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# **A National Currency**

**Fisher Sidney George**

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**Title: A National Currency**

**Author: Fisher Sidney George**

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National Currency.

By

S. Q. Fisher.

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1864.



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# NATIONAL CURRENCY.

BY

SIDNEY GEORGE FISHER,

AUTHOR OF "THE TRIAL OF THE CONSTITUTION," "THE LAW OF THE TERRITORIES,"  
"RUSTIC RHYMES," ETC.

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Reprinted from the North American Review for July, 1864.

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PHILADELPHIA:  
J. B. LIPPINCOTT & CO.  
1864.

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## NOTICE.

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THE following essay was published in the *North American Review* for July, 1864. While its chief object was to prove the constitutionality of the legal-tender notes issued by the government to meet the exigencies of the war, the argument was intended also to show the necessity of an exclusive national currency, of coin and paper, for the use both of the government and the people.

The opinion is now very generally entertained by men of business, that the system of National banks, proposed by Mr. CHASE, late Secretary of the Treasury, and established by Congress, will, if sustained and properly managed, create such a currency. Efforts are making, here and elsewhere, to induce the State banks to become National banks, and thus fiscal agents of the government and creators of a national currency, so far as that is composed of paper, founded on the credit



of the nation, and therefore of uniform value throughout our widely extended country. Should these efforts be successful, we may hope, ere long, to see State bank notes withdrawn from the channels of circulation, and a national bank paper currency, always and everywhere convertible into coin, take their place.

Certain gentlemen of this City, connected with banking, think the success of this scheme will be promoted by the views expressed in the following article, which is reprinted at their instance.

PHILADELPHIA, October, 1864.

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## A NATIONAL CURRENCY.

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1. UNITED STATES TREASURY REPORTS FOR 1861, 1862, 1863.
2. OPINIONS DELIVERED BY THE COURT OF APPEALS OF THE STATE OF NEW YORK, ON THE CONSTITUTIONALITY OF THE ACT OF CONGRESS DECLARING TREASURY NOTES A LEGAL TENDER IN PAYMENT OF DEBTS. ALBANY, 1863.
3. DECISION OF THE SUPREME COURT OF THE STATE OF NEW YORK, SUSTAINING THE CONSTITUTIONALITY OF LEGAL-TENDER NOTES. DELIVERED AT ROCHESTER, APRIL 4, 1863.
4. OPINIONS OF HON. J. I. CLARK HARE, AND OF HON. GEORGE SHARSWOOD, OF THE DISTRICT COURT FOR THE CITY AND COUNTY OF PHILADELPHIA, ON THE CONSTITUTIONALITY OF THE ACTS OF CONGRESS OF FEBRUARY 5, 1862, DECLARING UNITED STATES NOTES LAWFUL MONEY AND A LEGAL TENDER.

No political or economical questions have a more immediate bearing on the concerns of daily life, than those which relate to the currency. It is the instrument by which the business of individuals and of government is transacted. A

defective currency is a hinderance to a prosperous career, and adds an oppressive burden to the weight of public misfortune.

The paper money created by the government under the stress of the present war has been generally accepted by the people. It performs all the offices of money as a medium of exchange. It represents all sums from the largest to the smallest. It passes readily from hand to hand, and is of equal value in all parts of the country. Considering the character of the struggle in which we are engaged, this surely may be regarded as a financial achievement of no ordinary merit. But for the currency thus furnished, the Northern States would have afforded a spectacle very different from their present prosperous activity, and the conduct of the war, on the vast scale rendered necessary by the extent of the rebellion, would have been impossible.

This currency has been attacked, not because it has any fault as currency, not because it has failed in any particular to do the work of money, better than gold and silver could do it, better than bank notes could do it, and as well as any national currency ever did that work, but because it is unconstitutional. The government, it is said, has no right to make paper money. It is

restrained by the supreme law from making anything but metallic money.

The legal-tender notes have been issued by hundreds of millions. They have gone into the pockets of the people, and into all the avenues of trade. They are performing all over the country the innumerable exchanges of daily business. It would be a great misfortune, with infinite ramifications of mischief, public and private, if they should be converted into so much waste paper. Sudden loss would fall upon thousands, and a sudden deficiency of currency, with all its ruinous embarrassments, would fall upon all, the government included. Yet waste paper these notes are, if Congress had no power to issue them. The question of their legality, therefore, is of great practical importance to every one.

It has also a theoretical interest, because the principles involved affect essential powers of the government, and indeed the very nature of the Constitution. The question has not yet been presented to the supreme tribunal of the nation, but it is discussed with ability in the opinions placed at the head of this article. These opinions may be regarded as favorable specimens of the manner of reasoning employed by the two