

THE CHEROKEE SCRIPT ISSUANCE OF 1862

By James F. Morgan*

On the second of May, 1862, the Cherokee Council and National Committee passed an act authorizing the issuance of \$20,000 worth of notes for the Cherokee Nation, in the denominations of fifty cents, one dollar, two dollars and five dollars. The fact that this outpouring of bills was even required clearly demonstrates the degree to which the Cherokee economic conditions had degenerated during the early months of the Civil War. It also shows how confused these same conditions were at the moment.¹

The Cherokees had successfully adapted to the white man's culture long before the beginning of the war in 1861. They possessed a thriving economy which was closely aligned with the agronomy of the South, including the use of black slaves. Henry M. Rector, the Governor of Arkansas, made note of this fact when he wrote to John Ross, the Principal Chief of the Cherokee Nation, from Little Rock, Arkansas on January 29, 1861. In this letter Rector urged the Cherokees to side with the Confederacy because, "Your people, in their institutions, productions, latitude, and natural sympathies, are allied to the common brotherhood of slaveholding states."² But this is not the only evidence of how highly developed the Cherokee economy was, the paper money produced in 1862 gives more than ample evidence of this.

Before a discussion of the actual notes can be begun, the climate of the times that produced them must be fully considered. When the South began to withdraw from the Union, the Cherokee Nation was faced with one of several alternatives: they could remain with the United States; join with the Confederacy; or follow a course of neutrality. It was this last alternative that Ross chose to pursue when, on May 17, 1861 he issued a proclamation from Park Hill, in the Cherokee Nation, calling on the Cherokees to faithfully observe the treaties with the United States and maintain neutrality. "There has been no declaration of war between the opposing parties," Ross

*The author is currently completing the Doctor of Philosophy degree at Oklahoma State University, Stillwater, Oklahoma and has been active in numismatics for many years.

¹"An Act Authorizing the issuing of Bills for the purposes of change and prohibiting the issuing and circulating of shin plasters," John Ross Papers, Thomas Gilcrease Institute of American History and Art, Tulsa, Oklahoma, p. 1.

²United States Department of War, *War of the Rebellion: A Compilation of the Official Records of the Union and Confederate Armies* (70 vols., 128 books, Washington, D.C.: Government Printing Office, 1880-1901), Ser. I, Vol. I, p. 683. Hereafter cited as *Official Records*.

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incorrectly stated at the time, "and the conflict may yet be averted by compromise or a peaceful separation."³

But Ross's hopes were to be short lived, for hostilities had commenced with the firing upon Fort Sumter in the harbor of Charleston, South Carolina on April 12, 1861. On August 21, a proclamation was issued by a special convention, presided over by Joseph Vann, Assistant Principal Chief of the Cherokee Nation. Through this document was affirmed both the principles of neutrality and slaves as property. The members of the convention also declared that there was to be no differences between full-blood and mixed-blood Cherokees in the Cherokee Nation—however, actions later proved they were wrong. The full-blooded Indians, called Pins for their habit of wearing a pin in their lapels to identify themselves, were to be strongly pro-Union. While the mixed-bloods were to be more solidly for the Confederacy.⁴

The Pins found a spokesman in Ross, while the opposing faction eventually settled on Stand Watie as their leader. Watie was to rise finally to the position of Principal Chief of the Cherokees and a brigadier general in the Confederate Army. Gaining a leading position among the Cherokees early in 1861, Watie's followers campaigned for a treaty of alliance with the Confederate States of America. As a result, Ross was persuaded to ally with the Confederacy even though the convention voted for neutrality. Later Ross wrote to Confederate Brigadier General Benjamin McCulloch on August 24, 1861, announcing his intention to seek a treaty with the South and tendering a regiment of troops to fight. On September 1, 1861 McCulloch answered Ross's letter and noted he had already authorized Watie to organize a force of 300 men to protect the Cherokee Nation's northern border. This force had been organized even though Ross had declined to allow those Cherokees with Confederate sympathies to organize as Home Guards, pursuant to an earlier request, by McCulloch.⁵

Why did Ross change his stance? McCulloch, writing to Confederate Secretary of War, Judah P. Benjamin, on September 2, 1861 gave one reason. He stated that Watie, who belonged "to the true Southern party" was the one "by whose course and influence Ross was induced to join the South."⁶ However, another version was later given by Federal officials of

³ *Ibid.*, Ser. I, Vol. XIII, p. 490.

⁴ *Ibid.*, pp. 499-500.

⁵ *Ibid.*, Ser. I, Vol. III, pp. 690-691; Brigadier General Benjamin McCulloch to Judah P. Benjamin, September 2, 1861, *Ibid.*, p. 692; McCulloch to John Ross, June 12, 1861 and Ross to McCulloch, June 17, 1861, *Ibid.*, pp. 591-592, 597.

⁶ *Ibid.*

the United States. On August 13, 1862 Brigadier General James G. Blunt, commander of the Department of Kansas, wrote President Abraham Lincoln from Fort Scott, Kansas stating that Ross had delayed signing a treaty with the Confederacy in hopes that United States troops would arrive and insure his group's protection. "This hope failing them, they were compelled to the policy they adopted as a matter of necessity and self-preservation."⁷

On October 7, 1861 a treaty was signed between the Cherokee Nation and the Confederate States of America, and two weeks later a declaration was issued by the National Committee and Council of the Cherokee Nation giving the reasons for this agreement. Stating that the Cherokee's origin was in the South and their "institutions are similar to those of the Southern" States, the Cherokee leaders reasoned that their interests were identical with the Confederacy. Further, they reiterated that they were loath to break their ties and tried neutrality, but that the Confederacy was strong and established itself in a defensive struggle without denial of personal liberties, whereas the United States was "behaving in an unconstitutional and bestial manner." They complained that "Foreign mercenaries and the scum of cities and inmates of prison were enlisted" and sent south to fight. The final reason given was by far the most telling one. They stated that they feared that the United States would force allotment in severalty on the Cherokees and deny them their slaves.⁸

Almost as soon as the treaty was signed, factionalism divided the Cherokee Nation. The treaty was ratified by the Confederate Provisional Congress, with amendments to which the Cherokee Nation later gave its assent, on December 24, 1861. But on December 11, 1861 Confederate Colonel Douglas H. Cooper, commander of the Indian Department, wrote from Little Verdigris, Cherokee Nation, to Colonel James McIntosh, who was in command of McCulloch's Division, stating that disaffection was widespread among the Cherokees and there was a serious need for more white Confederate troops. There was soon even a secret society of Union Cherokee Indians headed by a Cherokee named One Salmon.⁹

Such was the situation which greeted the new year, 1862. Colonel John Drew organized a regiment of full-bloods for the Confederate service, in

⁷ *Ibid.*, Ser. I, Vol. XIII, p. 566.

⁸ *Ibid.*, Ser. IV, Vol. I, p. 669; *Ibid.*, Ser. I, Vol. XIII, pp. 503-505.

⁹ United States Senate Document Number 234, 58th Congress, 2nd Session, "Journal of the Congress of the Confederate States of America" (7 vols., Washington, D.C.: Government Printing Office, 1904), Vol. I, p. 611; United States Department of War, *Official Records*, Ser. I, Vol. VIII, p. 709; Colonel William Weer to Captain Thomas Moonlight, June 13, 1862, *Ibid.*, Ser. I, Vol. XIII, p. 431.

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addition to Watie's mixed-bloods, and both saw action. But the question of money was also to be considered. In order to comply with the terms of the treaty, a survey was made of what bonds, issued by the states then within the Confederacy, were held in trust by the United States government for the Cherokees. This report was filed with Secretary of War Benjamin on January 17, 1862. In it the acting commander of Indian affairs, S. S. Scott, was hopeful that the states would pay the capital and interest of the bonds over to the Confederate States government, which would then collect it and pay over these sums to the Cherokees as trustees. Apparently this survey was taken in order to determine how much would be due annually to the Cherokees.¹⁰

By the actual terms of the treaty, the Cherokees were entitled to a one time payment of \$77,644.36 in fulfillment of the 1846 treaty with the United States which the Confederacy assumed. This was to be paid "upon complete ratification of this treaty."¹¹ The money was quickly voted by the Confederate Congress, as Brigadier General Albert Pike noted in his December 25, 1861 letter to Benjamin; however, the funds were not sent to the Cherokees for some time.¹² On March 26, 1862 S. Rindley wrote to Watie from Grand Saline, in the Cherokee Nation, asking when the money to pay the troops would be received. Declaring that "We have been advancing pretty heavily on the duplicates of the Quartermaster & Commissary as well as to some of your officers in anticipation of its reception" he expressed concern over the lack of money.¹³ He did not have long to wait for on March 31, 1862 the Confederate agent for the Cherokees, John Crawford, informed Watie that he had received money from Pike.¹⁴

Even though the Cherokees, by the terms of the treaty, were not required to pay for any of the costs of the war, they still were to feel a financial pinch. As the conflict progressed, small change was driven out of circulation among the Cherokees, creating a serious threat to the economy. This void was filled by the printing of bills on the part of private merchants and individuals, but this only created a confused situation that called for an immediate remedy. The arrival of the Confederate money did little to alleviate

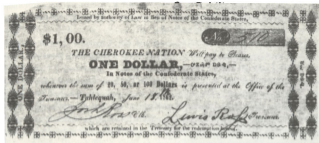
¹⁰ S. S. Scott, *Letter of the Acting Commander of Indian Affairs, with Statement, &c., In regards to Certain Indian Trust Funds* (Richmond: Ritchie and Dunnacrent, Printers, 1862), p. 9.

¹¹ United States Department of War, *Official Records*, Ser. IV, Vol. I, pp. 682, 685.

¹² Brigadier General Albert Pike to Benjamin, December 25, 1861, *Ibid.*, Ser. I, Vol. VIII, p. 721.

¹³ Cherokee Nation Papers, Western History Collections, Library, University of Oklahoma, Norman, Oklahoma.

¹⁴ *Ibid.*



One dollar Cherokee Nation note issued in 1862 and backed by Confederate notes held by the Treasurer of the Cherokee Nation

this plight, for the only bills that could have been sent were the 1861 issues—the first 1862 issues were not authorized until April 17, 1862—and no denomination lower than five dollars was even printed in 1861.¹⁵

Something then was required to correct this situation. On May 2, 1862 the Cherokee National Committee and Council passed an act requiring the Cherokee Treasurer to hold twenty thousand dollars in Confederate notes and issue, and in lieu of these notes of the Cherokee Nation in the denominations of fifty cents, one dollar, two dollars and five dollars were to be placed in circulation. These bills were to be redeemed at the Cherokee Treasury, for Confederate notes, when "presented to the amount of Twenty dollars, fifty dollars, One hundred dollars, or above the sum in like denominations."¹⁶ With the passage of this act, the issuance of individual bills was made illegal and punishable by a fine of from five to two hundred dollars.¹⁷

The notes themselves were issued the next month in all the authorized denominations. It is interesting to observe that these bills are probably the only governmental issues authorized in what is today the United States that make use of the dollar sign. They were apparently only issued in June, 1862

¹⁵ United States Department of War, *Official Records*, Ser. IV, Vol. 1, p. 679: "An Act Authorizing the issuing of Bills for the purposes of change and prohibiting the issuing and circulating of shin plasters," John Ross Papers, p. 1; Grover C. Criswell, Jr., *North American Currency, Second Edition* (Citra, Florida: Criswell Publications, 1969), pp. 117-122.

¹⁶ "An Act Authorizing the issuing of Bills for the purposes of change and prohibiting the issuing and circulating of shin plasters," John Ross Papers, p. 1.

¹⁷ *Ibid.*

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but this was probably more a result of a combination of military events and the political situation, coupled with the arrival of Confederate notes, than any real change in the financial outlook.

In July, 1862 a Union expedition entered the Cherokee Nation. As the Confederate Cherokees advanced to meet the Federals they were defeated. As a result Colonel Drew's regiment deserted to the Union, practically to the man, leaving only a small body under Captain Pickens Benje to fight with Watie's regiment. The Pins now rose and the Confederates were driven back. On July 15, an expedition, led by Captain Harris S. Grenno, entered Park Hill to take the "surrender of the Cherokees there." He found that Ross had just received orders from the Confederate Adjutant and Inspector General, Samuel Cooper, to issue a call for all men between eighteen and thirty-five to enlist in the Southern army. However, Grenno stated his arrival "gives Ross an excuse for not complying with the demand." Ross was thus made a "prisoner" and paroled to his house.¹⁸

The Confederates were not deceived by Ross's stratagems for very long. Confederate Major General Thomas C. Hindman wrote Cooper on June 19, 1863 that Ross "was pretendedly taken prisoner, but, as afterwards appeared, really went over to the enemy with the archives and money of the nation."¹⁹ The Southerners soon began their campaign to reconquer the area, and the Federals withdrew. On August 8, 1862 Cooper wrote Confederate President Jefferson Davis, from Cantonment Davis, that within a few days he hoped to retake Tahlequah and Park Hill and put the Confederate Cherokees into power. This was done and, in late August or early September, Ross was thrown out and Watie elected the new Principal Chief of the Cherokee Nation.²⁰

Even with the formation of a new government, the financial and political picture did not improve. The United States forces kept the National Council from meeting on various occasions and money was still scarce. It probably was of no real concern to the Cherokees to know that in 1863 other Confederate States, such as Alabama and Georgia, followed their lead by issuing small denomination bills backed by Confederate notes. They had enough problems of their own.²¹

¹⁸ Major General Thomas C. Hindman to Inspector General Samuel Cooper, June 19, 1863. United States Department of War, *Official Records*, Ser. I, Vol. XIII, p. 40; Captain Harris S. Grenno to Weer, July 15, 1862, *Ibid.*, p. 473; Grenno to Weer, July 17, 1862, *Ibid.*, pp. 161-162.

¹⁹ Hindman to Cooper, *Ibid.*, p. 40.

²⁰ *Ibid.*, Ser. I, Vol. LIII, pp. 820-821; Hindman to Cooper, June 19, 1863, *Ibid.*, Ser. I, Vol. XIII, p. 43; Brigadier General William Hudson to Colonel J. Y. Dashiell, September 15, 1862, *Ibid.*, Ser. IV, Vol. I, p. 828.

²¹ Criswell, *North American Currency*, pp. 11-12, 201-202.

On June 27, 1863 Ellis Cornelius Boudinot, the Cherokee delegate to the Confederate House of Representatives, wrote his uncle, Stand Watie, from Fort Smith, Arkansas, about the law that had just been passed by the National Council. Stating that the commissioners should use warrants or bonds rather than money or, failing that, he urged that they draw on army rations and transportation until arrangements could be made with the Confederate government. On December 18, 1863 Boudinot introduced a bill in the Confederate Congress to appropriate \$100,000 for the Cherokees. It was signed into law January 18, 1864. By the terms of this act, this was only a loan, as the funds due the Cherokees could not be collected and was to be repaid after the war. This clearly demonstrates the Cherokees desperate need for money.²²

Further funds were voted on May 1, 1864 and January 16, 1865. On May 6, 1864 Boudinot introduced a bill for the relief of the Cherokee Nation but nothing apparently came of this. However, it would seem that Confederate money was in circulation in the Cherokee Nation for when a tax of thirty-three and one-third percent was proposed on outstanding treasury notes, Boudinot wrote Watie, on October 3, 1864 from Paris, Texas that he would try to save the Cherokees from this tax, but he doubted if he would succeed.²³

Through all these problems and hard times, the Confederate Cherokees still remained true to their cause. On June 24, 1864 the Cherokee troops unanimously declared their intention to reinlist for the war. They were still fighting when the end overtook them in 1865.²⁴

What can these notes tell about Cherokee society at the time? They tell of an economy that had developed to such a point that the loss of money threw it into a panic. They point to a people whose life style was very similar to their white neighbors. They are the abstract symbols that were of little value to those who did not know how to use them.

Whenever a highly organized economic machine encounters a disaster such as war, it is thrown into utter chaos. That the Cherokees even had money points to how successful they had been at adapting to the white man's ways. And the fact that they experienced financial confusion as well as the

²² Cherokee Nation Papers; United States Senate, *Document Number 234*, 58th Congress, 2nd Session, "Journal of the Congress of the Confederate States of America," Vol. VI, p. 543, 683; "An Act appropriating one hundred thousand dollars for the use and benefit of the Cherokee Nation," United States Department of War, *Official Records*, Ser. IV, Vol. III, p. 40.

²³ United States Senate, *Document Number 234*, 58th Congress, 2nd Session, "Journal of the Congress of the Confederate States of America," Vol. VI, p. 483; *Ibid.*, Vol. VII, pp. 489-490; *Ibid.*, 19; Cherokee Nation Papers.

²⁴ Lieutenant H. T. Martin to Major General Samuel B. Masey, June 27, 1864, United States Department of War, *Official Records*, Ser. I, Vol. XLI, Pt. 2, p. 1013.

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hoarding of specie during the war, only demonstrates even further how tightly tied their economic system was to money. Barter does not know the panic of impending warfare, only a monied market exchange economy does.

That the Cherokee economy was highly organized and was at the same level as the surrounding Confederate States may be seen in other ways. Even if one chose to ignore the words of the people themselves, the fact that the Cherokees were able to support the same degree of specialization of labor with a money supply that could integrate so well with the Confederacy's supports the contention about how highly organized they were. A tightly controlled governmental machine, with an elected official at the head, also points to this conclusion. When their money was withdrawn from them, the Cherokees faced the same panic and search for substitutes that is common to any government in the same situation.

These pieces of paper then, together with the words of the people and their actions, demonstrate that the economies of the South and of the Cherokee Nation were one and the same. It is only that the Cherokee National Council acted before the legislatures of the other states of the Confederacy in order to create some form of small change to act as a circulating medium. In this they may have been ahead of their fellow slaveholders and, perhaps, more "civilized" than the white man.