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HISTORICAL SKETCH

CONTINENTAti

PAPER MONEY.

SAMUEL BRECK.

• . . -.•

• !>^>«W##Ji^f|f^/l^jr^V« ; /"^

PHILADELPHIA:

JOHN C. CLARK, PRINTER, 60 DOCK STREET.

1843.

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HISTORICAL SKETCH

CONTINENTAL P4PER ^ONEY.

In this brief History of Continental Paper Money, I shall endea-

vour to trace its origin, rapid increase and downfall ; the cause of its

depreciation ; the honest intention of Congress to redeem it ; set forth

the mode suggested by that body for its full payment ; and inciden-

tally show its powerful, if not indispensable agency in gaining our

Independence. ^ \*

I propose, moreover, to demonstrate, that the non-redemption of

that paper money operated upon the people of that day, by its gradual

depreciation, [until its final extinction,] as nothing more than a mo-

derate tax ; that no sentiment of repudiation was ever entertained by

Congress; that many examples, before and since, both in Europe

and America, may be alleged, in extenuation of the neglect this pa-

per met with ; and I shall conclude with a short review [by a foreign

pen principally] of the temper of the people during the Revolution;

the efkci this unsettled currency, for so long a period, had on their

morals ; and attempt a comparison between the Americans of that

day and of this.

I On the 10th of May, 1775, immediately after the battle of Lex-

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ington, Congress prepared its first emission of Continental Colonial

Bills, and on the 22d of June, as soon as the news of the battle of

Bunker Hill reached Philadelphia, two millions of Spanish milled

dollars, [so called,] purporting to be for the defence of America,

were put in circulation ; the confederated •Colonies standing pledged

for their redemption.

Congress appointed twenty-eight citizens of Philadelphia to sign

and number the bills: the names of two being necessary to each bill.

Each gentleman was allowed, out of the Continental treasury, one

dollar and one-third for each and every thousand bills signed and

numbered by liim. At foot will be found the names of the persons

entrusted with this duty.\*

Contracts \^ere made with printers for proper paper, and for print-

ing them. To administer these paper funds, joint treasurers were

appointed at a salary of five hundred dollars; and the number of in-

habitants of all ages, including negroes and mulattoes, in each Co-

lony, was takdh, by approximation of course, in order to levy the

ways and means to pay the bills whenever they should be presented

at the treasury. They were taken for taxes and cancelled ; and in

order to keep up their credit, the treasurers were directed, wh eneve r

\*Luke Morris,

Samuel Meredith,

Judah Foulke,

Samuel Morris,

Frederick Kuhl,

Robert S. Jones.

Thomas Gombe,

£lli8 Lewis,

John Mease,

Thomas Lawrance,

Daniel Clymer,

John M. Nesbit,

Thomas Barclay,

John Bayard,

Wm. Craig,

Thoipas Bartow,

John Shee,

Isaac Hazlehurst,

RoberlgMorris,

Anthony, Morris,

Mordecai Lewis,

George Mifflin,

Robt. Tuckniss,

Andrew Bunner,

William Jackson,

Jos. Sims,

James Milligan,

James Reed.

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they happened to receive silver or gold, to advertise their readiness

to pay the same for Continental Bills to all persons requiring an ex-

change.

In November of the same year, three millions came out in bills of

various value, as low as one-third, one-half, and two-thirds of a dol-

lar, and from one dollar to eighty. The Colonies were called upon

to sink proportionally a sum of three millions. In fixing the pro-

portion to redeem that amount, Virginia was rated the highest, and

stood charged with - - - ... $496,000

Massachusetts came next, at - - - - 434,000

Pennsylvania, third, at .... 372,000

Maryland, fourth, at - - - - - 310,000

and in the fiOh class there are four Colonies, all rated alike ; name-

ly, Connecticut, North Carolina, South Carolina, and New York!

Each of these rated at .... 8248,000

By the foregoing scale we find the relative wealth, by Congres-

sional estimation, of those Colonies, at the beginning of the war,

sixty-eight years ago. It is worthy of remark, that the State of

New York, the capital of which was then unoccupied by the enemy,

is placed at little more than half of Massachusetts, while Boston was

in the possession of the British.

On the occasion of a subsequent recommendation of a new tax,

when the City of New York was held by the British, Congress as-

sessed the State of New York at one-fourth of Virginia and Massa-

chusetts, and at a less sum than New Jersey. The City of New

York, at that period, was a town of small dimensions and moderate

commerce.

In the month of June of the year 1787, on my return from a re-

sidence of a few years in France, I arrived at that city, and found it

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a neglected place, built chiefly of wood, and in a state of prostration

and decay. A dozen vessels in port; Broadway, from Trinity

Church inclusive down to the Battery, in ruins, owing to a fire that

had occurred when the city was occupied by the enemy, during the

latter end of the war. The ruined walls of the burnt houses stand-

ing on both sides of the way, testifying to the poverty of the place,

five years after the conflagration : for although the war had ceased

during that period, and the enemy had departed, no attempt had been

made to rebuild them. In short, there was silence and inactivity

every where ; and the whole population was very little over twenty

thousand.

One can scarcely realize her rapid increase from so small a con-

dition, at so recent a period, to her size and importance in the pre-

sent day, when she may be classed for population, wealth and trade,

among the chief cities of the world.

Before the close of the year 1775, a census of the inhabitants was

ordered by Congress for a due apportionment of taxes ; and on the

last day but one of that year, it was resolved that the silver and gold

in the treasury be counted, and forwarded to the northern army

under a guard, and that the treasurers be empowered to employ a

broker to collect silver and gold in exchange for Continental Paper.

Early the next year, difficulties began to arise. The bills were

sometimes refused ; confidence was weakened ; and depreciation fol-

lowed. Then came from Congress and the committees of safety,

threatening resolutions denouncing the refractory. It was the first

serious emergency, and required prompt relief. Patriotic men who

had the means, stepped forward to redeem the bills at par; some of

whom exchanged as much as a thousand pounds in silver for a like

sum in paper. When Congress, hastening to propose a remedy.

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" Resolved, that if any person shall hereafter be so lost to all virtue '

and regard for his country, as to refuse to receive the bills in pay-

ment, or obstruct and discourage the currency or circulation thereof,

and shall be duly convicted by the committee of safety of the district,

such person shall be deemed, published and treated as an enemy of

the country, and precluded from all trade or intercourse with the

inhabitants of these colonies."

On the 26th December, 1776, General Washington was autho-

rized to arrest and confine those who rejected the Continental cur-

rency, and make a return of their names to the authorities of the

States in which they resided. The council of safety of Pennsylvania

was invited to take most vigorous and speedy steps for punishing all

such as refused the bills, and the General was directed to give aid

to the council: meantime Virginia and the other States were be-

sought to furnish all the gold and silver they could procure, and take

paper in exchange.

In May, 1776, five millions were again emitted, and in the autumn,

five millions more. Although some specie was imported, it could not

avail against such profuse issues. Credit, already on the wane, con- 1

ticued to sink. The States did not respond to the call for aid ; the

power of taxing wa\* virtually denied, by its shackled conditions in

the articles of confederation;^ and paper continuing to depreciate, an

attempt was made, in imitation of the mother country, to raise a

revenue by the establishment of a national lottery. The trial was

a failure ; for the scheme, which was to sell tickets for specie^ at

twenty dollars, and pay the prizes in treasury notes, bearing four

per cent, interest, did not induce many to adventure; so that no

other resource was left for the prosecution of the war, than a fresh

emission of paper money. But the people refusing to sell their pro-

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duce for it at par, Washington was authorized to seize the supplies

for the army wherever he could find them, and imprison those who

rejected the biJls offered in payment.

The years 1776 and 1777 proved as unpropitious to the paper

credit as the preceding; and very strong measures were resorted to

for the purpose of fixing, by constraint, a value on the currency ; of

compelling the people to receive as substance a mere shadow; of

putting the stamp of reality on a fiction : measures which were at

variance with justice and expediency, and which operated on the

people with the harshness of despotism. The resolutions which fol-

low will show the bad temper of the great men who ruled at the head

of affairs, and their momentary forgetfulness of the rights of their

constituents.

On the 3d of December, 1777, Congress recommended to the le-

gislative authorities of the respective States to enact laws, requiring

persons possessed of bills of credit, struck under the sanction and

authority of the King of Great Britain, fcwrthwith to deliver the same

to be exchanged for Continental Money : and those which shall not

be so delivered in, shall thenceforth become utterly irredeemable.

Again they "Resolved (in 1777), that the Continental Money

ought to be supported, at the full value expressed in the respective

bills, by the people of these States, who stand bound to redeem the

same according to the like value, and to guard against the pernicious

artifices of the enemies of liberty, who impair the credit of said bills

by raising the nominal lvalue of gold and silver.'\*^ It was further

" Resolved, that all bills of credit emitted by Congress ought to pass

current in all payments, trade and dealings, in these States, and

be deemed in value equal to the Spanish dollar; and it is recom-

mended to the Legislatures of these States, to pass laws inflicting

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forfeitures and other penalties on all who do not sell their lands,

houses, goods, &c., for Continental Bills at specie value; and that

the said Legislatures be requested to enact laws to make the bills of ,'

credit issued by Congress a lawful tender in payment of public ■

and private debts; and a refusal thereof, an extinguishment of suck \*

debts: that debts payable in sterling money be discharged with

.continental dollars at four shillings and sixpence sterling per dollar

[that is to say, at par], and that in discharge of all other debts and

contracts, continental dollars pass at the rate of a Spanish milled

dollar."

Buoyed up by these enactments, Congress sent forth, on the 22d

of May, five millions of dollars of various denominations, decorated

with new emblems, escutcheons and secret marks, to prevent coun-

terfeiting. And this emission was followed by another of one mil-

lion, and on the 7th of November by one million more.

I The pernicious legislation just adverted to could result in nothing

; but the ruin of the confiding patriot, while it eoabled the unprinci-

pled debtor to pay his debts at an enormous discount. That result

soon became evident, and to a degree so alarming, that Congress

earnestly besought the states to repeal their iniquitous tender-laws;

those very laws which had been so pressingly recommended by that

body itself not many months before.

The whole amount of paper money issued during the war^ was

about three hundred millions of dollars; but the collections made by

the Continental government in various ways, cancelled, from time to

time, the one-third: so that the maximum of circulation, at no one

period, exceeded two hundred millions. Nor did it reach that sum,

until its depreciation had compelled Congress to take it in, and pay

it out, at the rate of forty paper dollars for one in hard money.

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It kept nearly at par for the first year, during which period only

nine millions were issued ; an amount about equal to the specie then

held in all the colonies. And when used in that moderate way, it

passed with very little depreciation ; but soon after, when the emis-

sions increased rapidly, it fell proportionably in value, going on from

year to year, in its downward course, until Congress, as we have

seen above, fixed the scale, by law, at forty for one. But million

following million in quick succession, lessened its exchangeable rate,

from day to day, to the agio of five hundred, and then one thousand,

for one, when it ceased to circulate.

Congress had exchanged some of the notes at forty for one, by

giving the holder loan office certificates at par, and o^red to redeem

the whole in the same way, at one thousand for one, when they had

sunk to that price. But those very loan office, and other certificates

of debt, bore in market no higher price than two shillings and six-

pence on the pound, or eight dollars for one; so that very few

availed themselves of that ofler.

Those public securities bearing various names, such as loan office

certificates, depreciation certificates, final settlements, &c., were

given to the public creditors, who had demands for moneys lent,

supplies furnished, services rendered, &c., and constituted the Con-

gressional debt at the end of the war. They consisted of obligations

or bonds, bearing ifaerest at six per cent., and were entirely distinct

in character and tenor from the money bills, which bore no interest,

and were^ used altogether as currency. The value of those certifi-

cates in market, as I have already said, was not more than seven or

e^t for one, until the adoption of the present Constitution in 1789,

when they were funded, and rose to gar.

In the Journal of Congress of the 29th April, 1788, an estimate

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of the whole revolutionary debt is given [except the paper money],

and it stands thus : —

1. Foreign debt to France and HollaTnd, $ 7,885,085 00

2. Domestic debt, in various certificates, as above, 34,115,290 06

$42,000,375 00

The foreign, bearing interest at four and five per

cent., and amounting to - - - $ 369,038 06

The domestic at six per cent., and amounting to 2,046,917 04

$2,415,956 10

When the constitution, by which we are now governed, went into

operation, Alexander Hamilton, the first Secretary of the Treasury,

added to the domestic debt the claims held by several States against

the national exchequer, to the amount of twenty-one million five

hundred thousand dollars, and then funded the whole, by putting

a part on interest at six per cent, immediately; postponing a part,

without interest, for ten years, and then to bear six per cent;

and the remainder on immediate interest at three per cent. The

arrears of six years' interest were added, which, with some other un-

settled claims, made the whole debt amount to ninety -four millions. ,

Accustomed as we are, at the present day, to the large expendi- ;

ture of the federal government, we may well be astonished at the \

\

eoonomy of the first year of Washington's administration, when the \

civil list was estimated at two hundred and eight thousand dollars, I

and the war department at only one hundred and thirty-seven thou- '■

sand, including even the Indian supplies.

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The establishment of a revenue to pay the interest on the debt, in

\ 1789, was equivalent to a capital (by bringing that debt to par) of

; nearly one hundred millions, the greater part of which was held by

our own citizens : this was the cause of immediate prosperity, and

of the brilliant career which continued for many years after. Every

dollar of this aggregate debt was, as we all know, most honourably

paid.

I have deviated from the main subject, for a moment, in order to

give a brief exposition of the first national debt, under the funding

system of a celebrated financier, and now return to the consideration

of the unredeemed paper money.

The illustrious statesmen of the revolutionary Congress had the

best disposition to pay that currency, and they professed to have the

ability so to do. They felt themselves bound in honour to discharge,

at their full value, bills emitted by themselves, and bearing on their

face a solemn engagement to redeem them in Spanish dollars, or the

value thereof, in gold or silver. To do this, however, required a

season of tranquillity; but the country was invaded by land and by

water ; it required power to levy taxes, and this was denied them ;

it required the industry of peaceful times to enable the people to con-

tribute; but the war, in constant activity, baffled every attempt at

regular employment. Congress had not even a choice of evils;

they had no alternative. One source of revenue only was at their

command, and that was the emission of bills of credit. The very

necessity of the case forced them to misuse and abuse it ; for even

in its depreciated condition, paper money offered facilities so attrac-

tive, that the great men at the head of afidrs, always intending to

pay them, were glad to find the people willing, at the current ex-

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, change, to receive that which could be so easily and liberally sup-

i plied.

" Who," said a member during a debate upon this subject, " will

consent to load his constituents with taxes, when we can send to our

printer and get a wagon load of money, and pay for the whole with

a quire of paper?" And with wagon loads thus cheaply obtained,

they carried on the campaigns of the two years, 1778 and 1779,

keeping an army of thirty or forty thousand men in the field, issuing

paper to the amount of sixty-three millions for the former year, and

seventy-two millions for the latter; and thus, with an active printing

press, and a few commissioners hired by the day or by the job to

sign the bills, ways and means were found to defray almost the

whole expense of the civil list, the army and navy, and contingen-

cies. There was, indeed, a little hard money passing through the

treasury. The exact sums received in both those years having been

officially reported to Congress, stand recorded on their journals. If

it were not attested in this authentic shape, it would be difficult to

believe it. Marvellous as it may appear, the aggregate of gold and '

silver received into the treasury for the year 1778 was only seventy-

eight thousand six hundred and sixty-six dollars [978,666] ; and for

the year 1779 the sum of seventy-three thousand dollars [$73,000]:

so that the whole machinery of government was carried on, for two

entire years, as far as concerned the agency of specie, with one hun-

dred and fifty-one thousand six hundred and sixty-six dollars ! ! So

small an expenditure, in metallic currency, shows the powerful

agency of paper in the belligerent operations at that critical period 1

performing as it did, in spite of counterfeits and depreciation, th^

office of hard money.

This handful of solid coin, which, in gold, would weigh only

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seven hundred pounds, and might be put into a wheelbarrow, was

all that came, as we have seen, into the public chest for two years;

and we may not be surprised at government being so chary of it, as

to refuse General Washington's demand of a small share, to pay a

part of the bounty to enlisted soldiers. In denying him, they de-

clared that the precious metals must be kept for the commissaries of

prisoners, to be used where paper would not pass.

Paper money continued to be the chief instrument in the hands of

government. The press was kept in perpetual motion. Printers

who laboured at it obtained an exemption from militia duty. Rag-

ged and torn notes were replaced, and bills of every denomination

were issued in millions.

The form of those bills, as settled by Congress, was thus:

CONTINENTAL CURRENCY.

No. Dollar

This bill entitles the bearer to receive Spanish milled dol-

lars, or the value thereof in gold or silver, according to a resolution

of Congress.

On each bill was stamped a rudely printed emblem, with a Latin

motto, amounting in number to twenty. Those devices and pithy

sei^tences are said to have been composed by Benjamin Franklin and

Charles Thompson, aided by the Latinists of the Continental Con-

gress.

Those mottoes, placed opposite to each denomination of the bills,

areas follows: —

DanominatioD

oftheBllli.

1 Dollar. Depressa Resurgit.

2 „ Tribulatio Ditat.

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3 Dollars. Exitus in dubio est.

4 „ Aut Mors, aut vita Decora.

5 „ Sustine vel Abstine.

6 „ Perseverando.

7 „ Serenabit.

8 „ Majora Minoribus consonant.

20 „ Vi concitatae.

30 „ Si rectd facies.

30 „ (On tbe reverse) cessante vento conquiescemus.

35 „ Hinc opes.

40 „ The only English motto — "Confederation," except

on the bills of a fractional part of a dollar.

45 „ Sic floret Respublica.

50 „ Peiennis.

55 „ Post Nubila Phoebus.

60 „ Deus regnat Exultet Terra.

65 „ Fiat Justitia.

70 „ Quadrennium Sustinuit, Vim Procellarum.

80 „ Florescebit et in Secula Seculorum.

Eighty was the highest denomination issued.

[ On the stnail bills of one-third, one-half, and two-thirds of a dol-

■lar, \*\*Fugio" was the Latin motto, and in English, \*\*mind yoiir

/bastness." «

(

Decorated with these fine maxims, Congress sent forth this cheap

defenoe of the nation, with a recomm^datioii to the Legislatures of

I the States not only to make the bills a lawftil trader in payment of

public and private debts, but in case of refusal to receive them, to

'; declare such refusal an exHnguishmerd of the debt.

I

j They were requested, likewise, to stop the emission of their owtt

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\Staie paper, and to adopt the Congressional currency for a circu-

lating medium.

Conventions, to consist of four or five adjacent States, were, more-

over, designated by Congress as necessary, in order to regulate the

price of labour, manufactures, country produce, and all imported

goods, as well as the charges of inn-holders ; and to enact suitable

laws )tp empower the commissaries of the army to take from Ibre-

stallers, engrossers and others, who might have a larger supply than

their families required, all such articles for government use as were

wanted, and at such cost as the law thus enacted should fix. The

price of provisions, and of every thing needed by the army, was to

be settled also in this arbitrary way: and all for the purpose, say

I Congress, of checking " a spirit of sharping and extortion, and the

' rapid and excessive rise of every thing." Amid all these coercive

regulations, it could not but be obvious to every thinking man, that

the only cause of the derangement of the prices was the excessive

issue of paper.

In the year 1778, a very laudable efibrt was made to create a

sinking fund, by establishing an annual tax of six millions of dollars

for eighteen years. A committee was directed, to prepare a plan

that should specifically appropriate that sum to the extinguishment

of -the Continental debt. Yet very little confidence was placed in

tkose good intentions, if we may judge by the rapid depreciation at

this period ; which, indeed, was such, that Congress could no longer

force the circulation at prescribed rates, in reference to metallic

, money; and it was, therefore, resolved by that body, on the 8th of

1

October, 1778, "that all limitation of prices of silver and gold be

taken off."

The circular to the States, when the tax for the year 1779 was

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called for, is a very moving address, replete with ardent feeling, and

contains, among other matter, the following in relation to paper

I money:— ^n/ c' - w » ^ •- ;v'-\*< ■ .v^--^'' V i^ /"

" Being in the outset at war, without arms or ammunition, without

military discipline or permanent finances, without an established

government or allies, enfeebled by habitual attachments to our very

enemies, we were precipitated into all the expensive operations inci-

dent to a state of war, with one of the most fermidable nations on /^

earth — we, from necessity, embraced the expedient of emitting paper

money on the faith of the United States; an expedient which had

often been successfully practised in separate colonies, while we were

subject to British dominion. Large issues were of consequence ne-

cessary, and the paper currency m ultiplied, of course, beyond what ;

was required for the purposes of a circulating medium. To raise

the value of our paper money, nevertheless, and to redeeni it, will

not, we are persuaded, be difficult." They only ask for time and

patience, and fix on the first day of January, 1797, or about eighteen

years, for the full payment of their debts.

' A few months afler, when the depreciation of the currency kept ,^

on increasing, that illustrious Congress raised its voi^ again, in the

Jbllowing appeal : — "^^^ " ' '" ' '^ ' "f^d^^i ^ t\*«^-

" America, almost totally stripped of commerce, and in the weak- \

ness of youth, as it were, with \*a staff and a sling only,' dared, 'in

the name of the Lord of Hosts,' to engage a gigantic adversary pre- ,

pared at all points, boasting of his strength, and of whom even

mighty warriors \*were greatly afraid.' Our enemies prosecuting .

the war by sea and land with implacable fury, taxation at liome and ^

borrowing abroad, in the midst of difficulties and dangers, were alike ;

impracticable. Hence the necessity of new emissions."

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The whole of this address/^too loDg for insertionA is evincive of

stroDg anxiety, but without despondency. On the contrary, it speaks

throughout the language of patriotic firmness, never for a moment

admitting a doubt of success. Neither does it attempt to disguise

the appalling state of affairs. The naked truth is told, and a remedy

proposed for every calamity. Among the numerous vexationd which

annoyed Congress, loud and frequent complaints refer to monopo-

lizers, and the prodigality of the inferior officers, both civil and mili-

tary.

New emissions continued until two hundred millions of dollars

\ were in circulation at one time; that is to say, seven or eight times

as much as was wanted for a circulating medium : consisting, too,

of bills bearing no interest ; having no specific fund appropriated for

their redemption; nothing, in short, but the promises of a govern-

ment ill organized, and in a state of revolution. They could not fail

to break down. No patriotism, however ardent, could sustain them.

Yet the brave men, at the h^ad of affairs, went into a computation

suited to allay the fears of the people, and showed by a State Paper,

which will be presently cited, that resources belonged to the country

sufficient to meet all demands.

But the last day of the usefulness of Continental Paper Money was

fast approaching. The bills of the individual States had generally

become so worthless, that even Congress would not receive them into

its treasury. Congressional bills were, however, kept in circulation

at a great discount until May, 1781, when they fell to five hundred,

and subsequently to one thousand paper dollars for one silver, and

ceased as a currency. Two hundred millions lost all their value,

and were laid aside.

The annihilation was so complete, that barbers' shops were pa-

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pered, in jest, with the bills; and the sailors, on returning from their

cruise, being paid off in bundles of this worthless money, had suits

of clothes made of it, and with characteristic lightheartedness turned

their loss into a frolic, by parading through the streets in decayed

finery, which, in its better days, had passed for thousands of dol>

lars !

/ The campaign of 1781 was carried on in solid coin; nevertheless

the bills of a few of the States still lingered in circulation. I have

in my possession the receipt of Thomas Knox, dated at Boston in

that year, for three thousand three hundred dollars, for piloting in

and out of port, a distance of nine miles each way, the French

frigate VAstree^ commanded by the celebrated Laperouse. The

specie price was twenty dollars.

I possess, likewise, original documentary papers, in tabular detail,

showing a loss, by the public chest of Rochambeau's army, of one

million six hundred and sixty-one thousand, eight hundred and se>

venty-two dollars. The intendant of the army endorsed on the

bundles — << This paper being at present valueless, the loss must be

charged to the king." But it must be recollected, that for some

years its most favourable discount was forty for one.

In General Washington's account current with the United States,

the last transaction in paper currency is dated May, 1781.

The discredit and final rejection of that money was owing, in a i.

great measure, to the illiberal terms of the confederation. Had Con- I

gress possessed, unfettered, the power of taxation and levying of im-

posts, the emissions would have been moderate, and somewhat pro-

portioned to the specie in the country. But what could they do

under such a compact as follows : —

1st. They were authorized to recommend to the several States,

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and Dothlng more, the c(m$eni of every one of which was necessary,

to give legal sanction to any act so recommended.

2dly. They could not assess or levy taxes.

3dly. They had no power to execute punishments, except in the

military department.

4thly. They could not regulate trade.

5thly. They could institute no general judicial powers.

6thly. Neither could they regulate public roads, or inland naviga-

tion.

With such an inefficient form of government, they failed in almost

every appeal for pecuniary aid. They were even denied, by the

single veto of Rhode Island^ the establishment of an impost of only

five per cent, on imported goods, which, afler great difficulty and

delay, had been ratified by all the other Slates. Unanimity being

a constitutional requirement, that measure, so obviously necessary,

so moderate in its amount, so gentle and equal in its operation, was

defeated by the negative of the smallest State in the confederation.

Nor could the entreaty of Congress, contained in a long argumenta-

tive report, addressed to Rhode Island, and drawn up by Alexander

Hamilton, James Madison, and Thomas Fitzsimmons, cause that

State to retract. A letter from Benjamin Franklin, on this subject,

dated Passy, December 23, 1782, says: "Our people certainly ought

to do more for themselves. It is absurd the pretending to be lovers

of liberty, while they grudge paying for the defence of it. It is said

here, that an impost of five per cent, on all goods imported, though

a most reasonable proposition, had not been agreed to by all the

States, and was, therefore, frustrated."

Sustaining the bills of credit, by the public, under such circum-

stances, and for the length of time they did so, appears to me, one

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of the most praiseworthy passages in our revolutionary history,

pregnant alike with honour to our forefathers for' their confidence in

the illustrious administrators of the government, and with fidelity to

the glorious cause for which they fought. And this reliance on the

honourable intentions of the Congress of that day is fully vindicated

by a manifesto issued by that body, which, although inserted in a

former essay on this subject, is, from the noble sentiments it con-

tains, worthy of a second transcript here. ] ' ^"^ ^ ^ ' . ; ^\*r J\* . ' V

" Suppose," says the Congress of 1779, "that at the conclusion of

the war, the emissions should amount to two hundred millions ; that

the loans should amount to another hundred millions ; then the whole

national debt of the United States would be three hundred millions.

«

There are at present three millions of inhabitants in the thirteen

States : Three hundred millions of dollars divided among three mil- \y^

lions of people, would give to each person one hundred dollars. And

is there," they ask, " an individual in America, unable, in the course

of eighteen or twenty years, to pay that small sum? Again, suppose

the whole debt assessed, as it ought to be, on the inhabitants, in pro-

portion to their respective estates, what would then be the share of

the poorer people? Perhaps not ten dollars ! And if twenty years be

taken to pay the debt, the number of inhabitihits will be more than

doubled, and the ability to pay increased, of course, more than two-

fold."

This encouraging language was held on the 13th of September,

1779. Subsequently they recur to the same subject thus : " Paper

money is the only kind which will not make unto itself wings and

fly away. ' It will remain with us ; it will not forsake us." They

then repeat their conviction of the ability of the country to redeem

it ; and having pledged for the support of independence their lives.

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their fortunes, and their sacred honour, the same pledge is given to

the public for the full payment of all their paper emissions. A con\*

trary sentiment is rejected with scorn ; and proceeding in their ad-

dress, with the earnestness of honest men, they speak of a bankrupt,

faithless republic, as a novelty m the political world. " It would ap»

pear," say they, " like a common prostitute among chaste and re-

spectable matrons. The pride of America revolts from the idea.

Her citizens know for what purposes these emissions were made,

and they must be redeemed. He must entertain a high opinion of

American credulity who supposes the people capable of believing

that all America will act against the faith, the honour and the inte\*

rest of aJl America. Knowing, as we all do, the value of national

character, and impressed with a due sense of the immutable laws of

justice and honour, it is impossible that America should think, with-

out horror, of such an execrable deed."

Thus spoke the band of able statesmen who governed in those

days. No thought of repudiation was for a moment tolerated. They

had created the paper currency, they suggested a feasible scheme for

its redemption, and they held the honest purpose of executing that

scheme. But they had no power. The jealousy of the States coun-

teracted their goo4 inlbntions. What they could not redeem them-

selves, was assumed by a generous constituency. The people who

bore the brunt of an eight years' war, and victoriously established

independence, sustained, without a murmur, the whole Jax, and vo-

luntarily reduced to utter nothingness, the greatest item in the cost

of the revolution; and thus waived all claim upon posterity for its

payment.

This was, undoubtedly, a severe tax ; yet, when examined with

care, it will be found less heavy than it seems at first sight. Let us

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take the largest sum, by which the people could ever have been af- /

fected, say three hundred millions, at twenty for one, which is only

half th^ rate fixed by Congress. Twenty for one on three hundred

millions, will give fifteen millions of sound money. These fifteen

millions having been used as currency for six years, give an annual

average of two millions and a halfl That sum, among a population

of three millions, would not be a poll Ulx of one dollar; or if the

three millions of inhabitants be divided into families of six persons

each, making five hundred thousand families, the annual loss per

family would be only five dollars ! In all probability the real loss

was less to many, than this proportion ; because the bills passed

with great activity, from hand to hand, to their last days, even when

five hundred for one; never remaining locked up, nor long with-

drawn from circulation. They were divided too into small sums,

from one dollar to eighty, and always convertible at the current ex-

change, into every kind of real and personal property ; and in their

hourly rapid passage, leaving with each temporary possessor, the

trifling loss only of their daily depreciation.

No system of credit, as we all know now by sad experience, can

be made durable, when in the shape of currency the issues exceed

the wants of a medium of trade, or when in the more permanent

form of bonds, or certificates of public security, they come forth,

without a competent tax to pay the mterest, and a sinking fund to

discharge the principal. The over-issues in Continental money

being excessive, fell off in value, of course, while as a natural conse-

quence, properly of all kinds rose in proportion. This increase of

price in goods, was attempted to be remedied in most of the States, by

acts of limitation, fixing under high penalties the maximum at which

property should be sold. These ordinances were rigidly executed.^

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j Stores were broken open by authorized committees, and goods seized

and sold at the limited legal prices ; while the owners stood accused

before the public of a design to depreciate the currency, and were

called tories and speculators, and otherwise stigmatized as enemies

to their country.

But those high-handed persecutions and robberies did not arrest

the depreciation on one side, nor the appreciation on the other-

Money sank and goods rose. Yet an army of more than thirty

thousand men, and a small navy, were supported; the wheels of

government kept in motion, and the enemy kept at bay ! How could

such paper funds sustain such an expense? A writer in the year

1779, says, "posterity will hardly credit it; but," continues he,

^ " the universal rage and zeal of the people, through all the States,

for an emancipation from a power that claimed a right to bind them

in all cases wkatsotDer, supplied all defects, and made apparent im-

possibilities, really practicable."

Another great error was the making this money a legal tender.

It was a source of immense injustice between debtor and creditor.

It favoured most, in the language of a cotemporary, the slack, the

dissipated, the lazy and dilatory, who paid their creditors often at

one-twentieth of the value of the debt when it was contracted. This

sad expedient was suggested to the States by Congress itself. But

that body, which consisted of about fifty members, whose great abili-

ties and spotless integrity stand unimpeached, had the candour to

confess their mistake, and urged upon the States an immediate re-

peal, which was, after much solicitation, effected; yet not until

thousands of fortunes had been ruined, including chiefly the most

generous and patriotic; while the benefit went alone to the avari-

cious and idle. ^\*\*

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The people ^^ worried and fretted " by tender-laws, iimitaticm of

prices, and other compulsory means used by the States to force the

circulation, and bolster up the value of paper, occasionally appeared

heartless and out of patience. That feeling prevailed especially at

the tittle when Congress, in 1780, recommended a monthly tax of

fifteen millions, payable ^n specie or in paper, at forty for one, and

was the cause of its failure. The intention of this act was to destroy

the bills as they came in, and to' issue other bills at par, bearing an

interest of six per cent., to an amount not exceeding a twentieth part

of the nominal sum thus brought in to be destroyed.

But the community had become momentarily paralyzed, and turned

a deaf ear to all new projects. They stood, jas an eye-witness says,

[ \*\* amid impending destruction, when all occupations of town and

country were nearly at a stop\*" Government, not having the power

to compel the payment of taxes, could only entreat or menace. In

vain, however, did they proclaim, threaten, vilHfy, and decree, that

"whoever should refuse to receive ii^i payment Continental Bills,

should be deemed and treated as an enemy of his country, and be

precluded from all trade and intercourse with the inhabitants;" in

other words be outla^^ed : in vain did they accompany these threats

with penal, tender and limitation laws, associated too with military

j force; all proved ineffectual. This brow-beating and coercion ^

seemed, says Peletiah Webster, who wrote in 1781, "like water

sprinkled on a blacksmith's forge, which indeed deaden^ the flame

for a moment, but increases the heat arid force of the internal fire."

One instance of arbitrary power flowed from those laws which would

disgrace the annals of an absolute government ; and it was exercised

too by Pennsylvania. The General Assembly, on the Q6th March,

1780, issued one hundred thousand pounds of paper bills founded on

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the faith of the State, on some City lots in Philadelphia, and on the

Provincse island at the mouth of the river Schuylkill, which at that

time belonged to the State [hence the emission was called island-

money]. This issue was followed up by an act, dated December

23d, of the same year, making the bills a legal tender. The penalty

for not taking them in payment of goods, lands, &c., was for

the first ofience, forfeiture of double the sura offered ; and for the

second ofience, a confiscation of half the ofifender's lands, goods and

chattels, and imprisonment of his person during the war»\* ^^

Bad as the Continental Bills had become in the latter period of

their existence, they always bore the stamp of nationality, and passed

currently at the exchange of the day throughout the land ; whereas

the emissions of the States, made on their individual jresponsibility,

and at various rates of exchange, were not received beyond the

limits of ^ch State ; so that one State would not take the bills of

another State. They were only used for municipal purposes and

local trade, as wampum had been in the early days of Massachusetts

and other parts of New England, bundles of tobacco in Virginia, and

staiiiped wood or leather elsewhere.

Those persons who happened to be the last holders of the Conti-

nental Bills, put up quietly with their loss. The mighty monster,

as that expiring currency was called in those days, departed unla-

mented. An attempt, which proved abortive, was made sdme time

after to dig up its skeleton, but it never was resuscitated. Its ser-

vices when alive were inc^culable; and it cannot be too often re-

peated, that it saved the State, and gained our independence. It

was the cheap price, and our emancipation the rich purchase. To

\* This debt was subsequeutly paid in foil.

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posterity was that independence transmitted, by those who achieved

it and paid for it by bearing the whole loss on the paper currency,

which was the principal item of its cost.

The Continental Mon^ endured for nearly six years, and during

that long period worked as a most powerful state-engine; ^nd was,

says a writer who saw its operation, " a prodigy of revenue, and of

exceeding mysterious and magical agency. Bubbles of a like sort,

in other countries lasted but a few months, and then burst into

nothing; but this held out for years, and seemed to retain a vigorous

constitution to its last ; for its circulation was never more bf isk than

just before it died at five hundred for one ! and when it expired, it de-

parted without a groan or struggle, or being in the least lamented."

As I have already observed, the loss was divided and subdivided

into such fractional parts during the five or six years' circulation of

the millions of paper dollars, that they were laid aside, not only un-

paid and unhonoured,"^ but even unwept. The people were tired of

the daily variation of prices, and felt how ridiculous was the state

of a currency which required five hundred dollars in paper, to pay

for a breakfast that could be bought for a silver half-dollar. It cai^

ried no regret with it, and seems doomed to sleep in silence, un^

friended and unsung; unless, indeed, some attempt be now and then

made to- awaken a transient touch of sympathy, such as I aim at in '

this humble sketch.

With it disappeared that unjust and erroneous legislation of\

making paper money a legal tender. Happily, such tyranny cannot v '^"^^-'^

return : the Constitution of the United States forbidding the enact- . \

ment of laws making any kind of money a tender, except gold and

^silver.

Vice and immorality were greatly encouraged, ho doubt, by that

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ever-varying currency. This I grant, yet something I hope to offer

in extenuation.

We cannot deny that during the revolution laws were broken,

morals debased, and the nation turned into a gambling community,

which upset the fortunes of thousands, broke down trade, paralyzed

industry, and scattered ruin far and wide. Our own historians have

dwelt in sorrowful ahd emphatic terms upon those sad times ; nor

are the notices of foreign authors less instructive and interesting.

^ Gordon, in his history of the Independence of the United States,

says, that without paper money the Americans could not have car-

ried on the war. The public benefit of it in that instance will com-

pens^e, in the estimation of patriotic politicians, for the immense

evils of which it has otherwise been the occasion. The tender-laws

on one hand, and depreciation on the other, rendered it the bane

of society. All classes were infected. It produced a rage for spe-

culation. The mechanic, the, farmer, the lawyer, the physician, the

member of Congress, and even a few of the clergy, in some places,

were contaminated. The morals of the people were corrupted be-

yond any thing that could have been believed, prior to the event.

All ties of honour, blood, gratitude, humanity and justice were dis-

solved. Old debts were paid when the paper money was more than

seventy for one. Brothers defrauded brothers, children parents, and

parents children. Widows, orphans, and others, were paid for mo-

ney lent in specie, with depreciated paper, which they were compel-

led to received. A person who had been supplied with specie, in the

jail of Philadelphia, while the British had possession of the city, re-

paid it in paper at a tenth part of its value.

^Stedman, an officer in Cornwallis' army, who wrote an account of

the American War, treats this subject copiously and impartially. I

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omit, however, some extracts that I had prepared, in order to intro-

duce the opinion of a distinguished Frenchman, made up from per-

sonal association with the American people when in the height of the

Revolutionary War. But before I transcribe his judgment of our

countrymen, I may remark, that at one period of the contest there

was, as is conceded in the Journals of Congress, an absence of exer-

tion approaching to dangerous indifierence, and which elicited strong

appeals from that body. This apathy attracted the attention of

foreigners employed in our army, and became the subject of an of-

ficial communication from one of them, Mons. Du Portail, who was

Colonel in the French service, and Brigadier General in the Ameri-

can army. He resided many years in Pennsylvania after the peace

of 1783, and in 1791 returned to France, where he became minister

at war. The despatch, from which I take the following extracts, is

dated at the encampment at White Marsh, 12th November, 1777,

and is addressed to the Comte de St. Germain, the then minister of

war to Louis XVI., and is marked private.

A Monseigneur le Comte de St. Germain, ministre de la guerre.

[Pour vous seulement, Monseigneur.]

" Les Americains reussiront-ils a se rendre libres, ou non? En

France, ou I'on ne pent juger que par les faits, on jugera pour I'affir-

mative. Nous, qui avons vu comment les choses se sent pass^es, ne

penserons pas de m6me» A parler franchement, ce n'est pas par la

bonne conduite des Americains, que la campagne en g6n6ral s'est

termin^e assez heureusement ; mais pa^ la faute des Anglois."

" Avant la guerre, les peuples Americains, sans vivre dans le luxe,

jouissoient de tout ce qui est n^cessaire pour rendre la vie agr6able

et heureuse. lis passoient une grande partie de leurs temps a fumer

et a boire du the, ou des liqueurs spiritueuses. Telles 6toient les

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habitudes de ces peuples. II ne seroit done pas surprenant, que le

chaDgement d'une vie efiemin^e, transform^e subitement en celle de

guerrier, qui est dure et penible, leur fit preferer le joug des Anglois,

a une libiert^ achette aux depens des douceurs de la vie\* Ce que je

vous dis, ne pent que vous surprendre, Monseigneur, mais tel est ce

peuple, qui, mou, sans energie, sans vigueur, sans passion pour la

cause dans laquelle il s'est engage, ne la soutient que parcequ'il suit

I'impulsion qu'on lui a premierement donnee\* II y a cent fois plus

d'enthousiasme pour cette revolution dans quel caf^ de Paris que ce

soit, qu'il n'y en a dans les provinces unies ensemble. II est done

n^cessaire, pour acbever cette Revolution, que la France fournisse a

ce peuple, tout ce qui lui est necessaire, afin qu'il trouve la guerre

moins dure a sontenir. II est vraie qu'il lui en coutera quelque mil-

lions; mais ils seront bien. employes en an^antissant le pouvoir de

I'Angleterre, qui d6pouill6e de ces colonies, sans marine, et sans

commerce, perdra sa grandeur, et laissera la France sans rivale."

" En considerant la chose en g6n6ral, il me paroit que ce qui se

passe maintenant en Am^rique, doit d^gouter les Europeens, d'avoir

aucune affaire a demeler avec les colonies de ce continent."

" Le Congres m'a 61ev^ au rang de Brigadier General."

These extracts, placed here in the original French, I translate as

follows : —

"Will, or will not, the Americans obtain their independence? In

France, where things are estimated according to the naked facts of

passing events, they will answer affirmatively. But we, who see

how things are managed here, think differently. To be candid, I

must say that it is not owing to the good conduct of the Americans

that the campaign closed with tolerable success, but rather in conse-

quence of the blunders committed by the English."

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"Before the war the Americans, without living in luxury, pos-

sessed every thing necessary to make life agreeable and happy.

They passed a great part of their time in smoking, drinking tea and

spirituous liquors. Such was the customary habits of this people.

Is it surprising, then, that a sudden change from such effeminacy to

the rugged and painful duty of a warrior, should lead them to prefer

the yoke of the English, to freedom bought at the cost of all those

comforts of life? What I am about to say, my lord, may surprise

you, but such is the fact : this is a sluggish people, without energy,

without vigour, without affection for the cause in which they are en-

gaged, and which they sustain simply by the impulse or influence

which put them in motion at the outset. There is an hundred times

more enthusiasm for the revolution, in any one coffee-house what-

ever in Paris, than in all the United States put together. It will,

therefore, be expedient, in order to finish the revolution, that France

should supply this country with every thing necessary, so as to re-

lieve the people from the burden of the war. It will cost France a

few millions, but they will be well employed in annihilating the

power and authority of the English, who, when stripped of their

colonies and their commerce, will lose their greatness, and leave

France without a rival."

" Upon duly considering the general aspect of affairs, it appears to

me that what is passing in America is suited to disgust Europeans,

and prevent their interfering in the concerns of the colonies of this

continent."

Such is the picture of our countrymen, drawn by a Gallo-Ameri-

can officer. I intended to have added some extracts from the French

pens of Brissot de Warville, the Duke de Liancourt, and Messrs.

Volney and Talleyrand; but I have already reached the limits

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usually assigned to papers commuoicated in this fonn, and will only

add, in reference to Monsieur Du Portail's opinions, that his prejudice

and ignorance may be found repeated and amplified in the writings

of all the above named distinguished foreigners: whose fanciful theo-

ries, presumptuous prophecies, and absurd conclusions, have turned

out, in the march of time, only the more glaringly false and prepos-

terous, the one than the other! Those indolent Americans of Du

Portail have continued to be, what they always were, intelligent,

brave, industrious and enterprising. Some passing relaxation of re-

volutionary zeal may have happened, when the ardour of the people

fell short of the wishes of their more eager rulers; but, in the main,

our countrymen have not been sluggish, and certainly were never

indiflferent on the subject of their independence. How could it be so,

when, with the "go ahead" motto in their hearts and in their actions,

they have built up an empire as powerful and populous, at this day,

as was France itself, when our fathers first landed on the shores of

Virginia and on the rock of Plymouth? A space of time from that

period to this, for the creation of a nation of nearly twenty millions

of people, not greater than two lives of Russian longevity!

Our own Revolutionary Congress, as we have seen, looked

" with horror on the execrable deed" of leaving their bills unpaid.

More sensitive on this head than their constituents, they trusted

to posterity for their honourable discharge: that posterity, never-

theless, down to the present generation, have never bestowed a

thought upon th& pledged faith of their illustrious fathers. They

neglected, even in the palmy days of "high built abundance," with

" heap on heap" in their treasury — ^those days when the States, in-

dividually, were solicited to relieve the general government of its

vast surplus revenue — ^they neglected, even then, to look back upon

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that just debt, and to remember favourably those bills that stood

guard, as it were, in times of imminent danger; answering the calls

of every department of government and of the people in their various

occupations; carrying us through the perils of a long war, with

pledge upon pledge that they should be honourably paid in the

calmer days of peace. They did nothing! nothing!!

But has not " Honour ^'^ the moral conscience of a State," been

sometimes forfeited elsewhere as well as among us? Painful as this

confession is, in reference to our own country, similar examples of

shame and reproach, the result, not of dire necessity, but of high-

handed fraud, may be traced in the history of other countries. I

do not place them here, however, in vindication of ourselves, but

to disqualify those European nations, where they have occurred,

from pointing the finger of scorn at America.

"X ^^ Burnet's history of his own times, we find that Charles II. shut

up his exchequer for two years, and scattered dismay and ruin

throughout his kingdom. Actions commenced against debtors were

not allowed to proceed ; bankers were broken, and trade paralyzed.

The same historian alludes to the disastrous explosion of the South

Sea Company, with which may be coupled John Laws' Bank and .

Mississippi land scheme, the shares of which, in 1718, rose to

twenty times their original value, and then sank to nothing. But

two operations by France, upon a stupendous scale, are precisely in

point, and possess a perfect resemblance to Continental Money, both

for the good they effected, and for their subsequent extinction without

being redeemed. The first was an emission by the constituent as-

sembly of France, in 1790, of a paper money called assignaty

which, although based, in general terms, on the proceeds of the sale

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of the confiscated goods of the church, were so lavishly issued, as to

iocrease to the incredible sum of forty thousand millions of livres,

when they depreciated to nothing. Then followed a second kind of

paper money, called mandate^ which even the guillotine of Robes-

pierre could not sustain. They were founded, like the assignat, on

confiscated property; and two thousand four hundred millions of

livres were issued, which, after defraying the expense of one Cam-

paign, lost all their value.

Philip v., the first Bourbon prince who reigned in Spain, left a

debt of forty-five millions of piastres, which his successor refused to

acknowledge, and it was left unpaid.

After the battle of the 12th of April, 1782, between De Grasse

and Rodney, the shattered remnant of the French fleet, under the

Marquis de Vaudreuil, came to Boston. Its outfit and re-embarka-

tion of Rochambeaux's army occasioned a vast expense, which was

paid by bills on the French treasury. They were drawn at the cus-

tomary usance of sixty days, but the government of France post-

poned their payment for twelve months; and to protect the mer-

chants who had negotiated them, from damages, the king retained

the bills, and forbade his notaries making any protest.

The men of 1776, upon whom colemporary writers, in both Eng-

land and France, have heaped so much opprobrium, and whom we,

on the contrary, delight to honour and praise, were they better or

worse than their descendants?

The general sentiment is, I think, that we are, at the present day,

less strict in the observance of the moral duties of life; less moderate

and honest in the pursuit of wealth : in short, that we are a degene-

rate race. But in all this I believe there is a mistake ; and T will

endeavour to show that we, of the living generation, stand for good^

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in a scale as well balanced against evil^ as the men of the last cen-

tury; and in the exercise of many virtues surpass them.

It is said to be an infirmity of old age, to estimate unfavourably

''the sayings and doings" of th^ present time; and to refer back to

the days of early life for bright examples in manners and morab\*

I am an old man, and I do not attest by my judgment or feelings,

the truth of that adage. The present race, the men now in active

influence, who form this great nation, are said to have declined in

moral worth; to have dishonoured by cunning and crime the cause

of republicanism, and disgraced the good name which their revolu-

tionary fathers had established and transmitted.

I olSer the following vindication.

My recollection goes back pretty distinctly more than sixty years»

and I can aver that crimes of as deep a dye were committed in those

days, as strike us with such horror when they now occur. But

there did not exist then a legion of newspapers, with agents in all

directions, eager to collect, exaggerate and publish ; and of course

they were not circulated. The utmost extravagance of our times in

speculation by corporations even, can be matched by inditiduals /^

who lived fifly years ago. Public securities were made to vary

from two to twenty -eight shillings on the pound; private associa-

tions were formed in all the chief towns to forestall more than half

the capital of the first Bank of the United States, by purchasing

as high as thirty per cent, advance on the par value, the funded

debt which was to constitute the larger part of the stock of that

bank. The excitement was great; the project failed, and extensive

ruin followed.

But extravagant as were the operations in stocks, they fbll far

short of the speculations in land. Half of Western New York, large

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tracts in Pennsylvania, North Carolina, and elsewhere, amounting

to many millions of acres, were purchased by individuals as mono-

polists. Phelps and Gorham from the east, Morris, Nicholson,

Greenleaf, Wilson, and others, in the middle States, making Phila-

delphia their head quarters, acquired and held for a short time such

vast possessions, that the debts of Nicholson, yet unliquidated, are

said to amount to twelve millions of dollars. Barry and Law aimed

at purchasing the whole City of Washington, in 1798. Wilson

gave a single bond for a million two hundred thousand dollars,

bearing six per cent, interest ; and that was but one item in his vast

negotiations. The immense loss by these speculators, all of whom

failed, did not fall short, perhaps, of those by banks in our times;

and those losses were inflicted upon a nation of less than five mil-

lions of inhabitants. Robert Morris, too, whose public career had

been so splendid, and whose downfall may be mentioned at this dis-

tant period without indelicacy, since it is matter of history, spent

four years a prisoner in our debtor's apartment, while Wilson,

whose ruin was as complete, died in confinement for debt in North

Carolina. All their colleagues and adjuncts went to destruction, to

the incalculable loss of the very many who trusted them.

What shall we say of lotteries, then a universal expedient for

raising money ; licensed gambling shops authorized by every State

in the Union, and now as universally suppressed.

[ In politics, slow as we may be in believing it, there was half a

century ago, more violence, moffe marked separation in social life,

more virulent hatred — infinitely more, than now. What aged man

can forget the heart-burning and outrage before and during the days

of the black cockade, when that badge was worn as the signal of de-

fiance from one party to the other ! Then, were the presses of Peter

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Porcupine and his opponents in full action, and licentious to a de-

gree never yet surpassed. In Congress, on the floor of the House

of Representatives, vulgar scuffling, and indecent personalities, dis-

graced that body. We may name as a prominent examplfe, the

contest between Matthew Lyon and Griswold. Burr in the Senate,

and Hamilton in the Cabinet, agitated the whole nation by their

violent jarring, which ended in the death of the latter by the hand

of the former. Compare the riotous elections of those days when

federalism and anti-federalism engendered such party heat, with the

quiet ballot of the great national election of 1840, when two millions

and a half of votes were given, lyithout commotion or disorder.

And how can we sufficiently congratulate ourselves on the im-

provement in temperance! None can estimate its importance so

well as the aged. Fifty years ago, it was no disgrace for young ^

men to visit a party of ladies stupefied or elevated by wine. Modern

manners would not tolerate this. Male servants were generally

given to drunkenness : and until arrested by temperance associations,

intoxication was threatening us with universal sw«iy.

But it is in religion that the most impressive and most salutary re-

formation has taken place. This is attested by the great increase of

piety, and consequent increase of churches. Those holy temples

now filled with devout attendants, were then few in number and

sadly neglected. At the period of our revolution, the superstition

and cruelty of witchcraft was only passing away, to be succeeded by

religious indifference, and even rank infidelity.

J \ Recollect, for a moment, Frederick of Prussia, surrounded by Vol- I

\ taire, D'Argens, Maupertuis, and in correspondence with D'Alembert

I and the Parisian encyclopedists; in England, Hume, Godwin, and his

I wife, Mary Woolstoncraft ,\* in America, Thomas Paine! All uniting.

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^ to deride and destroy Christianity, by ridiculing its ministers and

holy doctrines, in writings of unrestrained freedom ; by unsettling the

I belief of the religious, and confirming the unfaithful ; by presump-

tuously putting man's feeble reason in the place of divine revelation.

' Set in contrast with those licentious times, the awakened piety of

this day, in every church of every sect. Crowds of worshippers tea\*

tify to the truth of their amendment, by regular and zealous devotion

in those seats, which were formerly deserted\* This salutary change

vrill check the progress of crime. It has checked it. Isolated in-

stances of high oiSences are no proof to the contrary. The people

collectively become more sober in their habits, and more serious in

the worship of God, will find those plague<spots which continue to

disfigure their moral character, gradually removed, by the joint in-

fljience of temperance and religion.

One distinctive mark of refined civilization has been allowed to

form a national trait, by universal consent, abroad and at home;

namely, the deference paid to woman.

Every where, within the wide range of our country, she is defend-

ed and protected. It is a generous virtue, which foreigners agree,

one and ail, to allow us. A female may traverse the country alone,

and visit every point of the compass, in perfect personal security,

and be certain of meeting always with attention and respect ; having

no other protector, in the steamers and on rail-roads, than their cap-

tains and agents. This is notorious and of every day occurrence.

Virtuous women, young and handsome, start alone, and without

fear, from the Missouri, to descend to New Orleans in the south, or

wend their way to the Atlantic, up the Ohio, amid a motley compa-

ny of entire strangers, and thus traverse thousaiifts of miles, unap-

prehensive of rudeness or interruption.

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In conclusion, let us hope that this improvement in morals, will

eventually act as a corrective on the temporary defalcation ia the

public engagements, which now exist in parts of our country ; ever

bearing jgx mind that at the adoption of our national Constitution,

there was a public debt of ninety-four millions, the interest on which •

had not been paid for six years, and the principal was currently sold

at the reduced price of twelve dollars for one hundred ; yet the whole

was paid at par. A similar redemption awaits, I trust, the depre-

ciated State debts of the present day.

The paper money of the revolution, however, was of a character |

wholly dissimilar. It was a de|peclated medium almost during its '

whole existence; and having sunk gradually to nothing, could never ,

possess the claim for redemption that belongs to a bond, for which '

full value, as expressed on its face, was paid to government.

But while that artificial currency lasted, it was a happy illusion,

which worked the miracle of reality. Without its agency, we should

have been subdued, and have crept along, at a colonial pace, as

Canada has done. Without it, the valley of th6 Mississippi would ;

have remained a wilderness; the Spaniards would still have been

masters of the great outlets of the south ; our manufactures would

not have been allowed to reach even to the making of a hobnail, and

our star-spangled banner would never have been unfurled.

The cause for which the defunct old Contia^iital Money was put

forth, has been gained. It has prevented our subjugation, and placed

us on the proud eminence we now occupy. Those who bore it»

burden, when in transit, bore it cheerfully; and made it the happy

instrument of our national existence. In cherishing, with filial afiec^

tion, the memory of those brave men, we may pass by their faults

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with indulgence; always resolving to cling with constancy and love,

to the privilege of self-government, which they thus won and trans-

mitted to us.

May, 1843.

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