In the week before Christmas 1862, as the Union war effort floundered, political and military controversies swirled throughout the north. The recent defeat at the Battle of Fredericksburg coupled with the loss of Republican majorities in a number of northern states as a result of the 1862 midterm elections, contributed to what would become known as the “Cabinet Crisis of 1862.” Republicans unhappy with the Lincoln administration’s policies and prosecution of the war argued for changes in the president’s cabinet. On December 16, Republican senators voted 13-11 in favor of a resolution calling for the resignation of Secretary of State William Seward. In addition they called for the ousting of Seward’s son, who was serving as Assistant Secretary. Treasury Secretary Salmon Chase, perhaps the most radical member of the cabinet, also supported Seward’s removal. In response to these events, Seward and his son offered their resignations, leading to the president calling for a meeting with the cabinet and the Republican Senate caucus that was held on December 19. At the contentious meeting, held in the absence of Seward, Chase and Postmaster General Montgomery Blair also offered to resign, but Lincoln refused to accept either, instead urging his cabinet to work together during the nation’s crisis. In the end, both Seward and Chase remained in office for the present, though the latter harbored hopes for winning the Republican nomination in 1864. Ultimately, Lincoln would appoint Chase to Chief Justice of the Supreme Court, thus removing him as an active political threat.

In Mississippi, meanwhile, controversy would also swirl around an order issued by Union General Ulysses S. Grant. In an effort to crack down on rampant speculation in cotton and other goods within his department, his infamous General Order No. 11 targeted the Jewish population
for special treatment. It stated in part: “The Jews as a class violating every regulation of trade established by the Treasury Department and also department orders, are hereby expelled from the department within twenty-four hours from the receipt of this order.” Though President Lincoln and Union commanding general Henry Halleck would rescind the order in early January 1864, historian E.B. Long has written that the measure “had political and social ramifications for years” and “though never put entirely into effect,” the “damage to Grant[‘s reputation] had been done.”

During the same week that his ill-advised General order No. 11 was issued, Grant also faced a military setback in his planned operations against the Confederate stronghold of Vicksburg, Mississippi. On December 20, Rebel General Earl Van Dorn struck the major Union supply depot at Holly Springs as well as several smaller bases. He captured about 1500 Federal troops and destroyed vast quantities of supplies before withdrawing. Van Dorn’s action, coupled with smaller raids by Nathan Bedford Forrest against Union railroad lines, would force Grant to abandon his planned movement against Vicksburg to be made in conjunction with William T. Sherman and instead withdraw his army into Tennessee. He would not threaten the Confederate stronghold until the following year.

Finally, President Lincoln would meet with Ambrose Burnside in Washington to discuss the reasons behind the recent defeat at Fredericksburg and to discuss possible future operations by the Army of the Potomac, and Confederate cavalryman John Hunt Morgan crossed from Tennessee into Kentucky on a Christmas-time raid against Union supply lines. All told, the holiday season of 1862 would be bleak for the north.