

TABLE 21
COMPOSITION OF UNITED STATES CURRENCY IN CIRCULATION, OUTSIDE THE
TREASURY AND FEDERAL RESERVE BANKS, SELECTED DATES, 1932-60

End of June	Total	Gold			National Bank Notes ^b	Other Treasury Currency ^c	Federal Reserve Notes
		Coin	Certi- ficates	Silver ^a			
MILLIONS OF DOLLARS							
1932	5,408	166	716	640	701	406	2,780
1933	5,434	34	265	647	920	508	3,061
1938	6,461	0	78	1,612	217	438	4,114
1945	26,746	0	52	2,565	120	1,142	22,867
1960	32,065	0	30	3,917	56	968	27,094
PERCENTAGE DISTRIBUTION							
1932	100.0	3.1	13.2	11.8	13.0	7.5	51.4
1933	100.0	0.6	4.9	11.9	16.9	9.3	56.3
1938	100.0	0	1.2	24.9	3.4	6.8	63.7
1945	100.0	0	0.2	9.6	0.4	4.3	85.5
1960	100.0	0	0.1	12.2	0.2	3.0	84.5

^a Includes standard silver dollars, silver certificates, Treasury notes of 1890, and subsidiary silver.

^b After Aug. 1935, national bank notes became liabilities of the Treasury on a par with "other Treasury currency."

^c Includes minor coin, U.S. notes, and Federal Reserve Bank notes. Before Mar. 1935, Federal Reserve Bank notes were liabilities of the issuing Reserve Banks.

SOURCE: *Circulation Statement of United States Money: 1932-38, Banking and Monetary Statistics*, p. 409; 1945, *Federal Reserve Bulletin*, Aug. 1946, p. 889; 1960, *FRB*, Aug. 1960, p. 883.

negligible fraction of the total. The variety of items under "other Treasury currency," including minor coin, U.S. notes, and Federal Reserve Bank notes, has, like silver, risen in absolute amount but fallen as a fraction of the total from over 7 per cent to 3 per cent. Evidencing the continued centralization of monetary authority, and the shift from a quasi-commodity standard to a dominantly fiduciary standard, Federal Reserve notes have taken up the slack, rising from 51 per cent of currency in circulation in 1932 to 84 per cent in 1960.⁷⁴

⁷⁴ The Nov. 1961 order suspending silver sales from the Treasury's nonmonetized stock also directed the Treasury to use the silver cover for silver certificates for future subsidiary coinage and to replace silver certificates consequently retired by Federal Reserve notes. Only \$5 and \$10 denominations were affected by the order. In Jan. 1962, the President asked Congress to authorize the Federal Reserve System to issue \$1 and \$2 Federal Reserve notes to make possible the gradual retirement of silver certificates of those denominations. The authorization was included in the act of June 4, 1963, repealing the silver purchase acts.