paper ; at the end of November it was worth thirty-eight and a half dollars. As in France, so in America this depreciation caused speculation, popular complaints and violent measures against those who did not receive this money at par. The American Congress had decided that the issues of it should not exceed 200,000,000 ; nevertheless it appears that there had been issued 240,000,000 of dollars. The various States had also put in circulation paper money of at least 209,000,000, and, of this, 128,000,000 was issued by the State of Virginia alone. On March 12th, 1780, Congress legalized exchange at the rate of forty dollars in paper against one dollar in silver. All the old notes, according to law, were to be destroyed and replaced by the new paper Certificates in order to represent specie which the Treasury did not possess.

The new issue of paper could be legally issued only in the proportion of one-twelfth of the old paper destroyed ; this new paper bore interest and was to be redeemed in specie six years after its issue. Six-tenths of the certificates were to be appropriated to the States and four-tenths, to the Federal Treasury. This new paper speedily became discredited, as the old paper had been, and soon lost 86 per cent. of its value, and 320 dollars of the primitive paper became worth only one dollar in specie. On this account very few possessors of "Continental Currency" exchanged their paper for the Certificates. In spite of this discredit the new imposts brought in 88 millions of dollars.

As to the States, the circulation of paper had ceased in those of the north, where foreign money, circulated by the French army and even by the English troops, had penetrated; but it continued a year longer in the southern states, where the American paper sank until one thousand dollars of it were worth but one dollar in silver. "Then," says Jefferson, "this paper money disappeared without a groan,"—"not a murmur was heard on this occasion among the people." Nevertheless, these issues of paper produced in America as in France, great overturning of fortunes and considerable distress. Three states, Massachusetts, New York and Rhode Island, redeemed all their paper money; four states redeemed a part of theirs, and five made no redemption. When