



IN ORDER TO THWART COUNTERFEITING, BANK NOTES ARE ENGRAVED, AS OPPOSED to being produced merely from movable type. Engraving usually involves extensive use of artwork and scrolling. By the mid-1830s, printers of bank notes developed a rather extensive library of “transfer vignettes,” including portraits of patriotic heroes, men at work, trains and sailing ships, pastoral scenes, allegorical figures, and many other things. These transfer vignettes could be incorporated into engraving plates, along with scrolling and words formed from various typefaces.

The evolution of the bank note is illustrated in the following three specimens, all issued by the Bank of Baltimore (Kelly, et al. 1996). The first specimen, **Figure 1**, is a twenty-dollar note issued in 1812. Notice that the note is in the form of a cashier’s check made out (indirectly) to the bearer. That is, the text of the note asserts that “The President, Directors and Company of the Bank of Baltimore promise to pay Th. Wane or bearer on demand Twenty Dollars.” It is the convenient denomination of the note and the credibility of the promise to pay that enable the note to gain currency, or the “medium of exchange” quality of money.

Notice the signatures and other items on the bank note that are to be completed by hand. Typically, the note

Female Beauty

As Depicted on U.S. Obsolete Notes

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was first issued in conjunction with loan-making, so that the named payee was a borrower from the bank. If, at some time in the future, the note was received by the bank, the bank might have canceled it or re-issued it, depending on its policies and the condition of the note. Notice also that the artwork in this 1812 bank note includes only a small, simply-rendered vignette and very modest use of scrolling.

The second specimen, **Figure 2**, is a two-dollar note of the type issued in 1842. The note is, similar to the immediately preceding one, in the form of a cashier’s check. That is, it is a promise by the bank “to pay J. Dorsey or bearer on demand Two Dollars.” Notice, with this bank note, that the artwork, scrolling and typefaces are somewhat more ornate. Artwork is still modest on this note, including counters and end panels. Higher values of the period included vignettes of an American eagle, a shield of the state of Maryland flanked by a planter and a seaman. This vignette might be seen as representing the business of the bank, vis., financing the trade of Maryland, under the laws and protection of the state and the nation.

The third specimen, **Figure 3**, is a blank five-dollar bank note remainder of the type issued c. 1850. Notice that the bank note asserts that “The Bank of Baltimore promises to pay Five Dollars on demand to _____ or bearer.” Once again the note is in the form of a transferable cashier’s check. Notice also that the artwork now dominates the bank note, although the text is not completely obscured. In addition to the vignette described above, the artwork includes images of male figures connoting strength and prosperity, virtues reflecting well on a bank of issue.

Female Beauty on Bank Notes

As already mentioned, by the mid 1830s, printers had assembled libraries of transfer vignettes that could be incorporated into engraving plates to produce bank notes. Some of these vignettes are evident in the above three specimens. Most curious of the artwork was the use of female beauty and, in particular, nudity, and sexual intrigue, not only because of the importance of reputation for banks, but also because of the sexual mores of the times.



Figure 1

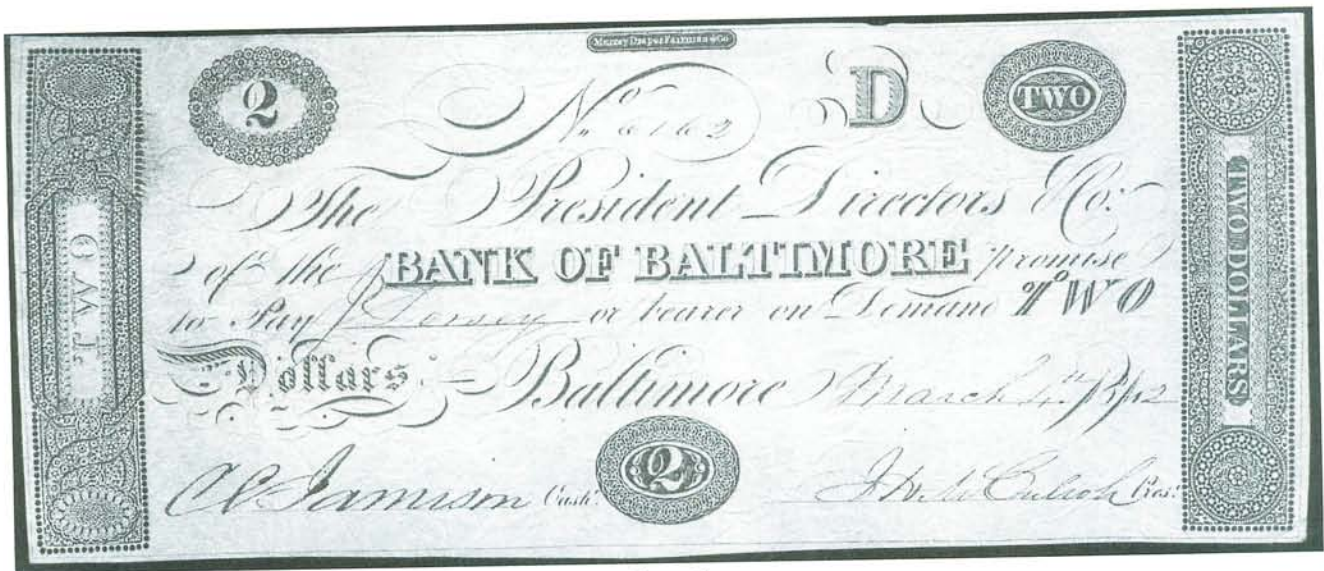


Figure 2



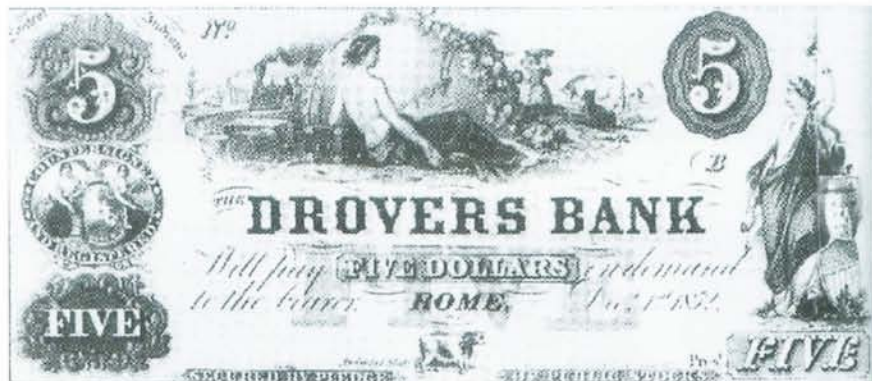
Figure 3



Figural ornamentation on this \$50 proof of the Planters Bank of the State of Mississippi includes Hebe at left.



During the early Victorian period, depictions of nude and semi-nude “idealized” women became popular in art, including painting, sculpture and jewelry. Almost always, these women were allegorical (e.g., goddesses from Greek mythology), representations of women from the long-distant past (e.g., women of the patrician class of Rome), or representations of African or Native American women. In many instances, the women were depicted as demure and sexually-innocent, being young and having pre-maternal breasts. In others, the women were depicted as strong and assertive. And, in yet others, the women were depicted as wise, independent and matronly. When reduced to transfer vignettes, this style of artwork was among the more popular in the design of bank notes.



For some specimens of bank notes issued by failed and possibly fraudulent banks that depict nudity, consider the following two from Free Banks of Indiana (Wolka et al. 1978). Indiana's Free Banking law allowed any group of five or more people to incorporate a bank, and issue bank notes upon presentation of qualifying bonds to the state auditor. One hundred and four Free Banks were subsequently organized in the state, 89 of which were quickly closed. Figure 4 (above) presents a blank five-dollar note from the Drovers Bank of Rome, Indiana, of the type issued in 1852.

This particular bank failed soon after it was organized, which might be indicative of wildcat banking. It also put its notes into circulation in a distant place (Wolka et al. 1978: 234), making it probable that the bank was organized as a “money manufacturer.”



Feminine figural representations dominate this \$8 Peoples' Bank of Paterson, NJ remainder note.

Examining the image of the note issued by the Drovers Bank, in addition to the promise to pay ("The Drovers Bank will pay Five Dollars on demand to the bearer."), the note indicates that it is "secured by pledge of public stock." This security refers to the bond collateral characteristic of Free Banking in the United States. That is, entry into banking could be made "free" or open to all, since the notes issued by the bank were secured by state government bonds deposited with an officer of the state. A seal furthermore indicates that it is counter-signed and registered (i.e., with the state auditor).

Two allegorical figures, both females, are represented in other vignettes on this bank note. One of these two allegorical figures is the goddess *Columbia*, already seen in one of the bank notes issued by the Bank of Baltimore. The other allegorical figure is of a goddess watching over productive activity in industry and in agriculture. The goddess is posed so as to reveal the full length of her back. The scene might be interpreted to imply that the bank, in its lending activities, is like a muse, facilitating the productivity of others.



Figure 5 (above) presents a blank five-dollar note from the State Stock Bank of Indiana at Peru, Indiana, of the type issued in 1853. Notice, in particular, the typeface for the name of the bank, with the words "Stock" and "at Peru" flourished and muted. Could it have been the intent of this bank to mislead people into thinking that the note was a bank note of the State Bank of Indiana, a fine, conservatively-managed, confederation of non-Free Banks? And, could it have been the intent of the bank to use the images of scantily-clad goddesses in the main vignette of the note to "misdirect" the "mark" upon whom the note might be foisted?





The President of the State Stock Bank of Indiana at Peru was also the first auditor of the state of Indiana, i.e., the state officer responsible for counter-signing and registering the notes issued by the Free Banks of the state. This person, Mr. E.W.H. Ellis, was the founder of a several "State Stock Banks," each of which failed soon after it opened, each at a substantial loss to those unlucky enough to be holding its notes (Wolka et al. 1978: 210).

It appears that Mr. Ellis saw the profit in opening-up banks that were no more than money manufacturers: that is, banks that deposited state government bonds with the state auditor, acquired at less than par in the marketplace, in order to put bank notes into circulation, and leave whoever could be cajoled into accepting the notes to suffer a loss.

Maine Bank Notes

The next three figures are of bank notes from the state of Maine (Wait 1977). Maine remained a "Charter Bank" state throughout the antebellum period. That is, the organizers of a bank had to obtain a charter from the state legislature, sometimes accomplished through a special act of the legislature, and sometimes through a general bank act chartering several banks, as well as renewing the charters and increasing the authorized capital of other, already-established banks.

While Maine remained a Charter Bank state through the antebellum period, it appears that it was something akin to "pirate havens" for unscrupulous bankers (many of whom were from other states). In Maine, it appears to have been easy to enter banking, as the numbers of banks, of new banks and of bank failures were relatively high through the period, and there is a lot of anecdotal information of fraudulent banking.



Figure 6 is of a blank three-dollar note issued by the People's Bank of Bangor, Maine, of the type issued in 1835. The note is busy, with two portraits flanking a large, allegorical scene, and a cameo at the bottom, along with numerous "three's". The commanding vignette is of a seated goddess, blindfolded, and unencumbered by a blouse. The People's Bank of Bangor, Maine, lasted but two years.

The vignette is one of many depicting the intrigues of Zeus (or, in the Roman pantheon of gods, *Jupiter*), "the winged adulterer," represented by the eagle. In this scene, Zeus and his good buddy Mercury are seducing Venus, from which intrigue will come forth the *Cupids*.

Figure 7 (following) is a remainder five-dollar note of the Hancock Bank of Ellsworth, Maine, of the type issued in 1854. This note presents a clean appearance, but is not quite minimalist. There are two vignettes. The larger one depicts an Indian maiden and a frontiersman (Pocahontas and John Smith, according to some commentators) flanking five gold dollar-coins, with three cherubs (or, perhaps, the *Cupids*). The Indian maiden is unbothered that one of her breasts is showing.



The second vignette is of a small but anatomically-correct woman apparently being covered by a swan. The woman is the nymph *Nemesis*, and the swan is *Zeus*, AKA the "winged adulterer." *Zeus*, taking on the image of a swan, sought sanctuary from *Nemesis*. Supposedly, the swan was being attacked by an eagle (i.e., *Zeus* in a prior manifestation). *Nemesis* took in the swan. Then, when *Nemesis* went to sleep, *Zeus* raped her. The vignette is of the rape.

With this note, the depiction of five gold dollar-coins might be considered misleading. The note was not a gold certificate, but merely a promise to pay. That is, the issuing bank was not a 100 percent reserve bank, but a fractional reserve bank, and would have to make good on its promise to pay from the repayment of the loans it made. But, three years after it was opened, the bank proved unable to make good on its promise to pay. Those holding the notes, like *Nemesis*, were defrauded.



Figure 8 (above) is of a five-dollar note issued by the Merchants Bank of Bangor, Maine, in 1850. This bank was organized in 1850, and continued in existence until 1865 at which time it converted into a National Bank. There are three main vignettes, each featuring a woman, across the breadth of the note, and a cameo of a ship at the bottom. From left to right, the first woman depicted might be considered to be an allegorical figure. The scene includes a cornucopia, representing abundance. The second woman depicted, amidst the Roman numeral V, is a farm woman with a sheaf of wheat. The third woman depicted is a partially-nude Indian warrior. Her appearance projects strength and self-confidence. She is the goddess *Columbia*, now manifested as a Native American. The use of nudity was not limited to fraudulent banks.

Mississippi Bank Notes

The next two figures are of bank notes from the state of Mississippi (Leggett 1975). With regard to banking, Mississippi is representative of the states of the "new south" that experimented with state-owned banks, land banks, development banks and other get-rich-quick schemes. The only difference was the magnitude of the banking orgy in Mississippi, based on mortgages on land and slaves and the issuance of state bonds, all of which were repudiated



through the expedients of debtor relief legislation and "states' rights." The foremost proponent of repudiation and of the doctrine of states' rights was Jefferson Davis, then a U.S. Senator from Mississippi, and, later, the (only) President of the Confederate States of America.



Figure 9 (above) is of a \$5 note of the Mississippi & Alabama Rail Road Company. The company, like many other development projects in the state, was imbued with banking powers, and was popularly known as "The Brandon Bank." Indeed, while the Mississippi & Alabama RR Co. got heavily involved in banking, there appears to be no evidence that it got into railroading.

The Brandon Bank lasted from 1836 to 1840, in which year it failed, along with all 31 other banks in the state. Upon examination, the Brandon Bank was found to be practically devoid of assets, and the market value of its notes fell to nine cents on the dollar. When the Marshall went to arrest the president of the bank, he and two other directors fled the state for Texas. They took with them 300 Negroes and an unnamed number of whites. Fifty of the Negroes and ten of the whites in this little army were armed. A local paper reported, "The Marshall went in pursuit, but could not overtake them."

The note indicates that the Brandon Bank would pay the bearer on demand at the Girard Bank in Philadelphia, Pennsylvania. The idea is that the cotton financed by the bank would fetch exchange in the international market, creditable at the Girard Bank, sufficient to redeem the notes issued by the bank. To be sure, the Girard Bank is not represented as a guarantor of the note, only as an agent for its redemption.

The provision for remote redemption indicates that the Brandon Bank possessed little if any specie. Thus, when the cotton market collapsed, the Brandon Bank (along with every other bank in the state) also collapsed.

This note of the Brandon Bank features two portrait vignettes (of the same person), and, a prominent allegorical vignette of a woman in form-revealing clothes. The woman appears to be from the patrician class of classical Rome, a person who would have had considerable civil rights including the rights to own/trade property, to divorce, and to have custody of children.



Figure 10 (above) is of a ten-dollar note of the Vicksburg Water Works



& Banking Company. It might be presumed from the name that the company was a water works company that was imbued with banking powers. On the other hand, the fall of the market value of the notes of this bank to 30 to 40 cents on the dollar upon the failure of the company, as reported in the *New Orleans Commercial Bulletin* indicates that the company was little more than a money manufacturer.

The note of the Vicksburg Water Works Company is busy, with a portrait vignette of George Washington on the right side, a small vignette of a railroad on the left side, and somewhat larger vignettes of a water fountain in the left-center, and of a semi-nude women in an allegorical setting in the right-center. This woman is *Leda*, Queen of Troy, and the eagle is *Zeus*. *Leda* was (of course) seduced by *Zeus*, and subsequently gave birth to the beautiful Helen of Troy. To complete the myth, *Leda* bedded her husband the same evening she had her rendezvous with the winged adulterer, so he would not suspect that he had been cuckolded.

Nudity and Failing Banks

In order to determine if nudity and sexual intrigue was more often used by banks that could be suspected of fraud, a sample of 128 bank notes was identified, eight from "failing" banks, and eight matching "honest" banks, from each of eight states (Georgia, Indiana, Maine, Maryland, New Jersey, Ohio, Pennsylvania and Rhode Island). These eight states all met the following condition: the notes of at least eight pair of matching "failing" and "honest" banks could be obtained from either "obsolete bank note" catalogs or internet sources.

For four states (Indiana, Maine, Maryland and Rhode Island) obsolete bank note catalogs were utilized. For the state of Georgia, a single internet source, <http://www.davidmarsh.com/>, was utilized. This source is effectively a catalog. For three states (New Jersey, Ohio and Pennsylvania), a variety of internet sources, including www.ebay.com auctions of obsolete bank notes, were utilized.

Having identified the sample, the notes were examined for the following: (1) females in form-revealing clothing (i.e., revealing the under-curve of the female breast), (2) females in low-cut clothing (i.e., revealing the upper-curve of the female breast), (3) females with both breasts revealed, (4) females with one breast revealed, (5) females with a bare back, and (6) a male appears to be seducing a female, the female being dressed in form-revealing clothing.

In addition, an index was constructed. In the index, a note is given a score of 100 if the note features a female with both breasts revealed; of 50 if the note features a female with one and only one breast revealed or a bare back or a male appears to be seducing a female, the female being dressed in form-revealing clothing; and, zero otherwise. Descriptive statistics for the sample are presented in **Table 1**.

Table 1.

Descriptive Statistics for Bank Notes Issued during the Late Antebellum Period. The first six columns give the percentage frequencies for each condition, and the last column gives the average scores for the index.

	Form-revealing clothing	Low-cut clothing	Bare back	One breast bare	Both breasts bare	Seduction	Index
Notes of 64 Honest Banks	31	6	2	8	3	0	8
Notes of 64 Failing Banks	22	12	3	14	14	15	26

From these descriptive statistics, it is clear that both failing and honest banks featured a lot of nudity on their notes, and that the fraudulent banks featured more nudity. Statistical analysis indicated that the difference is significant.

Since female beauty was depicted, in various forms, on the bank notes of conservatively-managed banks during the period, it should not be surprising that it was also depicted on the bank notes of failing, and possibly fraudulent banks. That female beauty was used more extensively on the bank notes of failing banks could simply reflect its eye-catching quality. On the other hand, it might be that the artwork depicted on broken bank notes was revealing in more than one way.

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