

# THE POWER TO ISSUE GREENBACKS.

## EFFECT OF A DECISION BY THE UNITED STATES SUPREME COURT.

To the Editor of the New-York Times:

Inasmuch as the question as to the power of the Government to issue greenbacks in time of peace is about to come before the Supreme Court of the United States, it would be well to inquire what will be the practical effect of a decision against the legal tender qualification of the greenback. You seem to assume that such a decision will be a destruction of the greenback; but this is very doubtful—indeed, it is not at all probable. We all remember that the anti-slavery movement was not put down by a decision of the Supreme Court that slavery was constitutional, and that negroes had no rights which white men were bound to respect. We all remember, too, that such a decision rather aided the abolition movement. It at once brought the subject before the people, and they decided the question as a question of public policy and of justice between man and man, as they had a right to do, and as the court did not have a right to do. It is not necessary to say that in this country there is always an appeal from the courts to the people. The people themselves make the Constitutions, and these Constitutions will, in the end, compel the Judges to decide accordingly. What, then, is the use of bringing the greenback question before the courts? The matter now is being discussed before the people, as the slavery question was being discussed at the time of the Dred Scott decision. If the people want greenbacks for their money, and desire all other kinds of paper money to be abolished, they will indicate it in the elections of members of Congress and President. And an attempt to bring the question into the courts will be looked upon as an attempt to thwart the will of the people. And in this connection I am reminded of the fate of Charles I. He thought he could levy a tax on ship-money without an act of Parliament authorizing it. He said it was a customary tax, that it was constitutional and legal, and that he had a right to collect it without the consent of Parliament, and without the consent of the English people. But Parliament and the English people thought differently. One John Hampton refused to pay the tax, and brought the question of its legality before the highest court of England, where it was decided in favor of the King. But this decision only inflamed the minds of the people. It made them feel that the fountains of justice were corrupted, and that the law would give its sanction to any measure, however arbitrary or unconstitutional. So, perhaps, it will be with the greenback question in this country. The people never can be made to believe that they ought not to have the greenback simply because the Supreme Court of the United States decided that the Government under our present Constitution has no right to issue it. They recently learned that they can amend the Constitution and give the Government power to issue greenbacks whether it has that power now or not. But there is another view of the case that renders a decision of the court futile. For, if the court decides that Congress has not the power to issue greenbacks in times of peace, nevertheless, Congress could issue them and they would circulate, and the only difference would be, that they would not be a legal tender as between citizen and citizen; but the Government could receive them for taxes and import duties, as it does now. And if the Government should receive them the people would receive them—they would stand about on an equal footing with our present national bank-notes. They would read just as they do now, except that the words "this note is a legal tender for — dollars" would be of no effect; in other words, the people would not be obliged to receive greenbacks and count them as dollars. And this view of the case, by the way, shows that even if greenbacks were abolished and bank notes substituted, and our paper currency of money should be all bank notes, the latter ought to be a legal tender. If I were an advocate of the national banking system, and of its bank notes as the exclusive paper money of the nation, I should certainly advocate that the notes should be a legal tender, as between citizen and citizen, for all debts public or private, except where the contract expressly stipulated to the contrary. Every bank note needs this legal-tender qualification in order to make it into money. The notes, however, should not be a legal tender as against the bank that issues them. The bank should be obliged to redeem them with something possessing intrinsic value. This is necessary in order to put a limit upon the amount of the issue of bank-notes. This country has grown so large that we need a paper currency, not only at par all over the country, but a legal tender, and, therefore, always money in the hands of the people. This would be a great relief to the country in case of a panic. Our panics have always been a hundred times more distressing from the fact that the paper money so-called could be refused and gold and silver demanded. This put the debtor classes in the hands and power of the creditor classes, simply because the latter had a right to refuse paper money and demand gold. And they always would demand gold whenever paper money depreciated even 1 per cent. This rendered paper currency entirely useless as money in time of a panic.

The question of legal tender, as applied to bank notes and greenbacks, is a question of public policy, and not of law. The people are always the best judges of such matters. They know what they want better than anybody else. And they always decide correctly, after they have had an opportunity of hearing the arguments on both sides. Can we, then, ought we, to leave such a question to a few judges to be decided? If it were a matter of private right between two individuals, it would be different. In such a case the courts could decide it.

The greenback question, that part of it at least which seeks to retire bank-notes, substitute greenbacks, and thereby give the people a paper money consisting entirely of the latter, has taken too deep a hold of the popular mind to be put out of sight easily. The reason that Solon Chase has made so great a stir in Maine is that he has confined the discussion to that point almost exclusively. And whenever this point comes up squarely before the whole people of the United States, they will decide it against the banks. They (the people) are now satisfied that there is a considerable profit in issuing paper money, and that the Government ought to have the benefit of it, be it more or less. And these profits are large, after all allowances are made to the banks. Besides, the power of issuing, that is, manufacturing, paper money is a great power. It is a power that fixes the level of prices. It is a power that ought not to be in the national banks. These institutions are little clusters of national bondholders, and nobody else. Consequently, these bondholders are the only persons who can manufacture paper-money in the form of a bank-note. It is money substantially, (except in time of a panic,) because it is receivable and payable for taxes. No man, then, can look into the national banking system and not fail to see a huge monopoly, which, sooner or later, must be pulled down, or this nation will cease to be a free people. The national bondholders are now almost king because they have the power to manufacture and issue paper money. But the people are clamoring to have this right transferred to themselves. They want to be king themselves. Who shall prevail? Will the people or the banks? There seems to be an irrepressible conflict—a conflict between greenbacks and bank-notes. Can the courts decide such a question? Can a few Judges at Washington finally decide it? No; this matter must be left to the people, who are the parties interested. And whoever opposes the people will meet the fate of negro slavery in this country and of Charles I. of England! You may rely upon it that a decision of the Supreme Court of the United States against Benjamin F. Butler as to the legal-tender qualification of the greenback will enable him to come before the people on a much better platform. And he will be the champion of the people as he has never been before since the war. He can say to the people that the Supreme Court forbids this nation to manufacture its own paper money in the form of a greenback. And he can appeal to the people to reverse such a court, as John Hampden appealed to the people to reverse the highest court of England on the question of taxation without the consent of the people.

The Greenback question, when properly presented, will be one of the greatest questions that ever agitated a nation. Let us, then, proceed to settle it as a question of public policy, a question in which all the people are interested. And, if we find that the people, after full argument, want greenbacks in preference to bank-notes for money, let us arrange the Constitution and laws accordingly. Let us act as if we really believed that constitutions were made for the people and not the people for the constitutions.

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