A SUMMARY

OF

The History of Paper Money in the United States during the Colonial and Revolutionary period.

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The American Congress, during the Revolution, was without resources at its disposal. It had no right to levy imposts ; the various States furnished but few subsidies, and it had not credit enough, at the beginning, to make loans. It had recourse, therefore, to paper money,—"Continental Currency,"—and the first issue of this was made in June, 1775, to the amount of two millions of dollars. This paper sustained itself very nearly at par during the first months ; but at the end of 1776 it had lost in value nearly fifty per cent. The issues of it increased from year to year, so that in 1779 there were in circulation about 140,000,000 of dollars, but all this, according to Jefferson, was not worth more than about seven millions in specie. At the beginning of that year one dollar in specie was worth eight dollars in