



Episode 2, Continental Currency, New York City

Gwen: Our first story examines a six dollar bill that may have helped Ben Franklin defeat the mighty British Empire. 1775, long smoldering tensions between the American colonies and their British masters finally explode. At Concord and Lexington, the first shots are fired. But many Americans support the British and the rebels are short of men, guns and ammunition. If they are to stand a fighting chance against the world's most powerful army, they'll need to solve these problems fast. Two women from Omaha, Nebraska, recently made a startling discovery, which may explain how Ben Franklin helped engineer one of history's biggest upsets.

Paulette Hammerstrom: We found this bill in an old book.

Brooke Hammerstrom: And as soon as we saw it, we knew it was special.

Gwen: I'm Gwendolyn Wright and I'm on my way to meet Paulette Hammerstrom and her daughter Brooke, and see what they've found.

Paulette: There it is.

Gwen: Oh, interesting.

Gwen: At first glance, it does appear to be a piece of currency from the Revolutionary War.

Gwen: It's so different from the currency we have today.

Paulette: Yes.

Brooke: I know.

Gwen: The United Colonies. So where did you find it?

Paulette: We found it in this book.

Gwen: A book on Alaska. Now whose book was this?

Paulette: That was my husband's book.

Gwen: And was he interested in Revolutionary history or in currency, or a collector of anything?



Paulette: Not that I know of. Maybe he didn't even know it was in there. But, there it is.

Gwen: There are so many interesting issues that this bill raises. I've never seen anything like this. So I'm not sure if it is money from the Revolutionary War. And that's exactly what Paulette wants to know too.

Gwen: Can you give me some specific questions?

Paulette: Is it authentic? Is it real?

Gwen: Although it's pretty faded, the bill's cryptic markings have attracted Brooke's attention.

Brooke: I'd be interested in learning about what the symbols mean on the bill. I see a tree and it looks like a pyramid in the background. It'd be interesting to find out why they chose what they chose.

Gwen: Well, I'm excited about this story. And I'll take good care of the bill. And I'll get back to you as soon as I can.

Brooke: Great.

Gwen: If this is authentic and dates to the birth of the United States, it's potentially an illuminating piece of history. It looks like the bill itself has a lot of clues. This seems to be a piece of paper currency. Redeemable for six dollars. Probably a good amount back then. "This Bill entitles the Bearer to receive six Spanish milled dollars, or the Value thereof in Gold or Silver, according to a resolution of Congress passed at Philadelphia February 17th, 1776." It seems a little odd to have Spanish dollars mentioned on an American bill. The date puts it some four months before the Declaration of Independence; right in the thick of the conflict. There's all kinds of decoration and it's very hard to read much of it. Some Latin... Perseverando ...and what looks like a palm tree. My first task is to find out if the revolutionary government was issuing its own money during the war. In January of 1776, the war had been going on for eight months. Most colonists are still not clear whether this is a passing tax revolt or an out and out war. In fact, at the beginning of the war, John Adams estimated as many as two-thirds of Americans either supported the British or were neutral. Public opinion changed with the publication that January of Tom Payne's Common Sense. That's almost exactly the date on our currency. Payne argued that the colonists had a right to independence. His pamphlet was a best seller. But as the rebels cause became clear, so did the scale of the task. The colonists have taken on a daunting challenge in going to war against Great Britain. The largest empire in the world at the time. The largest military and seemingly unlimited financial resources. This is truly David against Goliath. But were the colonists really printing a common currency? Before the war, most colonies did have their own currencies, and British bills were in circulation too. Here it is. "Resolved that a sum not exceeding two millions of Spanish milled dollars be emitted by the Congress in bills of Credit, for the defense of America." It's the original Congressional Resolution, dated



June 1775, seven months before the date on our bill. They're raising money to fight against the British. And there's that reference to Spanish milled dollars again. But who was putting up the money for this revolution? First, let's find out if our bill is the real thing. Glenn Jorde is a currency authenticator. He says that under close scrutiny, our bill is clearly printed on paper from the late 1700s.

Glenn Jorde: I'm looking at the signature, to look at the ink of that period of time. I can feel the embossing of the printing coming through. I'm going to check for repairs. And even though these areas are a little dark, they're not repairs. They're areas of wear.

Gwen: Everything feels right. But there's a problem. Glenn tells me that the British were printing their own fake American bills. He points me to an account from the period offering travelers counterfeit currency.

Glenn: Persons going to other colonies would be supplied with any number of counterfeit notes for the purpose of spending them and disrupting the economy.

Gwen: King George was taking direct aim at the new American money. Look at this...it's available from 11pm to 4am.

Glenn: Yeah.

Gwen: So, in the stealth of the night. Glenn says that Ben Franklin fought back against the British counterfeiters with a distinctive organic solution.

Glenn: Take a look at these leaves and tell me what you see.

Gwen: Okay, so I see there's a bright color, bright ribbed edges.

Glenn: But if you look closely, you'll see that each one is distinct.

Gwen: Oh, I see! You're right. Every Revolutionary Bill of the same denomination shares the unique design of a single leaf, captured as a stamp. The intricate pattern of veins makes it nearly impossible to copy. So, what's the leaf on our bill?

Glenn: It's actually a flower. And what it is, is a buttercup.

Gwen: So the picture on the back of our bill was an anti-counterfeiting measure. And here's something else I hadn't noticed, tiny silver flecks in the paper.



Glenn: What that is little pieces of mica. They were interspersed, at random, so when a merchant saw all that mica flashing in the light, they'd say, okay, chances are that bill is good.

Gwen: Glenn has no doubt we have a genuine American bill.

Glenn: You've got the real deal.

Gwen: Paulette and Brooke are going to be thrilled. But I still need to get to the bottom of a couple of things. Exactly who was putting up the money for the Revolution and why are the colonists dealing in Spanish milled dollars? Robert Hogue is an expert on North American currency and the Revolutionary economy. He puts the answer to one of my questions quite literally on the table.

Robert: Here are so called Spanish milled dollars.

Gwen: Robert explains the Spanish dollars were made in a milling machine. They were widely accepted as universal currency in the 18th century, because Spain controlled the world's supply of silver. Our bill says whoever has it is entitled to six dollars of Spanish silver. So, there were six dollars to back this note?

Robert: That's right.

Gwen: Who gave the government these Spanish milled dollars?

Robert: No one. Think of it as an official IOU, a promise to pay in the future in good money.

Gwen: Well, were people paid back in good money?

Robert: No. Unfortunately, they were not. They never really made good on this.

Gwen: The shocking truth about our bill, there was no Spanish silver backing the rebel money.

Gwen: Well, how did currency have value then?

Robert: It really had value only as a matter of faith. But then, all money is really a matter of faith, in a way.

Gwen: All Ben Franklin and the Congress had was a dollar and a dream. In truth, an awful lot of paper dollars and a very big dream. His presses kept printing these beautiful bills, with nothing to back them.

Robert: Here we can see all of the issues of currency put out by the Continental Congress.



Gwen: I see. So starting with 3 million, our 4 million, 5 million. Suddenly 25, 75...95 million dollars. How much money did Congress issue altogether?

Robert: Altogether, approximately 241 million.

Gwen: And, of course, the more currency the rebels printed, the less it was worth.

Gwen: 241 million and still nothing to back it?

Robert: Right.

Gwen: No wonder this money devalued. So how much would our six dollars have bought?

Robert: If we take a look at contemporary prices... at the beginning of the war that amount would have been a month's pay for a private soldier in the Continental Army. But by the end of the war, it would not have been enough to buy even a pound of butter.

Gwen: Oh! The falling value of the dollar was sparking potential civil unrest. Then Robert shows me a surprising quote from Ben Franklin. He secretly believed the falling value of the dollar helped the Revolution. In theory, the less it was worth, the less Congress would owe.

Robert: "This currency, as we manage it, is a wonderful machine. It performs its office when we issue it. And when we are obliged to issue an excessive quantity, it pays itself off by depreciation."

Gwen: I've stumbled on a much bigger story than I'd thought. Franklin and the Congress continued to print dollars, knowing they will become virtually worthless to the citizens who use them. The more I think about this six dollar bill, the more amazed I am at the sheer moxie of the ideas behind it. Here is a fledgling American government so convinced of its own virtue, so sure of its success that it's willing to deceive its citizens by issuing money that has no value. How did the Founding Fathers deal with the possibility that currency used to fund the Revolution could ignite a revolt of its own? Currency expert, Lou Jordan, says the answer is staring at us, right on the surface of our bill. He has something he wants to show me.

Lou Jordan: We're going to take a look at an instrument of the Revolution's propaganda machine.

Gwen: Propaganda? What does that have to do with our currency?

Lou: It's an 18th century printing press, very much like the one that was used to print your bill.



Megan: Hi. I'm Megan.

Gwen: Hi. This is a beautiful machine you have here. Can you show us how it works?

Lou: There was a real need to get information. There was no other way to do that.

Gwen: It's extraordinary how important printing was to all the revolutions of the 18th and 19th centuries. This was an era with no television or radio. Lou explains that every means of spreading their message was seized upon. Ready?

Lou: Let's go.

Gwen: Perseverando.

Lou: Yes. By perseverance. That's the motto on your bill. It's basically to hang in there and you would be successful.

Gwen: Currency was an especially good way to reach the people. He showed me bill after bill from the period; each one has a message conveyed in an image and a motto.

Lou: And here we have an eagle up top. And below is a heron. Britain actually is represented by the eagle here and America is the heron. And we see the heron, who's going...

Gwen: Going right for the jugular. [Laughs]

Lou: Exactly. And so, the warning here is be careful, because in fact we may be stronger than you think.

Gwen: Who was responsible for this imagery?

Lou: This imagery was created by a committee formed at the Continental Congress in 1775. And it so happens that the head of that committee was Ben Franklin.

Gwen: Lou's located a six dollar bill just like ours. Only it's in much better condition, so I can finally make out some of the faded symbols.

Gwen: Oh! It's a beaver, isn't it? I can see his tail.



Lou: Precisely.

Gwen: And he's gnawing at this palmetto tree, I presume.

Lou: Exactly.

Gwen: What Lou tells me next makes clear the real value of our currency. I tell Paulette and Brooke their bill is genuine, but it had been virtually worthless by the end of the war. But Lou Jordan explained how in the design of our bill, Franklin had helped win the battle for American hearts and minds.

Lou: The beaver represents America. And the tree represents the mighty British Empire. And the beaver, by being persistent at his task, can in fact topple the mighty tree.

Gwen: So Franklin was designing this to give a message to the colonists, to Britain to all of Europe. A message about a new possibility rising from a small group of people standing up for a set of principles that they felt were right and that he wanted backing for.

Brooke: That's great.

Paulette: He brought hope back to them with that.

Gwen: Our six dollar bill was a rallying call for the colonists. In some ways it can be considered a first declaration of independence.

Paulette: To see something so small, but have such a big impact, that almost leaves me speechless. For me this is a national treasure.

Gwen: Well, there may not have been six Spanish milled dollars behind it but there was a lot ahead of it.
[Laughs]

Paulette: Yeah. That's true.

Brooke: Yeah. Very true.