

# From the Bright Mohawk Valley

## The Legacy of the National Mohawk Valley Bank

by DAVID RAY ARNOLD, JR.

**E**VERYONE knows *Red River Valley*, that loping lilt of the old West. Not everyone knows that the song didn't lope out of the West, but rather *into* it. The tune was born in Tin Pan Alley as *In the Bright Mohawk Valley*. Then it simply went west, and on the trail underwent a metamorphosis into the familiar cowboy plaint.<sup>1</sup> The old song pleads against too hasty an adieu. For a while then, let's pause and gaze back.

One seldom sees the name *Mohawk Valley* unaccompanied by an adjective or two. Like its past, the valley is now beautiful, now brooding: first picturesque and lovely, then darkly historic—the bloody Mohawk. The rich history of the place belongs to all America, but to the numismatist was left a special syngraphic inheritance. We shall better understand that bequest after our brief look backward to a place, a bank, and a man.

### The Place

**T**HE Mohawk River is the main tributary of the Hudson River. The valley, in northeast central New York, was originally settled by religiously-persecuted Palatines. Waves of Germans had fled the devastation left by the retreating French in the Palatinate in 1689.

Throughout colonial times, the Mohawk Valley was the principal route from the eastern colonies to the Great Lakes. The "great corridor" was not entirely peaceful. The British dominated, but the mixture of nationalities stirred antagonisms. Indian unrest was constant. Where to place their loyalties was a question to the Indians, but in time they thought their interests to be best served by the British. The British use of diplomacy proved wise.

Violence abounded during the French and Indian War (1754-1763); the valley was ravaged. The Americans fought with the British, who also had Indian allies. The Indians, however, were not totally united. Even with the league of the Six Nations there was disagreement among the tribes.

By 1758 events favored the British, and following the British-American victory in 1763 the French left North America.

The Mohawk Valley in 1775 was well settled by English, Dutch, German and other strains; but that year brought a violence more widespread than any before. The American Revolution had begun, and again the Indians sided with the British. Settlers were always in fear of Indian attacks. The raids were merciless; the object: the utter destruction of men, women, children and property. The Revolution ended in 1781, but sporadic incursions continued.

Names from that troubled time are still with us. Some, of course, are actual places—the forts along the Mohawk: Johnson, Frey, Plain, Hendrick, Klock, Herkimer.<sup>2</sup>

Hendrick, Joseph Brant and Red Jacket were Indian chiefs, despite their English names. Brant and Hendrick were Mohawks; Red Jacket was a Seneca. Their three lives did not completely overlap, but their influences were intertwined. Each was truly a "man of two worlds," as Kelsay described Brant.

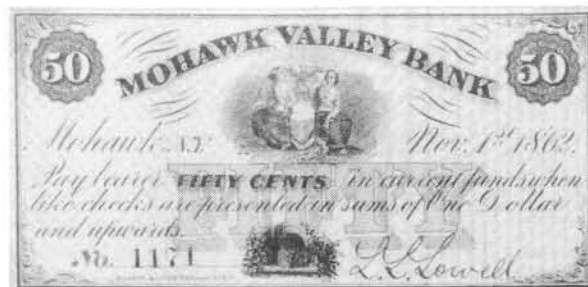
Hendrick, who joined the Americans in the French and Indian War, was killed at the Battle of Lake George on September

8, 1775. Joseph Brant lived until 1807, at the last mellowed and introspective: a sad, noble figure. Nevertheless, his depredations, including the terrible Cherry Valley massacre in 1778, stand in history. The accounts of his inward struggle, to see atrocities inflicted upon those among whom he had lived, are gripping, but unpleasant reading.

Red Jacket, among others, represented the Six Nations in 1784 for the Treaty of Fort Stanwix. He was again an emissary in 1792 at Philadelphia, the capital at that time. Red Jacket<sup>3</sup> died in Seneca Village on January 30, 1830. He is curiously linked to numismatics, for as an historic symbol he was the subject of a vignette for bank notes.

Slowly the hills and flats came into times more peaceful, to enterprises more optimistic. Regional differences, too, began to blur. It was brighter now in the Valley.

### The Bank



Fractional note of L.L. Lowell, payable, through the Mohawk bank.

New York had generally better controlled its paper money than had the other colonies, and the State persistently took the initiative in banking reforms.

The Mohawk Valley Bank, of the village of Mohawk, New York, was organized on February 9, 1839. The first president of the bank was Ebenezer Morgan, to whom the property on which the building was erected was deeded August 10, 1839 by Frederick Bellinger. Other officers at the start were Elias Root, vice-

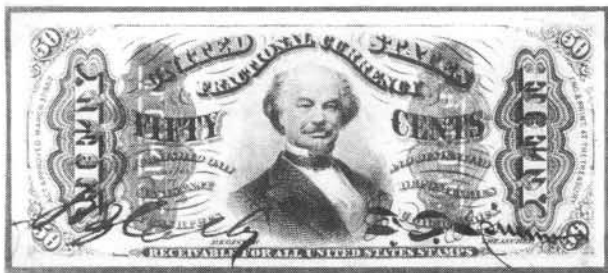
president, and J.C. Dann, cashier. The bank was to provide continuous services for almost 93 years.

Cashier Dann resigned in July of 1839, and every serious collector of 19th century United States currency will recognize the name of his successor—Francis E. Spinner. Spinner served the bank in some capacity—cashier, director, president—until 1856, and it appears that he retained an interest beyond that date. The association of the Spinner name gives the bank a much greater numismatic significance than it might otherwise have.

Since we are no less interested in Spinner himself, this is a good point at which to look at him more closely.

### The Man

He's big on Collectors' Campus: watchdog of the Treasury, father of fractional currency, signatory of early paper money, and giver unaware of autographs to generations he never knew. He was all of these, but this uncommon man has earned a broader view.



Autographed note from the third issue of fractional currency, depicting General Spinner as he will perhaps best be remembered by collectors.

There is no wealth of biographical material about Spinner. Some of the largest encyclopedias do not so much as list him; his fame did not reach that far. Yet his death was widely noted, and *The New York Times* accorded him an unusually long obituary. *The Dictionary of American Biography* (American Council of Learned Societies) gives a good summary. A few impressions by his contemporaries have been left.

Francis Elias Spinner was born on January 21, 1802, in German Flats, Herkimer County, New York. German Flats later became the village of Mohawk. Spinner's father had emigrated to America in 1801 to pastor the Reform Dutch Church in German Flats. The father secured a good education for his son, who early became a confectioner's apprentice. Spinner was to declare in later years that he attended four Mohawk Valley District schools and "learned nothing in any of them."

When 22, Spinner became a merchant in nearby Herkimer. He was destined to attract attention. Not surprisingly, he was elected Sheriff of Herkimer County in 1834, and held the office for three years.

That year also brought an enviable embellishment to Spinner's name. He had been active in the organization of the 26th Regiment of the New York State Artillery, in which he was made a lieutenant soon after arriving in Herkimer. Now, he was promoted to Major General of the Third Division of Artillery. A noted military company known as the Lafayette Guards was a memorial to his efforts.

General Spinner's political activity was not unnoticed by the influential. In 1838, Governor Marcy appointed him supervisor of the building of the state hospital for the insane, in Utica. During the Polk administration (1845-1849) he was Deputy Naval Officer and auditor of the Port of New York.

Nine years later General Spinner was a member of Congress, elected from the Herkimer district. He helped organize the new Republican party and remained a constant adherent thereafter. He was reelected twice. In Congress he was on the committee dealing with the Brooks-Sumner assault affair.

### The Signature

The Spinner signature was probably the best known in the country. *The New York Times* called it unique, and in an immediate burst of enthusiastic redundancy, declared that "there never was anything like it." Perhaps the most pertinent description would be: "The despair of would-be forgers." Apprehensive of forgery, Spinner had worked on it for many years. In his own view, it was brought to its highest perfection while he was Treasurer of the United States.

Spinner's signature differed from his handwriting. He used a special pen for the broad strokes. It is said that he used ink so thick that the name seemed to rise from the paper. In time, the evaporation of vehicle and binder would somewhat reduce the bulk of the remaining pigment.

After his third term, Spinner applied to Lincoln for a naval berth, but was told to be patient. The reason became clear on March 16, 1861, for he was appointed Treasurer of the United States. He held that position under successive administrations until June 30, 1875.

Differences had been aired over the authority for appointing clerks. When there was no satisfactory resolution, Spinner resigned and retired to Jacksonville, Florida. He had served as Treasurer for 14 years, under three presidents.<sup>4</sup>

At the age of 80 Spinner undertook the study of Greek—as a hobby! After long suffering with facial cancer, and now blind, he died on the last day of the year 1890. On the threshold of a decade to bring changes beyond his imagination, Francis Elias Spinner was at rest.

L.E. Chittenden was Register of the Treasury from April 17, 1861 to August 10, 1864. With Spinner, he was a signer of early bank note issues. In his *Personal Reminiscences* there is an earnest testimonial, from which the following is quoted:

One of the best men in the civil service of the United States was the Treasurer, Francis E. Spinner. He was not a *many-sided* [Chittenden's italics] man. He had only one, his loyal side, which was so thick that it went clear through him. He was free and outspoken in his opinions. He sometimes used adjectives which were more emphatic and appropriate than they were select. I never regarded his expressions as at all profane.

This grand old man, Treasurer Spinner, died about two years ago. He was a long and patient sufferer from a painful disease which destroyed his eyesight long before his death. One of the choicest memorabilia in my possession is what I believe to be the last letter written by his own honest hand.

### Back to the Bank

According to Dr. John A. Muscalus, of the Historical Paper Money Research Institute, non-federal obsolete notes of the Mohawk Bank exist in denominations of \$1, \$2, \$3, \$5, \$10, \$50 and \$100. A specimen in Dr. Muscalus's possession did not bear a Spinner signature, however. The William P. Donlon sale of November 26, 1975 included a fine group of Spinner material, among which were references to note issues. For example, in a letter from New York dated December 25, 1846, Spinner informed R.E. Pomeroy in Mohawk that he had just signed "cir-

A \$1 note from the original series—One wonders about Spinner's thoughts upon seeing his signature, now engraved, on the new currency of the bank for which he had so often signed.



culating notes as follows." Notes amounting to \$7200 were then listed. I have not seen this correspondence, thus I am unable to evaluate it in context.

Exchange was important to the business of the bank. A draft signed by Spinner is among the accompanying illustrations. In a little over one year, 1,361 drafts were drawn on this form.

The years passed; The Valley accommodated new activity, and the country bank flourished.

The National Bank Act<sup>5</sup> was adopted on February 25, 1863. The Mohawk institution became a national bank on April 3, 1865, under charter number 1130. Capitalization was at \$150,000. The bank promptly exercised the privilege of issue, including one dollar notes of the original series. Printing of that denomination reached 23,004.

The concept that substantial numbers of small denominations would so fractionize the circulating total as to delay full redemption was widely ignored under state systems. The new law, too, authorized \$1 and \$2 notes, the maximum amount not to exceed \$25,000 for any national bank. A \$1 example, signed by D.H. Pomeroy as bank president, is illustrated.

No national bank issued \$1 notes after June, 1879. A counterfeit detector of 1931 reported only one imitation of that denomination to be known.<sup>6</sup>

The bank weathered the war years, its circulation successfully maintained. Denominations through \$100 were printed for Mohawk in the original series, but did not exceed \$20 thereafter.

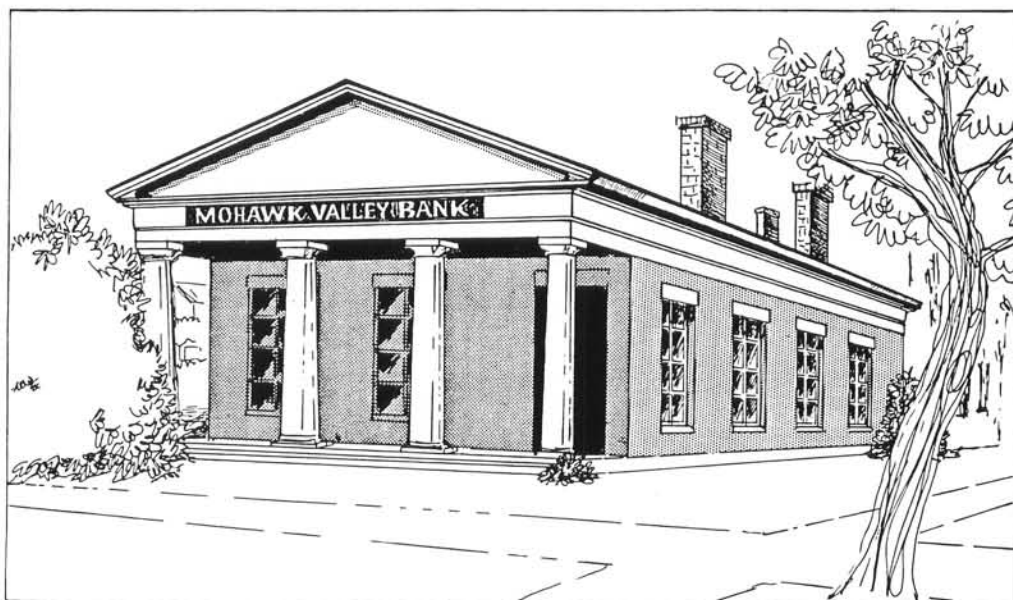
A second story was added, and other changes were made to the building in 1891. The actual plans for the alterations have not been found. The pride of a community in its only bank shines in this excerpt from a local release of 1902:

The bank was originally founded in 1839 under the state laws. The existing building, which is modern and convenient in every respect, was erected in 1891 at an outlay of \$10,000.

The existence of this monetary concern on a sound commercial basis after a career of 63 years, is the most forcible proof that can be given as to its solidity.

The President, James B. Rafter, is one of the leading lawyers of Herkimer County. He established his offices in Mohawk in 1871. The vice-president, R.M. Deven-dorf, is the leading dry goods merchant. To H.M. Golden, the cashier, falls the burden of work, and his success is signal.

An inevitable reference to Spinner's "famous signature" concluded the item.

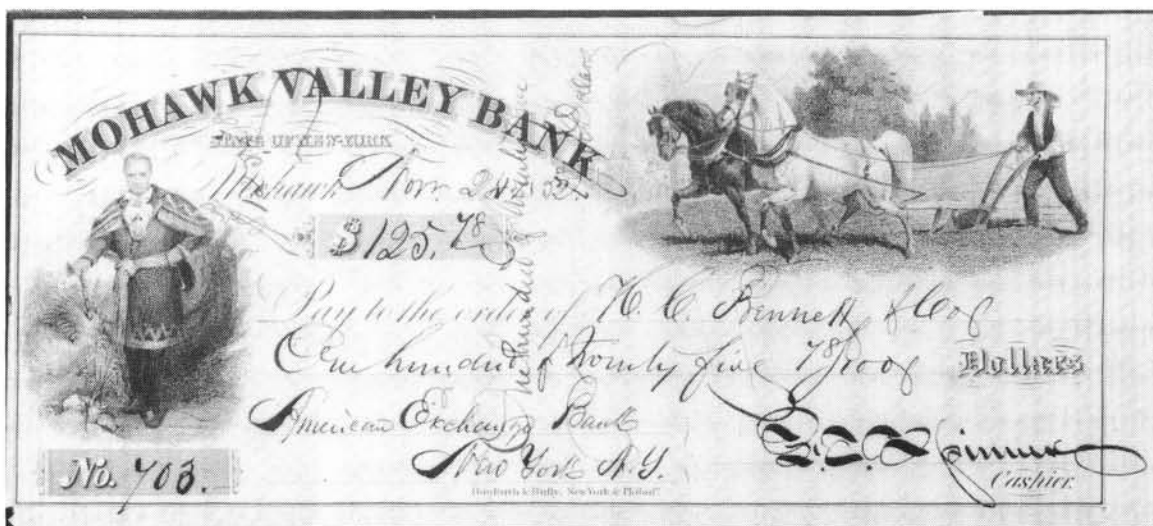


Artist's rendering

The Mohawk Valley Bank, about 1889, before changes to the building.



## Bank Draft of the Mohawk Valley Bank



A Spinner Autograph

(Collection of the author)

Portrayed at the left is Seneca Chief Red Jacket (c. 1758—1830). The portrait is from the painting by Robert Walter Weir (1803—1889), known for his "Embarkation of the Pilgrims." Note the tomahawk held as a scepter, the symbol of power.

Red Jacket received his English name because of the red coat given him by the British during the Revolution. He was known as a persuasive orator. Nevertheless, he frequently clashed with the great Joseph Brant, as did their respective nations, the Seneca and the Mohawk.

Chief Red Jacket later cooperated with the United States, and George Washington himself honored him with a medal. He grew increasingly abrasive, wanting all whites—particularly missionaries—to vacate Indian land. He did, however, support the United States in the War of 1812.

Red Jacket is buried in Forest Lawn Cemetery in Buffalo, NY.

Chittenden writes in his personal reminiscences: "In the 'fifties' [1850s] the profits of a country bank were made upon the sale of drafts upon the cities for a premium."

**The Later Years**

Currency printed for the bank had reached \$1,664,270 by mid-1929. There was to be an additional \$180,540 in the new smaller notes. Below is the bank's statement for March, 1930, showing a circulation liability of \$100,000.

**Statement**

The National Mohawk Valley Bank  
March, 1930

**Resources**

Loans and Discounts	\$ 750,000
U.S. Bonds	107,000
Other Bonds and Securities	639,000
Cash and Exchange	139,000
Other Resources	39,000
<b>Total Assets</b>	<b>\$1,674,000</b>

**Liabilities**

Capital	\$ 100,000
Surplus	50,000
Undivided Profits	11,000
Circulation	100,000
Deposits	1,283,000
Other Liabilities	130,000
<b>Total Liabilities</b>	<b>\$1,674,000</b>

At the time of this statement, F.W. Cristman was president, Jay Brackett was vice-president, and Charles P. Wood was cashier. The correspondent bank was Chase National Bank, New York City.

The statement appears confident, but disaster was approaching. Depression was deep; loans were turning bad. By July, deposits had declined by over seven percent. On the final statement in 1931, deposits had fallen to \$900,000—a loss of nearly 30 percent compared to the March, 1930 figure.

*The New York Times*, on October 2, 1931 (in an item dated the previous day) reported the end of the bank. Under a quiet heading, the brief notice was one of four in the same column. They were stacked like coffins.

Reduction of deposits was flatly stated to be the cause of one surrender.<sup>7</sup> Of the Mohawk Bank, it was said only that it "failed to open its doors today." The bank went into receivership on October 12, 1931. Receivership and oblivion might have been avoided after March 9, 1933. Under a conservator, reorganization and financial aid through stock issues became possible. It was too late for Mohawk.



*The bank in 1907, after alteration.*

It is ironic that an institution could survive the uncertainties of war, peace and panic only to be vanquished by a giant too big to slay: economic depression. Mohawk felt the loss.

Various attempts to obtain banking facilities followed, including contact with Washington. The high point was reached in 1940 when 350 Mohawk residents petitioned the Oneida National Bank and Trust Company, of Utica, to establish a branch.

Two years before, Mayor Corman had appointed a committee to work with the Mohawk Village Board for the institution of a bank. A major purpose of the negotiation was the preservation of the old bank building, which otherwise would have been sold by the receiver. The efforts were rewarded.

After a nine-year vacancy the Mohawk bank building was reopened as a branch of the Oneida National Bank, itself a former bank of issue. The building had been closed since October of 1931, and it was now further modernized for the new occupancy. The staff was comprised of Edward W. Daly, manager, Robert James as assistant manager, and Catherine Dutcher, clerk. The latter two were residents of Mohawk.

The branch, of course, was in every sense a successor, not a continuation. It was, however, heir not only to the building, but also to the ghosts of history that inhabited it.

Local publicity was jubilant. The community celebrated, and it was happily announced that "the first account was opened by the Mohawk Central School, which deposited school funds." Mohawk once again had its own bank.

The village today has a population of 3,301 (Rand McNally, 1985).

Some two dozen notes of the National Mohawk Valley Bank



*The first sheet, serial No. 1, of small size \$5 notes for the National Mohawk Valley Bank—the only sheet known for the bank.*

have been recorded as of May, 1985. According to John Hickman, 12 large-size notes are known, including two original series \$10s. Among the small-size are a \$5 in high grade and a \$20 with serial number E000001A. The first sheet of small-size \$5s has also been saved.

Other documents survive: drafts, scrip, and currency delivery records. Also extant are numerous Spinner signatures on franked envelopes, correspondence, personal checks and autographed cards. An interesting plate print of the old series bank name has the words incorrectly juxtaposed.

### The Legacy

The Valley has changed. The brooding past is blended with our time, but the air of history remains. This matter of historical aura is often acknowledged in literature.<sup>8</sup>

On a post card sent in 1942, Mohawk resident Mrs. D.D. Strait used two words to express what has often been said in many words. "Very historic," she wrote. How could that simple, unaffected observation have been better made?

General Spinner is locked in history. He cannot come to us, but in a way we can return to him. The only time-travel we will ever know is in memory and imagination. We are the inheritors, reliquaries, and guardians of things from Spinner's day in life. That is our time machine—no less ingenious than Wells's contraption, and closer by far to reality.

### Acknowledgment

Gratitude is expressed to Dr. John A. Muscalus and to John Hickman for valuable information, and to the Stanford Library in Orange County, California for access to early editions of *The New York Times* and the Chittenden memoir.

Special thanks are also due to Mrs. Julia A. Streitz, of the Weller Library and the Mohawk branch of the Oneida National Bank for local news accounts; to Jeremy Adamson, Associate Curator, National Gallery, Ottawa; to California attorney Randy K. Vogel for welcome suggestions, and to artist William Zeilinger for his visualization of the bank before alteration.

And in respectful memory of  
William P. Donlon,  
who knew "The Place."

### Bibliography and Recommended Reading

Here, in absorbing reading, the collector will sense nearness to history.

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A moving narrative, accenting the enmity between Brant and Red Jacket, the latter contemptuously called "Cow Killer" by Brant.

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Notes listed for the Mohawk Valley Bank are all extant, according to Dr. John A. Muscalus.

### Foot Notes



1. Told by Stanley Green in *Reader's Digest Family Songbook* (Pleasantville, New York: The Reader's Digest Association, Inc., 1969). Both melody and words were modified.

2. Nicholas Herkimer (1728-1777), American general in the Revolution. Ambushed while aiding Fort Schuyler. Mohawk village is in Herkimer County.

3. Many Indians had English names. Red Jacket was fond of his. His eloquence is perceived in a flow of terse phrases uttered after the American victory. As quoted by Eckert in *The Wilderness War* (Boston: Little, Brown, 1978), in his poignant admission of defeat, Red Jacket said in part: "We disappear forever. Who, then, lives to mourn us? None! What marks our extermination? Nothing! We are mingled with the common elements."

The famous Weir portrait was illustrated in *Harper's Magazine* in 1865. Special attention is given here to Red Jacket because of his appearance on bank notes. He was not the most painted Indian, however. That distinction belongs to Joseph Brant (Thayendanegea).

4. Of the value of his service, the Hon. Hugh McCulloch (Secretary of the Treasury, 1865-1869) wrote: "A more trustworthy, conscientious, upright man than Francis E. Spinner never held an office under this Government or any other. . . . He was the best business officer I ever knew." (*Men and Measures of Half a Century*, 1882.)

5. Not so named until June 20, 1874.

6. The bank was the National Eagle Bank of Boston. The bad note was photographic, and not overly deceptive.

7. That of the Main Line National Bank of Wayne, PA.

8. I sometimes think that never blows so red/The Rose as where some buried Caesar bled . . . (*Rubáiyát of Omar Khayyám*, III).

### (More . . . Paper, continued from p. 57)

One further suggestion. Willcox paper was not ordered after 1877, and Crane paper was not ordered until the middle of 1879. What paper was used during this two year period? The implication is that there were sufficient stocks of Willcox paper to last, but two years worth of printing would use quite a bit of paper. What is the likelihood that notes in the late 1878-early 1879 period were issued on variant distinctive feature paper, or perhaps on paper with no distinctive features at all? The answer is out there in someone's collection. Happy hunting! ■

### (Report, continued from p. 59)

were being hauled south, for when the "train" became mule-drawn wagons instead of railroad cars and weight became critical, he simply recommended that the paper items be burned. It was done, and a numismatic treasure was gone, but fortunately plenty of Confederate currency and bonds survived for us to study today. Clark's story is now just another footnote in history.