

## William D. Nutt: Assistant Treasurer, USA – Acting Treasurer, CSA

by Nick Bruyer

In February of 1861 William Nutt must have felt as if was being torn in half. For twenty-three years he had faithfully served in the U.S. Treasury Department. Now, everything seemed to be falling apart; his greatest fears were coming true.

Nutt was born in the District of Columbia in 1803. Married, with one daughter, he owned a farm with a dozen slaves near Falls Church, Virginia. Each weekday he saddled his horse and commuted seven and a half miles from his farm to his job in Washington, crossing the Long Bridge over the Potomac River along the way.

Although there is no record of any formal military service, Nutt went by the sobriquet of “Major” and was known to friends and acquaintances by that title.

Major Nutt’s Treasury career began in November of 1837, when he was one of two hires authorized under an act providing for the issue of U.S. Treasury notes for the first time since the War of 1812. In the wake of the Panic of 1837 specie had disappeared, forcing the Treasury to find an alternative means to fund the operation of the government. Nutt managed the Treasury note program until it was discontinued in 1844. Not long after that he again was busy with treasury notes, when in 1846 they were called back into service to finance the war with Mexico. Treasury notes continued to be issued until 1848, after the war ended.



Major Nutt was one of two people hired in 1837 to manage the U.S. Treasury note program. (Courtesy Heritage Auctions)



Alexandre Vattemare

It was during this time that French entrepreneur Alexandre Vattemare was in Washington to acquire books and works of art intended for the American Library of the City of Paris. In particular, Vattemare sought fine engravings, such as those of the bank note companies, for his *American Album*. He succeeded in obtaining a presentation album of bank note proofs from the firm of Rawdon, Wright & Hatch in New York. He also was in touch with Secretary of the Treasury Robert Walker and doubtless requested specimens of government notes and bonds.

A request for samples of Treasury notes most likely would have been referred to William Nutt. Indeed, within Vattemare’s collection are a group of U.S. Treasury notes having unique “butterfly” cut-out cancels on them, one of which bears Nutt’s signature on the back. (1)



This \$1000 note from the Vattemare collection is endorsed on the back by William D. Nutt. (Author’s collection)

The butterfly-canceled notes date from the period 1837-1847. They include all the denominations, special issues such as the 1843 Demand note, and notes bearing special overprints from 1843 and 1847. All are regular notes, not proofs, clearly taken from the Treasury's stock. Some have handwritten serial numbers, indicating that they were removed from a sequence ready to be filled out and issued.

One of the highlights of this group is the highest denomination of the 1837-1846 Treasury note series, the \$1000. Serial numbered 66; it is lavishly endorsed on the back "Wm. D. Nutt".

As the issue of Treasury notes wound up in 1848, Nutt found work as a cashier due to the implementation of the Independent Treasury act of 1846. Under this law, government funds were moved from private banks into government "sub-treasury" facilities, including at Washington. Suddenly the Treasury Department had to perform cash deposit, transfer, disbursement and bookkeeping work formerly performed on its behalf by state banks.

In the 1850s Nutt and another clerk, Anthony McClean, worked under U.S. Treasurer Samuel Casey at the sub-treasury "money branch" of the Treasury Department in D.C. As chief cashier with a staff of four, Nutt handled over \$1 million in deposits and payments of specie each month and kept accounts for sixty disbursing officers in various government agencies. All Army and Navy pensions were paid through this office, as well as the salaries and expense accounts of members of Congress. Nutt served as both a teller and bookkeeper of the Washington sub-treasury. (2)



U.S. Treasury Secretary Howell Cobb appears on this \$20 Proof from Georgia. (Courtesy Heritage Auctions)

When in 1856 James Buchanan won the Presidential election, Nutt was thrilled. Here was a Northern Democrat who sympathized with the South and understood its interest in the "peculiar institution" of slavery. Buchanan underscored this when he appointed former Georgia Governor Howell Cobb to be his Secretary of the Treasury.

Never did Major Nutt feel more welcome and comfortable in his Treasury job than under Howell Cobb. Cobb advocated for the extension of slavery into the U.S. territories. In 1856 he published a religious tract on slavery in which he wrote, "We assert, and we shall prove, that the system of slavery in the United States, in every feature and in every particular of every feature, is essentially the same as the system authorized by the Bible". He went on to say, "There is nothing more disgusting than abolitionism--- nothing, we consider, more wicked and mischievous".(3)

Not long after the Buchanan administration took office the Panic of 1857 struck. Soon the government ran short of funds and, once again, turned to Treasury notes to shore up its finances. Nutt's experience with the issuance, redemption and accounting for Treasury notes immediately became useful. Congress continued to authorize Treasury notes for the duration of Buchanan's time in office.

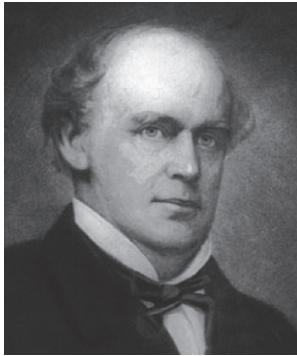
In February 1860 Buchanan appointed William C. Price, a lawyer nationally known for his advocacy of slavery, as Treasurer of the U.S. Nutt worked directly under him, having been promoted to Assistant Treasurer of the Washington D. C. Sub-treasury. (4)

In the fall of 1860 the tide of national politics turned decisively against Major Nutt and his fellow Southern Democrats. The Democrat party, severely divided between anti-slavery and pro-slavery factions, split its votes in the Presidential election. The split allowed the candidate of the young Republican party, Abraham Lincoln, to win the Presidency with less than 40% of the national votes.

A deep gloom fell upon the Treasury Department. Secretary Cobb fumed over the prospect of the government being filled with "black Republicans" and abolitionists. On December 8 he resigned from his post and returned to Georgia to lead a secession congress. Buchanan replaced him with a southern sympathizer, Philip Thomas, but a consortium of New York bankers forced Buchanan to quickly replace him with a solid Union man. On January 15, 1861 John Dix, a Union Democrat and "free soil" advocate, became Secretary of the Treasury.

Meanwhile, the credit of the United States rapidly deteriorated as states peeled away from the Union. Fear gripped the credit markets, making it increasingly difficult for the Treasury to finance the day-to-day expenses of the government.

Nutt could see the writing on the wall. Several of his friends at the Treasury had quit or were planning to. He worried that the man Lincoln would appoint to be the next Secretary of the Treasury would be a Republican abolitionist, putting his job at risk.



Salmon P. Chase

Fortunately, Nutt had something to fall back on. During the past decade his northern Virginia farm had flourished. He doubled the number of slaves tending his crops. He also had a black servant in his household. (5)

In February 1861 rumors swirled throughout Washington that President elect Lincoln would pick Salmon P. Chase to be his Secretary of the Treasury. There was not another man in the entire country better known as a sworn enemy of slavery than Chase.

Nutt was furious. Not only did Chase have no background in finance, but surely he would purge pro-slavery employees from the department.

Nutt resigned the day after Chase became the Secretary of the Treasury. On the morning of February 25, Nutt walked into the Treasury and handed a letter to Secretary Dix. (6)

*Treasury of the United States*

*February 25, 1861*

*Dear Sir: By invitation, I entered the Treasurer's Office in 1837; have since occupied confidential relation to it; have conducted every issue of Treasury notes subsequently made; put into operation here the Independent Treasury Acts of 1840 and 1846, and have been at the head of that branch until now.*

*The Republican party having prevailed, and its principles, as I understand them, from their publication at Chicago, and from the previously published speeches of Mr. Lincoln, being as I think, in vital conflict with the constitutional rights of the people of my State, Virginia, I cannot subscribe to them. To seemingly acquiesce by retaining place as long as I might, would, I think, be a departure from a cherished rule of my life, viz: to endeavor so to act, as to prove to those around me that matters of principle have no pecuniary equivalents.*

*Therefore, I respectfully tender my resignation to take effect on 4<sup>th</sup> proximo, or as soon as the matters of trust confided to me can be examined, and I be safely and honorably relieved.*

*I should be wanting in candor, not to admit that it will be with feelings of discomfort, after having been so agreeably associated for twenty-three and a half years in the service, I shall leave it to seek business in other fields.*

*I am, sir, very respectfully, your ob't serv't,*

*Wm. D. Nutt*

Nutt set his resignation to be the day after Salmon P. Chase took office. However, he was asked to stay on for a few weeks to transition his replacement. That done, Major Nutt returned to his farm to contemplate his future.

On April 12 the Confederacy attacked Fort Sumter, unleashing war between North and South. Five days later

Virginia joined seven other States in seceding from the Union. Richmond became the capitol of the Confederacy.

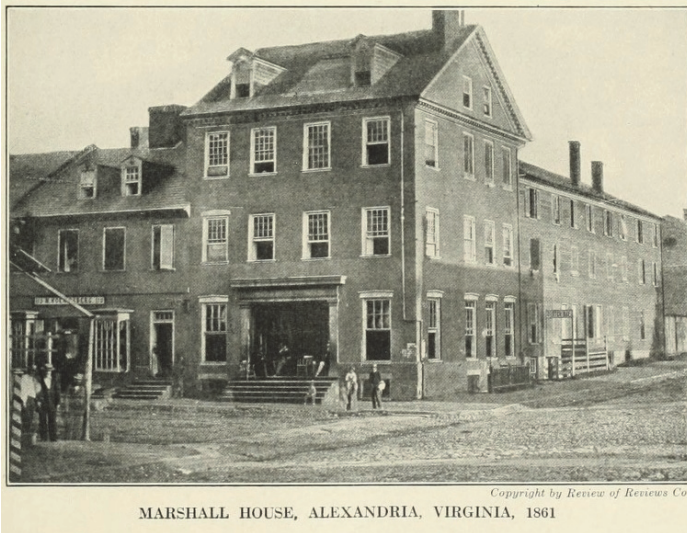
On May 23 and 24 Union forces under Brigadier General J.K.F Mansfield crossed the Potomac river from Washington. On the first night eight thousand infantry, two regular cavalry companies and two sections of artillery entered Virginia, followed the next day by over 13,000 more troops. They built fortifications and occupied the area, including the city of Alexandria, to protect Washington against attack. Picket lines were set up about three miles from Nutt's farm.



Brig. General J. K. Mansfield, depicted on this 1880 \$500 Legal Tender note, sent over 21,000 troops across the Potomac to set up defenses in and around Alexandria, Virginia. (Courtesy Stacks-Bowers)

Nutt heartily endorsed Virginia's secession. He and a friend, a former Treasury Dept. messenger named George C. Jackson, patrolled the area on horseback to surveil the Union troops. On the evening of June 8 they neared a picket line near Fort Corcoran when suddenly they were surprised by Yankee infantrymen. They were taken prisoner and brought to Alexandria's Marshall House Inn. (7)

The Marshall House became infamous two weeks earlier, when Union Colonel Elmer Ellsworth was shot and killed by its proprietor, James W. Jackson, for cutting down a Confederate flag flying from its rooftop. The flag was visible from as far away as Washington. Jackson swore the flag would be taken down only "over his dead body". Ellsworth became the first Union officer killed on duty during the war. Jackson was shot and stabbed to death by another Union soldier, who subsequently received the Medal of Honor.



Major Nutt and George Jackson were interrogated at the Marshall House in Alexandria, shown here in 1861. (Courtesy Wikipedia.com)

Upon interrogation, Nutt and his comrade apparently convinced the Yanks that they were merely innocent civilians caught in the wrong place at the wrong time, and released.

On August 1 Nutt's farm was under Confederate control, but by the end of the month the Union Army extended its lines his doorstep. On August 26 members of Co. A of the 25<sup>th</sup> New York Volunteer Infantry entered his farm. Nutt treated them cordially and welcomed two of them into his home. Unbeknownst to them, while Nutt occupied their time with friendly small talk, he sent for Confederate soldiers at nearby Falls Church. When Rebel cavalry arrived at his farm a skirmish ensued, during which one of Nutt's Yankee "guests", Private David Smith, was killed.

The Confederates returned to Falls Church, bringing Nutt with them. Subsequently members of the 8<sup>th</sup> New York Volunteers under General Louis Blenker seized the farm and found two salt-cured hams, ready to eat. But they soon discovered that Nutt had "salted" the hams with arsenic. Outraged at Nutt's treachery, they ransacked his home, took his livestock, torched his house and outbuildings and burned his crops in the fields. (8)

A soldier from the 21<sup>st</sup> New York Infantry described the scene afterwards: "the remains of a fine piano and other heavy furniture litter the grounds; the garden and outbuildings are sacked and destroyed, and the stock appropriated by the ravagers."

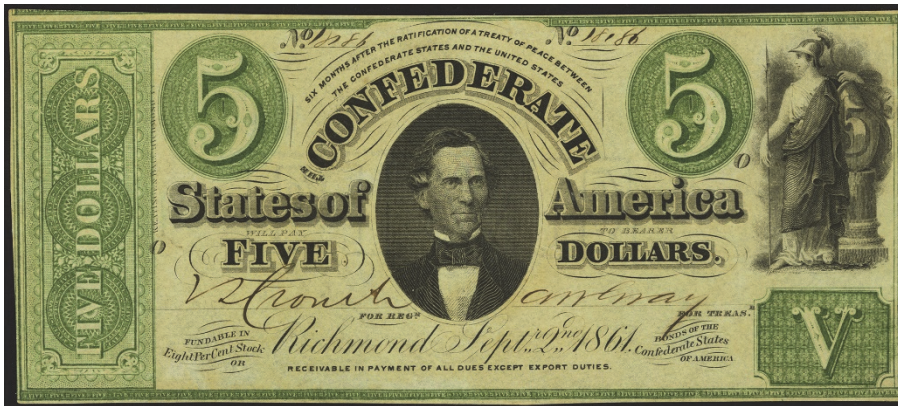
Nutt fled west to his daughter's home in Loudoun County, Virginia. Everything he had worked for over the last forty years—his career and his farm—were gone. Consumed with anger and despair, a kernel of an idea began to sprout in his mind. In time it became an obsession that would hold him in its grip for the rest of the war.

Historical records document that In October 1861 Nutt did some business at the railroad junction known as Manassas, adjacent to Loudoun County. On October 8 he signed a military forage voucher for 67,000 pounds of hay. Although he had no title, it suggests he was acting as a subsistence agent for the Confederate army. Five weeks earlier, Confederate forces under General "Stonewall" Jackson had whipped Union troops there in a humiliating defeat that became known as the Battle of Bull Run. (9)

In February 1862 Nutt sent a letter to Confederate President Jefferson Davis. In it he declared his readiness to serve in the military and requested a commission as a major. (10)

Soon thereafter he rode to Richmond to press his request. He was disappointed to hear that it had been referred to the Confederate Treasury Department, headed by Secretary Christopher G. Memminger. There he was told that while no army opportunity was presently available to the 59-year-old former clerk, he could join the treasury immediately at \$1,200 a year.

Although deeply disappointed, Nutt reluctantly accepted the Confederate Treasury job. Still he held fast to his dream that one day he would get his commission and lead a military force to seek retribution against his Yankee enemies.



C. G. Memminger, depicted here on an 1861 CSA note, described Nutt as “essential to the proper conduct of the affairs of the Treasury”. (Courtesy Heritage Auctions)

Confederate treasury officials knew they had acquired a gem. Nutt found the department functioning beneath his standards and threw himself into strengthening it. By 1863 Nutt was Chief Clerk of the Treasury, second only to Treasurer Edward C. Elmore. Whenever Elmore was away from his office or otherwise disposed, Nutt served as Acting Treasurer.

Nutt was to suffer an ironic indignity at the hands of the United States. On May 30, 1863 the Union Army took over Nutt’s property, pitched tents and turned it into one of five farms for escaped slaves, then known as “contrabands”. It was named Camp Rucker. Crops raised by the contrabands fed themselves as well as Union soldiers. By August the “Superintendent of Freedmen” reported that 105 contrabands resided on the farm.

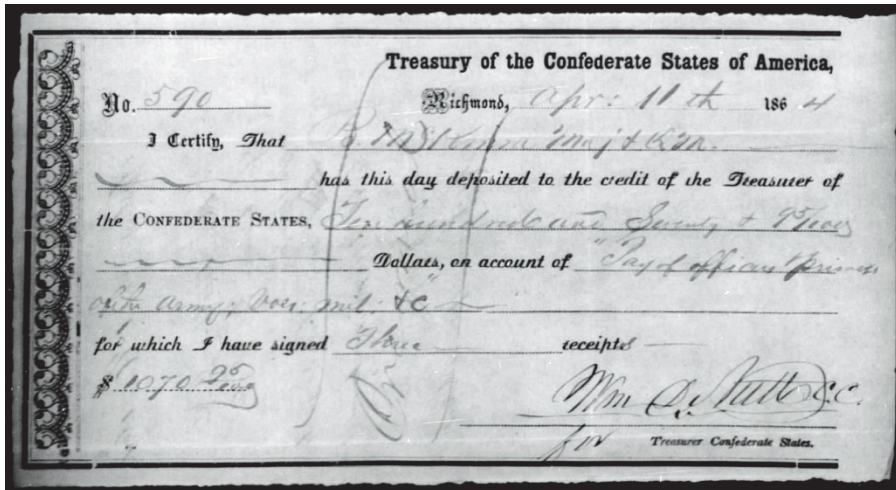


1863 map shows the “Maj Nutt” farm north-east of Falls Church and just north of Union Ft. Buffalo. (Courtesy Library of Congress)

As Union forces grew closer to Richmond, the 3<sup>rd</sup> Virginia Infantry, Local Defense Troops (also known as the “Departmental Battalion”), was organized. Its recruits consisted of various Confederate government departments, including the Treasury. Nutt was listed as a private in Company F on a muster roll dated June 20, 1863.

On January 27, 1864 Nutt again pressed his case for a military commission in a letter to Secretary Memminger. “All this time I have thought my request for an appointment not unreasonable, and that I was as fairly entitled to it as any man was... I have not made the acquaintance of the President nor do I know that he remembers anything about me, perhaps he would think a renewal of the suggestion from me, as too unimportant for consideration... I venture to

submit these views to you, before I take any action upon them, supposing you would be able to judge whether an application for commission as Major would be favorably received by the President or not."



Depository receipt signed by Wm D. Nutt as Chief Clerk of the Confederate Treasury on April 11, 1864 (Courtesy Fold3.com)

Memminger believed it would be a great loss to the Treasury if Nutt left. He waited until July 19 to forward Nutt's letter to President Davis, along with his comment that "The writer of this note is one of the most intelligent, useful and faithful officers in the Treasury Dept--- he is essential to the proper conduct of the affairs of the Treasury proper..." It seems that Nutt, by then 61, would never receive his long-sought military commission.

During 1864 the war turned violently against the Confederacy. In late spring the government repudiated a third of its money supply. By June the credit of the Treasury collapsed. With the Union Navy effectively blockading Southern ports, many goods became rare and costly. Sending money to troops in the field became difficult and dangerous as broad swaths of territory were occupied by Union forces.

The air filled with recriminations between members of the Confederate Congress and the Treasury. On June 15 Secretary Memminger submitted his notice of resignation to Congress before it could fire him. He returned to his home to sit out the rest of the war.

On July 2 Treasurer Elmore resigned. Apparently Nutt took charge as Acting Treasurer during the three months until a replacement, John N. Hendren, was appointed on October 2.

G. A. Trenholm became Confederate Treasury Secretary on July 20, the day after Memminger had sent to President Davis his recommendation concerning Nutt's request. Memminger doubtless realized that his successor would need all the help he could get at the Treasury.

As 1864 came to a close hyper-inflation set in, with the government issuing \$50 million, and later \$100 million, a month in paper money.



Confederate war warrant signed by Nutt as Acting Treasurer September 14, 1864. (Courtesy aocurrency.com)

By March of 1865 the Confederate dollar was valued at 70 to 1 dollar in gold. The Treasury was utterly bankrupt, reduced to soliciting donations of silverware, trinkets, jewelry or anything that could be melted down for silver or gold. The final issue of Confederate currency in May bottomed out at \$1,200 to \$1 in gold.

With no farm to return to, Nutt remained at his post until General Grant laid siege to Richmond and it was evacuated on April 2. The government fled to temporary quarters in Danville, Virginia. Fires set to destroy Confederate supplies grew out of control, forcing the mayor of Richmond to invite Union forces in to put out the flames. On April 4 President Lincoln visited the city and the Confederate White House. Everywhere he was met with the roar of cheers from freed slaves lining his path.

On June 17, 1865 Nutt took the oath of allegiance to the United States at the Provost Marshal's office in Richmond. On September 4 he received a full pardon from President Andrew Johnson.

Major Nutt returned to Alexandria to find that the U.S. District Court had entered a decree of condemnation against his farm, allowing it to be sold. In October the farm was sold for \$2,400 and transferred to its new owners, consisting of Judge Underwood, Governor Peirpoint and James Madison Downey, an anti-secession Virginian. (11)

Downey eventually became sole owner of the farm. For the next six years Nutt battled in court to regain it. An 1867 editorial in the *Washington Chronicle* opined that "the Government of the United States would fail in its obligations to the true men if it allowed itself to be influenced by the example of restoring to red-handed traitors' property that had been fairly purchased and occupied by loyal citizens". It then reprinted a letter from Downey to Major Nutt. Downey ranted, "You have ... but one right common with all traitors, and that is, to expiate at the end of a halter the crime you ... committed when you conspired knowingly and willingly to sap the foundation of our Government and consign it and its sacred trusts to the bottom of a chaotic grave." (12)

Undaunted, Nutt fought his way through appeals all the way to the United States Supreme Court. On February 1, 1871 he won his tax sale case against Downey and the federal government, recovering his property.

Major William D. Nutt passed away in Alexandria on October 20, 1889 at the age of 86. From 1837 to 1861 he managed multiple issues of Treasury notes as well as the Sub-Treasury in Washington, a record of success he could be justly proud of. But his reliance upon the vile institution of slavery to operate his farm put him on the wrong side of history. Perhaps he could have preserved both his career and his farm had he forsaken slavery? While he dreamed of revenge for his losses, he was lucky to have been cloistered in the Confederate Treasury in Richmond as the war raged and ultimately overtook him.

A few fragments remain to attest to his service in both treasuries, including the unique \$1000 Treasury note he endorsed, which was intended to reside in a French museum. It is remarkable that, although it surfaced at a Christies-Robson Lowe auction almost 40 years ago and has been offered in multiple auctions since, until now no one took the time to identify the prominent signature on its back.

## Notes

- (1) Bowers, Q. David, *Alexandre Vattemare and the Numismatic Scene*, Stack's Bowers Galleries, 2018, pp. 43-55.
- (2) "*The Money Branch of the United States Treasury*", *The Daily Memphis Whig*, Memphis, TN 30 Apr 1855, p.5
- (3) Cobb, Howell, *A Scriptural Examination of the Institution of Slavery in the United States, With Its Objects and Purposes*, self-published, Georgia, 1856
- (5) United States Census, William D. Nutt, 1860.
- (6) *The Daily Exchange*, Baltimore, MD 2 Apr 1861, p. 1
- (7) *National Republican*, Washington, D.C. 10 Jun 1861, p. 3
- (8) *Evening Star*, Washington, D.C. 1 Oct 1861, p. 2. Details also were recounted in a letter from Pvt. Robert A. Hubbel, Co. K, 14<sup>th</sup> New York State Vols, written from Arlington Heights, VA on Oct. 3, 1861. The name of the Union soldier killed on Nutt's farm is noted in the Civil War roster of the 25<sup>th</sup> New York Infantry.
- (9) McNeil, Michael, *Confederate Quartermasters, Commissaries, and Agents*, Pub. Pierre Fricke, Sudbury MA, 2016
- (10) Fold3.com
- (11) Donald W. Gunter, "James Madison Downey (1809–1884)," *Dictionary of Virginia Biography*, Library of Virginia (1998– ), published 2016
- (12) "CONFISCATION", *The Salem Observer*, Salem, NC 29 Mar 1867, p. 2