

antiabolitionist enthusiasm, the letter repeated all the familiar biblical arguments in support of slavery and warned traveling elders against preaching to slaves without their masters' permission.²¹

The *Messenger and Advocate's* feeble attempt to allay suspicion had no effect on the Clay County committee that recommended Mormon withdrawal. The committee admitted that the county had not "the least right, under the constitution and laws of the country, to expel them by force." But the committee feared an irrepressible conflict if the Mormons did not voluntarily leave. "The religious tenets of this people are so different from the present churches of the age, that they always have and always will, excite deep prejudices against them, in any populous country."²² They would be happiest living alone in unsettled frontier regions. The Mormons were given time to sell any property over forty acres at a fair price and then they were to leave.

The Church leaders in Clay County and Kirtland responded in the spirit of the committee's proposals. They agreed on the terms suggested, and the departure was so amicable that the citizens in Clay raised funds to help the poorest Saints. In defense of the Church's reputation, a letter from Kirtland did reply to the Clay County charge of Mormon abolitionism by pointing to the antiabolitionist letter in the April *Messenger and Advocate*. On another count, the reason for the Saints' poverty was the persecution they had suffered.²³ Nothing was said about religious tenets "so different from the present churches of the age." Their silence acknowledged the truth of that charge.

FINANCES

When the Saints were driven from Jackson County three years earlier, Joseph had been stunned for months, scarcely knowing what to do. This time, after dispatching letters to the Clay County officials, the Kirtland leaders set off on a trip east. Joseph and Hyrum, Rigdon and Cowdery took passage from Fairport on Lake Erie the very day the letters were dated, their destinations New York City and Salem, Massachusetts. The purpose of the journey goes unstated, but in Salem, a revelation assured them, "I have much treasure in this city for you, for the benefit of Zion; and many people in this city whom I will gather out in due time for the benefit of Zion."²⁴ Uncertain of his next step, Joseph was casting about for financial resources.

The revelation put the best face on a misbegotten venture.²⁵ Long after the event, Ebenezer Robinson, a printer in Nauvoo, remembered that a convert named Burgess had persuaded Church leaders that a large sum of money was hidden in the cellar of a Salem house. Perhaps Joseph believed he could identify the site using his boyhood gifts as a treasure-seeker. Less than

encouraging, the Salem revelation opened with the words "I the Lord your God am not displeased with your coming this journey, notwithstanding your follies," and tried to deflect the men to missionary work. "There are more treasures than one for you in this city." The "wealth pertaining to gold and silver" could be obtained "in due time," implying that meanwhile they should concentrate on people. For two weeks, the men taught from house to house, taking time out to visit the famous East India Marine Society museum like ordinary tourists. On August 20, Rigdon lectured on "Christianity" at the lyceum. All the while they looked for the treasure-house. On August 19, Joseph wrote Emma that "we have found the house since Bro. Burgess left us, very luckily and providentially, as we had one spell been most discouraged." They were plotting how to get possession. "The house is occupied, and it will require much care and patience to rent or buy it." Joseph said they were willing to wait months if necessary, but by September, the party was back in Kirtland with no treasure for their pains.²⁶

The Kirtland leaders grasped at the slimmest hopes. The temple had left a debt of around \$13,000, and in the summer of 1836, the Church faced the additional expense of establishing a new stake of Zion in Missouri. At the June trial of two brethren accused of insufficient generosity, Frederick Williams put it bluntly: "The church [is] poor, Zion [is] to be built and we have not means to do it unless the rich assist, & because the rich have not assisted, the heads of the church have to suffer and are now suffering under severe embarrassments and are much in debt."²⁷ In December 1836, elders in the branches were told to stop "sending their poor from among them, and moving them to this place, without the necessary means of subsistence," a policy Joseph must have lamented.²⁸

Joseph opened a merchandise store, but the venture called for still more capital. The month after he returned from Salem, he borrowed \$11,000 for land purchases and store inventory. John Corrill heard the store inventory eventually cost between \$80,000 and \$90,000. The borrowing went on through 1837 until Joseph had run up debts of over \$100,000.²⁹

While risky, the indebtedness was not extravagant. The lenders would not have extended credit were Joseph and the Church without prospects. Creditors doubtless viewed the loans as capital investments, not credit for personal consumption. The loans were secured by store goods or land, with many notes showing multiple signatures. The Kirtland leaders followed standard practices for merchants and land brokers developing the midwestern economy: they borrowed to build a business. To make the Mormon market especially attractive, the Church could almost guarantee an ingathering of Saints eager to buy land. Developers all over the country were borrowing for land under less favorable circumstances. Assured by the Church's prospects, lenders extended credit even as the debt rose.³⁰

To raise more capital, Church leaders planned a bank. Like stores and

mills, banks were multiplying in the 1830s. Twenty banks had been chartered in Ohio since 1830. In November 1836, Church leaders dispatched Cowdery to New York to purchase plates for printing currency, and Orson Hyde was sent to the state capitol in Columbus to apply for a charter. On November 2, the Kirtland Safety Society bank was organized and began selling stock. As usual, Joseph thought big. Capital stock was set at \$4 million, though the roughly 200 stock purchasers put up only about \$21,000 in cash.³¹ Heber C. Kimball subscribed for \$50,000 in shares for only \$15. The rest of the issue was secured by land. In actuality, the Safety Society was a partial "land bank," a device New Englanders had once resorted to in their cash-poor, land-rich society. Land bank notes, secured by the farms of participants, gave landowners liquidity to initiate commercial ventures when capital was lacking.³² Unfortunately, the hybrid Kirtland bank—based partly on land and partly on specie—set up expectations for redeeming notes in hard money.

The disappointments began almost immediately. Cowdery brought back the plates and printed notes, but Hyde failed to obtain the charter from the Ohio legislature, which knew the pitfalls of underfunded banks. Hard-money Democrats saw the weakness in the Kirtland operation immediately.³³ The Mormons adjusted by organizing themselves into an "anti-banking" company and, spiting the legislature, stamped the word "anti" before the word "banking," and began issuing notes.

The issue of about \$100,000 made no claim that the bills were legal tender; the notes were the promissory notes of a private company. In an earlier day, they would have been called a "medium of trade," replacing barter as a means of exchange, allowing farmers to buy and sell by paying cash, instead of working out more complicated exchanges.³⁴ In a simpler and more isolated society, where mutual trust was high, the scheme might have worked. In Kirtland, the bank failed within a month. Business started on January 2, 1837. Three weeks later, the bank was floundering. Skeptical (and perhaps mean-spirited) customers presented their notes for redemption, and the bank's pitiful supply of liquid capital was exhausted within days. On January 23, payment stopped. From then on, the value of the notes plummeted, falling to one-eighth of their face value by February. All the investors lost their capital, Joseph as much as anyone. He had bought more stock than eighty-five percent of the investors. As treasurer and secretary and signers of the notes, Joseph and Rigdon begged the note holders to keep them, promising that the economy would benefit. In June, faced with complete collapse, both resigned. In August, Joseph publicly disavowed the Kirtland notes in the Church newspaper.³⁵ The bank staggered on until November, long since moribund.

Meanwhile, Joseph's enemies attacked. A local mill owner, Grandison

Newell, a longtime enemy of the Mormons, entered a suit against Joseph for issuing bills of credit illegally. The charterless Kirtland Safety Society fell under the ban of an 1816 Ohio law forbidding private companies to issue money. The case was heard in March 1837 and held over to October, when Joseph was fined \$1,000, adding to his huge debt. Creditors everywhere were closing in on their debtors. The nationwide collapse of the speculative bubble in 1837 tightened credit throughout the country. The Mormons' creditors were as zealous as any.³⁶ Kirtland merchants refused to sell the Saints flour, driving up the price and forcing them to trade with neighboring towns. Sidney Rigdon told the Church in an April meeting that "the gentiles are striving to besiege the saints in Kirtland & would be glad to starve the saints to death."³⁷

Everyone who accepted Safety Society notes at face value suffered from the collapse. Losses are estimated at \$40,000, about the cost of the Kirtland temple. Mormons, who invested in the bank and trusted the notes, suffered most. Jonathan Crosby lacked the money to invest in the bank, but he took the bills in payment for his work. When flour rose to \$10 a barrel, Crosby could not purchase provisions. "I was then compelled to stop work, and spent a day running about town trying to buy some food with Kirtland money, but could get nothing for it." Emma Smith gave him a ham and forty pounds of flour.³⁸

The bank episode not only hurt the Saints financially, it tried their faith. The notes had their Prophet's signature on the face. He had encouraged investment; his enthusiasm persuaded subscription. Wilford Woodruff marveled at Joseph's vision of Kirtland:

Joseph presented to us in some degree the plot of the city of Kirtland . . . as it was given him by vision. It was great marvelous & glorious. The city extended to the east, west, North, & South. Steam boats will come puffing into the city. Our goods will be conveyed upon railroads from Kirtland to many places & probably to Zion. Houses of worship would be reared unto the most high. Beautiful streets was to be made for the Saints to walk in. Kings of the earth would come to behold the glory thereof & many glorious things not now to be named would be bestowed upon the Saints.

Carried along by the booster spirit that infected virtually every western town in these decades, Joseph promised too much. Town promoters like William Ogden in Chicago or, later, William Larimer in Denver believed they could create something out of nothing and did. Overly optimistic, Joseph started construction on a new house. Other brethren went heavily into debt expecting to profit in the predicted boom. John Corrill remembered that some brethren "suffered pride to arise in their hearts, and became desirous

of fine houses, and fine clothes, and indulged too much in these things, supposing for a few months that they were very rich."³⁹

A year earlier, in 1836, they had seemed to be succeeding. A visitor to Kirtland that fall was "astonished to see that a city had sprung up since I was there last March. I should think there were between 100 and 200 houses (perhaps more) [and] new buildings, most of them are small and plain, but some of them are elegant." By April 1837, when the bank was floundering, Joseph was still telling his people that "this place must be built up, and would be built up, and that every brother that would take hold and help secure and discharge those contracts that had been made, should be rich."⁴⁰ His hopes were doomed. When the effects of the 1837 panic and the subsequent depression spread, any chance of Kirtland and its bank prospering was destroyed. Far from flourishing as their prophet had foretold, the Saints were caught in a downward spiral of personal losses and narrowing opportunities.

Widespread apostasy resulted. The volatility in prices, the pressure to collect debts, the implication of bad faith were too much for some of the sturdiest believers. The stalwarts Parley and Orson Pratt faltered for a few months. David Patten, a leading apostle, raised so many insulting questions Joseph "slaped him in the face & kicked him out of the yard." Joseph's counselor Frederick G. Williams was alienated and removed from office. One of the Prophet's favorites, his clerk Warren Parrish, tried to depose him. Heber C. Kimball claimed that by June 1837 not twenty men in Kirtland believed Joseph was a prophet.⁴¹

WILFORD WOODRUFF'S KIRTLAND

In later retellings, the turmoil of this bad time overshadows the ordinary course of life in Kirtland in 1837. Brigham Young and Heber Kimball told grim stories. Eliza Snow, who was living in Joseph's household, added a terrifying account of apostates with bowie knives in the temple. The tales were recounted years later to emphasize the importance of loyalty in trying circumstances, but they had the effect of making 1837 appear like an unbroken fall into apostasy and ruin. In the worst of these times, Joseph kept the support of hundreds and probably thousands of loyal followers. Apostasy was rife, but the Church was not near collapse. As leaders defected, men of equal ability rose to take their places. By 1837, Mormonism had developed such momentum that the loss of a few high-placed men could not slow it down. While Joseph was fending off critics in Kirtland, the Missouri Church leaders were building a Zion in Far West. Elsewhere, the traveling elders were gathering converts faster than Joseph's opponents could make apostates.⁴²

A more balanced picture comes from the diary of Wilford Woodruff, a thirty-year-old convert who made nearly daily entries from January to May