

# A new economic view of american history by jeremy atack

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The paper "A New Economic View of American History by Jeremy Atack" is a worthy example of a history article review.

The article provides crucial knowledge and forms a good basis of understanding the American monetary system. The opening of the article gets my full attention by giving brief descriptions of the banking system in America just before the civil war. The state-chartered banks operated in different regions or rather states around America and the rules and regulations governing these banks were state regulations. It also gives me vital information regarding the currencies used by these banks regarding acceptance of deposits and issuing of notes to the people in the region that the bank operated. I get to learn the demerit of such a system in a situation whereby the conversion into real currency was tedious and procedural. Also, it encouraged the creation of counterfeits and majority of the local banks had issues.

From the reading, the article that caught my attention is the one on greenbacks. It is interesting as it answers my question on the solution to the preceded discussion which is the issue on convertibility. It is an issue that led to the failure of money market thus leading the rise of questions about abilities of the union government. The concerned leaders were running out of options and had to establish a solution soon enough if the situation was to be saved. The proposed solution was the issue of treasury notes that were not profit-bearing. Despite receiving opposition from the banking lobby, the Congress went ahead and executed the plan in 1862. It answers a major question about the solution established by the concerned authorities after a realization that methods such as raising tax could not be applied (Atack and

Passell 496).

The articles imperativeness is further seen by clearly depicting the aspect of inflation. The pumping of large amounts of greenbacks to the economy caused inflation in the sense that the value of the currency dropped. It is clear that having a lot of money in circulation increases the purchasing power of the consumers which in turn causes an increase in the general price of goods and services.