

# Bartering helps county through tough times

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tians made most of their own — ostensibly for “medicinal purposes” — and the brew, too, was a medium of exchange.

When push came to shove in the Panic of 1837, Bloomington didn't have any bank that failed, unlike other towns in Indiana. If ads in the *Bloomington Post* are any indication of the town's economic health, business was booming. During late 1836, there appeared a whole procession of ads announcing new business — apothecary, haberdashery, chairmaker, tinware, silversmith, etc. Only in other parts of the *Post* can one find traces of uneasiness about the economy.

A name that frequently cropped up in the news was that of David Maxwell, founding father of Indiana University. He had been appointed head of the state commission on the new public works projects and was pushing the survey of a railroad line that included Bloomington. His ambitions were somewhat thwarted when it was suggested that the railroad project be scaled down to a macadam road, instead.

Politically, Monroe County was about equally divided between the Whig and Democratic Parties. Marcus Deal, publisher of the *Post*, was an unabashed Whig. Anxiety about Indiana's financial situation compelled John Ketcham — of Court-house building and IU trustee fame — to come out of retirement and run for the legislature.

The *Post* did not report any fist-fights over political issues at that time, but Monroe Countians were notorious for their lack of restraint — especially when it came to a mixture of their two most important topics of conversation — politics and money. Less than a quarter of a century later, it took a troop of cavalry to convince some local citizens not to fight the Civil War in Clear Creek Township.

Despite the fact that Bloomington had no banks, a couple of local merchants — namely — “Messrs. Howes, Merchants” — found their own way around the shortage of money. According to the *Bloomington Post*, the firm issued a batch of shinplasters, ranging in value from \$1 to 6½ cents. Commented the *Post*, “We are extremely anxious to enter into the business of issuing shinplasters, and not having the rhino on hands to redeem them with, we propose (as we have a pretty considerable crop of cabbages this season) to issue the leaves and redeem them with the stalk and head of the cabbage.”

While Americans debated about how U.S. money should be regulated, Indiana and Monroe County managed to survive the Panic of 1837. An Indianapolis newspaper had made fun of Bloomington as-if it were the jumping off place. Perhaps the little town survived the financial crisis by bartering until money became more plentiful, while Indianapolis financiers like Calvin Fletcher, lost sleep over notes not honored by failing banks and other fiscal disasters.