NEW LIGHT ON THE CONFEDERACY: 
THE NATIONAL ARCHIVES HOARD (**)

When asked about the size of the Smithsonian's National Numismatic Collection, I used to say that it embraced nearly a million objects — coins, tokens, medals, and currency, with the latter holding a slight edge over all other objects combined. But since February 1998, I have had to revise my figures radically upward: we actually have more than a million and a half objects, and paper now holds a commanding lead over everything else. The changes in size and composition are both due to the same event: after being talked about for years, a huge collection of Confederate paper money was transferred from the National Archives to the Smithsonian Institution. I have been working with the collection since it came to our museum. My remarks in this paper must be considered nothing more than a preliminary report, for we have only examined a minority of the material so far. But what we have seen already will cause a reassessment of Confederate currency, especially in terms of the rarity of many varieties and, more importantly, the manner in which this money was employed (1).

I say 'we'. I have been greatly assisted by two volunteers. One of them, Manfred Roppelt, is a graduate student in American history from Eichstadt, Germany, who worked with the material as part of my museum's intern program. He had no background in numismatics — which was an advantage, in some ways, because he came to the task with a freshness impossible for a collector or anyone else well-acquainted with the material. He quickly became very adept at the work, however, and his labors for us resulted in an excellent research paper and a hands-on experience with American history impossible to acquire in any other way. Manfred was with us for the first, crucial months.

(*) R.G. DOTY, Smithsonian Institution. National Museum of American History, 14th Street and Constitution Avenue NW USA-20560 Washington DC. e-mail: doty@nmah.si.edu

(**) One of Tony Hackens' great passions was America and Americana. When asked to prepare an article for this memorial volume, I immediately thought of a topic from the numismatic story of the United States. As I write, the story is still unwinding, and we are only at the beginning of it. But that, too, seemed an appropriate tribute to Tony, for his influence over a generation of numismatists will be a continuing story as well.

His colleague is still with us, a retired physician named Robert Weitzman. Robert is a collector of American paper — but not Confederate paper — and he brings a critical eye and an organizational flair to the project which would be difficult if not impossible to find with anyone else. He brought many of the notes described below to my attention, and this report is as much his — and Manfred's — as it is mine.

I have called this material the National Archives Hoard. A hoard it certainly is, by any definition of the word, and I shall tell you something of its circumstances in a moment. But what was it doing at the National Archives, the archival repository of the United States?

It arrived there by bureaucratic transfer, and it remained there due to bureaucratic sloth. The hoard started out at the old United States War Department, arriving there after the fall of Richmond in 1865 as captured Confederate booty. What anyone would want with more than half a million suddenly-worthless notes is a subject for conjecture; but someone wanted them and so they made the ninety-mile journey between the two former capitals of the reunited nation. Once in Washington, they spent the next forty-odd years at the War Department, gathering dust and worse. It appears that the person in charge of them, Brevet Major General E. D. Townsend, had sets of the choicest notes made up for visiting dignitaries; Union General William Tecumseh Sherman got one. One of Townsend's people was a clerk, fifth class, named Raphael P. Thian, whose compilations on Confederate serial number/signature combinations were brought into print by Douglas B. Ball and Quarterman Publications in 1972 as Register of the Confederate Debt.

Thian died around 1910. Shortly thereafter, the hoard which had become his life's work was transferred to the Treasury Department, where some attempt was made to organize it. It remained in the legal custody of the Treasury, but after the completion of the new National Archives building in the mid-1930s, the currency was transferred there on a 'temporarily' basis.

There it would sit for the next sixty-one years.

In 1957, the Smithsonian was considering mounting an exhibit on Confederate financial documents, presumably in anticipation of the upcoming Civil War Centenary. The National Archives were tapped for the loan of Confederate fiscal documents, and it was apparently now that the idea of legally making over some or all of the material to my museum first came under serious consideration. The transfer was completed — on paper, at least — in 1957 and 1958. But the project was then allowed to lapse. The National Numismatic Collection was essentially a two-person operation at the time, but one whose holdings were beginning to expand very rapidly. Valuable collections were coming in from the Neinkins, the Du Ponts, and the Stacks, and neither Dr. nor Mrs. Clain-Stefanelli was prepared to take on a huge agglomeration of presumably low-value material, espe-
cially since space was at an increasing premium. It was suggested that the turnover might take effect after the new Museum of American History building had opened for business in the spring of 1964. But more pressing considerations continued to rule, the transfer idea was allowed to lapse, the Smithsonian's Confederate money was allowed to remain at the National Archives — and the Smithsonian forgot about it.

And so things might have remained, except for an unfortunate fact: one of the employees of the National Archives was a collector of Confederate money, and his ideas about the sanctity of property were somewhat less well-developed than they should have been. You can imagine the result: he began stealing rare pieces from the hoard — and he then had the effrontery to sell them at local coin shows! Eventually word got out, he was sacked — and the Smithsonian decided it was about time to claim its own property. This coincided with a welcome change in the allotment of space in the National Numismatic Collection: early in 1993, the National Postal Collection got its own building and the numismatic cabinet got most of its former floor space. A much larger vault was constructed, and conversations about the move were resurrected — but it still took four years to secure an agreement, and one more year before a Smithsonian lorry was allowed to cart the material the three blocks from its old to its new resting place. It arrived here on the sixth of February, 1998, a Friday. We began working on it the following Monday.

The nature of our work was conditioned by the nature of the material; and that in turn takes us into Confederate fiscal theory and practice. The Confederate States of America were waging the first ‘modern’ war in history. They were attempting to do so by a variety of traditional fiscal methods, at the heart of which lay the idea that there was something ‘immoral’ about issuing large quantities of paper money supported only by a dwindling faith in an eventual victory. The insurgent section might have no other choice if it were to pay for an ongoing and deepening conflict; but the leaders in Richmond felt guilty about it all the same. When economic and military realities forced them to consider another issue of Confederate currency in the winter of 1863-1864, this fiscal uneasiness came into play.

The Act of 17 February 1864 proclaimed the circulation of two hundred million dollars in new Confederate paper money. But it called in old paper money, which could be exchanged for new at a three-for-two ratio. Financial probity received a vague genuflection. It remained that and no more because the Confederacy lacked the manpower and willpower to enforce it (and was also uncomfortably aware that, if it actually succeeded in calling in three hundred millions in shaky currency, it would require far more than two hundred millions in equally shaky currency to replace it). The old notes remained legal tender for most purposes until 1 July 1865 — by which time the question of what to do with them had become
irrelevant. Regardless of reality and possibility of success, machinery was put in place to call in and retire older notes, and numbers of them did come in.

I can vouch for more than half a million of them myself.

As I said, we went to work on the hoard three days after we got it. The notes were tightly packed in archival boxes about twenty-four by eight by four inches. There were 135 such boxes, and virtually all of them held currency. The few exceptions held bonds and were one of the reasons I had become interested in the transfer in the first place: a wealth of local and larger history can be learned from such documents. But I have had no time to look at the bonds as yet: there's entirely too much to do with the currency.

For the first thing which we learned about the hoard was that there was far more of it than anyone had realized. We were expecting approximately 125,000 pieces of currency, because that was the figure used in National Archives and Smithsonian correspondence. But Manfred and Robert did a count on the first box, then I did one on a second box, picked at random, and both suggested that each box contained five thousand notes, rather than the thousand we had expected. Our labors thus threatened to quintuple at the very outset of the project; and subsequent boxes have confirmed that the threat was legitimate. In other words, we were confronted with approximately six hundred thousand pieces of Confederate paper money, the largest agglomeration on record, anywhere.

Fortunately, the notes offered a couple of advantages. They tended to fall within a fairly limited number of types. And most of the boxes contained notes of the same type — presumably organized that way many years in the past. It is possible that the United States Treasury people so arranged them when they examined the material around 1912. But it is more likely that Confederate clerks organized the money that way, during the war. I lean toward this conclusion because of the existence of fairly long serial number runs in many of the boxes — sometimes over fifty notes in sequence. I cannot imagine anyone doing that sort of work for what had become worthless material; but I can imagine someone keeping serial runs together at a time when the material still had value, was still recognized as money — and when detailed knowledge about it still had a recognized importance.

The first thing I had to do was give my two volunteers an accelerated course in Confederate money. They began learning about it well prior to the transfer, and by the time the first of the boxes were examined, they were ready to begin sorting.

The material was essentially what you might expect. There were none of the excessively rare Montgomery notes, in fact virtually no rare types at all. Our light-fingered friend might have removed them well before the transfer; but I doubt whether there were rare types in the hoard any
time after its transfer to the Treasury. We found great rarities within common types, to be sure, of which more later. Of the 124 boxes of currency, nineteen contained notes from 1861 (virtually all with the issue-date of 2 September). Most of the remaining boxes were divided between issues of 1862 (twenty-two boxes) and 1863 (seventy-one). There were also three boxes of 1864s (an oddity which I cannot explain as yet: why would the authorities call in notes they had just issued?), plus eight miscellaneous boxes, including state currency, and final box with nothing in it. It is important to note that two-thirds of the notes in the National Archives Hoard are five-dollar bills, and most of the remaining third are tens. This makes good economic sense. By the time the call went out for note return, the ravages of inflation had rendered these denominations less useful than higher ones, which were accordingly kept in circulation by the public. I expected to see ones, twos, and fifty-cent notes as well, but we only have a single box of them: the public may have felt that it was more trouble turning them in than the notes were worth.

My two volunteers approached the material on a variety-by-variety basis, starting with the 1861-dated notes. I have concentrated on later issues, examining them from the standpoint of oddities and errors: I want to see how a makeshift printery conducted its business under the stress of war, and mistakes in printing can teach a great deal. This preliminary report will discuss results gleaned from both approaches, shedding more light, I hope, on what really took place a century and a third ago.

Manfred and Robert devoted particular attention to Criswell Type 36, an early five-dollar bill with the goddess Ceres seated on a cotton bale as the central vignette, with a sailor leaning against a capstan to the left. Bearing an issue-date of 2 September 1861, notes of this design were printed at least through the late winter of the following year. Hoyer & Ludwig, Richmond lithographers of many of the early notes (and postage stamps and bonds as well) started the run; J. T. Paterson & Company of Columbia, South Carolina finished it.

There are seven varieties of Criswell Type 36, divided into three series. Varieties 272, 274, and 276 comprise the first, undenominated series. Varieties 278, 280, and 281 make up the second series, members of which are so labeled beneath the vignette of the sailor. And Criswell 282 covers the third series, which bears its designation above the issue-date. There are no varieties 273, 275, or 277 in Criswell's latest edition. What we are concerned about here is the absolute and relative rarity of notes bearing these designs, as reported by Criswell and as now amended by the evidence of the National Archives Hoard.

The third series is the easiest to describe. Criswell assigns it a rarity 10 (presumably six to ten known, although it is difficult to tell from his text). The evidence of the hoard bears this out: we had one note from the third series, and we now have two more. To put this scarcity in its
proper light, let me observe that my two volunteers found, examined, and classified 65,957 Criswell Type 36 notes in the National Archives material: by anyone’s standards, two notes out of nearly sixty-six thousand suggest a major rarity. But what of the remaining Type 36s?

Criswell estimates that members of the first series constitute a rarity three on average, meaning that they are among the more common of Confederate notes. He assigns members of the second series a rarity six — except for variety 278, which gets a rarity three. The population of the National Archives Hoard tends to bear him out, at least in general terms. Here are our figures:

**Criswell Type 36s in the National Archives Hoard**

<table>
<thead>
<tr>
<th>Criswell Number</th>
<th>Criswell Rarity</th>
<th>Specimens in Hoard</th>
</tr>
</thead>
<tbody>
<tr>
<td>272</td>
<td>5</td>
<td>799</td>
</tr>
<tr>
<td>274</td>
<td>3</td>
<td>16,464</td>
</tr>
<tr>
<td>276</td>
<td>3</td>
<td>7,827</td>
</tr>
<tr>
<td><strong>First Series</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>278</td>
<td>3</td>
<td>39,317</td>
</tr>
<tr>
<td>280</td>
<td>6</td>
<td>211</td>
</tr>
<tr>
<td>281</td>
<td>6</td>
<td>97</td>
</tr>
<tr>
<td><strong>Second Series</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>282</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td><strong>Third Series</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Unidentifiable as to Series</strong></td>
<td></td>
<td>1,250</td>
</tr>
</tbody>
</table>

I was surprised at the sheer preponderance of 278s: these must be some of the commonest notes ever issued by the Confederacy. They suggest that the rarity scale for Criswell 274 should be slightly revised, and that of 276 altered to a larger extent or that Criswell 278’s scarcity be revised downward, to a rarity 2; I would suggest that the latter policy be adopted for future editions of his book. As for other members of the first and second series, the rarities assigned to them appear to be about correct. In sum, our examination of this first large section of the material suggests that, over all, the traditional relative scarcities assigned to these varieties are within reason. Absolute rarities are another matter — and further modifications elsewhere will almost certainly be necessary as we investigate other sections of the hoard.

Our two volunteers investigated one major body of material in great depth. I might add that, in addition to separating Criswell varieties from each other, they also set aside particularly choice specimens, specimens with odd serial number and signature combinations, sequential runs of material — of which more later — and notes with pronounced variations
from the norm — error notes, notes with odd backings and repairs, etc. These latter can tell us a good deal about patterns of monetary circulation in the wartime section. I have approached the material with similar criteria in mind, as well as looking for known rarities. I have concentrated on a breadth rather than a depth of approach, and I wish to spend the remainder of this article discussing some of what the three of us have found.

As the two Criswell 282s suggest, we have encountered a number of major rarities within the National Archives Hoard. We have several Criswell 240s, for example, wherein the plate number is 5 on the left end of the note and 1 on the right. We have also found every known permutation of mismatched plate letters on the 2 December 1862 five-dollar issue. Thus far, our count stands at nine H/As, ten C/Gs, six G/Cs, and five D/As. As Criswell believes, the D/A combination appears to be the rarest of the four; but the relative rarities of the other three may well have to be rethought. We have encountered one similar mismatch on a five-dollar bill of 6 April 1863 — one of Criswell variety 451, with an A/D combination. Since we are just beginning our work on the 1863s (in many ways the most complex year, as well, in our case, as the largest portion of the work), I expect that many other such mismatches will be found. The note also illustrates two points about the hoard: its condition is about average for the material, and it has been cut-cancelled. This was one of the methods by which called-in notes were invalidated, and I wish to say a few words more about them later.

Illustration 1

In addition to such rarities (none of which had reposed in our collection prior to last February), a number of other, lesser-known errors have been found. When we consider the millions of notes which had to be printed, numbered, signed (and in the case of the 1863s, issue-dated) just to keep the Confederate war effort sputtering along, we are amazed that
Illustration 2

so few mistakes were created: surely, the printers and signers showed grace under pressure. But errors were inevitably created; when this happened, the misprints tended to go into circulation alongside normal notes.

The type of mistake depends in part on the issue-date. For example, when it was decided that the 1863 series should bear the actual month of issue, a mistake-prone situation was created, compounded by the fact that the date was applied by hand rather than by machine. Doubled dates were fairly common occurrences: here are two notes in numerical sequence (but from two different sheets), one doubled and the other normal.

Gutter folds complicated the operation.

So did the occasional inverting of a sheet before the stamp was applied.

And in one case, they forgot the stamp altogether!

Gutter folds resulted from current production processes, wherein the paper was printed while wet. Small folds often developed, and ink could not penetrate those areas, resulting in printing errors. This note manifests two such folds parallel to each other; but if the errors were seen at the time, national need was placed ahead of printing perfection — and the bill went into circulation regardless of its shortcomings.
The Confederacy's products were plagued by counterfeits during the early days of the war. The lithographic process which created them was the best the South could manage, but it invited competition from felons on both sides of the border. Since the early notes were uniface (as indeed was most private currency at the time), the addition of back printing to Confederate notes was an obvious, though imperfect, solution. It was imperfect because counterfeiting still occurred, although its incidence greatly diminished. And back printing was imperfect because it multiplied the possibilities of error. Herewith a few examples.

The most common problem was an inaccurate registration between the two sides of the note — in this case, compounded by sloppy cutting. These two notes are nearly in sequence, suggesting that a number of people were having a bad day.

The next note is more difficult to explain. The face looks perfectly normal, except for a small missing chip at the upper-left. But closer examination shows a lateral cut across the upper portion of the note, likely
an error in the positioning of the blade responsible for cutting out the individual notes from the sheet. But if that were the case, why is the note still in one piece? Turn it over and the answer is obvious: someone at the printery glued the two halves of the note together with a scrap of regulation pink paper, thereby saving the note. And it went into circulation along with its fellows and was eventually returned, cancelled, and retired.

This note is a good example of Confederate monetary practice. In a perfect world, the bill would have been destroyed and we never would have seen it. But the world of 1862 was not perfect, and, while inflation had already robbed five Confederate dollars of much of their value against gold, they were still worth something, could still play their part in the war — and were therefore retained and circulated rather than se-
questered and burned. Let us take this economy of usage to its logical conclusion.

Thus far, we have found six notes with inverted backs — five from the 1862 series and a sixth from the 1863. Since we are nearly done with the 1862 notes, I expect no more errors of this type from that series; but we shall probably run across ten to fifteen more of them among the 1863s. For me, the most important point about these spectacular misprints is not the fact that they *are* misprints, but that they were allowed into circulation, circulated widely, and then were called in along with normal notes. Clearly, the need of the Southern nation for a wartime circulating medium overrode every other consideration.
This explains a series of curious practices on the part of individuals as well as their government. Once you had a Confederate note, you would do almost anything to keep it in one piece so that you could use it to buy something from someone else. The National Archives Hoard has large numbers of bills which have been glued onto other pieces of paper (newsprint was popular, perhaps because it was easily obtainable through most of the war and worthless for much else after the news had been read); but a telegram was employed on at least one occasion, and a playbill for the *Hunchback of Notre-Dame* on another. Virtually anything would do, so long as it wasn't current and you could put glue on it.

Notes could also be sewn together — and they sometimes were, in an unconscious replication of monetary responses to the inflated, emergency currency of an earlier period, the Revolutionary War.

But Manfred Roppelt made the best discovery so far, and he made it on the first day. Here is a badly-worn note from 1861, which had completely split in two. Someone repaired the split by gluing two *United States* three-cent postage stamps across it. And why not? This wasn't part of the United States anymore, and that nation's stamps were now simply small, colored bits of paper.

The National Archives Hoard is teaching us more about public monetary practices as well as private ones. Although we are still near the beginning of our labors, we have already made two discoveries which may be of future importance. Both relate to the manner in which Confederate notes were turned in and cancelled.

The act of cancellation was necessary if they were to be removed from circulation. We have always thought in terms of two basic types of cancellation, cut cancellation and hole cancellation. In the former case, two cross-bladed knives were employed to make x-shaped cuts through the notes and thereby render them worthless; in the latter, one or more holes were punched in the notes for the same purpose. We have found a far larger number of cancellation methods than I, at least, had anticipated — including instances where notes were apparently cancelled twice, just to make sure. Given enough time, we may be able to establish correlations between the type of cancellation and the issue-date, serial run, etc. of the notes.

Our other discovery is of potentially greater importance. We have found numerous cases of long serial sequences, often involving several dozen notes, which were cancelled at the same time as a unit. The bills in question show little evidence of circulation, and no evidence of circulation as individual pieces of currency. At this early stage, we conclude that they circulated as bricks. This would be an unusual practice, but I once saw something like it in a very late hoard of North Carolina currency; and we are always speaking of multiples of *low-denomination* bills, where deepening inflation might have made such an approach sensible.
As with so many other elements of Confederate monetary practice, we do not know the details, cannot be certain of the reasons for this practice. But the National Archives Hoard will afford us the best opportunity we shall ever have to gain a better understanding of one of the most interesting chapters in American monetary history.