

## MAKING UNITED STATES BONDS UNDER PRESSURE.

BY L. E. CRITTENDEN.

TEN millions are "a good many" things of any kind. They seemed to be more than a good many to the officer who had to sign coupon bonds to that amount in denominations of \$1000 and less, within the time and under the pressure of the circumstances about to be described. Except upon this single occasion it is questionable whether so large an amount of coupon securities of our government were ever brought together.

Communication between the United States and Great Britain was much more irregular and required longer time in 1863 than in 1890. Now, on regular sailing days, twice every week, as many as ten large steam-ships leave New York for English ports on a single tide. Telegraphic communication between Washington and London is almost as frequent as between New York and Philadelphia, and it is not interrupted unless four cable lines are simultaneously broken. Then, there was but one line of steam-ships (the Cunard), and they sailed from Liverpool and New York only once a week; only one cable had been laid across the Atlantic, and that was not in working order. Special messengers carried all the important despatches between our country and Great Britain; there was time for a revolution to break out and be suppressed on the Continent before we heard of its existence. It was such a messenger who brought the first news to America of the furious rage of our transatlantic cousins excited by the capture by Commodore Wilkes of those Confederate (almost) protomartyrs, Mason and Slidell.

About eleven o'clock on a well-remembered Friday morning in 1862, the Register of the Treasury was requested to go to the Executive Mansion immediately, without a moment's delay. He obeyed the summons, and found there Secretaries Chase and Seward, in anxious consultation with the President. They wished to know what was the shortest time within which \$10,000,000 in coupon "fifties" could be prepared, signed, and issued. They were informed that the correct answer to that inquiry would depend upon the denominations already printed; that if a sufficient number of the largest denomination, of \$1000, were

on hand, they might be issued within four or five days; if the denominations were smaller, longer time would be required; that the number printed could be ascertained by sending to the Register's office, for there was a report from the custodian of unissued bonds made every day. Both Mr. Chase and Mr. Seward said that so much time could not be given; that these bonds must be regularly issued and placed on board the steamer which was to leave New York for Liverpool at twelve o'clock on the following Monday, if this could possibly be done; that the Register could command all the resources of the government if necessary, but he must see that the bonds were on board the steamer at the hour named. There was one condition—the bonds must be regularly and lawfully issued, with nothing on their face to indicate that the issue was not made in the regular course of business.

By the act of Congress which authorized the issue of these bonds it was declared that they should be signed by the Register. The construction given to the act in the department was that the Register must sign them in person, and that he could not delegate his authority. Any number of clerks could be employed in their preparation and entry, but the point of difficulty was whether the Register could sign them within the time. There were seventy hours between the time of the discussion and the hour when the securities must be on board the special train that would carry them to the steamer. The time was long enough. Ten thousand signatures and a greater number could be made in seventy hours, with proper seasons of rest and sleep. But could the physical strength of one man hold out to the end of such a dreary, monotonous work without sleep or rest? The question was one of physical endurance, only to be determined by a trial. But a few moments could be spared for discussion. It was speedily settled that the Register would set about the task at once; that he would sign until his strength gave out. He would then resign his office; the President would appoint another Register, who would complete the issue. This would lead to complications, and was otherwise

objectionable; but the faith of the government was involved; the emergency justified extreme measures.

The immediate occasion of this sudden determination to issue these securities was a despatch just received by Mr. Seward, by special messenger, from Mr. Charles Francis Adams, our minister to the court of St. James. As already intimated, the cable was not in working order, and no suggestion of the facts had been made to the State Department previous to the arrival of the messenger. Its importance was obvious to the two Secretaries, but will not be understood by the reader without an explanation covering a considerable period of time and events which are now for the first time made public.

Mr. Adams had for several weeks been aware, and had communicated the fact to his government, that the Messrs. Laird, extensive ship-builders, were building at their yards in Birkenhead, near Liverpool, two armored vessels for the Confederate government. They were to be furnished with powerful engines and capable of great speed. When completed they were to proceed to a small unfrequented British island in the West Indies, where they were to be delivered to the agents of the Confederacy. They were then to receive their armament, previously sent thither, take their crews on board, and then set forth on their piratical cruises, after the example of the *Alabama*. After sweeping our remaining commerce from the seas, by burning and sinking every merchant-ship bearing our flag, they were to come upon our own coast, scatter our blockading fleet, and open all the Southern ports to British commerce, which would no longer be required to take the great risk of breaking the blockade. This feat was to be accomplished by vessels which had never entered a Confederate port, nor indeed any harbor which was not covered by the British or some other flag which protected the iron-clads against pursuit or capture by vessels of the United States navy.

Greater danger than these vessels never threatened the safety of the Union. In tonnage, armament, and speed they were intended to be superior to the *Kearsarge* and every vessel of our navy. Their armor was supposed to render them invulnerable. If the blockade was not maintained, an immediate recognition of the

belligerent character of the rebels by Great Britain was anticipated. Even if that did not take place, all the cotton gathered in Confederate ports would be released and find a profitable market; while the old wooden vessels, now principally constituting the blockading fleet, would not resist one of these iron-clad vessels long enough for a second broadside.

The impending danger was fully appreciated by Mr. Adams. With his accustomed energy, notwithstanding the secrecy in which all the Confederate movements in Great Britain were shrouded, he had collected and laid before the English authorities clear proofs of the rebel ownership and intended unlawful purpose of these vessels. He had even procured copies of the contracts under which the Messrs. Laird were building them, and had ascertained the fact that payments on their account had been made from proceeds of cotton owned by the Confederacy. He had represented that the evidence furnished by him, verified by the oaths of credible witnesses, was sufficient not only to justify their seizure, but to secure their condemnation in the courts, and he had insisted, with a force apparently unanswerable, that it was the duty of Great Britain to prevent these vessels from leaving the Mersey, and setting forth upon their piratical career.

But, unfortunately, the sympathies of the party in power in England were not with the Union cause. It suited the view of the law officers of the crown not to interfere, and to excuse their inaction by raising objections to the legal sufficiency of the evidence. The situation was perfectly comprehended by the President and his cabinet, but remonstrance appeared to be unavailing, and the departure of the vessels was expected at an early day.

Hopeless as the task appeared to be, neither Mr. Adams nor his active agents relaxed their efforts for a moment. Their recent investigations had been prosecuted with such energy that the minister had finally been able to furnish the British Premier with the sworn affidavits of some of the officers and men actually enlisted in Liverpool and other English cities for service on these vessels; that the advance payments to these men had been made by Confederate agents; that the ships were to leave the Mersey at an early appointed date for an island near Bermuda; that their guns and ammunition had

already been sent thither. Mr. Adams had also secured the names of several of the ships' officers, with copies of their commissions, bearing the signature of President Davis and the seal of the Confederacy.

The last instalment of affidavits forwarded by our minister proved to be more than the crown lawyers could digest. They covered every defect named in their former objections; they could not be answered even by a special demurrer. They were re-enforced by the caustic pen of Mr. Adams, whose argument so clearly pointed out the duty of the English government in the premises that it would obviously be regarded as conclusive by every one but these lawyers, who possessed the exclusive power to move the slow authorities of the customs to action. The crown lawyers finally decided that the demand of Mr. Adams must be complied with, and that an order must issue prohibiting the departure of these vessels from the Mersey until the charges of the American minister had been judicially investigated.

There were, however, some incidents attending this most important decision which prevented its communication from giving to Mr. Adams a satisfaction wholly unalloyed. The decision had been withheld until the vessels were on the very eve of departure. The order must be immediately served and possession taken by the customs authorities, or the vessels would escape. The crown lawyers, properly enough, observed that the affidavits furnished by Mr. Adams were *ex parte*—the witnesses had not been cross-examined. If Mr. Adams should fail to prove his charges by evidence which would satisfy the judicial mind, and the vessels be released, the damages caused by arresting them might be very heavy. It was a settled rule of procedure in the courts in such cases to secure the payment of such damages beyond any peradventure. The restraining order would, therefore, be issued, but it would not be enforced against the vessels until these damages had been secured by a deposit of £1,000,000 *sterling in gold coin!*

The situation was well known to be critical. Within three days the vessels were to sail for their destination; if necessary, they might sail forthwith. The cable was useless—broken or disabled—and Mr. Adams could not communicate with his own government. Without such com-

munication he had no authority to bind his government as an indemnitor, or to repay the money if he could borrow it. Even if he had the fullest authority, where was the patriotic Briton who would furnish a million pounds on the spur of the moment to a government which was believed by the party in power in Great Britain to be *in articulo mortis*? Unless, therefore, the crown lawyers supposed our minister to have anticipated their decision by providing himself with this money, they must have known that this condition could not be complied with, and that they might just as well have declined to interfere. If they had intended that these ships should not be prevented from making their intended crusade against our commerce and our cause, no better arrangement could possibly have been devised. It is not to be denied that suspicions existed that such was their purpose.

But the unexpected sometimes happens. The event which prevented these floating engines of destruction from entering upon their intended work was as unanticipated as a miracle. It constituted possibly the most signal service ever rendered by a citizen of one country to the government of another. It was all the more noble because it was intended to be anonymous. The eminently unselfish man who performed it made a positive condition that it should not be made public; that not so much as his name should be disclosed except to the officers of our government, whose cooperation was required, in order to transact the business in a proper manner and upon correct principles. So earnest was his injunction of secrecy that his identity will not even now be disclosed, although he has long since gone to his reward.

Within the hour after the crown lawyers' decision, with its conditions, had been made known to Mr. Adams, and when he had given up all hope of arresting these vessels, a quiet gentleman called upon him and asked if he might be favored with the opportunity of making the deposit of coin required by the order. He observed "that it had occurred to him that if the United States had that amount to its credit in London, some question of authority might arise, or Mr. Adams might otherwise be embarrassed in complying with the condition, especially as communication with his government might involve delay; so that the shortest way to avoid all difficulty would be for him to

deposit the coin, which he was quite prepared to do."

Had a messenger descended from the skies in a chariot of fire, with \$5,000,000 in gold in his hands, and offered to leave it at the embassy without any security, Mr. Adams could not have been more profoundly surprised. He had accepted the condition as fatal to his efforts; he had concluded that nothing short of a miracle could prevent the departure of the vessels; and here, if not a miracle, was something much like one. He made no secret of the pleasure with which he accepted the munificent offer, provided some method of securing the liberal Englishman could be found. The latter seemed indisposed to make any suggestions on the subject. "It might be proper," he said, "that some obligation should be entered into, showing that the American government recognized the deposit as made on its account; beyond that he should leave the matter wholly in the hands of Mr. Adams."

The existing premium on gold was then about sixty per cent. in the United States. It would have been largely increased by the departure of these iron-clads. The "five-twenties" or "sixes" of 1881, as they were popularly called, were then being issued, and were the only securities upon "long time" then authorized by Congress. The best arrangement that occurred to Mr. Adams, and which he then proposed, was that \$10,000,000 or £2,000,000 in these bonds, to be held as collateral security for the loan of £1,000,000 in gold, should be delivered to the lender, to be returned when the loan was paid, or the order itself was discharged and the coin returned to the depositor. The proposition of Mr. Adams was satisfactory to the gentleman, but he said that to prevent the disclosure of his name the deposit should be made in coupon and not in registered bonds. The coupons were payable to bearer; the registered were required to be inscribed on the books of the Treasury in the owner's name. Mr. Adams then volunteered the assurance that these bonds, to the amount of \$10,000,000, should be transmitted to London by the first steamer which left New York after his despatch concerning the transaction was received in the State Department at Washington.

It was this assurance of Mr. Adams which the President and both of the

Secretaries desired should be made good. They regarded the faith of the government as pledged for its performance, and that faith they proposed should not be violated.

All the details of this transaction were not then disclosed. They reached the government in private, confidential despatches from Mr. Adams, some of them long afterward. The despatch in question was understood to be confidential; certainly that part of it which related to the deposit and security proposed. It was necessarily brief, for in order to reach the steamer the special messenger had to leave London within a very few hours after the proposition of the deposit was made. There was enough in it to show that an inestimable service had been rendered to the country by some one to whom Mr. Adams had pledged the faith of the nation for the transmission of these bonds by the next steamer which left New York. There was no dissent from the conclusion that the pledge of Mr. Adams, if it were in the power of the government, must be performed.

No time was wasted in discussion. It was suggested as a precautionary measure that a request to delay the sailing of the steamer should be made, and the consultation ended. It may as well be mentioned here that the effort to secure delay was unsuccessful. It could not be complied with except with the consent of the officers of the company in Liverpool, and they could not be reached by cable. The steamer would sail at twelve o'clock on Monday.

It was next ascertained that only \$7,500,000 in coupon bonds of the denomination of \$1000 had been printed. The remaining \$2,500,000 must be made up from denominations of \$500. This involved an increase of two thousand five hundred, making an aggregate of twelve thousand five hundred bonds to be signed between twelve o'clock on Friday and four o'clock A.M. on Monday.

The theory of the statute which required a bond to be signed by the head of the bureau from which it issued originally was that the signature was some safeguard against forgery, was an evidence of authenticity, and a check against unauthorized issues. In issues of so large amounts as were made during the war, it was found to have a trifling if any value. But the labor imposed was continuous and severe;

in the present instance it became dangerous to health and life; for there is no muscular exertion more severe, certainly none so inexpressibly dreary, as that of writing one's own name hour after hour, day after day, over and over again. Such, however, was the law; it was necessary to the legality of the issue that all the requirements of the law should be complied with. It will be seen in this instance at what cost obedience to this provision of the statute was secured.

When the bond issues of the Treasury required an average of two or three thousand signatures daily, every means of doing the work rapidly was necessarily employed. The signature itself was changed. If each initial letter had been written separately, in the ordinary way, the day was not long enough to finish the task. The whole name was then written at a single movement, without raising the pen from the paper, or once arresting its motion. The bonds were laid before the officer in piles; the instant the pen was raised at the end of the name, an experienced messenger removed the bond, leaving another exposed for signature. In this way it was possible to write ten signatures in a minute. If any one is inclined to doubt the rapidity or the exertion involved in doing this, he is advised to try the experiment.

In the present instance the Register knew from experience that serious work was before him, which would affect his health, and might endanger his life. He endeavored to set about it with judgment and discretion. He called in an experienced army surgeon, informed him that he intended to continue to sign his name for just as many consecutive hours as his strength would permit; that he was desired to remain in constant attendance, administering such food and stimulants as would secure endurance for the longest possible time. The necessary supplies were procured, the arrangements perfected, and the Register was ready to begin his work at twelve o'clock on Friday.

The first seven hours passed without any unusual sensations. He had signed for that length of time so frequently that it had become a custom to which the muscles had adapted themselves, so that they worked uncomplainingly. In these first seven hours three thousand seven hundred signatures were made. But within the first half of the eighth hour there were evidences of great muscular

discontent, which soon threatened to break out into open rebellion. As the time slowly wore on, in the forenoon of Saturday, every muscle on the right side connected with the movement of the hand and arm became inflamed, and the pain was almost beyond endurance. It was necessary to continue the work, for if it should be suspended for any considerable length of time the inflammation might become so great that control over the motion of the arm and its farther use would become impossible. In the slight pauses which were made, rubbing, the application of hot water, and other remedies were resorted to, in order to alleviate the pain and reduce the inflammation. They were comparatively ineffectual, and the hours dragged on without bringing much relief.

During the course of Saturday afternoon the acuteness of the pain sensibly diminished. The muscles, finding that resistance was unavailing, had to give up the contest. A series of sensations followed which, though less difficult to endure, were still more alarming. A feeling of numbness commenced in the hand, and slowly crept up the arm to the shoulder, producing an effect as if the hand and arm were dead. With this came a distortion of the fingers, so that the pen, instead of being held in the usual manner, was placed between the first finger and the thumb. It might have been expected that this condition of the muscles would have changed the form of the signature. It did not to any great extent. The constant repetition of the same movements seemed to result in their continuance independently of the will. The signature was still a fair one.

It is unnecessary to describe all the details of the devices and means resorted to to prevent sleep and to continue the work. Changes of position, violent exercise, going out into the open air and walking rapidly for ten minutes, concentrated extracts, prepared food, stimulants more in kind and number than can now be recalled—every imaginable means was employed during the night of Saturday. Notwithstanding their use with a liberal hand, it became evident that weakness was gradually asserting itself, and that the time was approaching when the work must cease from pure exhaustion. The surgeon decided that within two or three hours at the latest the strength would give out, and that the time had come when the officer

should resign, and another Register be appointed.

It is quite probable that the long-continued exertion had to some extent influenced the mind of the Register, and that his objections to the change proposed were more imaginary than real. The names of two Registers appearing on the same issue of bonds was an apparent irregularity which might require explanations and involve delay. Calling on the President to appoint another Register on Sunday was, to say the least, an impropriety which would excite public comment, even if the act itself were legal, of which some doubt was entertained. It was four o'clock on Sunday morning; only a few more than two thousand signatures would complete the labor. The Register determined he would finish the task, although the surgeon earnestly advised him that it would involve a considerable danger to his life.

I have not, and had not at the time, a very accurate memory of the events of that Sunday morning. That I could not remain in the same position for more than a few moments, that the bonds were carried from desk to table and from place to place to enable me to make ten signatures at a time, that my fingers and hand were twisted and drawn out of their natural shape—these and other facts are faintly remembered. The memory is more distinct that at about twelve o'clock, noon, the last bond was reached and signed, and the work was finished, the last hundred bonds requiring more time than the first thousand. One fact I have special cause to remember. This abuse of muscular energy eventually caused my resignation from the Treasury, and cost me several years of physical pain.

After the bonds were signed I suffered more than at any other time during the process. My nervous system was so thoroughly shattered that during the night of Sunday sleep was impossible. On Monday night, after three full days and nights during which I had not lost consciousness for a moment, I fell asleep from pure exhaustion. My subsequent experience can only be interesting to myself; certainly not to the general reader.

The bonds reached the steamer in time, and the promise of our minister was faithfully kept. Whether an actual deposit of the bonds was made, I do not know. From the published statements at the time it appeared that no effort to deliver the

vessels was made after the objections of the government were made known. In fact the iron-clads were shortly after sold to one of the Eastern powers, and their field of operations was the Mediterranean instead of the American coasts. The ability of Mr. Adams to comply with the condition and furnish the security was accepted as the end of the controversy. It is not known that the deposit of the coin required was ever made. It is known that a few months later every one of the bonds was returned to the Treasury in the original packages, with the seals of the Treasury unbroken.

Many years elapsed before the Register atoned for this violation of the laws, which never fail to punish those who break them. While he remained in office there was no day in which he was not reminded by a sharp rheumatic twinge of the events of that Sunday morning. After he had left the Treasury there were five long years in which he could never promise that he could perform any professional labor at any fixed date in the future.

The issue of these bonds afforded an opportunity for some measurements showing the great bulk of paper used in the whole issue \$513,000,000. I did not leave the Treasury that Sunday morning until I had seen these measurements made. The denominations of the coupon "five-twenties" were "fifties," "one hundreds," "five hundreds," and "one thousands." Of the registered the denominations were the same, with the addition of "five thousands" and "ten thousands." Only a small fraction of the issue was registered, and the certificates used were ordinarily "onethousand" and under. The twelve thousand five hundred bonds, representing \$10,000,000 of the present issue, were a reasonably accurate average of the whole issue. These \$10,000,000 were made into packages of \$1,000,000 each, of the same length and breadth of the bonds themselves, one bond being laid, without folding, upon another. Each package was covered with one thickness of wrapping paper, and then bound as closely as possible with strong cord, rendering each package as thin as it could be made. The ten packages were then laid in a single pile, one above the other. They measured six feet four inches in height. From these data each one can compute for himself the height of the pile of paper used in an issue of \$513,000,000.