

Origins of Mormon Currency in Great Salt Lake City 1848-49

by Douglas A. Nyholm

I recently came upon two newspaper articles published in Salt Lake regarding Mormon currency. The first was published in 1898 which commemorates the 50th anniversary of coinage in Salt Lake. Even though the first Mormon gold coins were dated 1849 the \$10 denomination was actually struck in December of 1848. The second article was written by Feramorz Fox in 1940 who was President of the L.D.S. Business Collage. This article included additional research into early Mormon journals relating to early commerce and business in Salt Lake. The Church of Jesus Christ of Latter Day Saints is a 'record keeping' Church which indeed they are, but just as with anything historic, certain items of history at the time of their occurring are much more likely to be recorded than others. This is the case with much of the actual details of commerce and also the early coinage and currency operations. One area included in this lack of history and actual details recorded were the operations of many of the mercantiles and storehouses that produced both paper scrip and tokens. There were over one hundred of these establishments and virtually nothing was recorded for most of them as to what types, denominations, and quantities of items they produced. A lot of what is known comes from their journals and personal histories, but even these facts are scarce. When writing my book on the history of Mormon currency, I employed several BYU research students for over a year, and even they uncovered very little new information. Getting back to the above two articles and my previous research the emphasis here is on the more mainstream early currency and not the mercantiles which occurred years later.

When the Mormons arrived in the Salt Lake valley in 1847 they were almost completely isolated from the outside world. It is estimated that about 1,700 individuals were present in the valley during the first winter and it is also estimated that the coin and currency available was probably less than \$250. Most immigrants spent or exchanged virtually all of their funds for supplies prior to departing across the prairie for the Salt Lake



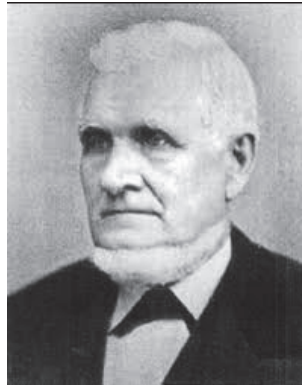
Great Salt Lake City from an original engraving circa 1850

valley. Available currency included what little funds in hard currency the immigrants brought with them and the \$50 Brigham Young brought on his first trip. Later in the fall of 1847 approximately 100 'Battalion Members' which were released from duty after their trek ended in California traveled to Salt Lake who undoubtedly also brought some funds but probably very little actual currency. The first large influx of cash occurred in November 1847 when Captain James Brown brought into the valley the payroll from the Pueblo detachment of the Battalion which amounted to about \$5000 in Spanish doubloons. Additionally, any cash and currency available was far different from anything we would recognize today, there was nothing standard. Circulating medium especially in the west consisted of a large number of foreign coins from Mexico, France, a

few from Europe, South America and several other countries. There was a small amount of U.S. Federal coinage which had worked its way to the west and almost no paper currency. The paper which did circulate in the United States generally was available only in the east and this consisted of a smattering of broken bank notes and regional scrip all of which consisted of issues of questionable value and acceptability. The Kirtland Safety Society banknotes were numbered among these issues. As an interesting note, when California gained statehood in 1850 the original constitution of California outlawed the use of paper currency. This is further evidence of the general distrust of any currency accepted in commerce other than gold or silver bullion and coin.



Brigham Young



John Taylor



John Kay

Initially in 1847-48 any commerce done in Salt Lake was crippled by lack of specie and barter was a significant form of any transaction. Barter can be acceptable and work in a basic society but in order for the local economy to grow and flourish a better system was needed and Church leaders understood this. During 1848 additional individuals arrived from several handcart companies swelling the population to over 4,200 souls. President Young brought an additional \$84 in change in late 1848 which was immediately absorbed into commerce. For the most part there was not much more than \$1 in coin for every person in the valley. This and the barter system of commerce pushed the cost of goods to exorbitant prices and many began to complain. Gold had been discovered in California and an additional 37 Battalion members who had temporarily remained in California found their way to Salt Lake bringing a fair amount of gold dust and nuggets. During the beginning of the gold rush in California the first 49ers were able to retrieve large amounts of surface gold from the rivers of the Sierra foothills. It has been reliably reported that some early prospectors were able to gather over a pound of gold daily. This readily available surface gold was depleted very quickly and within the first year of the gold rush the recovery of gold soon required major operations and equipment to recover significant amounts. After the return of these battalion members for a time there was a significant amount of raw gold in circulation in the valley. As you can imagine, the daily transactions and commerce using gold dust was not without its problems. No one knew exactly the fineness of the gold and weighing it was not a simple matter. Some refused to accept it altogether. The same situation was present in San Francisco. A pinch of gold was a standard payment for a beer or drink in the bars on the Barbary Coast. Bar owners, being good businessmen and also sly would hire bartenders with very large hands, therefore when a pinch was plucked from the miners pouch large fingers could pinch more than smaller fingers. It was soon discussed in Salt Lake by Church leaders that an improved system was needed.



Figure 1 Original Dies & Tools used in the striking of Mormon Gold Coins

As early as November 1848 a system involving coining gold was discussed by Brigham Young, John Taylor, and John Kay. They decided on the actual inscriptions to be used on the proposed coinage. "Holiness to the Lord" should encircle the emblem of the Priesthood; a 3-point crown over the all-seeing

eye would appear on one side, while the other side should contain clasped hands, the emblem of friendship, encircled by the words Pure Gold and the denomination. Plans moved forward and the actual dies were cut and prepared in December as prescribed above with a few modifications. The \$10 coin was different from the other gold coins as the inscription included PURE GOLD which later was changed to only initials, "PG." The first beginning for coinage occurred on December 10 when 14 ½ ounces of gold valued at \$232 was credited to a depositor. This was equal to \$16 an ounce which was the accepted value in California for Placer gold. This value of \$16 per ounce was officially recorded and accepted in San Francisco on Sept 9, 1848. Within four months almost \$8000 was accepted on deposit in Utah which was mostly gold dust with a few coins. Fifty-five members of the Battalion were responsible for 77% of the deposits and 135 other individuals comprised of the other 23% of the deposits.

After the dies were completed and coinage operations began there were immediate problems. The first striking of coins occurred on December 12th 1848 when 25 \$10 coins were struck by John Kay. These for some unknown reason were paid out with a 50c premium. 20 went to Brigham Young

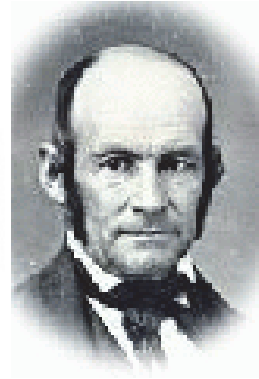


Mormon \$10 gold coin struck in December 1848

while the other 5 went to John Kay. A week later an additional 21 pieces were coined and paid out to Brigham Young without the 50c premium previously charged. Most of these immediately entered circulation. The crucibles had cracked during these preliminary coinages and gold coinage was suspended until replacement crucibles could be obtained. This delay in gold coinage extended until September of 1849 at which time the other denominations of \$2.5, \$5 and \$20 were coined. This suspension in coinage was met with great disappointment with the depositors. As noted in Thomas Bullock's journal on December 22, he states that many brethren came to the office to exchange 'dust' for hard coin, but no business was done because President Young had no coin. It was because of this that the issuance of paper notes or currency was contemplated. President Young said that he offered to return the



Thomas Bullock



Heber C. Kimball



Newell K. Whitney

'dust' to the depositors, however they refused it.

New crucibles were ordered through Orson Hyde who was at the time operating as an agent for the Church in Iowa. Ordered as stated in the records were "one dozen nests of the best crucibles for the melting of the most precious coins" and some acids. Also stated in the letter to Hyde was that if any brethren carrying the mail have any of our paper currency, let the brethren coming on in the camp exchange their funds with them, and the gold will be ready to redeem it when they arrive at this place." There was a meeting of the council on December 28th 'at the stand in Great Salt Lake City' and under the authorization of Brigham Young, Heber C. Kimball, and Newell K. Whitney and it was approved that bills would be issued. Again, there were significant problems to overcome as there was no printing press in Salt Lake so the bills to be issued were to be completely handwritten.

This is well documented and presently there are no surviving hand-written bills which was noted by Mark Hoffmann who took the opportunity to forge hand-written bills for modern collectors. There are several original notes outstanding according to Church records which, if ever discovered, would most likely bring very significant bids either at auction or privately. Again, this information was known to Mark

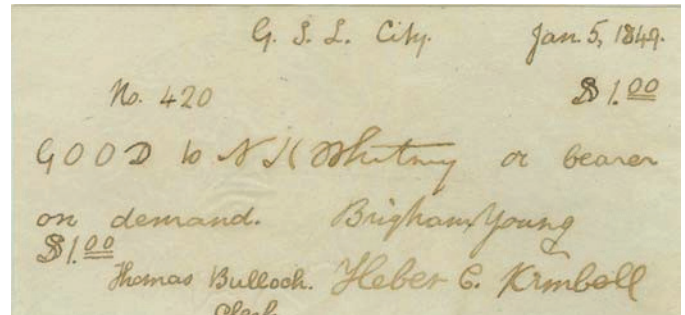


Seal of the 12 Apostles

Hoffmann who forged several other Mormon currency items as well as documents. Pictured in Al Rust's book prior to their status as being forged was discovered are several of these handwritten notes. The printed examples of Hoffmann's forgeries are probably a fair representation of how they actually appeared. Hoffmann also had access to the embossing machine which was used to apply the Seal of the Twelve Apostles on his forgeries. It was actually used as a door stop for a time in the Church museum! Other than the hand-written bills no other currency reported here was known to have been forged.

To accomplish the issuance of these bills

Thomas Bullock and Robert L. Campbell who were clerks in the office of the Presidency spent the day writing bills by hand and also many hours were spent applying authorizing signatures. The first day, December 28th saw the completion of both \$5 and \$1 bills and on following days quantities of 50c, \$1, \$2, \$3, and additional \$5 bills were created. All of these bills were dated January 2, 1849.



Mark Hoffman forged hand written "White Note"

All of the issued bills contained four signatures which were of B. Young, H. C. Kimball, N. K. Whitney and Thos. Bullock. Added protection was had by embossing each bill with the 'Seal of the Twelve Apostles.' This emblem of the priesthood is encircled by sixteen letters as follows: STAPCJCLDSLDAOW which stand for – Private Seal of the Twelve Apostles Priests of the Church of Jesus Christ of Latter-day Saints in the Last Dispensation All Over the World. Thomas Bullock spent all day, New Years, January 1, 1849 in the office of John Kay using the embossing tool to impress the emblem on the bills previously signed while Bishop Newell K. Whitney signed additional bills in an assembly line action. It was noted that the first bill, as a commemoration event, was also signed by Brigham Young, Heber C. Kimball and paid out that day. This first bill was a \$1 denomination. The next day, January 2, the other bills and denominations were paid out as rapidly as possible to the depositors of 'dust'. Meanwhile a second issue was being prepared with the date of January 5, 1849. A third issued dated Jan 9, 1849 was noted in Al Rust's book however I could not find any additional source of this information. Also the number of notes that would have been

created and issued by this 3rd issue is missing from the totals. Mark Hoffmann did forge a hand-written note with a Jan. 9th date which may have muddled the information related to a 3rd issue date. It should be noted that production statistics for the hand written notes are known for series 1 dated Jan, 2 and series 2, dated Jan 5 are documented via Church records.



Counter-Signed Kirtland \$5 re-issued in Salt Lake City, January 1849

The success and acceptance of these bills was so great that it was soon realized that the manual by hand preparation could not keep up with demand. It was then decided to re-issue

some of the Kirtland Banknotes of which the Church had a large supply. These were engraved professionally and contained signatures of Joseph Smith Jr. and Sidney Rigdon. There are multiple other signature combinations on some of the Kirtland Banknotes, eight different to be exact, but the re-issued notes all contained only Joseph Smith Jr. and Sidney Rigdon's signatures. Regarding the Kirtland notes which were issued it is documented that 135 of the \$5 denomination were re-signed, or counter-signed by B. Young, H.C. Kimball, and N.K. Whitney. Thom. Bullock also added his monogram. Of the 135 \$5's it was reported that 129 were issued. Later \$1, \$2, \$3 and \$10 denominations were also counter-signed and re-issued. There are minor variations and possible discrepancies with the number of signed and actually issued Kirtland banknotes. This is noted for all denominations except the \$10 note. Totals given in Al Rusts reference show the following totals for signed Kirtland banknotes. Once again, these differ slightly from the record of actually issued notes.

KIRTLAND COUNTER-SIGNED NOTES

Denom.	Counter-Signed
\$1	38
\$2	22
\$3	23
\$5	135
\$10	56

The reissuance of these Kirtland banknotes in Salt Lake essentially fulfilled a prophecy made by Joseph Smith Jr. in Ohio that one day these notes would be as good as gold.

Both the previously mentioned hand-written bills and the reissued Kirtland notes were now backed by gold! The gold backing was 80% and by April of 1849 hand-written, printed and re-issued Kirtland notes totaled \$9443 and with the 46 \$10 gold coins the Church had placed nearly \$10,000 into circulation in just over 4 months.

HAND-WRITTEN NOTES

Denom	Series 1 / Jan. 2	Series 2 / Jan. 5	Series 3 / Jan. 9
50c	1-130	1-235	
\$1	1-200	1-300	Unknown
\$2	---	---	
\$3	1-100	1-100	
\$5	1-100	1-100	

PRINTED NOTES

Jan. 20, 1849

Denom	Issued	Printed
25c	Printed but no issued	
50c	1-185	1000
\$1	1-100	1000
\$2	1-795	1000
\$3	1-909	1000

TOTAL NOTES / Hand-Written & Printed 3329

Total Value of Individual
Hand-Written & Printed notes

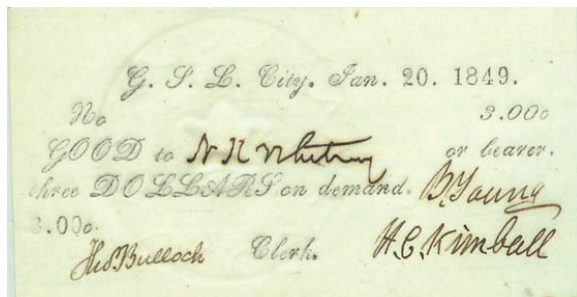
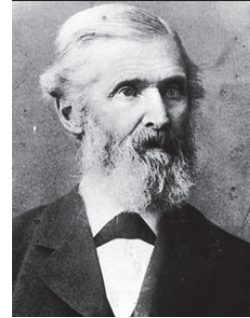
Denom	Value
50c	\$ 595
\$1	\$1600
\$2	\$1590
\$3	\$3327
\$5	\$1000
Total	\$8812

*Discrepancies between issued and signed.

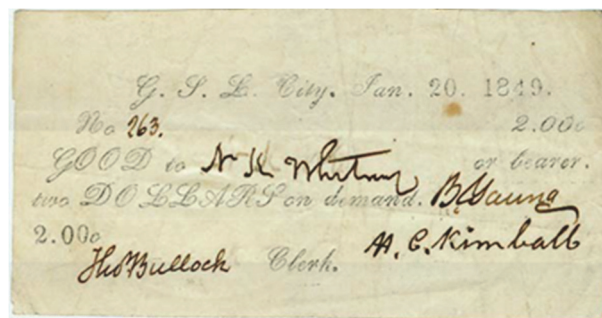
These numbers are for issued notes TOTAL Currency Issued =

Denom	Issued	Value
\$1	35*	\$ 35
\$2	17*	\$ 34
\$3	19*	\$ 57
\$5	129*	\$ 645
\$10	56	\$ 560
Total		\$1331

Currency was still in high demand even after the initial offering of the hand-written notes and the re-issuance of the defunct Kirtland notes. A printable font was improvised by Truman Angel who also began work on the construction of a printing press in the hopes that printed notes could be produced at a higher rate in much less time. By January 20 of 1849 the printing of bills began and nearly 1,000 each of 50c, \$1, \$2, & \$3 notes were produced. A 25c printed note was also produced however all known examples are without signatures or serial numbers indicating that this denomination was never issued. Handwritten and printed notes were referred to as 'Valley Notes.' In more modern times they have and are referred to as 'White Notes.' Although the following story is unconfirmed the paper for these notes, at least the printed notes which survive, is rumored to have come from unused pages of Brigham Young's journal(s). If one closely observes the paper on which these notes are



Printed "White Note" Jan. 20, 1849
Note the strong embossed seal



Unique serialized printed \$2 Note

printed you can see faint blue writing lines which even at the time were present on stationary. Paper was scarce and the notes could have easily been cut from such paper. This marked the first typeset printing to be accomplished in Utah. Again, the seal of the 12 Apostles was added to these printed bills. The multiple signatures and the embossed seal were a significant process to assure the authentication and validity of these bills which were readily accepted in the valley.

A total of \$9,443 in notes was paid out between January 1 and the end of April. Details of the issuance can be observed in the previous tables.

Although it was originally planned to serialize each note, apparently it was not 100% complete or effective. Although it cannot be verified by observing surviving notes but it was noted in Church records that serial numbers were attached to all of the hand-written notes. Church ledgers indicate issued and redeemed notes of which there remain 19 outstanding notes from Series 1, 12 outstanding from Series 2, and again a possible discrepancy of 28 outstanding from Series 3 dated Jan. 9th of which no issuance records exist. In any event the possibility definitely exists that a surviving example may one day be discovered as all were not redeemed. In regard to serial numbers on the printed notes it appears that the majority never received a serial number possibility as they were not officially issued. The exemption is for the 50c bills which all contained a serial number. Of the other denominations only a small number were serialized when they were issued and again crossed off the ledger upon redemption. I am aware of only a single issued note surviving with a serial number. Those redeemed were called in by Brigham Young on Sept. 10, 1849 and ordered to be burned. Daniel H Wells and Thomas Bullock spent that day burning between 3000-\$4000 in old paper currency. Shortly thereafter the coinage of gold resumed, specifically on Sept. 12, 1849. It is estimated that there was approximately \$70,000 in gold coin produced by the end of October 1850.

Even with the labor intensive task of hand writing the original bills and then the printed notes it was still a tall order to have the Church leaders hand sign each note. There were over 5000 bills including the Kirtland banknotes all of which had to be signed with multiple signatures. Unlike the scribe signatures which were used extensively in Kirtland Ohio the Utah signatures are all considered to be original. An entry in Thomas Bullocks journal on January 30 states that neither Heber C. Kimball who had been ill nor Newell K Whitney had signed enough bills and many brethren who

had deposited gold had been turned away. He further states that on January 31, Whitney signed 400 bills and the office was again filled with anxious customers to obtain the currency. Eventually by April the shortages and excessive demand was met, and although not abundant, there was sufficient currency in the valley to accommodate commerce.

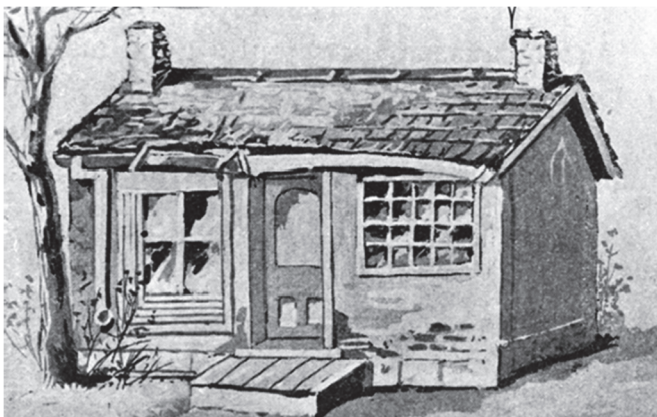
As it has been stated, generally Valley Notes and even the Kirtland notes were preferred to gold dust but there were those who refused to accept these bills. Notable exceptions were local butchers in Salt Lake who refused to exchange bills for meat products. The Church's municipal



One of the finest known surviving Mormon gold coins.

Thomas L. 'Pegleg' Smith of Bear River Valley. In a letter to President Young he signified a willingness to take Mormon currency in exchange for \$300 in small coins, as well as for skins, furs, and robes. In June "Pegleg" Smith deposited both notes and gold dust in the bank. The record shows under the date of June 11th a deposit of notes of \$274.50 and again on June 19th, a deposit of \$357.50 in notes and \$81.30 in dust. The record carries a significant notation "For redemption when dust is coined." The reputation for the gold coinage however was soon to be under scrutiny as it was soon discovered that the Mormon coinage was significantly underweight. Brigham Young mandated that business and merchants in Salt Lake accept the coins at full value but those coins which found their way to the outside were redeemed only at a discount or refused. Most likely a large percentage of the Mormon gold was subsequently melted due to this fact which no doubt had led to the rarity of Mormon gold available for collectors today. There was no exact record on the number of coins originally minted and any estimates are based crudely upon sketchy reports and speculation. Gold \$5 coins dated 1850 and 1860 were also coined in later years.

In summary, from the fall of 1847 in less than two years, an original group of Mormon pioneers orchestrated a significant currency and coinage operation. Helped in part by the California gold rush they were able to coin gold, create currency operations and benefit commerce to all who arrived. Mormon currency operations began in 1837 in Kirtland Ohio with the Kirtland Safety Society Bank



The Deseret Mint Building

and continued into the 20th century with Church sponsored programs as well as private mercantiles, Bishop's Storehouse scrip and many other issues. The Mormon currency operations existed for longer, and with more varied types of currency than any other group or organization in the United States other than the U.S. Federal Government. It is highly collected by both paper and coin enthusiasts today and was recently highlighted with a Mormon \$10 coin from the original mintage selling for \$705,000.00 at auction.