

The Civil War Post

Patricia A. Kaufmann



Bank Security – Civil War Style

Private citizens and business owners alike panicked – with good reason – as Union General William Tecumseh Sherman marched his 60,000-man army to the sea. Fayetteville, N.C., was in a direct path of this swath of destruction (Figure 1).

Sherman arrived in Fayetteville on March 11, 1865, and Mayor Archibald McLean and some of the town commissioners formally surrendered the town, mainly to save the market house (Figures 2, 3). Union forces burned several important structures, including textile mills and *The Fayetteville Observer*, North Carolina's oldest newspaper. Confederate forces had already burned stockpiles of cotton and naval stores to deny the Union enemy the spoils of war.

Headquartered in Fayetteville for three days, Sherman gave orders for the Fayetteville Arsenal to be razed when he left on March 14, 1865; he wanted to destroy the last source of military arms for the Confederacy. The area was physically and economically devastated.¹

So what did the Bank of Fayetteville do with its deposits, knowing the Yankees were coming? The small contents stuffed inside an adversity cover reveal the answer. The envelope is fashioned from an illustrated bank form. Inside are scraps of paper with specific directions to the hidden monies (Figure 4).

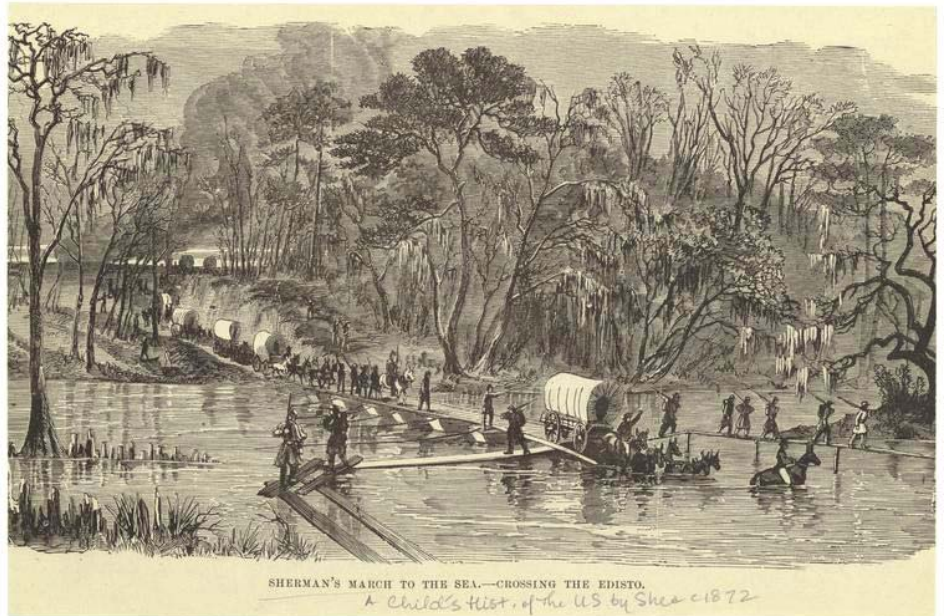


Figure 1. Sherman's March to the Sea—Crossing the Edisto, as published in *A Child's History of the United States*, by John G. Shea, 1872.

Directed to “Mr. Broadfoot, Cashier of the Bank of Fayetteville” and dated March 1, 1865, by John McDonald, who states

that he has done as Broadfoot directed and, “you will find it 75 steps or yards from my house in the field to the right of the lane leading northward some two feet from the fence and about three feet from a persimmon tree.” It is recorded at the bottom as “Returned 6 June 1865,” when the war was over and, presumably, all was deemed safe. Three other slips of paper are of a similar nature (Figure 5).

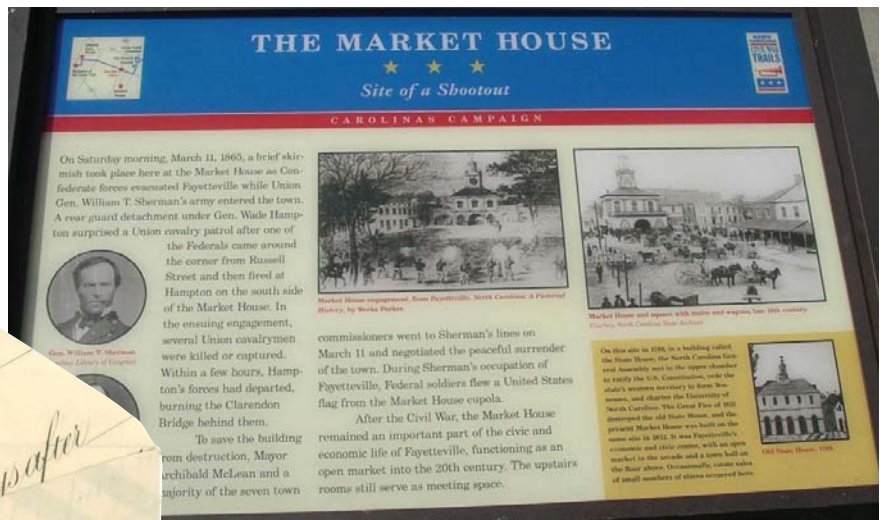
One slip reveals that John W. McDonald was a carpenter living below the town of Rockfish. Another states that Daniel McKinnon will place the deposit in his hands in the well at his present dwelling and a third indicates placement has been or is to be made, “In the middle of the smoke house at Angus Ray's plantation three feet under the surface—(?) now but a dirt floor.” That slip is also noted as “Ret(urne)^d June 3^d – 65.”

The Bank of Fayetteville was chartered Jan. 7, 1849, Figure 2. Fayetteville Market House as it appeared in 2008.



Figure 3 (right). Historical marker at the Market House.

Figure 4 (below). Adversity envelope fashioned from an illustrated bank form and its enclosure on how to find buried bank deposits.



Mr. Broadfoot Cashier of the bank of Fayetteville - Dear sir
I have done as you directed
you will find it 75 steps or yards
from my house in the field to the right
of the bank leading northward some two
feet from the fence and about three
feet from a persimmon tree
March 11, 1865 - John W. Donald
Oct 11, 1865 - Wm. B. Ray

The John W. Donald with whom I have made a deposit of
toward his receipt therefor in a Confederate dollar below
Rockferry 25 - 75 - 75 - will be long as a receipt of the
W. B. Ray

David McKinno will place the deposit in his hands in
the well at his present dwelling house if not - will give
me due notice

In the middle of the market house at a large Reg. iron platform
this fact fence the surface - the long stone with a brick floor
W. B. Ray - 3 - 65

organized and launched Sept. 18, 1849, and ceased operations in 1865. John Duncan Starr was the president from 1849-62 and John W. Williams, Sr. from 1862 until bank operations ceased.² William D. Broadfoot is recorded as the cashier, which tallies with the salutation on the directions to find hidden funds. Bank of Fayetteville notes are scarce collectibles (Figure 6).

North Carolina banks compiled large war debts from state government during the Civil War. Following the conflict, the U.S. Congress levied a 10% tax (July 1865) on any banknotes issued or re-issued by state-chartered banks. At a postwar convention to restructure the North Carolina state government in October 1865, the delegates voted to repudiate all state debts from the war. This action made the war debts worthless, forcing the immediate liquidation of almost all existing antebellum banks.³

So, are there still hidden reserves of banknotes and coin buried throughout the South? There are surely larger potential caches than those in the Fayetteville area.

When Union troops were on the verge of invading New Orleans, Confederates quickly removed millions of dollars of gold to a "safer" location – the city of Columbus, Ga. The gold was temporarily stored at the Iron Bank by William H. Young. On Oct. 11, 1862, General P.G.T. Beauregard was ordered to take the gold from Young's bank in Columbus. Young refused to release it but was compelled to do so by force. According to Beauregard's biography, "What became of that coin is, we believe, even to this day, a mystery. It was, doubtless, spent for the benefit of the Confederacy; but how, and to what purpose – not having been regularly appropriated by Congress – has never been made known."

George Alfred Trenholm (1807-76), treasurer of the Confederate States of America July 1, 1864 - April 27, 1865, was arrested after the war and accused of making off with millions in Confederate assets. Trenholm arranged for the Confederate treasury, archives and bullion owned by it and Richmond banks to be transported out of the endangered city into North Carolina by train. The bullion and specie

Figure 5 (left). Slips showing directions to other hidden monies from the bank.



Figure 6. An 1849 \$4 bank note from the Bank of Fayetteville.

(coin) was later estimated to be worth between a quarter- to a half-million dollars. The last published account involved \$86,000 in specie in the false bottom of a carriage and entrusted to James A. Semple, a Naval paymaster and son-in-law of ex-President John Tyler, who was supposed to take it to Liverpool to pay Confederate accounts.

Confederate Secretary of State Judah Benjamin also used a \$1,500 gold warrant signed by Trenholm to secure his passage on a boat to Britain. Other accounts trace \$40,000 used by Maj. Raphael J. Moses (General Longstreet's commissary officer) to

assist Confederate veterans struggling to return to their homes. Some believe Trenholm ordered the bullion dumped off railroad bridges or smuggled to England, or perhaps taken to Canada. Rumors and conjectures are myriad.

Trenholm is a legend in Charleston. His 60 blockade-running ships made him wealthier than he already was, carrying out cotton and tobacco and returning with guns, ammunition and more. Many believe he was the inspiration for the character of Rhett Butler in Margaret Mitchell's *Gone with the Wind*.⁴

Trish enjoys hearing from readers. She may be reached at trishkauf@comcast.net. 

Endnotes

1. Civil War Trail, www.fayettevillenctrails.com/trail/civil-war-trail, accessed May 10, 2018.
2. Bank of Fayetteville (1849-65), North Carolina Business Hall of Fame, www.historync.org/BankFayetteville.htm, accessed May 10, 2018.
3. North Carolina Banking prior to 1865, North Carolina Business History, www.historync.org/NCbankspre1865.htm, accessed May 10, 2018.
4. George Trenholm, Wikipedia, www.en.wikipedia.org/wiki/George_Trenholm, accessed May 10, 2018.



DUTCH COUNTRY AUCTIONS

The Stamp Center

Serving the hobby worldwide since 1979



SERVICES

U.S. & Worldwide Stamps, Coins,
Historical/Classic Sports
Memorabilia, Americana,
Currency, Covers, Postcards,
Retail, Wholesale, Supplies & More!



AUCTIONS

| | |
|-------------|-----------------------|
| Auction 316 | May 18-19, 2018 |
| Auction 317 | July 20-21, 2018 |
| Auction 318 | September 14-15, 2018 |
| Auction 319 | November 9-10, 2018 |

When you are ready to liquidate your collection
We are at your service!

DUTCHCOUNTRYAUCTIONS.COM

302-478-8740 | AUCTIONS@DUTCHCOUNTRYAUCTIONS.COM
4115 CONCORD PIKE, 2ND FLOOR | WILMINGTON, DE 19803
RUSSELL EGGERT OWNER, APPRAISER, LICENSED & BONDED AUCTIONEER