

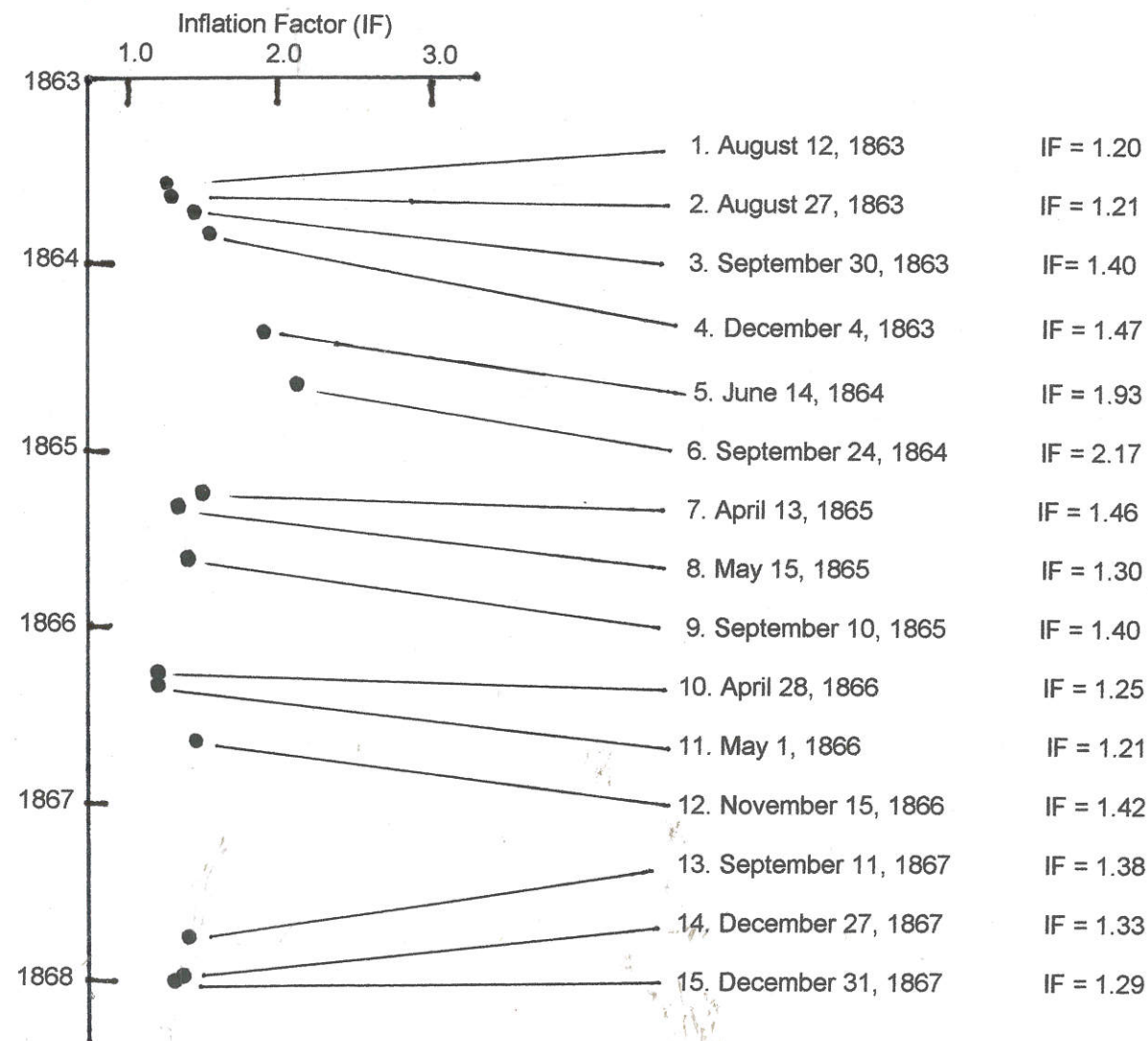
## Inflation During U.S. Civil War 1863-1867

During the Civil War, inflation increased at a rapid rate. This was caused partly by the issue of unbacked notes by the Treasury Dept. and by the ban on payments in gold or silver by the Federal Government and all banks. By 1863, there were almost no coins in circulation and the value of the unbacked notes decreased relative to gold and silver.

Under U.S. postal treaties with foreign countries, balancing payments for postage collected on unpaid letters were to be paid in gold. Since almost all postage collected in the U.S. for unpaid foreign letters was in the form of the lower value U.S. notes, losses were being incurred on each letter. By 1863, it was estimated that \$50,000 per year was being lost through balancing payments.

To minimize the loss in balancing payments because of the difference in value between gold and U.S. notes, the Post Office Dept., in July, 1863, furnished the U.S. exchange offices for foreign mail with postmarks containing the treaty rate and the equivalent rate in depreciated U.S. notes. The U.S. note value was calculated every day and the postmark was changed. These dual currency postmark were in use until 1868, when new postal treaties eliminated the necessity for this practice.

For this study, the inflation factor (IF) is calculated by dividing the rate in U.S. notes by the treaty rate. The highest rate of inflation occurred in mid-1864, when Confederate forces were menacing Washington, D.C.



## Inflation During the U.S. Civil War 1863 - 1866

### Calculated from U.S. Depreciated Currency Markings on Unpaid Incoming Foreign Mail

War costs money. The north paid for the war by across the board taxes and by printing large quantities of unbacked notes. By mid 1863 \$450 million of these notes were in circulation. This increased inflation and reduced the value of the U.S. notes. By mid 1864 the survival of the Union was in doubt since the Confederate forces had Washington D.C. in their gun sights. The rebel successes and the circulation of the U.S. unbacked notes combined to cause inflation which reduced the value of \$1 in U.S. notes to about 35 cents.

Under existing U.S. postal treaties with foreign countries, balancing payments for postage collected on incoming unpaid foreign letters, were paid in gold. Because of the inflation, coins had almost completely disappeared from commerce. Since almost all of the postage on the unpaid foreign letters was paid in lower value U.S. notes, the P.O. in 1863 estimated that it was losing \$50,000 per year. In 1863 the value of a \$1 U.S. note was about 75 cents in gold.

To minimize this loss in balancing payments because of the difference in value between gold and U.S. notes, in mid 1863 unpaid incoming foreign mail was marked with two rates, the treaty rate and the equivalent rate in depreciated U.S. notes. The value of U.S. notes was calculated daily from the relative value of silver and gold to U.S. notes. Exchange offices were furnished with postal markings for each rate.

Incoming unpaid mail entering through the New York exchange office usually has two sets of manuscript initials, those of the rater and the collector. In addition a mark signifying the type of payment, coins or U.S. notes is found. This marking signifies payment in U.S. notes almost 100% of the time since coins were not generally in circulation after 1862.

For this study, an Inflation Factor (IF) is calculated by dividing the rate in U.S. notes by the treaty rate. The value of the U.S. notes relative to gold is the reciprocal of the IF. The covers in this exhibit are arranged chronologically to show the progression of inflation. In most cases the steamship carrying the cover is identified and specific treaty rates are discussed.

This exhibit shows the development of inflation as calculated from depreciated rate postal markings from their inception in mid 1863 through the end of the Civil War in April, 1865 and for a year and a half after the end of the conflict. This covers the period of maximum inflation.



July 9, 1863 – IF = 1.27

France to U.S. at Single French Treaty Rate



Paris (6/26/63) to N.Y. (7/9/63) via Boston and Queenstown. Carried by Cunard S.S. Asia arriving at Boston 7/9/63. Sent to N.Y. E.O. where rated 15 cents in coin or 19 cents in U.S. notes. 12 cents credit to France

July 23, 1863 – IF = 1.20

France to U.S. at Double French Treaty Rate



Havre (7/8/63) to New York via Boston. Carried by Cunard steamship Africa arriving at Boston 7/22/63. Sent to N.Y. exchange office where rated 30 cents in coin or 36 cents in U.S. notes on 7/23/63. 24 cents due to France for inland and sea postage. U.S. retained 6 cents for inland postage.

July 2, 1863 – IF = 1.42

England to U.S. at Double British Treaty Rate



London (6/20/63) to Boston (7/2/63) via Queenstown and N.Y. Carried by Cunard steamship China arriving in N.Y. (7/1/63). Mail for New England sent to Boston Exchange Office where it was rated 48 cents in coin or 68 cents in U.S. notes. Boston did not have a dual rate postmark this early in the depreciated currency period. The amount due in U.S. notes was indicated with a straight line marking.

Double British Treaty Rate  $2 \times 24 = 48$  cents

Credit to England for sea and inland postage  $2 \times 19 = 38$  cents  
Retained by U.S. for inland postage  $2 \times 5 = 10$  cents



August 27, 1863 – IF = 1.21

England to Boston at Single British Treaty Rate



London (8/15/63) to Boston (8/27/63) via N.Y. Carried by Cunard steamship Persia to N.Y. Transferred to Boston E. O. where rated 24 cents in coin or 29 cents in U.S. notes with dual rate postmark containing year date. 19 cents credited to England for sea and inland postage. U.S. retained 5 cents.

September 3, 1863 – IF = 1.23

France to Boston at Double French Treaty Rate



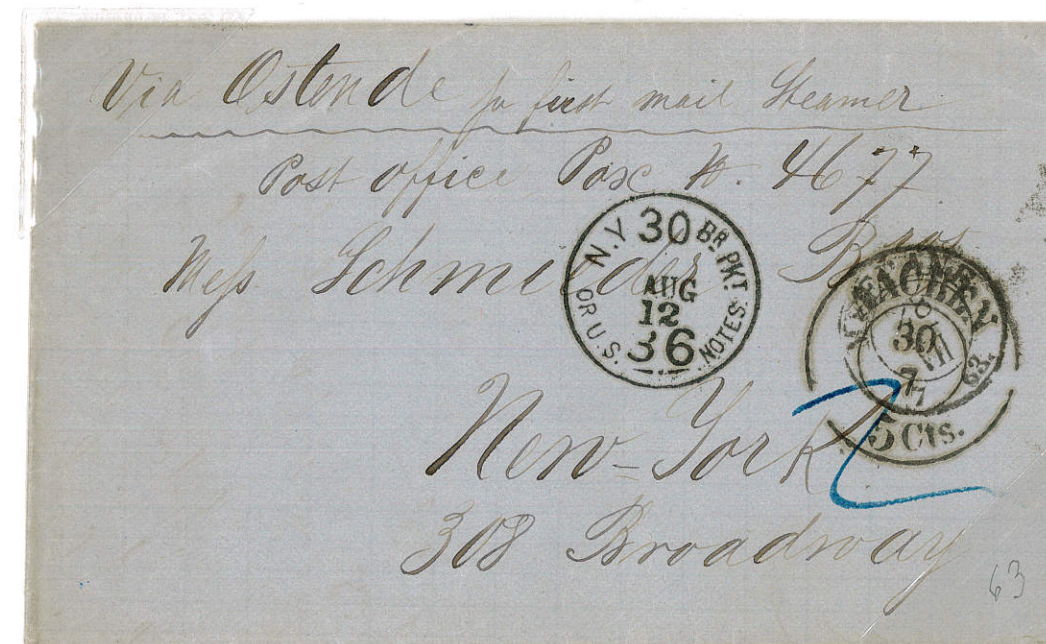
France to Boston via Queenstown by Cunard steamship Africa. Rated 30 cents in coin or 37 cents in U. S. notes. 24 cents credit to France.

August 11 &amp; 12, 1863 – IF = 1.20

Germany to New York by Prussian Closed Mail



Carried from England to N.Y. by Hamburg-American steamship Saxonia as U.S. packet. Rated 30 cents in coin or 36 cents in U.S. notes at N.Y. 5 cents credited to Prussia

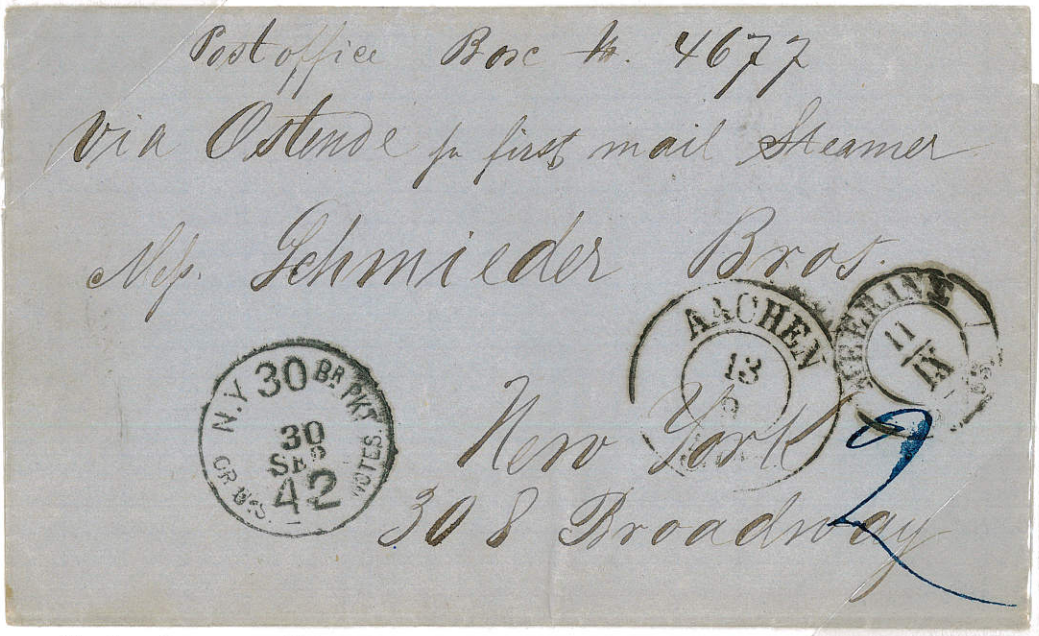


Carried from England to N.Y. by Cunard steamship China. Rated 30 cents in coin or 36 cents in U.S. notes at New York exchange office on Aug. 12 5 cents credited to Prussia



September 30, 1863 – IF = 1.40

Germany to New York by Prussian Closed Mail



Berlin, Germany (9/11/63) to N.Y. (9/30/63) via Aachen (9/13/63) and England. Rated at 30 cents in coin or 42 cents in notes. Marking also indicates transport by British packet, however no British steamships called at New York within 3 days of Sept. 30. Should have been marked American packet since probably delivered by Inman steamship City of Washington under contract to U.S. post office.

Prussian Closed Mail Rate = 30 cents  
Credit to Prussia = 5 cents

On unpaid letters received in the U.S. by Prussian Closed Mail, the U.S. was responsible for paying sea postage and transit fees through Belgium and England.

September 24, 1863 – IF = 1.30

France to Boston at Double French Treaty Rate

Paris (9/11/63) to Boston (9/24/63) via Queenstown and N.Y. (9/23/63) by Cunard steamship China. Sent to Boston E. O. where rated 30 cents in coin or 39 cents in U.S. notes. 24 cents credit to France.



October 7, 1863 – IF = 1.40

France to New York at Single French Treaty Rate



La Rochelle (9/24/63) to N.Y. (10/7/63) via Queenstown carried by Cunard steamship Persia. Rated at N.Y. 15 cents in coin or 21 cents in U.S. notes. 12 cents credit to France.



November 19, 1863 – IF = 1.43

France to U.S. at Double French Treaty Rate



Marseille, France (11/5/63)  
to N.Y. (11/19/63) via  
Queenstown. Carried by Cunard  
steamship Persia. Rated at N.Y.  
30 cents in coin or 43 cents in  
U.S. notes. 24 cents credit to  
France. 6 cents retained by U.S.

December 4, 1863 – IF = 1.47

France to U.S. at Single French Treaty Rate

Marseille (11/18/63) to N.Y. (12/4/63)  
via Liverpool. Carried to N.Y. by  
Cunard steamship Scotia. Rated at  
15 cents in coin or 22 cents in U.S.  
notes. 12 cents credit to France.



October 8, 1863 – IF = 1.37

Uruguay to New York via France at French Treaty Rate



Montevideo, Uruguay (8/15/63) to New York (10/8/63) via Rio de Janeiro  
and Bordeaux, France. Entered French mail on board steamship  
S.S. Saintonge (8/15/63) at Montevideo for transport to Rio where  
transferred to Messageries Maritimes steamship for Bordeaux. Carried  
to New York by Cunard steamship Persia. Rated at 30 cents in coin  
or 41 cents in U.S. notes.

Single French Treaty Rate from South America via France = 30 cents

Credit to France for North and South Atlantic and inland transit = 27 cents  
French payment to England for North Atlantic sea postage = 6 cents

Retained by U.S. for inland postage = 3 cents



While the British Inman Line was the primary carrier of U.S. mail to and from Europe during the Civil War, the Hamburg America Line and North German Lloyd were also used and classified as American packets.

February 3, 1864 – IF = 1.53

Rio de Janeiro, Brazil to U.S. via France at Double French Treaty Rate

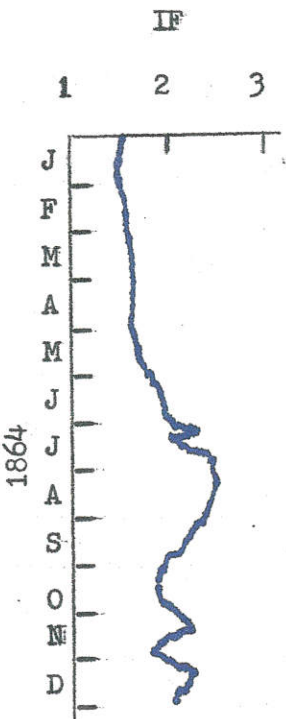


Double rate (¼ to ½ oz) from Rio de Janeiro(12/23/63) to N.Y.(2/3/64) via Bordeaux, France(1/18/64). Carried by steamship Estramadure of Messageries Maritimes from Rio to Bordeaux, and by the North German Lloyd steamship America to the U.S. Rated 60 cents in coin or 92 cents in notes by American packet. Small red 2 denotes double rate.

Double French Treaty Rate from South America via France 2X30 = 60 cents

Credit to France for South Atlantic and inland transit 2X21 = 42 cents  
Retained by U.S. for North Atlantic and inland transit 2X9 = 18 cents

The slow steady increase in the inflation rate that was seen in 1863 began to sharply increase in 1864. The rate of increase was greater but steady until June when a sharp increase occurred. The maximum inflation was during July and August with a secondary peak occurring in October and November. The inflation factor was greater than 2.0 for much of the latter half of 1864.



January 27, 1864 – IF = 1.53

France to U.S. at Double French Treaty Rate



Double rate (¼ to ½ oz.) from Marseille, France(1/14/64) to New York (1/27/64) via Lyon – Paris T.P.O. and Queenstown where it was placed aboard the Cunard steamship Scotia which arrived at N.Y. on Jan. 27. Rated 30 cents in coin or 46 cents in paper notes.

Double French Treaty Rate 2X15 = 30 cents

Credit to France 2X12 = 24 cents  
Retained by U.S. 2X3 = 6 cents



February 7, 1864 – IF = 1.53

Germany to New York at Double Prussian Closed Mail Rate

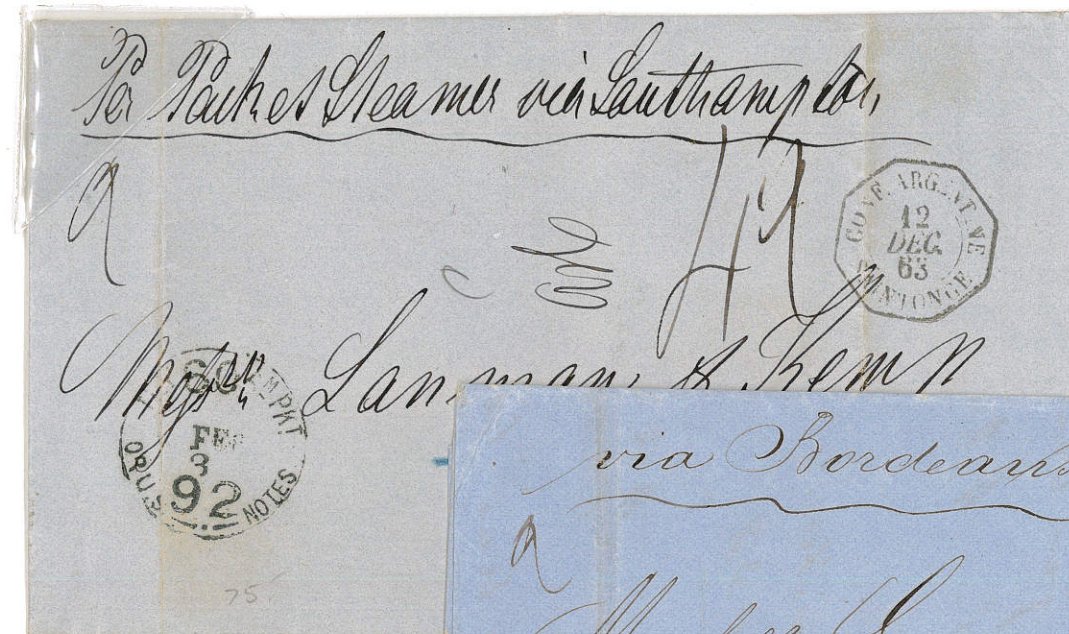


Dresden, Germany (1/20/64) to New York (2/7/64) via Aachen (1/24/64)  
 Carried from England by Cunard steamship Arabia which arrived at  
 Boston (2/6/64). Mail sent to N.Y. exchange office for processing where  
 rated at 60 cents in coin or 92 cents in U.S. notes.

Double rate because contains samples of chamomile flowers. Contents is price list for herbs and  
 spices. Even though originating in Germany, prices are quoted in L sterling.

February 3, 1864 – IF = 1.53

South America to U.S. via France at Double French Treaty Rate



Originated at Buenos Aires,  
 Argentina and entered into the  
 French mail on board the  
 shuttle steamship Saintonge  
 on December 12, 1863.



Originated at Montevideo,  
 Uruguay and entered French  
 mail system on board shuttle  
 steamship Saintonge on  
 December 15, 1863.

Both covers were carried to Rio de Janeiro on board the Saintonge. At Rio they were transferred to the  
 Messageries Maritimes steamship Estramadure which arrived at Bordeaux, France on January 18, 1864.  
 The covers were carried to the U.S. by the North German Lloyd steamship America under contract to the  
 U.S.P.O.D. They arrived at N.Y. on Feb, 3, 1864 by American packet and were rated 60 cents in coin or  
 92 cents in notes. French manuscript 2 indicates double rate.

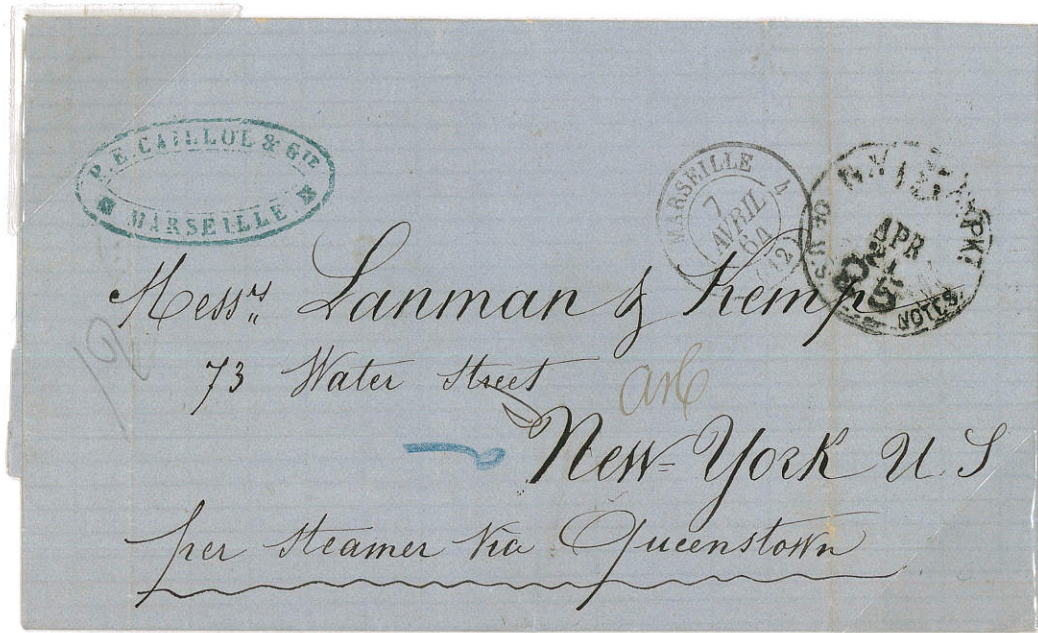
Double French Treaty Rate from South America via France 2X30 = 60 cents

Credit to France for South Atlantic and inland transit 2X21 = 42 cents  
 Retained by U.S. for North Atlantic and inland transit 2X9 = 18 cents



April 21, 1864 – IF = 1.67

France to U.S. at French Treaty Rate



Marseille (4/7/64) to N.Y. (4/21/64) via Lyon to Paris T.P.O. (4/8/64), Paris (4/9/64), and Queenstown where placed aboard Cunard steamship Australasian. Rated 15 cents in coin or 25 cents in U.S. notes at New York exchange office.

French Treaty Rate France to U.S. 15 cents

12 cents debited by France for sea and inland postage  
3 cents retained by U.S. for inland postage

February 12, 1864 – IF = 1.60

Smyrna, Turkey to New York at French Treaty Rate  
Rated at New York Exchange Office as Originating in France, not Turkey



French P.O. in Smyrna (1/19/64) to New York (2/12/64) by French steamship to Marseille. Overland to England where sent by Cunard steamship China to N.Y. where rated 15 cents in coin or 24 cents in U.S. notes which was the rate for mail originating in France. Should have been rated 30 cents in coin or 48 cents in U.S. notes. France correctly debited the U.S. 27 cents in coin for their services, a net loss of 12 cents in coin for the U.S.

Letter confirms shipment of 13 cases of opium by the steamship **British Queen**



May 18, 1864 – IF = 1.76

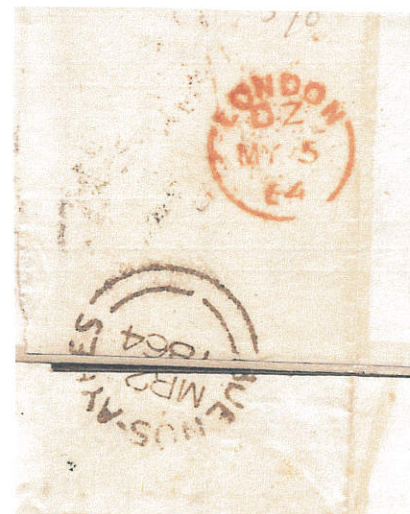
Buenos Aires, Argentina to New York via England at Double British Treaty Rate



British postal agency in Buenos Aires (3/26/64) to N.Y. (5/18/64) via London (5/5/64). Rated 90 cents in coin or \$1.58 in U.S. notes for letter weighing between ½ and 1 oz. Carried from England to N.Y. by Cunard steamship Persia. England debited U.S. 80 cents.

Double British Treaty Rate from S. A. to U.S. 2X45 = 90 cents

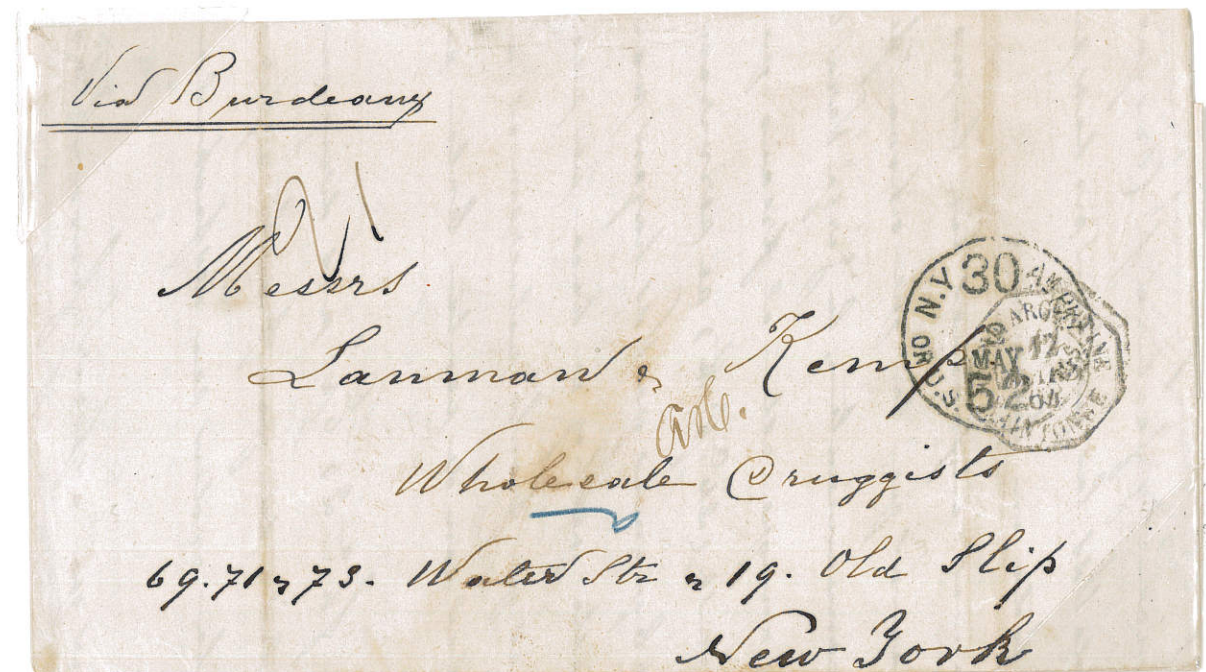
British debit for ocean and transit postage 2X40 = 80 cents  
Retained by U.S. for inland postage 2X5 = 10 cents



back of folded letter

May 3, 1864 – IF = 1.73

Argentina to New York via France at French Treaty Rate



Posted on board French steamship Saintonge (3/12/64) at Buenos Aires for trip to Rio de Janeiro where transferred to Messageries Maritimes steamship for transport to Bordeaux, France. Carried from England by Inman Line steamship Edinburgh which arrived at N.Y. (5/3/64). Rated at 30 cents in coin or 52 cents in U.S. notes. France debited U.S. 21 cents.

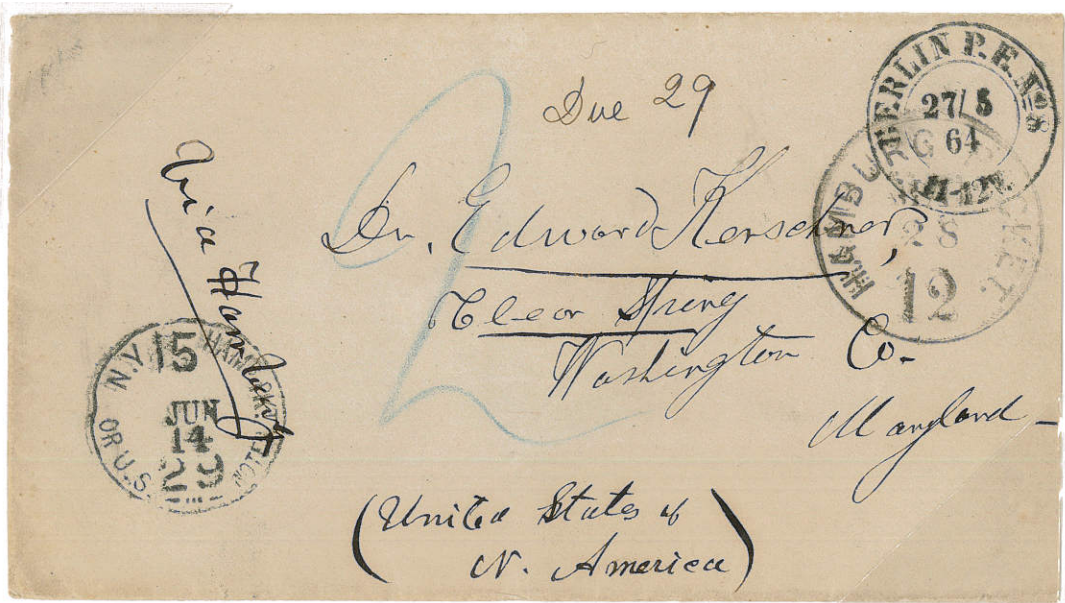
French Treaty Rate from South America via France = 30 cents

French debit for South Atlantic and inland postage = 21 cents  
Retained by U.S. for North Atlantic and inland postage = 9 cents



June 14, 1864 – IF = 1.93

Berlin, Prussia to Maryland via Hamburg at Hamburg Treaty Rate



Berlin (5/27/64) to Clear Spring, Md. Via Hamburg (5/28/64) and New York (6/14/64). Rated 15 cents in coin or 29 cents in U.S. notes. Hamburg debited U.S. 12 cents. Carried by HAPAG steamship Saxonia from Hamburg to New York.

In the original U.S.–Hamburg postal treaty of 1857, the U.S. received 5 cents for inland postage. In 1863 the U.S. reduced their claim for inland postage to 3 cents. The total international rate remained the same but the credit for sea postage increased by 2 cents.

Rate from GAPU member through Hamburg Treaty = 15 cents

Hamburg postage	1 cent
Sea postage	6 cents
Berlin-Hamburg postage	5 cents
Debit by Hamburg	12 cents
Retained by U.S.	3 cents

June 1, 1864 – IF = 1.87

Marseille, France to New York via England at French Treaty Rate



Marseille (5/19/64) to N.Y. (6/1/64) via Queenstown where placed on Cunard steamship Australasian for delivery to N.Y. Rated at 15 cents in coin or 28 cents in U.S. notes. France debited U.S. 12 cents.

June 15, 1864 – IF = 1.90

Le Havre, France to New York via England at Double French Treaty Rate



Le Havre (6/1/64) to N.Y. (6/15/64) via England where placed on Cunard steamship Scotia for N.Y. Rated at double rate of 30 cents in coin or 57 cents in U.S. notes. France debited U.S. 24 cents.



July 5, 1864 – IF = 2.00

Montevideo, Uruguay to New York via Rio de Janiero and France at French Treaty Rate



Posted at Montevideo 4/28/64. Entered French mail on board French steamship Saintonge 5/15/64 for transport to Rio de Janiero where placed aboard Messageries Maritimes steamship for trip to Bordeaux, France. Sent to England where placed on Inman steamship City of Baltimore which arrived in New York 7/5/64. Rated 30 cents in coin or 60 cents in U.S. notes. France debited U.S. 21 cents.

French treaty rate for East Coast of South America to U.S.	30 cents
France debited U.S. for South Atlantic and transit postage	21 cents
Retained by U.S. for North Atlantic and inland postage	9 cents

June 24, 1864 – IF = 2.00

France to New Orleans at French Treaty Rate

Les Batignolles (6/10/64) to New Orleans via Paris (6/10/64) and Boston (6/24/64). Rated 15 cents in coin or 30 cents in U.S. notes. France debited U.S. 12 cents. Carried by Cunard steamship Africa.



June 24, 1864 – IF = 1.72 (probably in error)

Switzerland to Wisconsin at Double French Treaty Rate



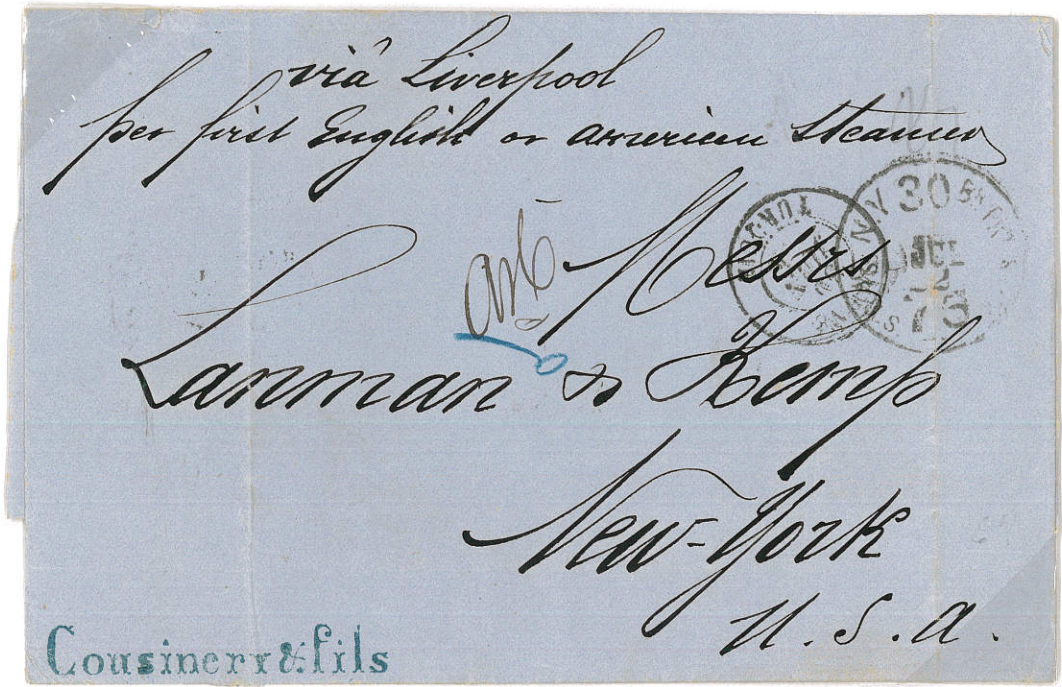
Richtersweil (6/8/64) to Baraboo, Wisc. via Boston (6/24/64). Rated 42 cents in coin or 72 cents in U.S. notes. France debited U.S. 36 cents. Carried by Cunard steamship Africa.

The 72 cents in U.S. notes appears to be an error. It should have been 84 cents



July 22, 1864 – IF = 2.43

Smyrna, Turkey to New York at French Treaty Rate



French P.O. at Smyrna (6/30/64) to New York (7/22/64) via Marseille to Lyon T.P.O. (7/7/64), Paris (7/8/64), and England. Rated 30 cents in coin or 73 cents in U.S. notes. France debited U.S. 27 cents for sea and transit postage. U.S. retained 3 cents for inland postage. Carried from England to New York by Cunard steamship Arabia.

From the last few weeks in July, 1864 through most of August, the inflation rate was 2.5 or higher. That indicates that the value of a dollar in U.S. notes decreased to about 40 cents in silver coins.

July 9, 1864 – IF = 2.00

Paris, France to Winthrop, Maine at French Treaty Rate



Paris, France (6/21/64) to Winthrop, Maine via England, River du Loup, P.Q., and Portland, Maine exchange office (7/9/64). Rated at 15 cents in coin or 30 cents in U.S. notes. Carried from England to River du Loup by Allan Line steamship Nova Scotian. By rail from River du Loup to Portland. France debited U.S. 12 cents for sea and transit postage.

APRES  
LE  
DEPART

Black boxed handstamp applied at Paris to show letter delayed because it was placed in a mail box after the last pickup of the evening

Forwarded from Winthrop to Augusta, Maine with 3 cent stamp of 1861 issue



August 5, 1864 – IF = 2.50

Buenos Aires, Argentina to Salem. Mass. via France at Double French Treaty Rate



Written at Buenos Aires (6/9/64) and entered French mail system on board S.S. Saintonge (6/12/64). Carried via Rio de Janeiro, Bordeaux, Paris, Paris to Calais T.P.O. (7/18/64) and England where placed on board Inman Line steamship City of Manchester which arrived in New York (8/5/64). Rated 60 cents in coin or \$1.50 in U.S. notes for double rate. France debited U.S 42 cents. U.S. retained 18 cents.

Double French Treaty rate from East Coast of S.A. to U.S. 2X30 = 60 cents  
French debit for double South Atlantic sea and transit postage 2X21 = 42 cents  
Double U.S. North Atlantic sea and inland postage 2X9 = 18 cents

The dual currency exchange office postmarks could only accommodate rates up to 99 cents. For greater amounts, particularly from multiple rates, the straight line handstamp was used.

July 27, 1864 – IF = 2.50

Marseille, France to New York at Double French Treaty Rate

Marseille (7/13/64) to N.Y.(7/27/64) via Lyon to Paris T.P.O.(7/14/64) and England. Rated 30 cents in coin or 75 cents in U.S. notes. France debited U.S. 24 cents. Carried from England To N.Y. by Cunard steamship Scotia.



August 5, 1864 – IF = 2.50

Montevideo, Uruguay to New York via France at French Treaty Rate



From Montevideo, Uruguay (6/15/64) and entered French mail on board steamship Saintonge, Traveled to Rio de Janeiro, Bordeaux, and England where placed aboard Inman steamship City of Manchester. Arrived in N.Y. (8/5/64). Rated 30 cents in coin or 75 cents in U.S. notes. France debited U.S. 21 cents. U.S. retained 9 cents for N.A. sea and inland postage.



October 2, 1864 – IF = 1.87

Smyrna, Turkey to New York at French Treaty Rate

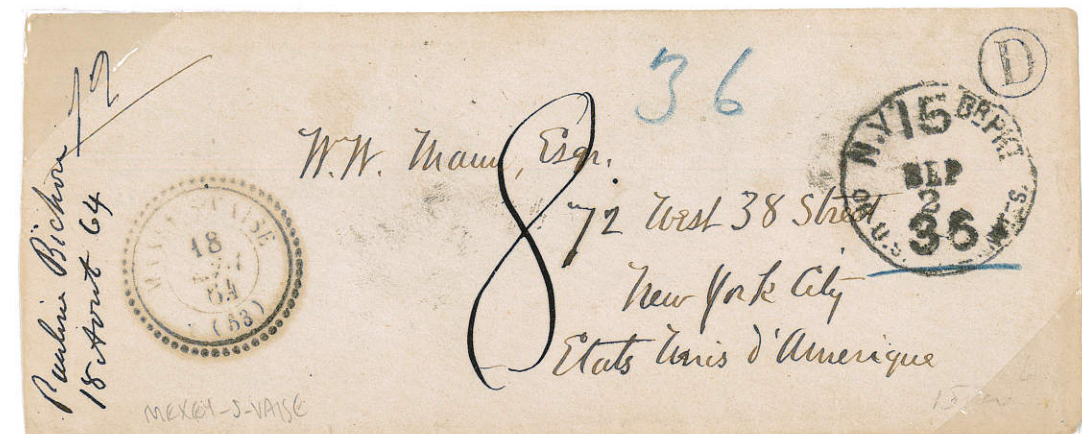


French P.O. at Smyrna (9/8/64) to New York (10/2/64) via Marseille to Lyon T.P.O. (9/15/64), and Liverpool where place on board Cunard steamship Asia. Rated 30 cents in coin or 56 cents in U.S. notes. France debited U.S. 27 cents for sea and transit postage. The U.S. retained 3 cents for inland postage.

In October 1864, the inflation factor dropped below 2.0 for the first time since mid June. However, it increased to over 2.0 for the months of November and December.

September 2, 1864 – IF = 2.40

France to U.S. at French Treaty Rate



Mexey-S-Vaise, France (8/18/64) to New York (9/2/64) via Paris to Calais T.P.O. (8/19/64), and England where placed on board Cunard steamship Europa. Rated 15 cents in coin or 36 cents in U.S. notes. France debited U.S. 12 cents. Large 8 restates treaty rate, 8 decimes equivalent to 15 cents.

September 21, 1864 – IF = 2.17

England to U.S. at British Treaty Rate



London (9/10/64) to New York 9/21/64) via Queenstown where placed on board Cunard steamship Persia. Rated 24 cents in coin or 52 cents in U.S. notes. England debited U.S. 19 cents for sea and inland postage.



October 12, 1864 – IF = 1.95

Messina, Sicily to New York at French Treaty Rate



Messina (9/24/64) via Marseille (9/27/64) and England to N.Y. (10/12/64). England to N.Y. by Allan Line steamship Jura via Canada. Rated 21 cents in coin or 41 cents in U.S. notes. France debited U.S. 18 cents.

This was the last westbound trip of the S.S. Jura. She was sunk Nov. 2 in the Mersey River at Liverpool.

October 15, 1864 – IF = 2.10

Marseille, France to New York at Double French Treaty Rate

Marseille (9/29/64) to New York (10/15/64) via Marseille to Paris T.P.O. (9/30/64) and England. Carried to N.Y. by Cunard steamship Europa. Rated 30 cents in coin or 63 cents in U.S. notes. France debited U.S. 24 cents.



October 5, 1864 – IF = 1.87

Montevideo, Uruguay to New York via France at French Treaty Rate



Posted at Montevideo (8/12/64). Entered French mail on board S.S. Saintonge which called at Montevideo 8/15/64. Carried to Rio de Janeiro where transferred to a Messageries Maritimes steamship for transport to Bordeaux. Carried to N.Y. (10/5/64) by the French Line steamship Washington. N.Y. exchange office postmark for French Packet rated at 30 cents in coin or 56 cents in U.S. notes. France debited U.S. 27 cents for North and South Atlantic sea and inland postage. U.S. retained 3 cents for inland postage.

On all three ocean legs, Montevideo to Rio, Rio to Bordeaux, and Havre to New York, this cover was carried by French steamships. This is unusual because during 1864 and 1865, the French Line made only 10 or 12 trips a year between Havre and New York. This fact also accounts for the scarcity of the N.Y. French Packet exchange office postmark.



November 25, 1864 – IF = 2.17

Beyrout, Syria to Argyle, N.Y. at French Treaty Rate



French P.O. in Beyrout (10/30/64) to Argyle, N.Y. via Marseille, Paris, Liverpool, and N.Y. exchange office (11/25/64). Carried from Liverpool to New York by Inman Line steamship Etna under contract to U.S. P.O. Rated at 30 cents in coin or 65 cents in U.S. notes. France debited U.S. 21 cents and U.S. retained 9 cents.

French Treaty rate Syria to U.S. 30cents

Syria to Marseille	15 cents
French inland	4 cents
British transit	<u>2 cents</u>
Debited by France	21 cents
North Atlantic sea postage	6 cents
U.S. inland postage	<u>3 cents</u>
Retained by U.S.	9 cents

The 1861 stamp was probably added in the U.S. for possible forwarding

November 15, 1864 – IF = 2.33

Paris to San Francisco at French Treaty Rate



Paris, France (10/28/64) to San Francisco via Liverpool, New York, and Boston (11/15/64). Carried from Liverpool to New York by Inman Line steamship City of London under contract to the U.S.P.O. Rated 15 cents in coin or 35 cents in U.S. notes. France debited U.S. 12 cents, which was in error. The debit should have been 6 cents for French inland postage and British transit fee.

The Boston exchange office originally rated this folded letter at the 21 cent treaty rate for mail originating beyond France. This rate would agree with the French debit of 12 cents when the letter was carried by an American packet. Since the letter originated in France, Boston rerated it correctly at 15 cents and obliterated the original postmark with a lozenge handstamp

The original incorrect postmark with the 21 cent rate is also dated Nov. 15. The rate of 21 cents in coin or 40 cents in U.S. notes gives an inflation ratio of 1.90 instead of 2.33, which was calculated from the correct rate postmark. The difference in inflation rate calculated from two postmarks from the same exchange office on the same day, raises questions as to the accuracy of the inflation calculations and translation to the exchange office postmarks.



February 4, 1865 – IF = 2.0

Buenos Ayres, Argentina to U.S. at French Treaty Rate



Entered the French mail system on board the steamship Saintonge at Buenos Ayres 12/12/64. Carried to Bordeaux by French steamship and then to New York via England where placed on Cunard steamship Africa. Arrived in N.Y 2/4/65 where rated 30 cents in coin or 60 cents in U.S. notes. France debited U.S. 27 cents for North and South Atlantic sea postage and transit fees. U.S. retained 3 cents for inland postage.

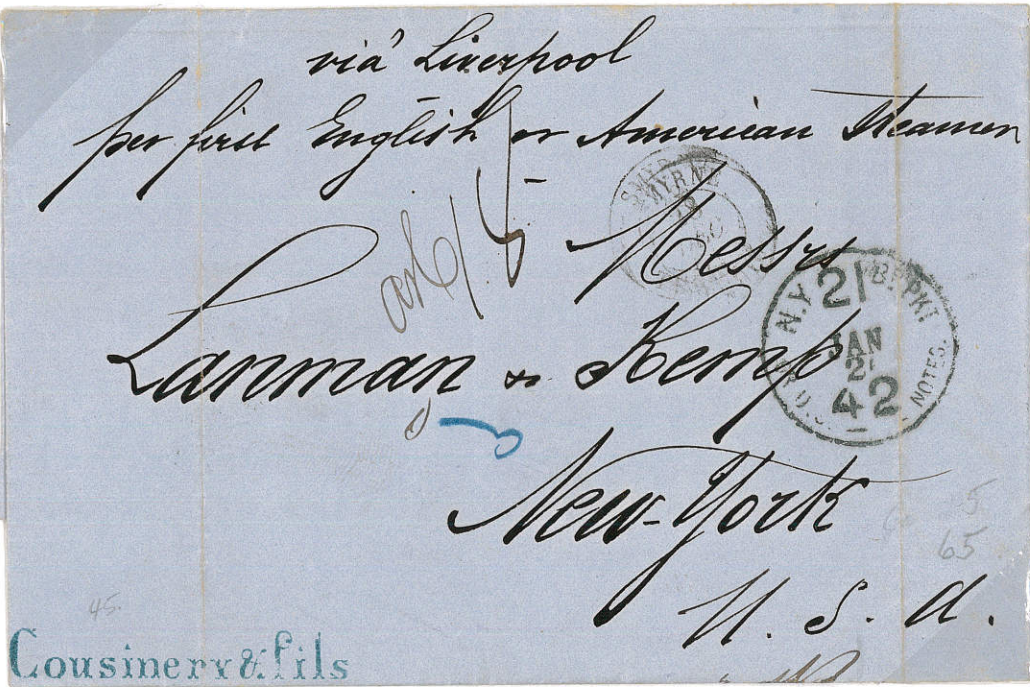
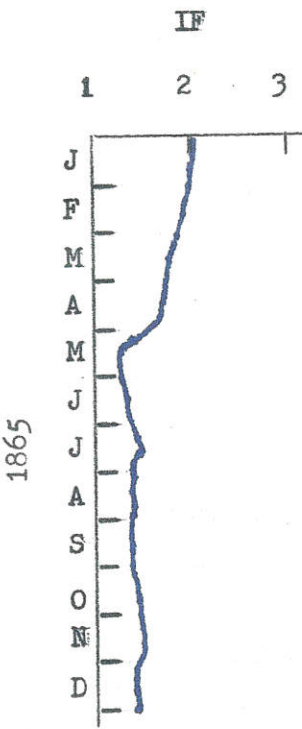
Postage Rate to U.S. from South America via France 30 cents

North Atlantic sea postage	6 cents
French transit postage	2 cents
French inland postage	4 cents
South Atlantic postage	15 cents
Debited by France	27 cents
Retained by U.S.	3 cents

At the start of 1865 the Inflation Factor was 2.0 meaning the value of a \$1 U.S. note was 50 cents on the international market. It decreased slowly to about 1.45 at the end of April. During May there was a sharp drop to under 1.3 for a short period. For the remainder of 1865 the IF remained at the 1.3 to 1.4 level. It is possible that the IF decrease in April was partly influenced by the end of the war on April 10. The assassination of President Lincoln on April 14 may have influenced the small increase in the IF during June and July.

January 2, 1865 – IF = 2.0

Smyrna, Turkey to U.S. at French Treaty Rate



French P.O. in Smyrna(12/18/64) to N.Y.(1/25/65) via Marseille(1/5/65) Misrated in France as originating in a European country rather than in Turkey. The U. S. then rated the cover at 21 cents rather than the proper 30 cents. Carried to U.S. by Cunard steamship Cuba.

The French exchange office caused the problem by including this cover in a pouch with mail from Europe and debiting the U.S. 18 cents for sea and transit postage. The N.Y. exchange office did not check the origin and rated the cover at 21 cents in coin or 42 cents in U.S. notes. It should have been rated at 30 cents in coin or 60 cents in U.S. notes. France should have debited the U.S. 27 cents instead of 18 cents



April 13, 1865 – IF = 1.46

London, England to U.S. at British Treaty Rate



London(3/30/65) to Conn. via Boston(4/13/65) where rated 24 cents in coin or 35 cents in U.S. notes. Carried by Inman steamship Edinburgh under U.S. contract. England debited U.S. 3 cents for inland postage.

April 28, 1865 – IF = 1.25

London, England to U.S. at British Treaty Rate



London(4/14/65) to Maine via Boston where rated 24 cents in coin or 30 cents in U.S. notes. Carried by Cunard steamship Africa. England debited U.S. 19 cents for sea and inland postage.

March 24, 1865 – IF = 1.48

London, England to U.S. at British Treaty Rate



4X rate folded letter from London(3/11/65) to New York(3/24/65) where it arrived on March 24, 1865 on board the Cunard steamship Australasian. Rated at 96 cents in coin or \$1.42 in U.S. notes for 4X British Treaty rate. England debited U.S. 76 cents for sea and inland postage. U.S. retained 20 cents for 4X inland postage.

The dual rate postmarks with both the coin and U.S. notes rates, would only accommodate a rate up to 99 cents. For rates over 99 cents it was necessary to use a straight line rate handstamp. Unfortunately these handstamps did not contain the date of arrival or the flag of the ship carrying the cover. Fortunately, most business letters were docketed on the back with the arrival date.



May 15, 1865 – IF = 1.30

Hamburg, Germany to U.S. at Hamburg Treaty Rate



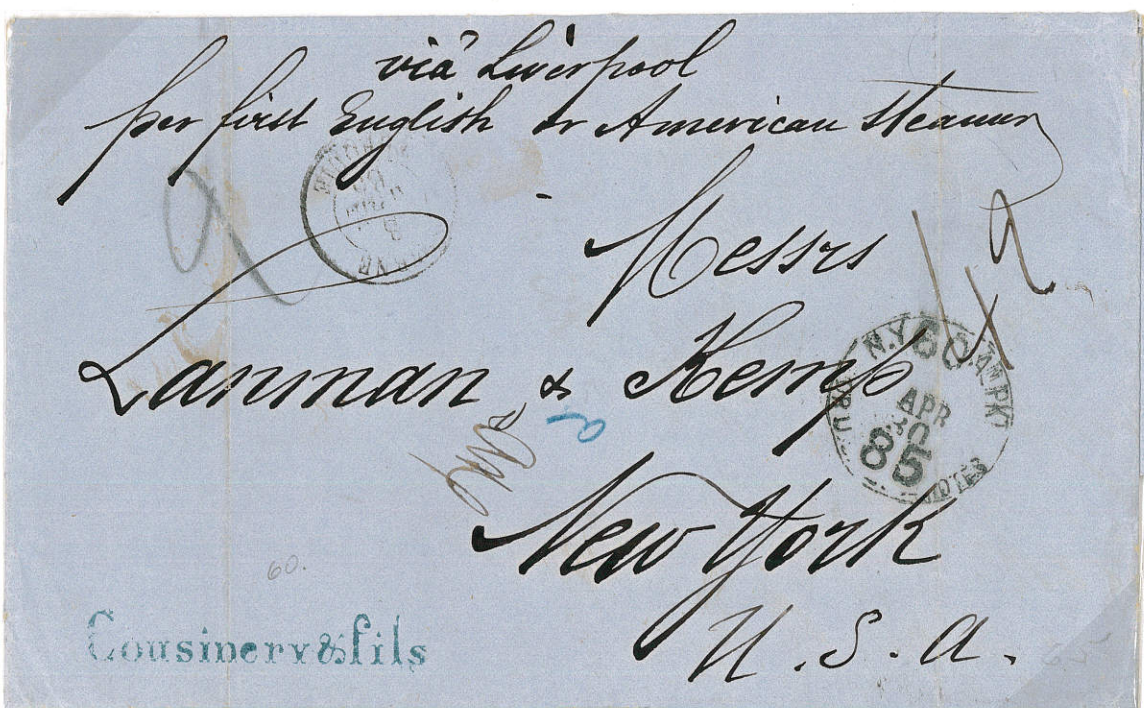
Hamburg(4/29/65) to New York(5/15/65) by Hamburg American Line steamship Saxonia. Rated at New York 10 cents in coin or 13 cents in U.S. notes. U.S. debited 7 cents by Hamburg for sea and inland postage.

U.S.-Hamburg Treaty Rate	10 cents
Packet postage	6 cents
Hamburg local postage	<u>1</u> cent
Debit by Hamburg	7 cents
Retained by U.S.	3 cents

In the treaty of 1857, the U.S. received 5 cents credit for inland postage. In 1863 the U.S. inland postage credit was reduced to 3 cents. Because the 10 cent treaty rate remained the same, the packet postage was essentially increased to 6 cents from the previous 4 cents.

April 30, 1865 – IF = 1.42

Smyrna, Turkey to U.S. at Double French Treaty Rate



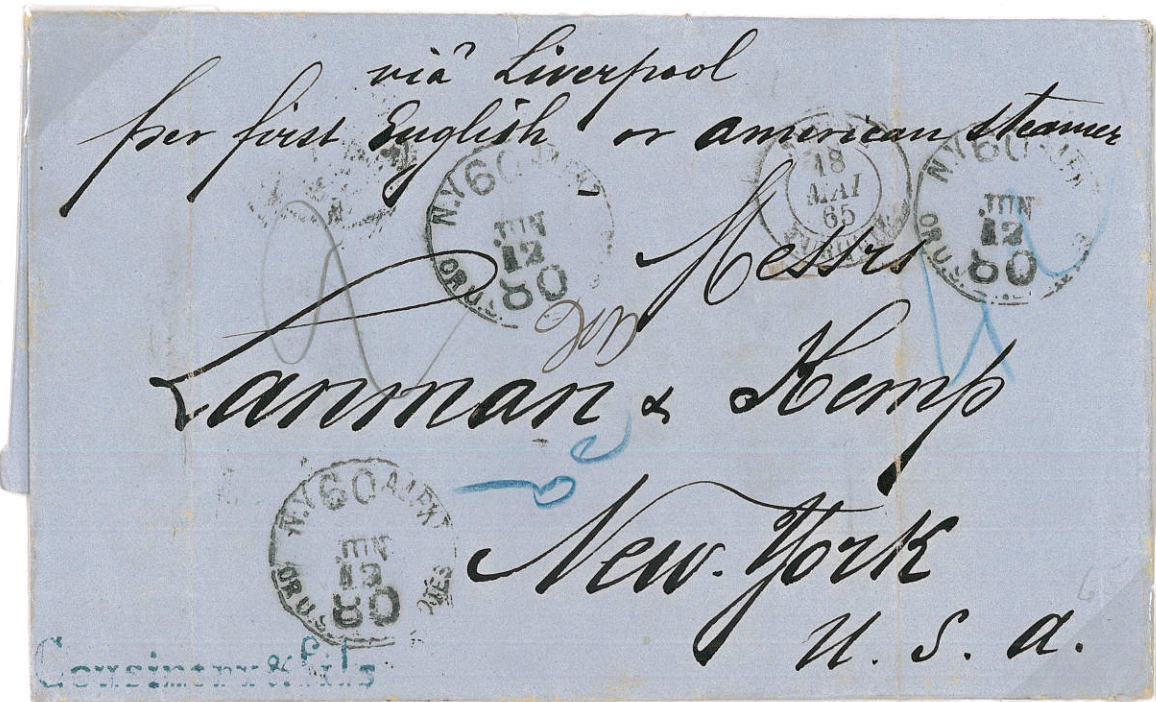
French P.O. at Smyrna, Turkey(4/8/65) to New York((4/30/65) via Marseille, France(4/15/65) and England. At New York rated at 60 cents in coin or 85 cents in U.S. notes for double French Treaty rate. Carried from England by Inman steamship City of London under contract to U.S.P.O.D. France debited U.S. 42 cents for Mediterranean sea, transit, and inland postage.

Double Postage Rate from Turkey via France to U.S.	60 cents
Double French transit postage	4 cents
Double French inland postage	8 cents
Double Mediterranean sea postage	<u>30</u> cents
Debited by France	42 cents
Double Atlantic sea postage	12 cents
Double U.S. inland	<u>6</u> cents
Retained by U.S.	18 cents



June 12, 1865 – IF = 1.33

Smyrna, Turkey to New York at Double French Treaty Rate



French P.O. in Smyrna(5/18/65) to New York(6/12/65) via Marseille to Lyon T.P.O.(5/26/65), Paris(5/27/65), and Liverpool. Carried to New York on board Inman steamship City of London under U.S.P.O.D. contract. At New York rated 60 cents in coin or 80 cents in U.S. notes. France debited U.S. 42 cents.

Double French Treaty postage , Turkey to U.S.	60 cents
Double French transit postage	4 cents
Double French inland postage	8 cents
Double Mediterranean packet postage	30 cents
Debited by France	42 cents
Double North Atlantic postage	12 cents
Double U.S. inland postage	6 cents
Retained by U.S.	18 cents

June 6, 1865 – IF = 1.30

Pernambuco, Brazil to New York at French Treaty Rate



Pernambuco, Brazil(4/29/65) to New York(6/6/65) via France and England. Carried from Pernambuco to Brest, France by the French-Brazil Line steamship Estramadure(4/30/65). Sent to Liverpool and placed on board the Inman steamship City of Washington. At New York rated 30 cents in coin or 39 cents in U.S. notes. France debited U.S. 21 cents.

French Treaty Rate for South America to U.S.	30 cents
French transit postage	2 cents
French inland postage	4 cents
South Atlantic packet postage	15 cents
Debited by France	21 cents
North Atlantic packet postage	6 cents
U.S. inland postage	3 cents
Retained by U.S.	9 cents



June 27, 1865 – IF = 1.37

Montevideo, Uruguay to New York via France at French Treaty Rate



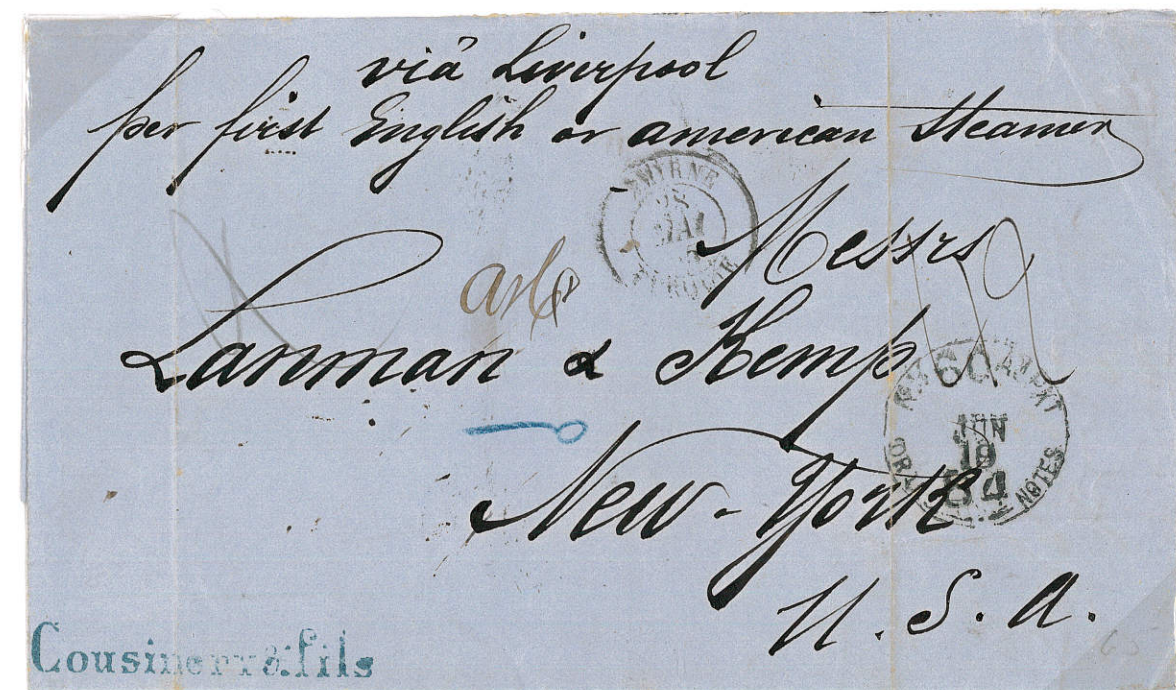
Montevideo(5/14/65) to New York(6/27/65). Entered the French mail on board the French steamship Saintonge(5/16/65) at Montevideo Carried to Rio de Janeiro, Bordeaux, France, and England. Sent to New York aboard Cunard steamship Cuba. Rated at N.Y. 30 cents in coin or 41 cents in U.S. notes. France debited U.S. 27 cents.

June 27, 1865 is the earliest recorded use of the 28 mm. New York exchange office dual rate depreciated currency postmark used on this cover and June 27 was the only day it was used in 1865.

June 19, 1865 – IF = 1.4

Smyrna, Turkey to New York via France at Double French Treaty Rate

Carried Liverpool to New York on Maiden Voyage of Inman Steamship City of New York (II)



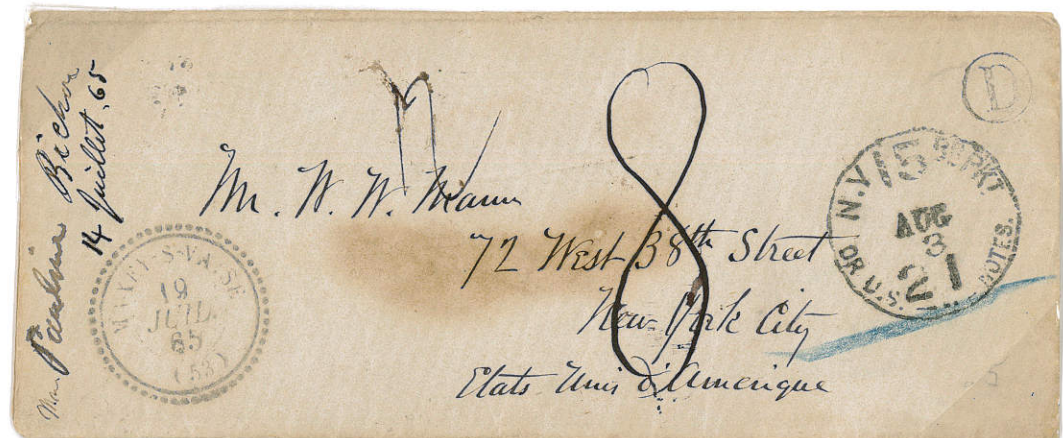
French P.O. in Smyrna(5/28/65) to New York(6/19/65) via Marseille to Paris T.P.O.(6/5/65) and Liverpool. Carried from Liverpool on maiden voyage of Inman steamship City of New York (II). Rated at New York 60 cents in coin or 84 cents in U.S. notes. France debited U.S. 42 cents.

The Inman steamship City of New York (II), the second Inman steamship to bear the name, left Liverpool on her maiden voyage on June 7, 1865. She was 321 ft. long and 2,642 gross tons. She had a very long career, being in transatlantic passenger service for various lines until 1903.



August 3, 1865 – IF = 1.40

France to U.S. at French Treaty Rate



Mexey-S-Vaise(7/19/65) to New York(8/3/65) via Strasbourg to Paris T.P.O.(7/19/65), Paris(7/20/65), and England. Carried to New York by Cunard steamship Asia. Rated 15 cents in coin or 21 cents in U.S. notes. France debited U.S. 12 cents for sea and inland postage. Large 8 restates treaty rate in decimes.

August 9, 1865 – IF = 1.40

France to U.S. at French Treaty Rate

Marseille(7/27/65) to N.Y.(8/9/65) via Marseille to Paris T.P.O.(7/28/65) Paris to Calais T.P.O.(7/28/65) and England. Carried to N.Y. by Cunard steamship Cuba. At N.Y. rated 15 cents in coin or 21 cents in U.S. notes. France debited U.S. 12 cents.



July 22, 1865 – IF = 1.47

France to Boston at Double French Treaty Rate



Brest, France(7/12/65) to Boston(7/22/65) via Brest to Paris T.P.O.(7/13/65) and England. Carried from England to New York by Cunard steamship Africa. Rated at New York 30 cents in coin or 44 cents in U.S. notes for double 15 cent French treaty rate. France debited U.S. 24 cents for inland, transit, and sea postage.

July 26, 1865 – IF = 1.40

France to New York at French Treaty Rate

Marseille, France(7/12/65) to New York(7/26/65) via Marseille to Paris T.P.O.(7/13/65), Paris to Calais T.P.O.(7/13/65), and England. Carried to N.Y. by Cunard steamship Scotia. Rated at N.Y. 15 cents in coin or 21 cents in U.S. notes. France debited U.S. 12 cents.





August 15, 1865 – IF = 1.33

France to U.S. at French Treaty Rate



Paris(8/2/65) to New Orleans via England, Canada, and Portland(8/15/65)  
 Carried from England to Riviere du Loup, P.Q. by Allan Line steamship  
 Moravian then by train to Portland, Maine exchange office where rated 15  
 cents in coin or 20 cents in U.S. notes. France debit to U.S. of 12 cents for  
 ocean and inland postage.

In the summer months, usually May through mid November, the Allan Line service to North America ended at Quebec. Mail for the U.S. was off loaded at Riviere du Loup and carried to Portland, Maine by rail. In the winter, the Allan Line used Portland as their western terminal.

August 10 and 23, 1865 – IF = 1.40

France to U.S. at Single French Treaty Rate



Carried England to N.Y. by  
 Cunard steamship Cuba.



Carried England to N.Y. by  
 Cunard Steamship Persia.

Both covers from Marseille, France to New York via England. At New York rated 15 cents in coin or 21 cents in U.S. notes. 12 cent French debit to U.S. for inland and ocean postage.



October 2, 1865 – IF = 1.38

Uruguay to U.S. via France at Double French Treaty Rate

Treaty Rate in Exchange Office Postmark Single(30) Instead of Double(60)



Montevideo, Uruguay(8/14/65) to New York(10/2/65) via French packet S.S. Carmel(8/15/65), Bordeaux, and England. Carried to New York by Inman Line steamship Edinburgh. Rated at New York 30 cents in coin or 83 cents in U.S. notes. The 30 cent treaty rate is in error. It should have been 60 cents for a double rate letter. The 83 cents inflation rate is correct as is the French debit of 42 cents for double inland, transit, and South Atlantic packet postage. The U.S. retained 18 cents for double inland and North Atlantic packet postage.

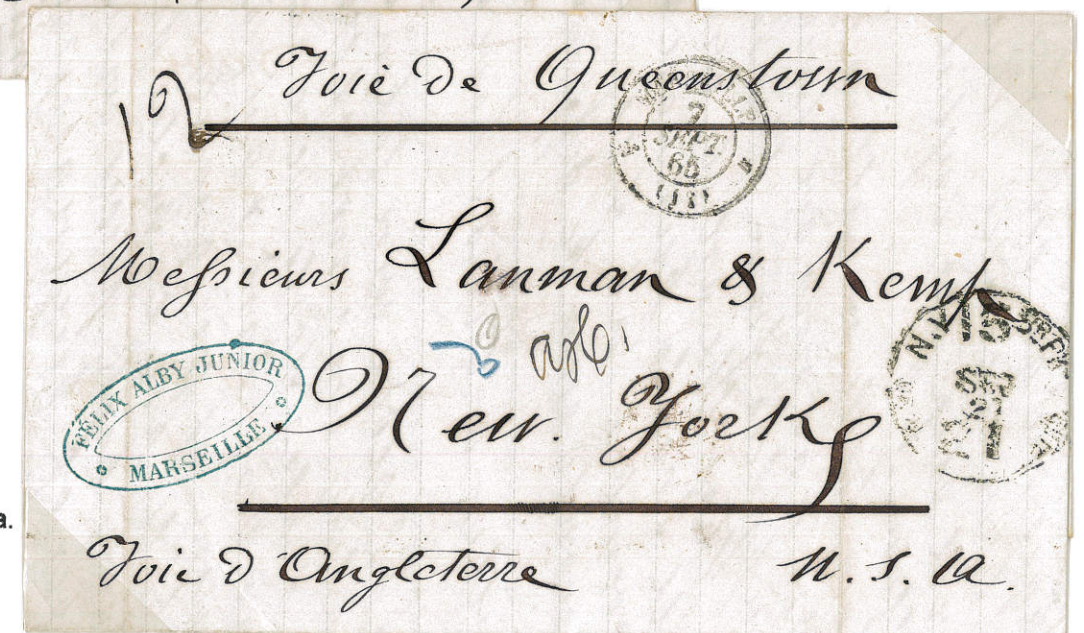
The error in the treaty rate indicated in the N.Y. exchange office postmark, single(30) instead of double(60), did not affect the compensation of either the U.S. or France. The correct amount of postage due was collected in U.S. notes and the French debit was correct.

September 5 and 21, 1865 – IF = 1.40

France to U.S. at Single French Treaty Rate



Carried England to N.Y. by Cunard steamship Scotia



Carried England to N.Y. by Cunard Steamship Australasia.

Both covers from Marseille, France to New York via England. At New York rated 15 cents in coin or 21 cents in U.S. notes. 12 cent French debit to U.S. for inland and ocean postage.



December 5, 1865 – IF = 1.47

Uruguay to U.S. via France at French Treaty Rate



Montevideo, Uruguay(10/14/65) to New York(12/5/65) via Bordeaux.  
 Rated at New York 30 cents in coin or 44 cents in U.S. notes. The  
 N.Y. exchange office postmark indicates arrival by British ship but  
 that is probably wrong. French debit of 27 cents for sea and inland.

The N.Y. exchange office postmark indicating arrival by British packet is probably in error since no British steamship arrived at New York between November 29 and December 13, 1865. On December 5 the Inman steamship City of New York II and the French Line Lafayette arrived. The French debit of 27 cents indicates that the cover was carried on the Lafayette. If it were carried by the City of New York II under U.S. contract, the French debit would have been 21 cents.

November 22 and 29, 1865 – IF = 1.47

France to U.S. at Single French Treaty Rate

Carried England to N.Y.  
 Cunard steamship China.



Carried England to N.Y. by  
 Cunard Steamship Scotia.

Both covers from Marseille, France to New York via England. At New York rated 15 cents in coin or 22 cents in U.S. notes. 12 cent French debit to U.S. for inland and ocean postage. U.S. retained 3 cents.



England to U.S. at 4X British Treaty Rate

December 21, 1865 – IF = 1.42



London(12/9/65) to N.Y.(12/21/65) where rated 96 cents in coin or \$1.36 in U.S. notes. British debit of 76 cents for sea and inland postage. Carried by Cunard S.S. Cuba

December 30, 1865 – IF = 1.41



London(12/16/65) to N.Y.(12/30/65) where rated 96 cents in coin or \$1.35 in U.S. notes. British debit of 76 cents for sea and inland postage. Carried by Cunard S.S. Australasian

December 15, 1864 – IF = 2.33

Marseille, France to New York at French Treaty Rate

Marseille (11/25/64) to N.Y. (12/15/64) via Paris and Liverpool. Carried to N.Y. by Cunard steamship Canada. Rated 15 cents in coin or 35 cents in U.S. notes. France debited U.S. 12 cents.



December 27, 1864 – IF = 2.17

Smyrna, Turkey to New York at French Treaty Rate

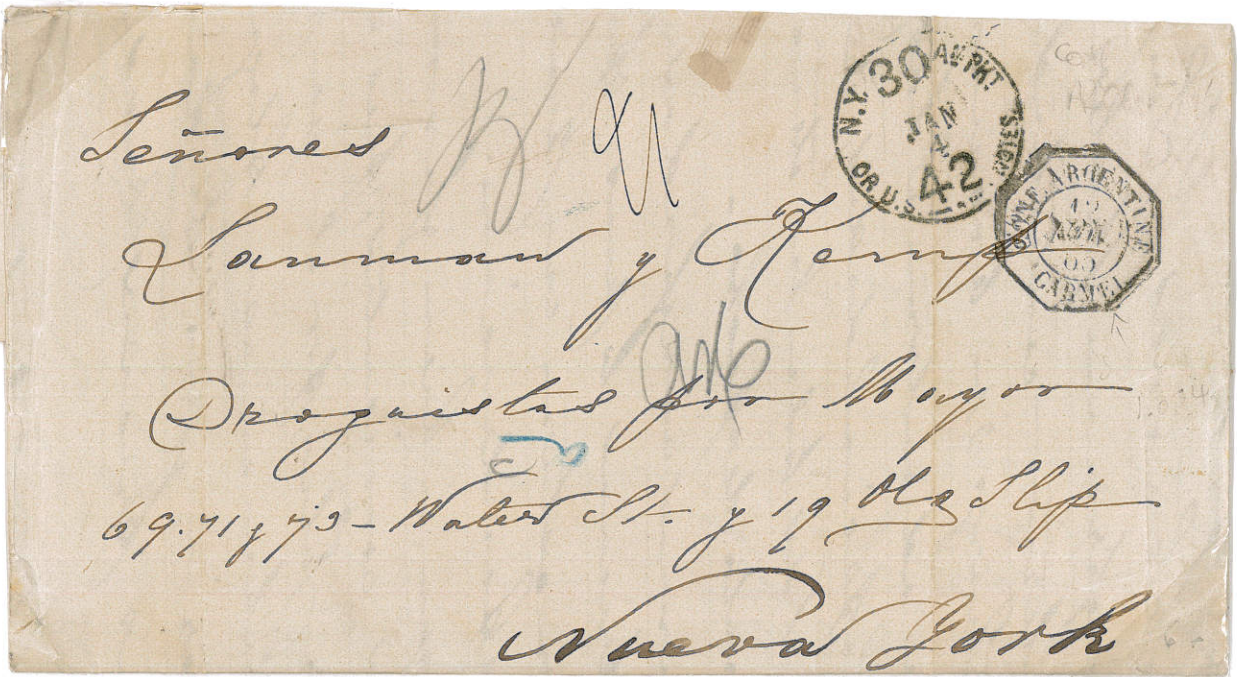


Smyrna (11/20/64) to N.Y. (12/27/64) via Paris and Liverpool. Carried to N.Y. by Inman Line steamship Kangaroo under U.S.P.O. contract. Rated 30 cents in coin or 65 cents in U.S. notes. France debited U.S. 21 cents.



January 4, 1866 – IF = 1.40

Buenos Aires, Argentina to New York via France at French Treaty Rate

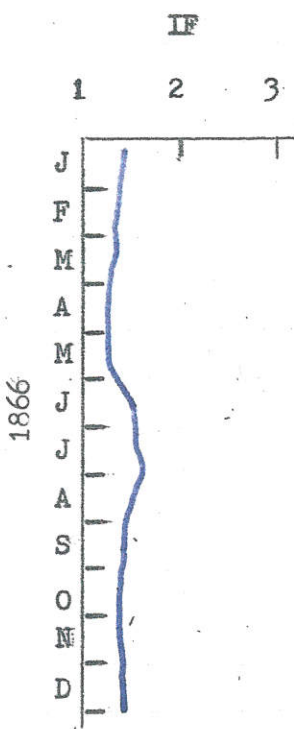


Buenos Aires(11/11/65) to New York(1/4/66) via France and England. Entered the French mail on board the French steamship Carmel(11/12/65) at Buenos Aires. Carried to Rio de Janeiro where transferred to French Brazil Line packet for transport to France. Sent to England where placed on board North German Lloyd steamship Hermann for delivery in N.Y. At N.Y. rated 30 cents in coin or 42 cents in U.S. notes. French debit of 21 cents. U.S. retained 9 cents.

By 1866 the inflation caused by the fiscal moves to finance the Civil War was beginning to stabilize. The Inflation Factor started at 1.4 in January, slowly decreased to about 1.25 during May and June, increased to about 1.5 during July and August, and then finished the year at 1.4. The total variation in the value of a U.S. \$1 note was from 67 to 80 cents over the entire year.

January 4, 1866 – IF = 1.40

Porto Alegre, Brazil to New York at Double French Treaty Rate



Porto Alegre(11/23/65) to New York(1/4/66) via Bordeaux, France(12/19/66) and England. Carried by French packet from Brazil to France and by North German Lloyd steamship Hermann from England to U.S. Rated at New York 60 cents in coin or 84 cents in U.S. notes. French debit of 42 cents for double South Atlantic sea postage, inland, and transit postage.

Since the North German Lloyd steamship Hermann was under contract to the U.S.P.O.D., it was considered an American ship and therefore the U.S. retained 18 cents for double inland and North Atlantic ocean postage.



March 8, 1866 – IF = 1.30

Bahia, Brazil to New York via France at Double French Treaty Rate



Bahia, Brazil(1/28/66) to New York(3/8/66) via Bordeaux, France(2/18/66) and England. Rated 60 cents in coin or 78 cents in U.S. notes at New York for double French treaty rate. Arrived at New York aboard the Inman Line steamship City of New York II. French debit of 42 cents for inland, transit, and South Atlantic packet postage. U.S. retained 18 cents for double inland and North Atlantic packet postage.

February 22, 1866 – IF = 1.40

Hamburg, Germany to New York at Prussian Closed Mail Rate



Hamburg(2/7/66) to New York(2/22/66) via Aachen(2/8/66) and England. Rated at N.Y. 30 cents in coin or 40 cents in U.S. notes. Carried from England to N.Y. by North German Lloyd steamship Hermann. 5 cent Prussian debit for inland postage. U.S. retained 25 cents for inland, sea, English and Belgian transit.

Marseille, France to New York at French Treaty Rate



Marseille(2/7/66) to N.Y.(2/22/66) via England. Rated 15 cents in coin or 20 cents in U.S. notes. Carried by Inman S.S. City of Boston. French debit 12 cents.



Two covers arriving at New York on **May 1, 1866** rated with different inflation factor

England to New York at British Treaty Rate, IF = 1.21



London(4/18/66) to New York(5/1/66) by American packet, Inman Line steamship City of London. Rated 24 cents in coin or 29 cents in U.S. notes. English debit of 3 cents for inland postage. U.S. retained 21 cents for packet and inland postage.

France to New York at French Treaty Rate, IF = 1.27

Marseille(4/19/66) to N.Y.(5/1/66) by British packet, Cunard Scotia. Rated 15 cents in coin or 19 cents in U.S. notes. French debit of 12 cents for inland and sea postage. U.S. retained 3 cents.



**April 6, 1866 – IF = 1.23**

Pernambuco, Brazil to New York via France at French Treaty Rate



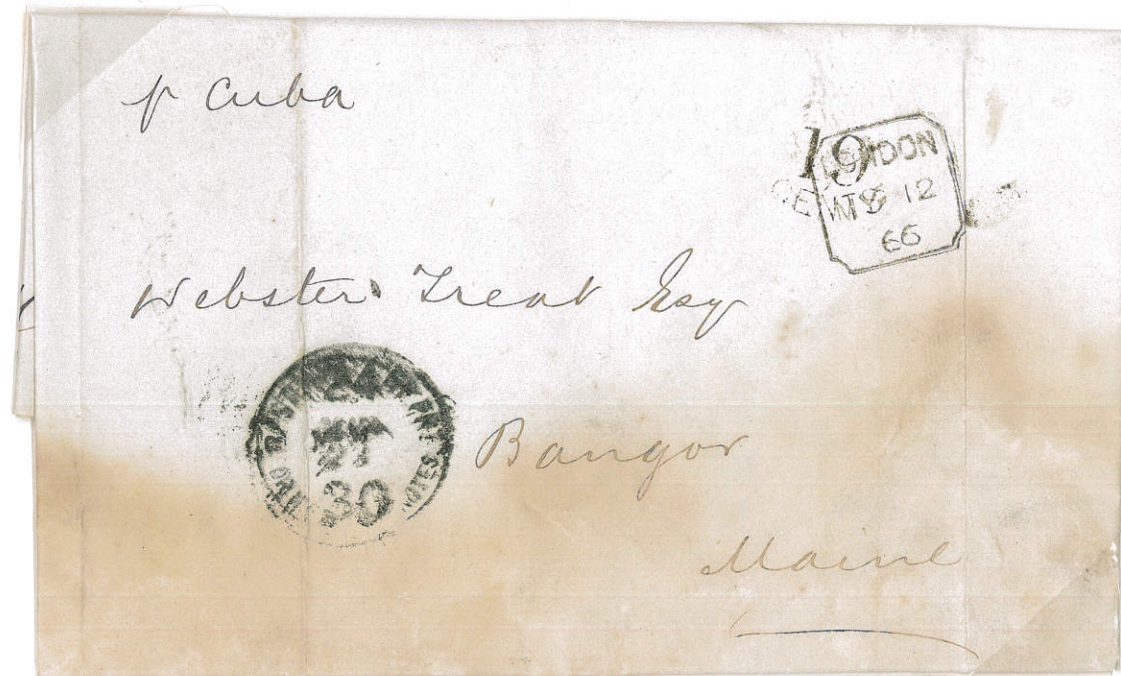
Written at Pernambuco(3/1/66). Entered French mail system on board Messageries Maritimes steamship Guienne(3/2/66), which carried the cover to France. Carried to New York from England by British packet, Cunard Line steamship Cuba. Rated at N.Y. 30 cents in coin or 37 cents in U.S. notes. France showed a debit of 27 cents for all transportation costs to New York. U.S. retained 3 cents for inland postage.

The steamship Guienne was a 1,945 ton, paddle wheel vessel launched in 1853 and operated by Messageries Maritimes in service between France and South America. She was converted from paddle wheel to screw propulsion in 1872. She was lost at Bahia, Brazil in 1873.



May 27, 1866 – IF = 1.25

London, England to Bangor, Maine via Boston at British Treaty Rate



London(5/12/66) to Bangor, Maine via Boston(5/27/66) carried by British packet, Cunard steamship Cuba. Rated at Boston 24 cents in coin or 30 cents in U.S. notes. British debit of 19 cents for inland and packet postage. U.S. retained 5 cents for inland postage.

While the Boston exchange office for British mail did serve New England, mail addressed to Maine from England was usually carried by the Allan Line and handled by the Portland, Maine exchange office.

May 3, 1866 – IF = 1.23

Pernambuco, Brazil to New York via France at French Treaty Rate



Pernambuco(3/30/66) to New York(5/3/66) via Bordeaux, France(4/18/66) and England. Rated at N.Y. 30 cents in coin or 37 cents in U.S. notes. From England to N.Y. by British packet, Cunard steamship Scotia. France debit of 27 cents for all transportation fees from Pernambuco to New York. U.S. retained 3 cents for inland postage.



Marseille, France to New York via England at French Treaty Rate

June 22, 1866 – IF = 1.47

Carried by Cunard  
steamship ChinaMarseille(6/7/66) to N.Y.(6/22/66) via Marseille to Paris T.P.O.(6/8/66) and England  
Rated 15 cents in coin or 22 cents in U.S. notes. French debit of 12 cents.

June 28, 1866 – IF = 1.53

Carried by Cunard  
steamship JavaMarseille(6/14/66) to N.Y.(6/28/66) via Marseille to Paris T.P.O.(6/15/66) and England  
Rated 15 cents in coin or 23 cents in U.S. notes. French debit of 12 cents.

Marseille, France to New York via England at French Treaty Rate

May 30, 1866 – IF = 1.33

Carried by Cunard  
steamship PersiaMarseille(5/16/66) to N.Y.(5/30/66) via Marseille to Paris T.P.O.(5/17/66) and England  
Rated 15 cents in coin or 20 cents in U.S. notes. French debit of 12 cents.

June 12, 1866 – IF = 1.40

Carried by Cunard  
steamship ScotiaMarseille(5/30/66) to N.Y.(5/12/66) via Marseille to Paris T.P.O.(5/31/66) and England  
Rated 15 cents in coin or 21 cents in U.S. notes. French debit of 12 cents.



July 23, 1866 – IF = 1.47

Messina, Italy to New York via France and England at French Treaty Rate



Messina(7/7/66) to N.Y.(7/23/66) via Marseille(7/11/66) and England. Rated 21 cents in coin or 31 cents in U.S. notes. From England by Cunard S.S. Scotia. France debit of 18 cents, U.S. retained 3 cents.

Marseille, France to New York via England at Double French Treaty Rate



Marseille(7/12/66) to N.Y.(7/23/66) via Queenstown where placed on Cunard S.S. Scotia. Rated 30 cents in coin or 44 cents in U.S. notes for double rate. French debit of 24 cents.

July 21, 1866 – IF = 1.47

Smyrna, Turkey to New York via France and England at French Treaty Rate



Smyrna, Turkey(6/28/66) to New York(7/21/66) via Marseille(7/5/66) and England. Sent to New York from Liverpool on board British packet, Cunard steamship Scotia. Rated at New York 30 cents in coin or 44 cents in U.S. notes. French debit of 27 cents for inland, transit, and packet postage. U.S. retained 3 cents for inland postage.

Lanman and Kemp obtained almost all of the opium used to make many of their drugs from the southern area of Turkey. It was shipped through the port of Smyrna.







October 5, 1866 – IF = 1.43

Porto Alegre, Brazil to New York via France at Double French Treaty Rate



Porto Alegre, Brazil(7/30/66) to New York(10/5/66) via Rio de Janeiro(8/18/66) Bordeaux, France(9/20/66), and England where placed on board the North German Lloyd steamship Saxonia for transport to N.Y. Rated 60 cents in coin or 86 cents in U.S. notes for double rate. French debit of 42 cents for South Atlantic, transit, and inland postage. U.S. retained 18 cents for double North Atlantic packet and inland postage.

The steamship Saxonia of the North German Lloyd Line was of German registry. Since she was under contract to the U.S.P.O.D., the New York exchange office postmark indicates arrival by American packet.

September 29, 1866 – IF = 1.40

Marseille, France to New York via England at French Treaty Double Rate

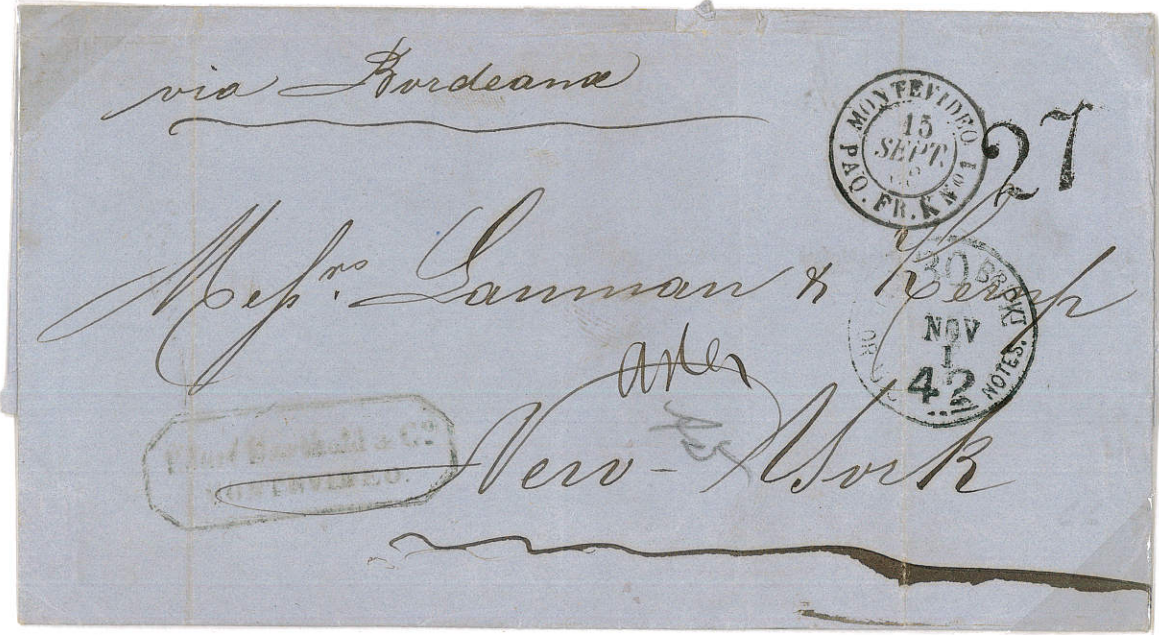


Marseille(9/12/66) to New York(9/29/66) via Marseille to Paris T.P.O.(9/13/66) and England. Carried from England to N.Y. by British packet, Cunard steamship Cuba. Rated 30 cents in coin or 42 cents in U.S. notes for double rate. French debit 24 cents. U.S. retained 6 cents.



November 1, 1866 – IF = 1.40

Montevideo, Uruguay to New York via France at French Treaty Rate

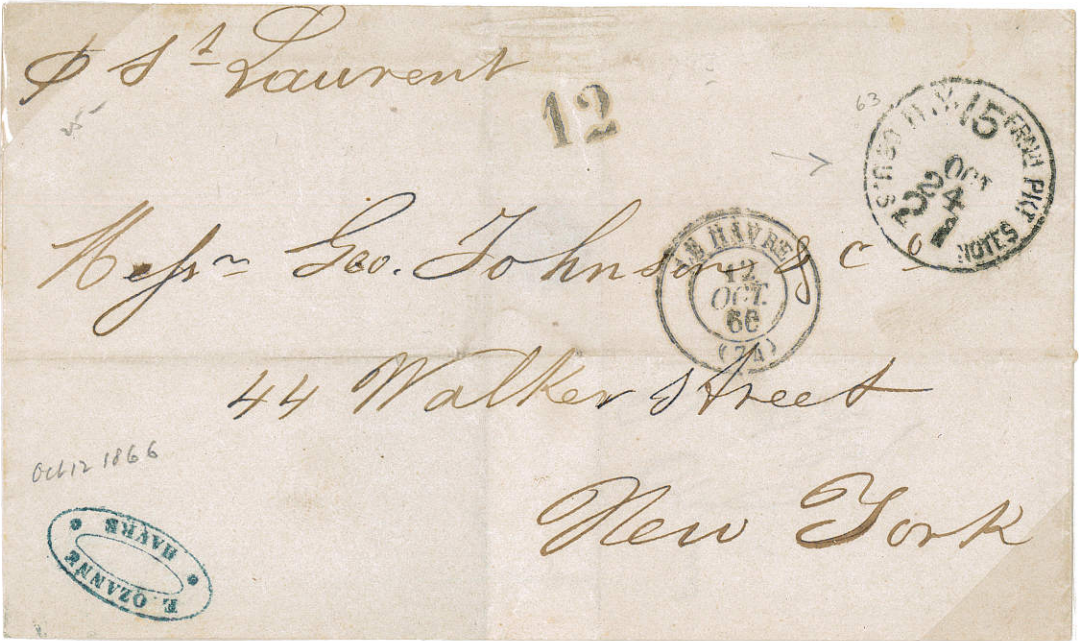


Montevideo(9/14/66) to New York(11/1/66). Entered the French mail system at Montevideo on board the French packet No.1 of the K line.on 9/15/66. Carried to Bordeaux and sent on to England where placed on board the Cunard steamer Australasian. Rated 30 cents in coin or 42 cents in U.S. notes. French debit of 27 cents for inland, transit, and S.A. packet postage. U.S. retained 3 cents.

The French Line K was a shuttle service between Buenos Aires, Montevideo and Rio de Janeiro operated by Messageries Maritimes. At Rio the mail was transferred to Messageries Maritimes ships of Line J which ran between Rio and Bordeaux.

October 24, 1866 – IF = 1.40

Le Havre, France to New York at French Treaty Rate



Le Havre(10/12/66) to New York(10/24/66) by French Line steamship Saint Laurent. Rated 15 cents in coin or 21 cents in U.S. notes. French debit of 12 cents. U.S. retained 3 cents.

November, 15, 1866 – IF = 1.42

London, England to New York at British Treaty Rate

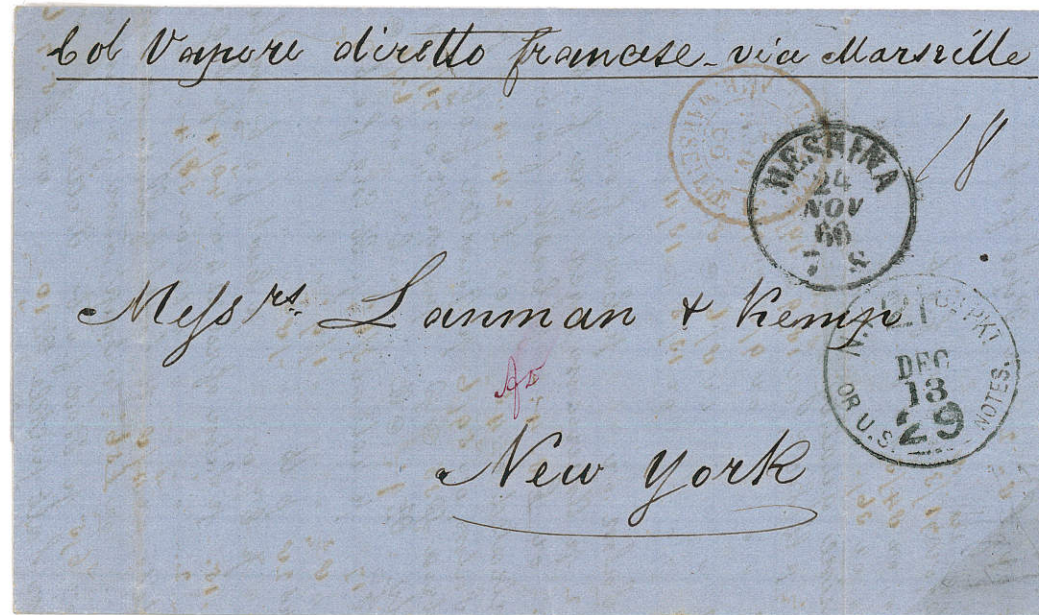
London(10/31/66) to N.Y.(11/15/66) by Inman Line S.S. City of London. Rated 24 cents in coin or 34 cents in U.S. notes. British debit of 3 cents U.S. retained 21 cents.





December 13, 1866 – IF = 1.38

Messina, Italy to New York via France at French Treaty Rate



Messina(11/24/66) to New York(12/13/66) via Marseille(11/30/66), Paris(12/1/66) and England. Carried to N.Y. by Cunard steamship Cuba. Rated 21 cents in coin or 29 cents in U.S. notes. French debit of 18 cents for inland, transit, and packet postage. U.S. retained 3 cents.

As 1866 closed, \$1 in U.S. notes would purchase about 72 cents in specie. This level of inflation would be fairly steady for the next several years.

November 1, 1866 – IF = 1.40

Smyrna, Turkey to New York via France at French Treaty Rate – Miss Rated



Smyrna(10/9/66) to New York(11/1/66) via Marseille, Paris, and England. Carried to N.Y. by Cunard steamship Australasian. Rated 15 cents in coin or 21 cents in U.S. notes. French debit of 12 cents.

This cover was rated as mail originating in France rather than in Turkey. It should have been rated 30 cents in coin or 42 cents in U.S. notes. The problem started in Paris where the French applied the 12 cent debit instead of 27 cents and then enclosed the letter in a pouch with mail originating in France. At New York all mail in that pouch was rated as originating in France. Because of the error, France lost 15 cents. The U.S. did not lose or gain.



February 12, 1867 – IF = 1.29

England to U.S. at Double British Treaty Rate



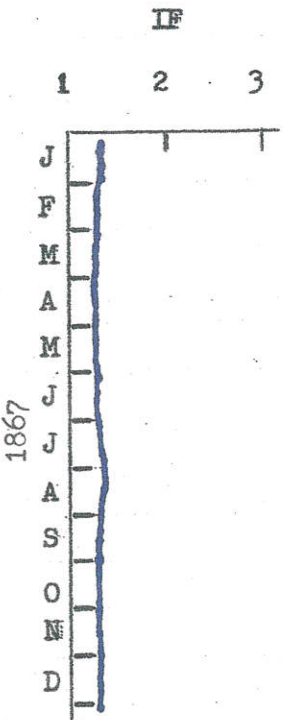
London, England(1/26/67) to Boston(2/12/67) carried by Cunard steamship Australasian. Rated at Boston 48 cents in coin or 62 cents in U.S. notes. English debit of 38 cents for double ocean and inland postage. U.S. retained 10 cents for double inland postage.

The circular "in U.S. notes" rate mark was very infrequently used.

The value of U.S. notes remained fairly stable during 1867. The Inflation Factor was 1.3 in January, increased to 1.38 during the summer, and decreased to 1.3 at the end of 1867. During 1867 the value of a \$1 U.S. note varied between 72 and 77 cents.

January 16, 1867 – IF = 1.30

France to U.S. at Double French Treaty Rate



Double rate from Paris(1/3/67) to New York(1/16/67) direct from Brest by French Line packet Ville de Paris. Rated in New York at 30 cents in coin or 39 cents in U.S. notes. French debit of 24 cents for double ocean and inland postage. U.S. retained 6 cents for double inland postage.

U.S. exchange office postmarks indicating arrival by French packet are scarce because of the infrequent service of the French Line during this period, usually twice a month or less.



April 3, 1867 – IF = 1.30

Montevideo, Uruguay to New York via France and England at French Treaty Rate



Montevideo, Uruguay(2/14/67) to New York(4/3/67) via French packet Carmel (2/15/67) of the K Line to Rio de Janeiro, France, and England. Carried from England to U.S. by Cunard steamship Java. Rated at New York 30 cents in coin or 39 cents in U.S. notes. French debit of 27 cents for ocean, inland, and transit postage. U.S. retained 3 cents for inland postage.

March 20, 1867 – IF = 1.33

Italy to U.S. via France and England at French Treaty Rate



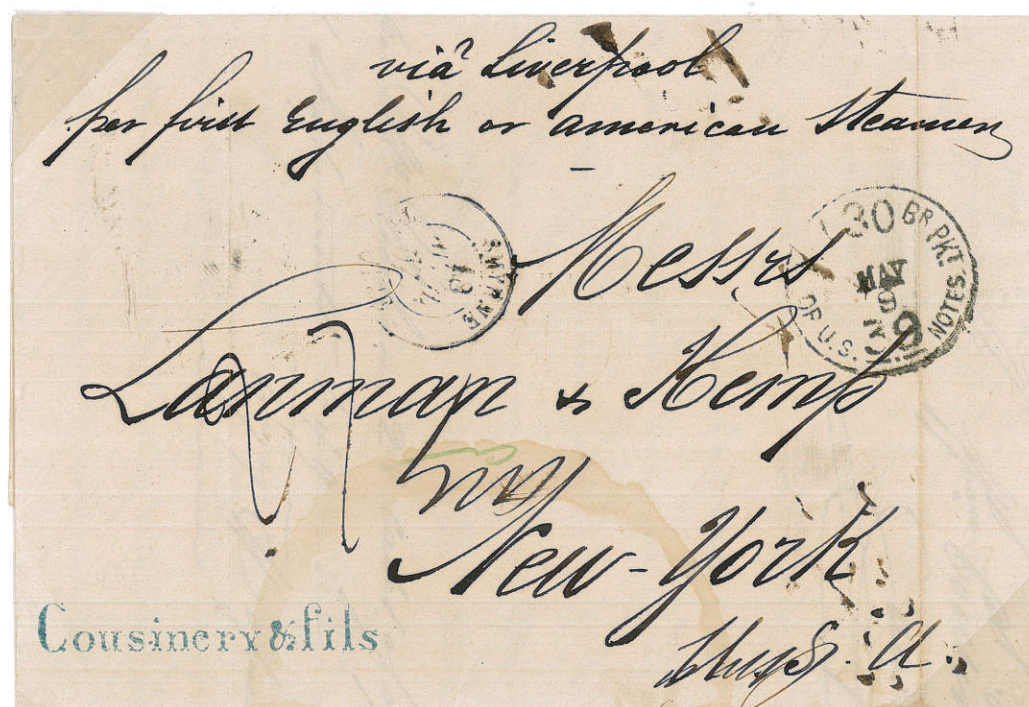
Messina, Italy(3/2/67) to New York(3/20/67) via Marseille, France(3/8/67), England, and Portland, Maine. Carried from England to Portland by Allan Line steamship Moravian, then by train to New York. Rated 21 cents in coin or 28 cents in U.S. notes. French debit of 18 cents for ocean, inland and transit postage. U.S. retained 3 cents for inland postage.

The Allan Line had weekly service between England and Portland, Maine during the winter months when the St. Lawrence River was frozen and the ships could not reach Quebec.



May 9, 1867 – IF = 1.30

Smyrna, Turkey to N.Y. via France and England at French Treaty Rate



French P.O. at Smyrna, Turkey(4/18/67) to New York(5/9/67) via Marseille. Marseille to Lyon T.P.O.(4/25/67), and Liverpool. Carried from Liverpool to New York by Cunard steamship China. Rated at New York 30 cents in coin or 39 cents in U.S. notes. French debit of 27 cents for ocean, inland, and transit postage. U.S. retained 3 cents for inland postage.

May 3, 1867 – IF = 1.30

Buenos Aires, Argentina to U.S. via France and England at French Treaty Rate



Buenos Aires, Argentina(3/11/67) to New York(5/3/67) via French K Line packet Carmel(3/12/67) to Rio de Janeiro, France, and England. Carried from England to New York by Cunard steamship Persia. Rated at N.Y. 30 cents in coin or 39 cents in U.S. notes. French debit of 27 cents for ocean, inland, and transit postage. U.S. retained 3 cents for inland postage.



June 1, 1867 – IF = 1.30

Buenos Aires, Argentina to New York via France and England at Double French Treaty Rate



Buenos Aires(4/12/67) to New York(6/1/67) via France and England. Carried Brazil to France by steamship of Messageries Maritimes line. By open mail to England where placed on board Hamburg-American Line steamship Borussia under U.S. contract. At N.Y. rated 60 cents in coin or 78 cents in U.S. notes. French debit of 42 cents for South Atlantic, inland, and transit postage. U.S. retained 18 cents for double inland and North Atlantic postage.

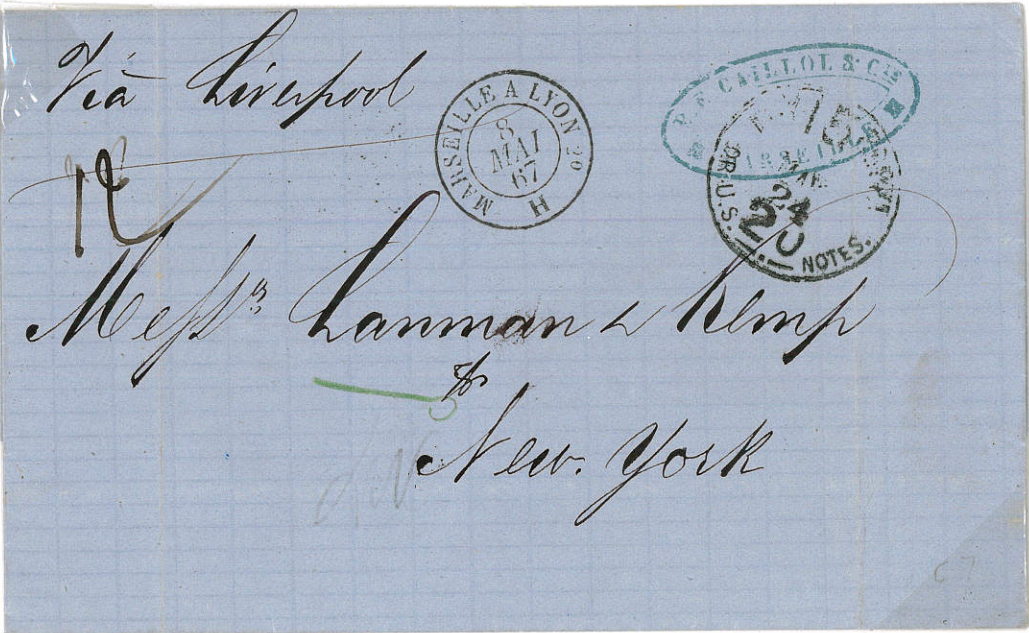
Marseille, France to New York via England at French Treaty Rate

May 15, 1867 – IF = 1.33

Marseille(5/2/67) to New York via England. Carried to N.Y. by Cunard steamship Java. Rated at N.Y. 15 cents in coin or 20 cents in U.S. notes. French debit of 12 cents for ocean and inland postage. U.S. retained 3 cents for inland postage.



May 24, 1867 – IF = 1.33

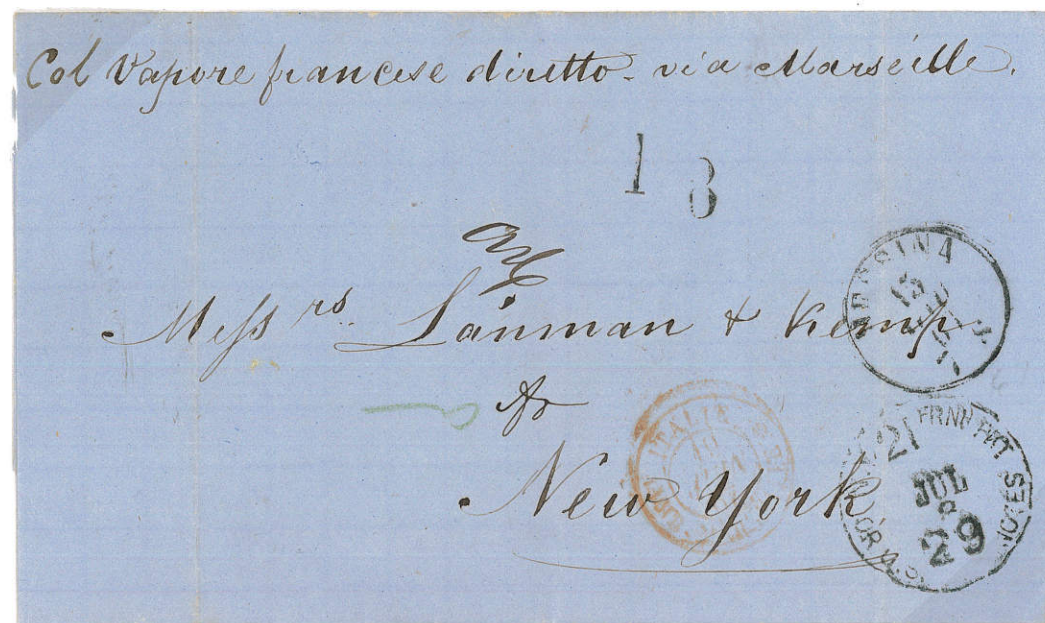


Marseille to Lyon T.P.O. (5/8/67) to N.Y. (5/24/67) via England. Carried to N.Y. by Cunard steamship Africa. Rated 15 cents in coin or 20 cents in U.S. notes. French debit of 12 cents for ocean and inland postage. U.S. retained 3 cents.



July 3, 1867 – IF = 1.38

Messina, Italy to New York via France at French Treaty Rate



Messina(6/15/67) to New York(7/3/67) via Marseille(6/19/67) and direct to U.S. by French Line steamship Ville de Paris. Rated at French treaty rate of 21 cents in coin or 29 cents in U.S. notes. French debit of 18 cents for ocean and inland postage. U.S. retained 3 cents for inland postage.

July 1, 1867 – IF = 1.38

England to U.S. at British Treaty Rate



London(6/19/67) to New York(7/1/67) by Inman Line steamship City of Baltimore. Rated at N.Y. 33 cents in U.S. notes. British debit of 3 cents in coin.

During this period, covers with manuscript rates and without the exchange office postmark or treaty rate in coin, are unusual.



August 15, 1867 – IF = 1.37

Marseille, France to New York via England at Double French Treaty Rate



Marseille(8/1/67) to  
N.Y.(8/15/67) via Paris  
-Calais T.P.O.(8/2/67)  
Carried by Cunard  
steamship Java to  
N.Y. where rated  
30 cents in coin or  
41 cents in U.S. notes  
French debit 24 cents  
in coin.

September 11, 1867 – IF = 1.38

Liverpool, England to U.S. at British Treaty Rate

Liverpool(8/31/67) to  
New Orleans via  
N.Y.(9/11/67) where  
rated 24 cents in coin  
or 33 cents in U.S.  
notes. Carried by  
Cunard steamship  
China. British debit  
19 cents.



July 9, 1867 – IF = 1.35

Smyrna, Turkey to Harrisburg, Pa. via France and England at Double French Treaty Rate



Posted on board French steamship of X line at Smyrna(6/18/67). Arrived at  
Marseille(6/26/67) where red boxed **Paquebots/De La/ Meditreeanes** was  
applied. Sent through Paris to England where placed on Allan Line steamer  
Hibernian which delivered it to Riviere du Loup, Quebec. Sent by rail to  
Portland, Maine where it was rated 81 cents in U.S. notes. The 60 cent  
in coin double treaty rate is not indicated. French debit of 54 cents for  
transportation from Smyrna to Portland. U.S. retained 6 cents.

The Allan Line called at Quebec during the summer months and at Portland during the winter  
months when the St. Lawrence was frozen. During the summer months the U.S. mail was off  
loaded at Riviere Du Loup, Quebec where there was direct rail connection to Portland.



November 30, 1867 – IF = 1.33

Paris, France to Boston via England and New York at French Treaty Rate

Paris(11/19/67) to Boston(11/30/67) by Inman steamship City of Paris. Rated 15 cents in coin or 20 cents in U.S. notes. French debit of 6 cents is in error. Should be 3 cents.



December 27, 1867 – IF = 1.33

Marseille, France to New York via England at French Treaty Rate

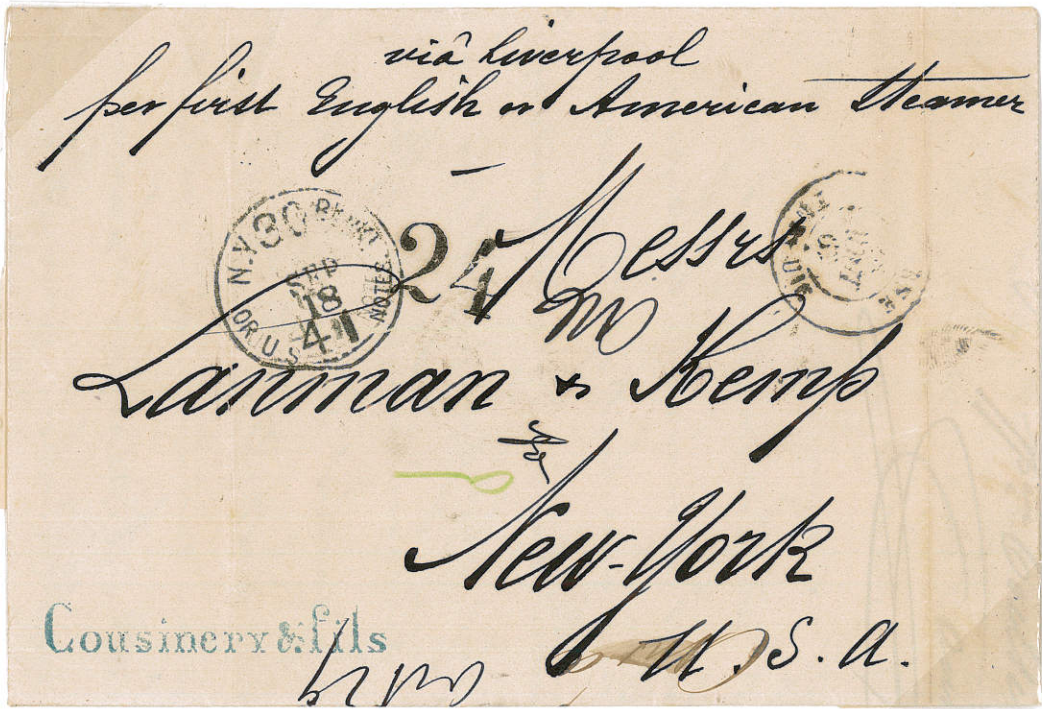


Marseille(12/12/67) to N.Y.(12/27/67) via Paris -Calais T.P.O.(12/14/67) and England. By Cunard steamship Scotia to N.Y. Rated 15 cents in coin or 20 cents in U.S. notes. French debit of 12 cents

September 18, 1867 – IF = 1.37

Smyrna, Turkey to New York via France and England at French Treaty Rate

Incorrect Debit Applied at Paris Exchange Office



Smyrna(8/28/67) to New York(9/18/67) via Marseille- Lyon T.P.O.(9/4/67), Paris(9/5/67), and England. Carried from England to New York by Cunard steamship Russia. Rated at New York 30 cents in coin or 41 cents in U.S. notes. French debit of 24 cents incorrect. Should be 27 cents.

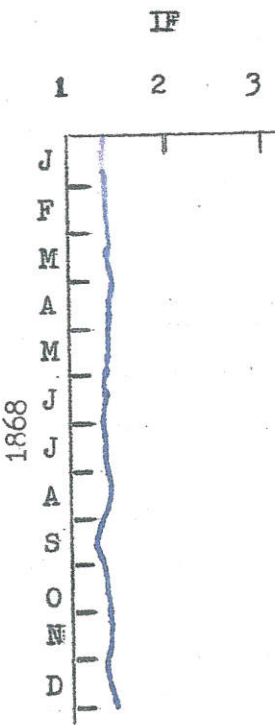
The French exchange office in Paris claimed 24 cents of the 30 cent treaty rate for ocean, inland, and transit postage. That would permit the U.S. to retain 6 cents for inland postage. The French debit should have been 27 cents giving the U.S. 3 cents for inland postage.



During 1868, the value of U.S. notes remained fairly constant, with the inflation factor averaging 1.40. At this rate a \$1 U.S. note had a value of 71 cents in the international market. While the depreciation of U.S. notes had stabilized, there value was still suffering from the tremendous debt caused by the civil war.

January 16, 1868 – IF = 1.33

Paris, France to New York at French Treaty Rate



Paris(1/3/68) to New York(1/16/86) where rated at 20 cents in U.S. notes. Carried from Brest, France to N.Y. by French Line steamship Pereire. French debit of 12 cents.

Effective January 1, 1868, the treaty rate postage was not indicated on unpaid incoming covers. Only the rate in depreciated U.S. notes was indicated. The foreign debits were still shown in specie.

December 31, 1867 – IF = 1.29

London, England to Madison, Indiana via Detroit at British Treaty Rate



London(12/10/67) to Madison, Ind. Carried by Allan Line steamship Hibernian to Portland, Maine. Transferred by rail to Detroit exchange office where rated at 24 cents in coin or 31 cents in U.S. notes. The Detroit E.O. never used the dual rate postmark as used at Boston and New York. England debit 3 cents for inland postage and U.S. retained 21 cents for inland and ocean postage.

In order to save manpower costs, December 31, 1867 was the last day that both the treaty rate and the rate in U.S. notes was marked on the covers. Starting on January 1, 1868, only the rate in U.S. notes was indicated on unpaid mail.

December 31, 1867 was also the last day for the 24 cent British treaty rate. On January 1, 1868, the British treaty rate was reduced to 12 cents.



Havre, France to New York via England at French Treaty Rate

March 21, 1868 – IF = 1.40



Havre(3/4/68) to New York{3/21/68} via Liverpool. Carried by Cunard steamship Java. 12 cents of 15 cent rate claimed by France. 21 cents collect at N.Y.

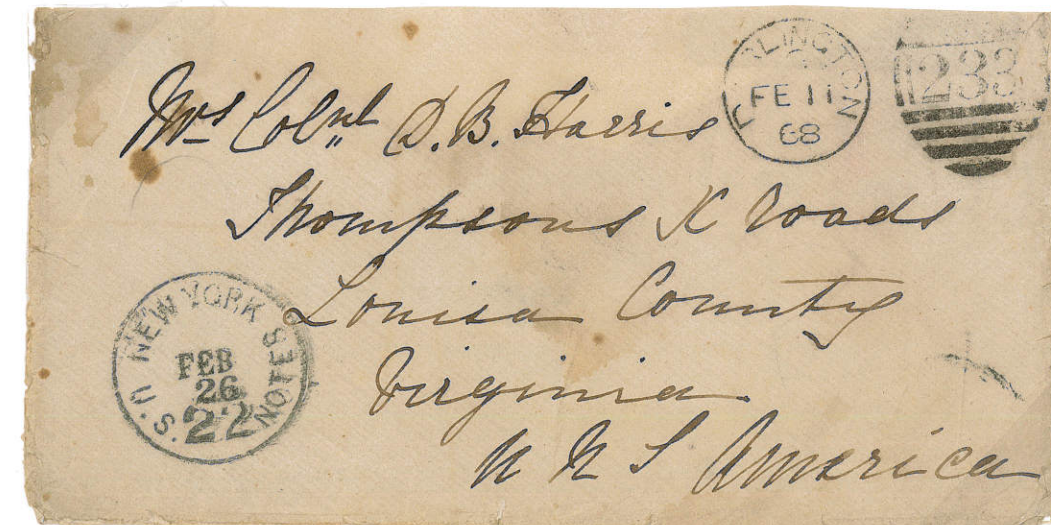
April 9, 1868 – IF = 1.40



Havre, France(3/25/68) to New York(4/9/68) via Liverpool by Cunard steamship Australasian. France claimed 12 cents of the 15 cent rate. 21 cents in inflated currency was collected at New York.

February 26, 1868 – IF = 1.42

Darlington, England to U.S. at British Treaty Rate



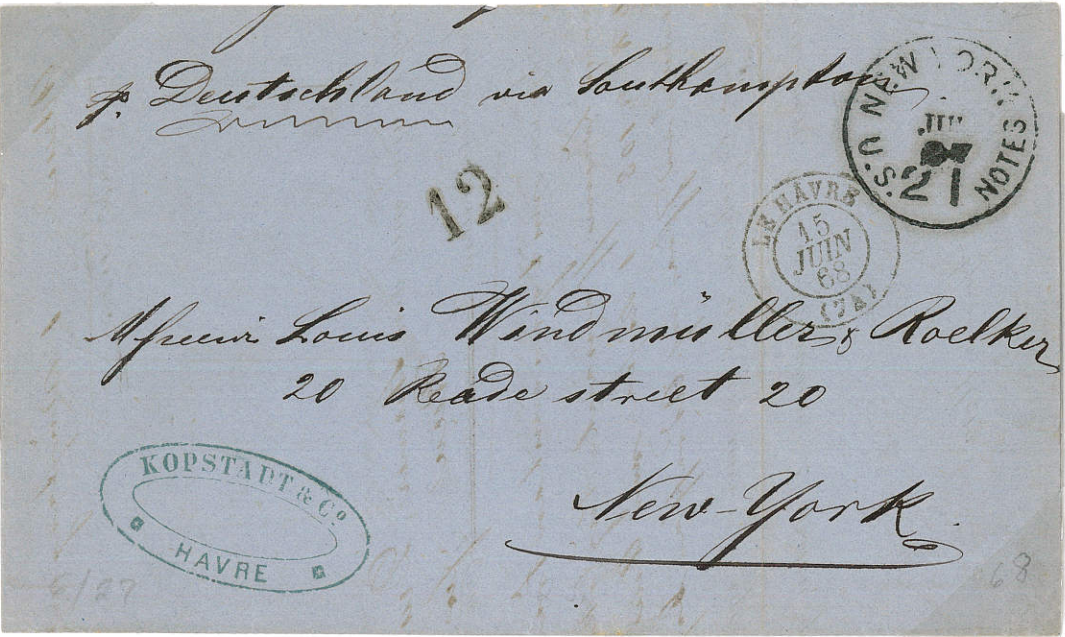
Darlington(2/11/68) to Virginia via New York(2/26/68), Rated 22 cents in U.S. notes. Carried from England to New York by Inman Line steamship City of Boston.

In 1868, the British treaty rate was lowered to 12 cents from 24 cents. At the same time, the U.S. set a 5 cent fine for unpaid incoming mail under this treaty. After deducting the 5 cent fine for unpaid letters, the 17 cents in U.S. notes was equivalent to the 12 cent treaty rate. Under this treaty, both countries split the postage evenly.



June 27, 1868 – IF = 1.40

Havre, France to New York via England at French Treaty Rate

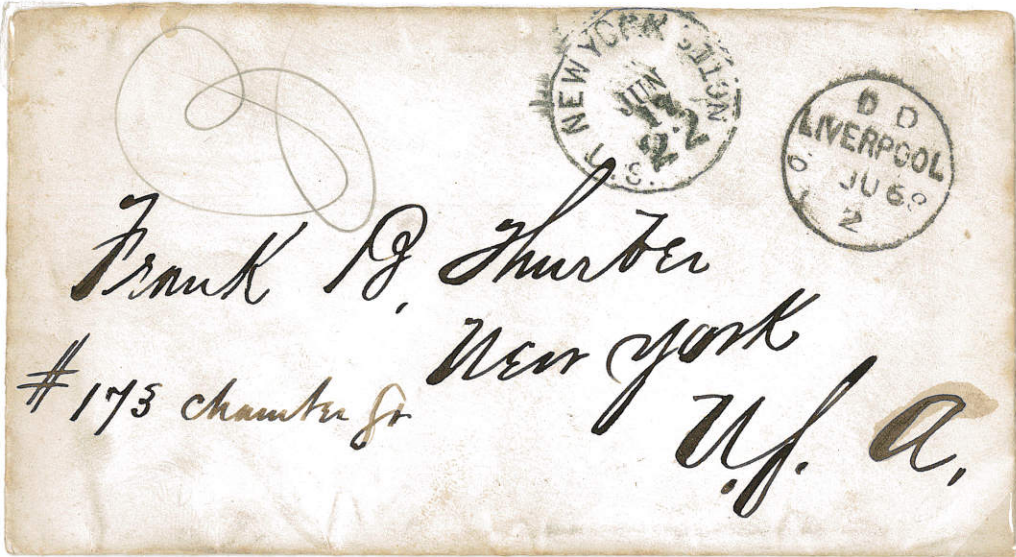


Havre(6/15/68) to New York(6/27/68) via Southampton. Rated 21 cents in U.S. notes. Small French debit marking of 12 cents applied at Havre exchange office. Carried to N.Y. from Southampton by North German Lloyd steamship Deutschland.

On November 30, 1867, the British Postmaster General gave a contract to North German Lloyd to carry British mails from Southampton to New York on Tuesdays after January 1, 1868. This cover was carried under that special contract.

June 17, 1868 – IF = 1.42

Liverpool, England to New York at British Treaty Rate



Liverpool(6/6/68) to New York(6/17/68) by Cunard steamship Australasian. The 5 cent penalty is in U.S. 1868 currency. The inflation equivalent of the 12 cent treaty rate is 17 cents equivalent to an IF of 1.42.

June 17, 1868 – IF = 1.36

Messina, Italy to New York at Double French Treaty Rate



Messina(5/30/68) to New York(6/17/68) via France at double 21 cent French treaty rate. France claimed 36 cents and U.S. retained 6 cents. The U.S. inflation factor increased the 42 cent treaty rate to 57 cents. Carried from Havre to New York by French Line steamship Ville de Paris



July 31, 1866 – IF = 1.47

Antony, France to United States via French Packet at French Treaty Rate



Antony(7/19/66) to Harrisburg, Pa. via N.Y.(7/31/66). Rated 15 cents in coin or 22 cents in U.S. notes. Carried from France by French Line steamship Ville de Paris. French debit of 12 cents.

The second 2 in the N.Y. postmark is of a much smaller size than the first 2.

August 22, 1866 – IF = 1.47

Marseille, France to New York via England at French Treaty Rate



Marseille(8/9/66) to New York(8/22/66) via Marseille to Paris T.P.O.(8/10/66) and England. Carried from England by British packet, Cunard steamship Persia. Rated 15 cents in coin or 22 cents in U.S. notes. French debit of 12 cents.

July 8, 1868 – IF – 1.37

Smyrna, Turkey to New York at French Treaty Rate



Posted at French post office in Smyrna(6/18/68) to New York(7/8/68) Sent via France and England. Carried from England to New York by Cunard steamship China. France claimed 27 cents of the 30 cent treaty rate. 41 cents in inflated currency collected at New York.



August 29, 1868 – IF = 1.42

Constantinople, Turkey by Forwarder to England and British Treaty Rate to New York



From Constantinople(8/11/68) by forwarder George Warren to Liverpool(8/19/68)  
Carried from Liverpool to N.Y.(8/29/68) by Inman steamship City of Paris. Rated at 22  
cents in U.S. notes which included a 5 cent penalty for unpaid mail. The treaty rate of  
12 cents was equivalent to 17 cents in U.S. notes.

August 19, 1868 – IF = 1.40

Hamburg to New York at Hamburg Treaty Rate



Hamburg(8/4/68) to New York(8/19/68) direct by Hamburg American  
Line steamship Saxonia. Rated at 19 cents in U.S. notes. Treaty rate  
was 10 cents, inflated U.S. notes penalty 4 cents, and 5 cent penalty  
for unpaid letter.



December 11, 1868 – IF = 1.35

Constantinople, Turkey to New York via France at 4X French Treaty Rate

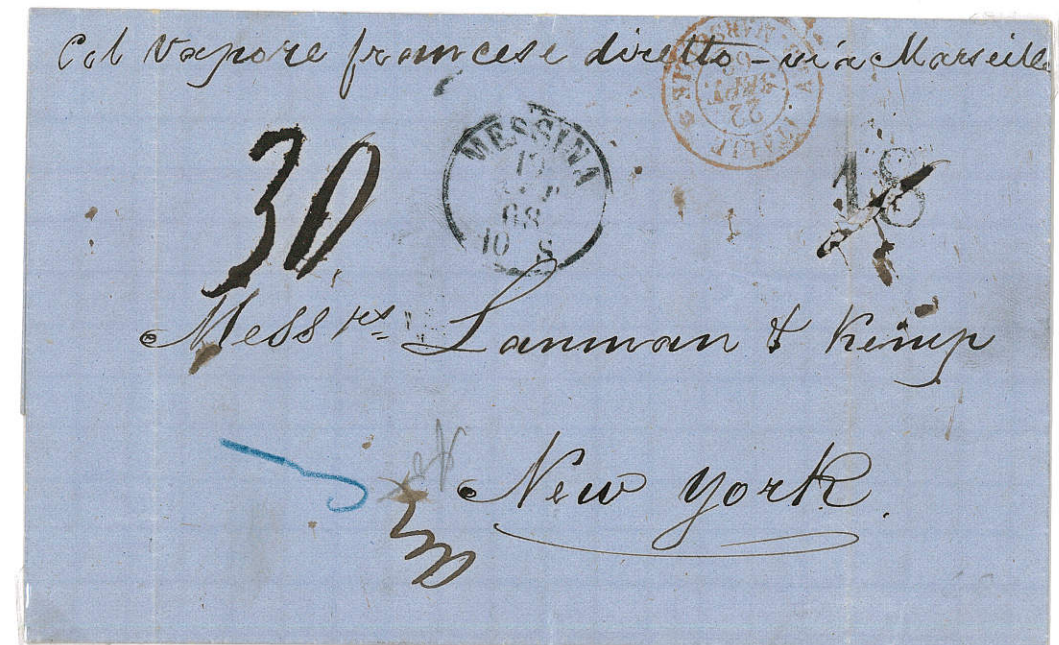


Posted on board French O line steamship at Constantinople(11/19/68) Arrived at New York (12/12/68) via Marseille(12/2/68) and England. Carried from England to New York by Cunard steamship Cuba. Rated \$1.62 in U.S. notes for 4X rate. French debit of \$1.08 from French 4X treaty rate of \$1.20. U.S. retained 12 cents.

Red boxed **PAQUEBOTS/DE/LA/MEDITEREEANES** applied at Marseille

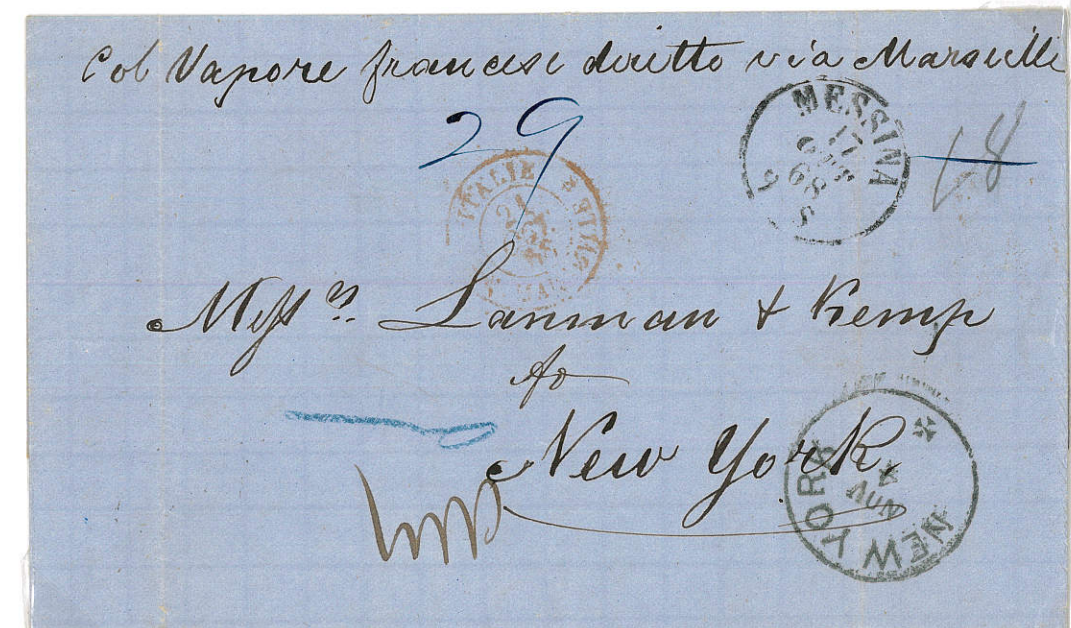
Messina, Italy to New York at French Treaty Rate

October 7, 1868 – IF = 1.43



Messina(9/19/68) to New York(10/7/68) via Marseille(9/22/68) at French treaty rate. France to U.S. by French Line steamship Ville de Paris. France claimed 18 cents of 21 cent treaty rate 30 cents in inflated currency collected at New York

November 4, 1868 – IF = 1.38



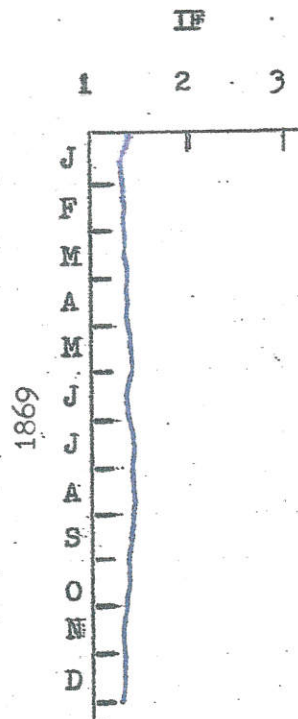
Messina(10/17/68) to New York(11/4/68) via Marseille(10/21/68) at French treaty rate. Carried from Havre to N.Y. by French Line steamship St. Laurent. 29 cents in inflated currency collected in N.Y.



The value of U.S. notes during 1969 increased slightly in the international market. The IF averaged 1.35 which indicates a value of 79 cents for a \$1 U.S. note. This value remained fairly constant during the entire year.

January 19, 1869 – IF = 1.29

Rio de Janeiro, Brazil to New York via England at British Treaty Rate



Rio de Janeiro(12/8/68) to New York(1/19/69) via London. Rated 44 cents in U.S. notes for the 34 cent treaty rate. British debit of 32 cents of treaty rate. U.S. retained 2 cents of treaty rate. Carried from England to New York by Inman Line steamship City of Antwerp.

December 31, 1868 – IF = 1.40

Havre, France to New York at French Treaty Rate



Havre(12/16/68) to New York(12/31/68) via Liverpool by Cunard steamship Russia. France claimed 12 cents of the 15 cent French treaty rate. 21 cents in inflated currency collected in New York



March 17, 1869 – IF = 1.18

Pernambuco, Brazil to New York via England at British Treaty Rate



Pernambuco(2/15/69) to New York(3/17/69) via London(3/6/69)  
Carried from Brazil to England by Royal Mail Line steamship  
La Plata and from England to New York by Cunard steamship  
China. Rated 45 cents in U.S. notes. British debit of 32 cents  
for ocean and transit postage

British debit	32 cents
Retained by U.S.	2 cents
Inflation penalty	6 cents
Unpaid letter penalty	5 cents
Due on delivery	45 cents

February 17, 1869 – IF = 1.35

Buenos Aires, Argentina to New York

First Mail Carrying Voyage of Cunard Steamship Allepo



Buenos Aires(12/26/68) to New York(2/17/69) by Royal Mail Steam  
Packet Co. to England, London(2/2/69). To Boston(2/16/69) by first  
mail trip of Cunard steamship Allepo. By train to New York where  
rated 46 cents. England claimed 32 cents of the 34 cent treaty rate.



April 23, 1869 – IF = 1.30

France to United States at 6X French Treaty Rate



Paris, France(4/9/69) to New York(4/21/69) via Brest where it was place aboard the H Line(4/11/69) steamship Pereire of the French Line. The 6/72 indicates the French debit of 72 cents for a 6X rate letter. Neither the N.Y.E.O. postmark nor the 90 cent treaty rate is indicated. The collect amount in U.S. notes, \$1.17. is shown in manuscript.

April 9, 1869

Bremen, Germany Direct to New York at North German Union Treaty Rate



Bremen(3/27/69) direct to New York(4/9/69) by North German Lloyd steamship Main. Rated at 13 cents U.S. notes for the 10 cent N.G.U. treaty rate.



France to New York at French Treaty Rate

August 3, 1869 – IF = 1.40



Paris(7/23/69) to New York(8/3/69) by Cunard steamship Russia. France claimed 12 cents of 15 cent treaty rate. U.S. currency rate 21 cents.

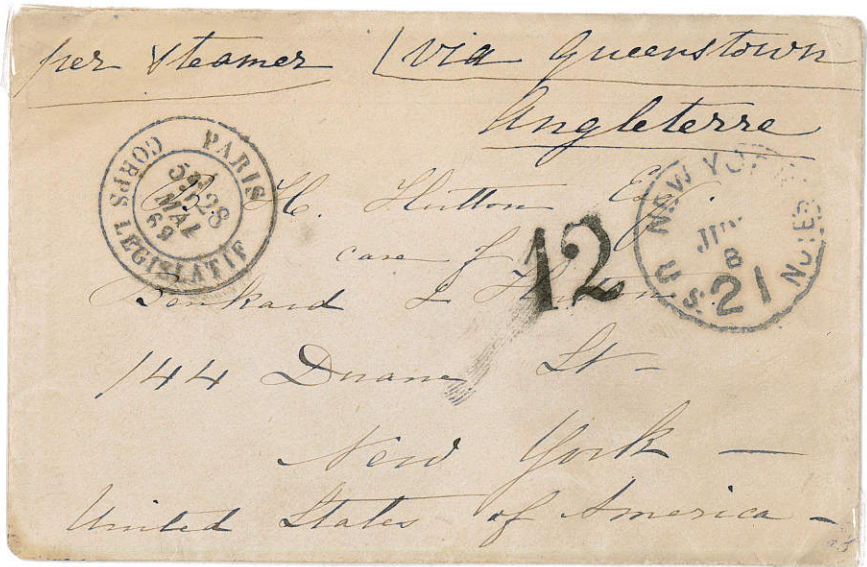
August 17, 1869 – IF = 1.37



Paris to New York(8/17/69) by Cunard steamship Scotia. France claimed 24 cents of 30 cent double treaty rate. 41 cents due in U.S. currency.

June 8 and July 6, 1869 – IF = 1.40

France to New York at French Treaty Rate



Paris(5/28/69) to New York(6/8/69) by Cunard steamship Scotia



Certe(6/23/69) to New York(7/6/69) by Cunard steamship Java

France claimed 12 cents of the 15 cent treaty rate on both covers. 21 cents in inflated U.S. currency collected at New York.



Tarbert, Ireland to Chicago at British Treaty Rate

October 26, 1869 – IF = 1.25



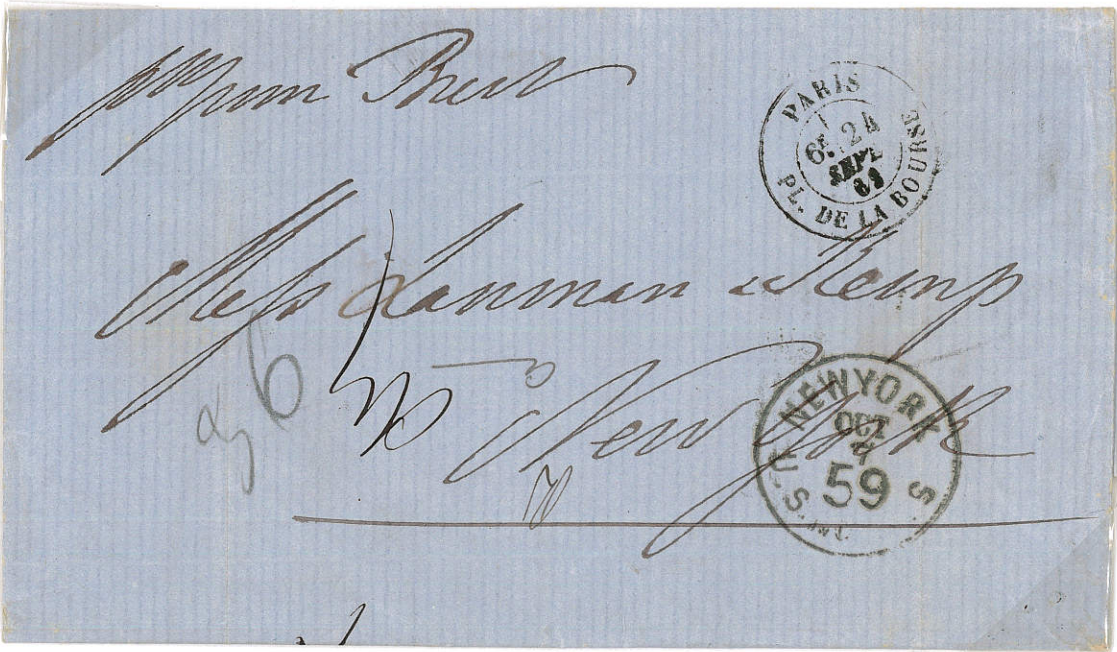
Tarbert, Ireland(10/13/69) to Chicago(10/26/69) via Limerick(10/14/69) Londonderry, and Quebec. Carried from Ireland to Quebec by Allan Line steamship Nova Scotian and from Quebec to Chicago by Canadian Grand Trunk Railway. Received Chicago exchange office postmark and rated 20 cents in U.S. notes.

Postage Rate Structure

British Inland	3 cents
Ocean	6 cents
U.S. Inland	3 cents
U.S. Note Penalty	3 cents
Unpaid Letter Penalty	<u>5 cents</u>
Paid in U.S. notes	20 cents

October 7, 1869 – IF = 1.31

Paris, France to New York at Triple French Treaty Rate



Paris(9/24/69) to New York(10/7/69) via Brest, France. Carried from Brest to N.Y. by French Line steamship Lafayette. Rated at N.Y. 59 cents in U.S. notes. French debit of 36 cents from the triple treaty rate of 45 cents. U.S. retained 9 cents from the triple treaty rate.



November 12, 1869 – IF = 1.33

Messina, Italy to New York at French Treaty Rate



Messina(10/23/69) to New York(11/12/69) via Marseille(10/26/69) and Havre. Carried from Havre to New York by the French Line steamship Lafayette. Rated 28 cents in U.S. currency for 21 cent treaty rate. French 21 cent claim is in error.

The French treaty rate for a ¼ oz. letter between Messina and New York was 21 cents. Since this cover was carried by a French Line steamship, the U.S. share was 3 cents for inland postage. The French claim should have been 18 cents instead of 21 cents,

November 1, 1869 – IF = 1.30

Smyrna, Turkey to New York at Double French Treaty Rate



Smyrna(10/9/69) to New York(11/1/69) via France and England. Carried from Liverpool to New York by Cunard steamship Siberia. France claimed 54 cents of the 60 cent double treaty rate. The 60 cent double treaty rate resulted in a 78 cent rate in U.S. currency.



December 30, 1869 – IF = 1.20

Nice, France to Boston Part Paid at French Treaty Rate

Triple Rate Letter Paid in France at Single Rate



Nice, France(12/14/69) to Boston(12/30/69) via England. 80 centimes(15 cents) paid in France and marked as insufficient postage in red. The 80 centimes paid a ¼ oz. letter. This letter apparently weighed between ½ and ¾ oz. so was rated 30 cents in coin or 36 cents in U.S. notes at Boston. French debit of 24 cents. Carried from England to Boston by Cunard steamship Tarifa.

This is a very late use of the depreciated currency postmark with both currencies indicated. It was used two years after the indication of the treaty rate was not indicated on incoming mail.

December 19, 1869 IF = 1.31

Buenos Aires, Argentina to New York via England at Double British Treaty Rate



Buenos Aires(10/26/69) to New York(12/19/69) via London(12/4/69) Carried from Buenos Aires by steamship Arno and from England to New York by North German Lloyd steamship Rhein. Rated at N.Y. 89 cents in coin. British debit is 64 cents of the 68 cent double treaty rate. U.S. retained 4 cents for double inland postage.