issue new

certificates to the clerk of the court. He ordered that the stock be sold and the proceeds after some costs were covered be distributed to the United States and Charles Gould, half going to each. The New York district attorney who applied for a decree of condemnation and forfeiture against Leroy's Great Western stock presented to the court the testimony from witnesses who claimed he is a rebel.

Leroy responded to Judge Samuel R. Betts' decision in *United States v. One Thousand Seven Hundred and Fifty-six Shares* (1864) with an appeal to the Circuit Court. The railroad company also filed an appeal. The Judge in this case, Samuel Nelson, reversed Betts for want of jurisdiction because the property was the stock of an Illinois corporation, and the case was filed in a New York court. He also ruled that Leroy should have been allowed to defend himself. Nelson, a Supreme Court justice sitting as a district court judge, said there is great difficulty in perceiving how the stock of an incorporated company is capable of being used or employed in aiding or abetting an insurrection. (Nelson had been a dissenter in the Prize Cases.)

In 1865, President Andrew Johnson ordered his Attorney General to immediately pardon Leroy after he received Leroy's request for a pardon endorsed by New York U.S. Senator Edwin D. Morgan. Leroy told President Johnson that in 1861 he had proceeded south for the purpose of protecting and preserving both his own property and that which he held as an assignee for several northern firms. He based his plea for a pardon on his age and losses in slaves and other property worth over \$450,000, including "forced contributions" to the Confederacy.

Senator Edwin D. Morgan, a successful New York City wholesaler, broker, and banker, was president of the Hudson River Railroad from 1851 to 1855. Leroy was a director of the Hudson River Railroad. Morgan served as an alderman, member of the New York State Senate, and State Commissioner of Immigration. One of the founders of the Republican Party and chairman of the national and New York Republican Party, he was New York's governor when the South left the Union. Appointed a major general of volunteers, he was praised for how

many troops he recruited. In 1863 he was elected to the U.S. Senate. Morgan's support suggests Leroy was telling the truth when he told President Johnson he went South to protect himself and his northern associates. Clearly, he had good reason to fear that the Confederate government would confiscate his assets in the South if he had continued to reside in New York.

Shortly after Leroy received his pardon from President Johnson, the New York district attorney appealed Judge Nelson's decision. *The New York Times* reported on November 9, 1865 that Leroy had appealed to the U.S. Supreme Court on the basis of President Johnson's pardon to reverse the New York District Court's decision to confiscate 1,756 shares of his capital stock and \$50,000 due on its coupon bonds. The Supreme Court docketed this case in October 1865: *United States v. LeRoy M. Wiley*, but counsel accepted the circuit's decision, and it was never reported along with other cases.

After the war, the U.S. Supreme Court reinforced the liberal theory of property rights and thoroughly rejected the older belief that property

was held at the sufferance of the sovereign. It also ruled that in passing the second Confiscation Act Congress was exercising “an undoubted belligerent right”. However, although it was decided to be Constitutional, its scope was narrowed to near irrelevance.

Post war, in New York’s Supreme Court Leroy sought to obtain money from George W. Gooch, who shortly before the war he had authorized to collect in Texas money and assets due him. On November 17, 1865 *The New York Times* reported that Gooch responded by saying that when he received a letter countermanding his authority to collect the bills, he did what he had been instructed to do: turn over the bills and what he had collected to George Butler, a banking and collecting agent in Galveston. However, when Butler, who was suspected of being disloyal, left for the North, Butler’s principal clerk, who anticipated the bills and assets Gooch had collected would be confiscated by the Confederacy, returned them to Gooch, who was conscripted into the Confederate army.

Orders by Confederate General Paul Octave Herbet, commander of the Military Department of Texas, Gooch claimed, forced him to accept Confederate money when he collected a bill and to sell goods and slaves turned over to him for Confederate money. He invested the money in Confederate bonds which, like Confederate money, were worthless after the war. The slaves, who by then had been freed, had not been sold. Gooch observed that when Leroy was residing during the war on his Barbour County, Alabama plantation, he had been compelled to accept receipts to the extent of \$100,000 for slave labor and corn and provender from Southern officers under military rule.<sup>19</sup>

After the war ended, Gooch offered to turn over to Butler, who had returned to Texas with a power of attorney from Leroy, Confederate bonds, uncollected bills amounting to \$260,000, and deeds for land. Butler refused the Confederate bonds. Gooch's lawyer argued that debts paid off with Confederate money were either still outstanding because it was the equivalent of counterfeit money or that the court must accept

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that the Confederacy was “in fact a properly organized government with all the attributes of sovereign power,” so the Confederate bonds must be accepted as repayment of debt. *The New York Times* reported that Leroy’s motion was denied, and he was charged \$10.

Leroy was welcomed back to the Illinois Central’s board and resumed his residence at New York City’s Astor House to which an elevator had been added during the war. Although he had lost much of his wealth as a result of the war, he was still wealthy.

During his life Leroy provided his widowed sisters with financial support. Each of them had a son named after him. In his 1862 will he noted that his brother Thomas, father of a Union soldier, was a businessman in Philadelphia who might be unable to lay claim to what he was leaving him due to his United States citizenship. If so, his sisters and the children of his deceased brothers would be his only heirs. As he was dying, his sisters and nieces cared for him.

