



## *Bank of Dixie*

### Fayetteville, Arkansas January 8, 1862

By Quintin Trammell

SCRIP NOTES, LIKE NATIONAL BANK NOTES, TELL A STORY IF one but listens. Most of these fascinating stories have never been told. Knowing the history behind the note makes collecting and owning them much more enjoyable.

According to Matt Rothert, Sr.'s book, *Arkansas Obsolete Notes and Scrip* (SPMC, 1985), there were no banks in Arkansas before it became a state in 1836. After formation as a state, the Legislature, in September 1836, authorized two banks: The first act of the legislature created the Real Estate Bank of Arkansas and the second act created the Bank of the State of Arkansas. However, both of these banks soon failed causing the loss of millions of dollars to depositors and the State. As a result of these failures, the first amendment to the Constitution of Arkansas of 1836, ratified by the State Legislature on November 17, 1846, read: "No bank or banking institution shall be hereafter incorporated or established in this State." Rothert further notes in his book that "As a result of this amendment, there were no commercial banks in Arkansas from 1846 until after the end of the Civil War."

Even though banks were outlawed, Rothert writes that two companies used the word "bank" in their names, but had no state banking charter – the Exchange Bank of Helena and the Bank of Dixie.

The Bank of Dixie was operating, I presume, on the square in Fayetteville, Arkansas at the start of the Civil War. It was apparently owned by W.L. Wilson who signed all the notes of the bank.

Accordingly, the Bank of Dixie was an illegal bank that operated without benefit of a state charter or legal authority. Apparently, the laws were not enforced or maybe since it WAS the "Bank of Dixie," southern furor at the start of the war allowed the bending of laws. Had it been named the Bank of the Union...well, who knows?

Bank of Dixie notes are listed by Rothert as R-7 which means only 1-5 of each denomination were believed to exist at that time. All reported notes are dated January 8, 1862, and this note illustrated is serial number 167. Denominations include 25 cent, 50 cent, 75 cent, and one dollar. Rothert assumed larger denominations may have been issued. This note is signed by W. L. Wilson who had also been the president of the failed Branch Bank of the State of Arkansas at Fayetteville. Wilson apparently made once last attempt at banking even though it violated the Arkansas Constitution. It, like most businesses, was destroyed along with the much of Fayetteville during the war.

The following information is taken from the *History of Washington County, Arkansas*, 1989, by the Shiloh Museum:

Washington Lafayette (W.L.) Wilson was born in Verona, Oneida County, New York on May 8, 1810. He married Catherine Drysdale and moved to Fayetteville, Arkansas in the early 1830s with his first land purchase recorded on June 27, 1839. W.L. was one of Fayetteville's earliest merchants, operating a dry good store on the north side of the Fayetteville square. Records show that his frame home was located on the north east corner of the square, that he was a representative of Washington County to the General Assembly of Arkansas in 1838, that he served in the Mexican War and died in Fayetteville in 1864. Catherine also died in Fayetteville in 1860. Both are buried in the Wilson plot just across from the entrance to the Confederate Cemetery in Fayetteville.

Washington County Historical Society *Flashback* articles reveal the following:

Washington L. Wilson came to Fayetteville, Arkansas around 1831, helped organize the Masonic Lodge in 1835, was one of the Grand Lodge of Arkansas organizers in 1838, served as Master of the Washington County Lodge No. 1 in 1851 and High Priest of Far Western Chapter in 1854. His Paternal granddaughter reports in the *Flashback* that W.L. Wilson conducted the meeting of the Masonic Lodge the night before his death. He died suddenly of a heart attack. His wife had preceded him in death several years before.

Wilson was the president of the Branch Bank of the State of Arkansas and signed notes issued by that bank for a time around the 1838-1840 period and then in January 1862 issued notes under the name Bank of Dixie. It appears he conducted these banking activities in addition to his mercantile business. The exact location of the Bank of Dixie has not been established. It could well have been located in his store.

W.L. had seven children (four girls and three boys). According to the articles in the *Flashback*, one son, Drysdale, joined the Confederate Army at age 14, lost a leg at Pea Ridge (*Fayetteville Arkansas in the Civil War* by Russell L. Mahan, 2003, page 54), and died a few years later. A daughter married John Thomas who, in the 1840s, owned the farm where the Frisco railroad curves south across Dickson Street in Fayetteville. The Thomas Family cemetery plot is now Evergreen Cemetery in Fayetteville. Another daughter, Sarah, married Henry Rieff, a well-known Fayetteville merchant.

According to Mahan, Henry Rieff was appointed Colonel of the 20th Regiment of the Arkansas Militia and raised a militia company in Fayetteville called "The Washington Rifle Guards." Mahan also reports that Kate Wilson (spelling) died on November 16, 1859, after a long illness. It is also reported in the *Flashback* that W.L. gave a very young Stephen K Stone his first job upon arriving in Fayetteville clerking in his store. S.K. Stone would one day be one of Fayetteville's wealthiest citizens. ♦