August 2026

Volume 26 Number 8

Newsletter of the Lake County (IL)

Philatelic Society - Established 1933

Website: *LCPSHOME.ORG*

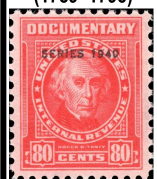
Perforations

LCPS Lake County Philatelic Society

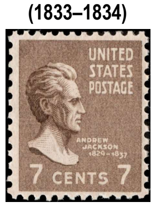
Last month, **Bill Schultz** gave us a presentation ***"U S Favorite Stamps"*** focusing on the attributes of each and rarity.

This month, before he "migrates" to Florida, **Dave Schenkel** will discuss stamps issued during the ***Grand Duchy of Finland (1809-1899) and the Russification Period (1899 -1917)*** eras.

Hamilton (1789–1795) | Gallatin (1801–1814) | Dallas (1814-1816) | Crawford (1816–1825) | McLane (1831–1833) | Duane (1833)



Taney (1833–1834)



During the June Swap Meet, in one of the corners were some Revenue Stamps. Looking at them, I was wondering just who were the people depicted on these stamps. Going home, I dug out a small box of old stamps knowing there were some 1940-1950's issues of US Documentary stamps – and sure enough there were a bunch of 'strange' names — Hamilton, Gallatin and Chase I recognized from US history – the others were as the three I remembered turned out were among the other 22 Treasurers from 1789 to 1865. (Note: a few others were added to this group in the 1950s).

When looking into these names and administrations covered, the period from 1789 – 1837 (Washington – Jackson) seven stood out, three under President Jackson. *I chose this period because for the only time in our nations history was the national debt reduced to ZERO in 1835 — and these seven were instramental in doing so.*

Alexander Hamilton (1757- 1804), at the inauguration of the **Constitutional Republic** in 1789, George Washington's former military aide and a renowned financier, was appointed the first Secretary of the Treasury and thus, became the architect of the structure of the Department.

Desirous of a strong, centrally controlled Treasury, Hamilton did constant battle with Thomas Jefferson, then Secretary of State, and **Albert Gallatin**, then a congressman, over the amount of power the Department of the Treasury should be allowed to wield. He designed a Treasury Department for the collection and disbursing of public revenue, but also for the promotion of the economic development of the country.

He, was in large part, responsible for setting up our modern banking system, establishing the federal budget process, and establishing the (First) Bank of the United States (as only three commercial banks existed at the time) and the Mint in Philadelphia over the opposition of Jefferson and Madison who believed this centralization of power away from local banks was dangerous to a sound monetary system and was mostly to the benefit of business interests in the commercial north, not southern agricultural interests, arguing that the right to own property would be infringed by these proposals. This bank argument was finally put to rest in 1832 under the administration of Jackson.

Under **Jefferson** and **Madison, Albert Gallatin** who won election to the U.S. House of Representatives in 1795, where he helped establish the *House Ways and Means Committee*. ***He became the chief spokesman on financial matters*** **for the Democratic-Republican Party and led opposition to the Federalist economic program. Gallatin** helped **Thomas Jefferson** prevail in the contentious 1800 U.S. presidential election, and his reputation as a prudent financial manager led to his appointment as Treasury Secretary.

Gallatin reduced government spending, instituted checks and balances for government expenditures, and some how found the gold to financed the **Louisiana Purchase** and advocated for internal improvements, most notably through his ***Report on Roads and Canals*** - though initially dismissed as political folly, his visionary blueprint inspired the construction of the 363-mile **Erie Canal** completed in 1825, though President **James Madison** rejected federal funding, leaving New York to finance the project alone.

He retained his position through **James Madison's** administration until February 1814, maintaining much of Hamilton's financial system while presiding over a reduction in the national debt. Gallatin served on the American commission that agreed to the Treaty of Ghent, which ended the War of 1812.

Next Show

September 26

Mo	Tu	We	Th	Fr	Sa	Su
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	**25**	**26**	27
28	29	30				

September 25 - 26
MILCOPEX 2026

Brookfield Conf Ctr
325 S Moorland Rd
Brookfield WI

Next Meeting

August 26

Mo	Tu	We	Th	Fr	Sa	Su
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	**25**	26	27	28	29	30
31						

Is It Russian or Suomi (Finnish)?

Next Meeting:

2:00-PM on Tuesday, 25 August 2026

Grayslake Historical Society — Any Changes will be posted on: lcpshome.org

Officers:

Tom Willer - Presidents
Bill Schultz – Vice President
Dave Sadler – Secretary
Gary Olson – Treasurer

Madison then appointed **Alexander J. Dallas** who unwittily helped set the stage for the America's first major financial storm the — **Panic of 1819** by successfully championing and organizing the **Second Bank of the United States** in 1816, though he died three years before the economic collapse occurred.

Early mismanagement and excessive lending by the **Second Bank of the United States** contributed heavily to a speculative western land bubble.

In 1817, **William Crawford**, also appointed by **Madison** helped arrange a compromise with state bankers that ***allowed unredeemable paper money*** to circulate. This policy was further exacerbated by federal debt payments and monetary contraction by the Second Bank of the United States when in 1819 when it abruptly call in loans and demanded repayment in hard specie (gold and silver), triggering widespread local bank failures and foreclosures. While **Dallas** created this institutional mechanism that later reined in the economy, the actual crisis unfolded under **Crawford** even though he opposed this unchecked proliferation of local state banks, viewing loose credit policies with suspicion. As a result, he advised President **James Monroe** to support lenient mortgage terms for federal land buyers, helping ease severe public debt burdens while advocating for conservative public finance.
This set the stage for **Andrew Jackson's** Fiscal War and two men **Samuel D. Ingham** and **Louis McLane**, who served as U.S. Secretary of the Treasury from 1829 to 1831 & 1831, ***who both advocated for lowering taxes and import tariffs.*** They viewed public debt as a major economic harm and pushed to reduce tariffs to prevent resource misallocation and help American manufacturers compete globally. ***Unlike President Jackson, who wanted to destroy the Second Bank of the United States, both Ingham and McLane believed the Bank was useful.***

His reasons were: **Unfair rules**: Jackson thought the bank gave special power and wealth to a few elite people; **No legal right**: He believed the national bank went against the rules of the Constitution and **Foreign owners**: He did not like that people from other countries owned a large part of the bank's stock.

With **Roger B. Taney**, Jackson finally found the man who would confront and render the **Second Bank of the United States** moot by withdrawing federal funds and depositing them into state banks, known as "pet banks." This policy dismantled the central bank, expanded state-level economic competition, and shaped Jacksonian fiscal policy that gave local state banks more control over money and credit setting.

By doing so, even as the Bank proved problematic, is still was a stabilizing element that could reign in the local banks.

The net result, the **Panic of 1837** triggered the second economic depression, collapsing land sales and drying up federal tariff revenue causing new deficits as government spending outpaced incoming revenue, forcing the Treasury to issue new notes and borrow again.

This was further hampered by a **State-level debt crises** also emerged during the period, as various state governments defaulted on heavy investments in canals and railroads

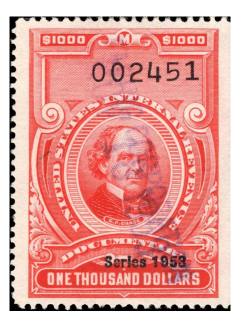
Interesting Fiscal Facts this period (dollar amounts in period currency – if using 1790 dollar, the current debt would be $1,101,928,374,656 or In 2026 dollars the 1790 debt would be $2,174,451,560.10 saying we have about 20 times the debt load of a person in 1790.

Also, population growth was internal - there was little immigration until after 1847.

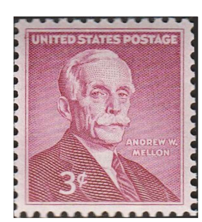
Population	Year	Debt	Noteworthy Events	Per Capita Debt
3,929,326	1790	$71,060,508.50	Assumption of Revolutionary War and state debts.	$18.08
5,308,483	1800	$82,976,294.35	Capital moves to Washington, D.C.	$15.63
7,239,881	1810	$53,173,217.52	Steady reduction continues despite looming British tensions.	$7.34
~9,200,000	1819	$95,529,648.00	Panic of 1819, America's first major economic depression	$10.38
9,638,453	1820	$91,015,566.15	Strict austerity measures implemented by Congress.	$9.44
12,866,020	1830	$48,565,406.50	Debt cut below $50 million via land boom revenues.	$3.77
~14917000	1835	$0.00	Debt completely paid off; the only time in U.S. history.	$0.00
~15,340,000	1836	$37,513.05	Minor domestic claims reopen a fractional balance.	$0.00
~15,790,000	1837	$336,957.83	Panic of 1837 strikes; collapse in revenues forces borrowing.	$0.02
~16,320,000	1838	$3,308,124.07	Treasury notes issued to counter a deep depression.	$0.20
~16,656,000	1839	$10,434,221.14	Prolonged economic recession expands deficit levels.	$0.63
17,069,453	1840	$3,573,343.82	Short-term spending cuts temporarily lower outstanding debt.	$0.21
~347,000,000	2026	39,941,929,832,070.70	Loss of manufacturing base from 1996 - 2026	$119,399.00

New Issue — August 2026

Other notable Treasury Secretaries are **Salmon P. Chase,** who funded the Civil War, **Andrew Mellon** (Commemorative Stamp #1072), who served through the 1920s, **Henry Morgenthau Jr.**, who guided New Deal & WWII finance – not on any stamp but his father, **Henry Morgenthau Sr.**, is on an Armenian stamp honoring his efforts against the Armenian Genocide by the Ottomans .



Salmon P. Chase



Andrew Mellon