

Cumberland Coins

The Volunteer Coin Club Newsletter

August, 2010

Next Meeting

This month we will have our annual picnic instead of our regular meeting. The picnic will be Tuesday, August 11 (our regular meeting night) at 5:00. The location will be at Shelter #2 in Centennial Park on Industrial Blvd. See the map below for the location of the park and the shelter. The club will supply the chicken and we are asking each family to bring a side dish. We would like to have reservations so we know how much to buy. If you haven't made your reservation yet or you don't remember what side dish you signed up to bring, please contact Betty Harris at 484-9152.

There will be a raffle and a contest in place of the attendance drawing. There will not be an auction this month.

Coin Lore

HARD TIMES in BUFFALO - the 1830's by Bill Groom

The so-called "Hard Times" era basically began with the election of President Andrew Jackson in 1832. Jackson, believed that private banks possessed too much financial power. Consequently, he withdrew the government's treasury funds from the Second Bank of the United States. Money then became scarce, resulting in the failure of many banks and financial institutions. Merchants, bankers and local enterprises then began to issue and use their own paper money and tokens. As businesses failed and were then unable to redeem their notes, the hard times worsened. The tokens typically served to advertise a business, express patriotic feelings or make satirical jibes at the Jackson administration. At least the tokens possessed a cent's worth of copper!



The above, Buffalo banknote was issued by Benjamin Rathbun, whose signature appears in the lower, right corner. He was the leading citizen-entrepreneur in Buffalo, NY and much local history is attached to the note; this, as can be found in *Buffalo: Lake City in Niagara Land* by Richard C. Brown and Bob Watson.

Cumberland Coins

The Volunteer Coin Club Newsletter

August, 2010

Brown and Watson portray Ben Rathbun as looking more like a clergyman than the master builder he was. Though Rathbun kept a low profile, never before or since has there been a builder in Buffalo who matched Rathbun's empirical accomplishments. Most of Buffalo in the 1830s, in fact, could be said to have been Rathbun-built. In 1835 alone, he put up 99 buildings, 52 of them stores and 33 of them dwellings. He built the first American Hotel on the west side of Main Street. He built the jail. He built the four-story Webster Block. He built the Darrow Block, commercial buildings, private residences, a Unitarian church and more.

To support his seemingly endless building program, Rathbun operated stone quarries, brick plants, and machine shops. He had grocery stores and dry-goods establishments. He ran stagecoaches and horse-drawn omnibuses. He had his own private bank, the Commercial Bank that issued bank notes over his signature. Rathbun subsequently moved too fast and too far, speculative excess, borrowing money beyond his own substantial means. His "house of cards" was also built upon deception and forgery. When the smoke of the scandal had cleared and the extent of the skullduggery was sorted out, it was found that Rathbun had a total of \$1.5 million in forged notes.

Rathbun had not done the forging himself, but he was aware of it. His brother Lyman masterminded the forging; his nephew, Lyman Rathbun Howlett, was the master forger. Buffalonians, never dreaming that young Howlett was up to no good, knew him as a cute little fellow of 14 or 15 who rode a pony about the streets. Actually, he was so clever that he could execute a forgery under the very eyes of the bankers, and he was riding his pony on what turned out to have been his errands of mischief.

By the time the Rathbun bubble burst, young Howlett and his Uncle Lyman were long gone. Benjamin Rathbun took the rap for all of them. While he was awaiting trial, Ben was incarcerated in the very jail he had built for Buffalo. Found guilty at trial, he was sent to prison for five years. When he had served his time, Rathbun went into the hotel business in New York. Buffalonians still thought so highly of him that, to many of them, to stay at any hotel in New York other than Rathbun's was unthinkable.

COINFUCIOUS says: *"Collectors of Hobo Nickels may be called Bumismatists"*

Area Coin Shows

September 4, 2010 **Knoxville Coin Show**, Rothchild Center, 8807 Kingston Pike (I-40 exit #378)

August 20-22, 2010 **Blue Ridge Numismatics Association (BRNA) 51st Annual Convention.**
Northwest Georgia Trade and Convention Center, Dalton, GA. I-75, Exit 333.

October 30, 2010 **Crossville**, La Quinta Inn, Highway 127 North at I-40 exit 317.

November 5-7, 2010 **Tennessee State Numismatic Society Annual Fall Convention,**
Camp Jordan Arena, Chattanooga, TN, I-75, Exit 1.

Cumberland Coins

The Volunteer Coin Club Newsletter

August, 2010

This Month's Raffle Prizes

		Est.. Grade
1864	TWO CENT PIECE	GOOD
1996-W	ROOSEVELT DIME	UNC
1943	MERCURY DIME	MS-63+
1962	ROOSEVELT DIME	PROOF
1906 & 1908	LIBERTY NICKELS	VG&G

The Door Prize will be a 1773 BRITISH HALFPENNY (AG-G.)

Picnic Location

