



LaMoure, N. Dak., Nov. 12, 1897

"Supply agents" who were selling groceries to farmers in Renville county, Minn., "awful cheap" (the farmers, not the groceries, as it turned out), made the gullible grangers sign the orders for groceries. Underneath the very thin order blank was a sheet of carbon, and beneath that a promissory note. The sharpers sold the notes to a bank at Morton as soon as they were ready to skip and then went. The farmers remain to pay the notes. —Grand Forks Courier.

#### A BUSINESS TRANSACTION BY A FREE BANKER

The Indianapolis *Journal* has heard of a case where the managers of the Citizens' Bank of Gosport gave a man seven thousand dollars of their money for circulation in Iowa for the man's individual note of five hundred dollars! This is broad swindling, but a game that has been played by bogus Banks more than once. This Gosport Bank was a pretty free bank, though it was not organized under the free banking law of Indiana. It was a "wildcat" concern, and issued its promises to pay under the shadow of the free bank law. Its notes are, however, as good as any they have in Iowa. —*Hastings (Minn.) Independent*, Feb. 4, 1858.

#### COUNTERFEITERS CAUGHT

Milwaukee, April 9.—Collin McDonald, a Bay City, Mich., saloon-keeper; Frank Westbrook, alias Malcomb; and "Hi" Weed, an unknown, were arrested early this morning in the all night saloons of the West side. On their persons was found nearly \$1,000 in photographed bank notes, all of the denomination of \$20, except one "queer" \$5 note. The \$20 was an excellent photograph of a South Bend National Bank bill numbered H 6,380,196. —*Grafton (N. Dak.) News and Times*, Apr. 12, 1894.

# Rags From "Shake Rag Street"

## The Story of a Wisconsin Broken Bank

by BARBARA R. MUELLER, NLG

**W**ISCONSIN is not a state noted for diversity of broken bank notes, but even the few of which it can boast have stories of intrigue and fraud to rank with the better yarns about frontier financial swindlers.

For example, the elaborate notes of the Bank of Mineral Point printed by Rawdon, Wright & Hatch tell the tale of one Samuel B. Knapp, pioneer promoter. Like many early settlers, he was attracted in the 1830s to the picturesque, hilly, southwestern part of the territory close to the Illinois border because of the boom in lead mining. Miners from Cornwall in Great Britain were also attracted to the "diggin's" there and burrowed like "badgers" into the hills for the precious ore (hence the nickname—the Badger State).

They built themselves homes of native stone with walls two feet thick, windows deep sunken, doors six-paneled, and floors of random width pine boards. Fireplaces furnished heat in the frigid winters. These quaint houses have been preserved through the Pendarvis restoration project of the State Historical Society of Wisconsin, and summer tourists now flock to "Shake Rag" Street to see them.

This appellation arose from the housewives' custom of waving a white rag or cloth from a pole at noon to summon their men home to dinner from the hill across the valley. In fact, in 1836, Mineral Point—the few buildings which comprised the settlement—was also known as "Shake Rag" or "Shake-Rag-Under-the-Hill." According to *Wisconsin in Three Centuries*, "Among the other evidences of the rude and primitive condition of the town . . . was the almost unceasing howling and barking of the wolves during the night, around and within its borders, sound-

ing, at times, as though the town was infested by scores of the brutes, much to the annoyance and alarm of timid strangers."

It was into such a settlement that Samuel B. Knapp moved in 1838. He became involved in the Bank of Mineral Point, which had been incorporated in 1837 by act of the Territorial Legislature. It was declared to be in safe condition in January 1839 by a legislative examining committee, and its notes were signed by "Sam. B. Knapp, Cashier."

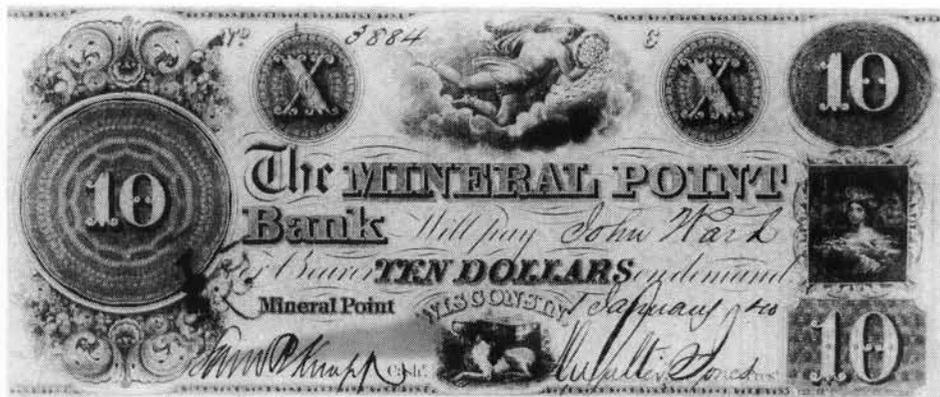
A year later Knapp was appointed Fiscal Agent of the territory by the Legislature and authorized to receive federal funds for territorial use in August 1840. In October he was sent \$19,209.38 of such funds. But in May 1841, after he failed to secure a reappointment as Fiscal Agent, he refused to return the public money to the Secretary of the Territory. In August 1841, the bank was placed in custody of the law and its vaults were found to be empty. Samuel Knapp, his brother R. C. Knapp, and bank teller Porter Brace had fled with the assets.

A posse pursued them across the Illinois state line and the trio was captured in either Galena or Rockford (there are conflicting reports of the chase). A search of their luggage, which included two volumes of Dickens' novels, turned up more than \$70,000 in drafts and certificates of deposit, \$1,500 in Illinois bank notes, and bills of lading for 903,070 pounds of lead. The fugitives were returned to Mineral Point, but at this point the historical record lapses and there seems to be no account of the fate of Knapp and his accomplices. It is recorded that bank customers lost several thousand dollars in Knapp's financial manipulations, however. Only the truly "broken" bank notes remain as mute testimony to an all-too-familiar episode in 19th century America.

**The Notes**

The \$5, \$10 and \$20 notes have iconography and layout typical of their period. The \$5 has an eagle at top center, an Indian drawing his bow at the right, and a river steamboat at the bottom center. The \$10 has Hermes scattering what may be coins out of a cornucopia at top center, a liberty-capped female rising out of dark waters at the right, and a variation of the familiar dog and safe vignette at the bottom center. The \$20 is notable for an early, appropriate use of the badger symbol for Wisconsin at bottom center. A small vignette of an alchemist is at top center, while a large, circular vignette of Vulcan at his forge, Hermes and a female figure is at the left.

Knapp signed in a bright blue ink on two examples of the \$5 and the \$20, and in black on the \$10. The president was a Walter Jones, who appeared to preface "Walter" by two letters that might be the abbreviation "Dr." if used today. Both fives have the name "Ramsey Crooks" written in as payee and "on demand" crossed out. They are dated January 1840. The \$10 has John Ward as payee and is also dated January 1840 but does not have "on demand" crossed out. The \$20 does have that deletion and has John Walsh as payee, but it is dated December 1839. The back of the \$20 has three large and four small counters, with "XX" on the center counter. The color is a faded brownish orange.



**References**

1. *Old World Wisconsin*, by Fred L. Holmes, E.M. Hale & Co., Eau Claire, Wis., 1944.
2. *Wisconsin in Three Centuries*, Volume II, The Century History Company, New York, N.Y. 1906.
3. *Badger Postal History*, February 1982, Wisconsin Postal History Society, Madison, Wis.