



# The Checkered Career of Timothy Hinman

*Hinman's life illustrates the contradictions inherent in financial risk taking early in the nineteenth century.*

By GAIL A. SANGREE

**I**n the well-kept cemetery overlooking Derby Lake lie the bones of Timothy Hinman. The notation on his gravestone reads, “Honorable Timo Hinman April 29, 1850 AE88yrs.” The marble has been recently cleaned, and the following inscription appears to have been added later: “First Settler of Derby. A soldier of the Revolutionary Army. Patriot & faithful honest citizen. A just and good man.”

“Faithful, honest, just, and good” is strong praise for a man who, in addition to building roads, starting a town from scratch, and rendering judicial decisions, speculated in land, selling the lots at huge profits; smuggled and traded with the enemy; cheated his associates; defaulted on thousands of dollars of loans and betrayed the public trust; and upon conviction, escaped from jail. Hinman’s life illustrates the contradictions inherent in financial risk taking early in the nineteenth century: While the potential for accumulating wealth was great, the chances of ruin were also high. Although a young man with strong arms, determination, and a mixture of knowledge and luck might secure a comfortable position for himself and his family, his efforts might bring him nothing.

As a boy growing up in Southbury, Connecticut, Hinman, born in 1761, heard about the plentiful opportunities for land in northern Vermont from his first cousin once removed, Colonel Benjamin Hinman, who had made raids into Canada from Crown Point on Lake Champlain in 1758. He had returned to the area during the War of the Revolution, taking over command at Fort Ticonderoga from Ethan Allen. Following his retirement, Col. Hinman surveyed the northeastern

Vermont wilderness and returned to Connecticut to tell land-hungry friends and relatives of the “Still Remaining unappropriated . . . tract of Land in the . . . State of Vermont,”<sup>1</sup> a large chunk of land approximately the size of Rhode Island for which he petitioned. After the Revolution, with agricultural land in short supply and a burgeoning population, southern New England farmers were eager for such information.

Serving in the militia and the regular army until his discharge in 1783, Timothy Hinman, along with his older brother Isaac, acquired road-building, bridge-making, and surveying skills. At the conclusion of the war he returned to Southbury and married Phebe Stoddard, one of a family of fifteen children. Because his father had already removed to Vermont and neither he nor Phebe had prospects of acquiring a farm in the Southbury region, Timothy soon ventured northward in search of a livelihood. In the summer of 1789 Timothy, along with Southbury natives Aaron Hinman (Colonel Benjamin’s son), Samuel Drakeley, Obadiah Wheeler, and Vermont’s second surveyor general, James Whitelaw of Ryegate, explored the area of the large unappropriated tract that Colonel Benjamin had applied for ten years earlier.<sup>2</sup> They returned in the summer of 1790, and beginning in 1791, Timothy was an indefatigable petitioner to the Vermont legislature for taxes on land to build and improve roads and bridges in northeastern Vermont.<sup>3</sup>

By 1792 Hinman was actively engaged in Vermont’s land market. His name appeared in a notice in the *Vermont Gazette* as tax collector for the town of Woodbury, Vermont, although he had not yet left Connecticut permanently.<sup>4</sup> On March 30, 1792, he and Ebenezer Strong, another land speculator from Southbury, wrote a letter to James Whitelaw requesting him to bid on land that had come up for auction in the future town of Barton, promising “we will Reward You Amply for all Your Trouble Soon we Arnestly Request You not to fail as it is of Consequence to us to have Said Business Done.”<sup>5</sup>

That autumn, Hinman was one of several Revolutionary War veterans from Connecticut who gathered in Greensboro and signed petitions to the legislature requesting that taxes be levied to build roads and bridges. One of these petitions stated, “We . . . beg Leave to inform Your Honours that there is Several Settlement began on the town of Darby by Lake Memphremagogue which Cannot be Caryed on with Success without Communication with Some Neighbouring towns and at present the town of Greensborough is the Nearest town that is Inhabitted & the Road from Greensborough to Darby Leads through the Towns of Glover and Barton.”<sup>6</sup>

Perhaps they were overstating the case when they claimed that “there is Several Settlement[s] began on the town of Darby,” but it

seems clear that by this time Hinman had decided to locate a town there on the Canadian border even though Glover and Barton were unsettled. From the fall of 1792 until the spring of 1795 when he permanently moved his family to Derby, he used Greensboro as his base for many road-building trips to the north. Supported by taxes levied by the state and collected by Hinman himself, the road went due north from Greensboro through the future towns of Glover, Barton, and Brown-ington thirty-five miles to Derby.

Blind chance did not account for Hinman's choice of location for his new town. The town of Stanstead in Lower Canada was settled at the same time, and as a result of Whitelaw's and Benjamin Hinman's earlier surveying trips, Timothy would have known not only that the land was of high agricultural quality, but also that positioning an American town directly across the border from a Canadian settlement would facilitate international trade through Quebec. The north-south orientation of Lake Memphremagog, extending more than twenty miles into Canada, was similar to Lake Champlain, already a major trading route in the west. Hinman probably envisioned an eastern route to the St. Lawrence River to rival the success of traders west of the mountains.

The people who settled Stanstead came from the same places as and were often related to those who settled Derby. Samuel Pomroy, for example, bought a lot in Derby in 1799, and his brother Selah settled in Stanstead. Several members of the Bangs family from Williamsburg, Massachusetts, settled on both sides of the border. Indeed, although the forty-fifth parallel had divided the American colonies from Canada since 1763 and the area had been surveyed by 1792, "the line of demarcation had been so imperfectly defined that the early settlers hardly knew at first whether they were in Vermont or Canada."<sup>7</sup>

The process of establishing a new town required a financial commitment and offered speculators the possibility of enriching themselves. At Derby those proprietors who, after due warning, did not pay taxes on their rights forfeited their shares at public vendue to satisfy taxes. Derby's first such sale took place in 1793. Timothy Hinman acquired sixteen rights. In 1794 a second tax sale occurred, and Hinman bought four more rights.<sup>8</sup> In addition to his own share of 310 acres, he gained twenty-one proprietors' rights in Derby, or about 6,700 acres, a large portion of the town, though worth little until cleared and cultivated. It was in his interest, then, to sell these lots to settlers, who would contribute to the town's future prosperity. He had reason to fear that the proprietary rights to Derby would be forfeited if settlement did not occur in a timely fashion because Derby's charter specified that houses had to be built and acreage cleared within four years' time.<sup>9</sup> Perhaps prompted

by a desire to attract settlers to their new town, Timothy and Phebe made a trip back to Southbury in 1795.<sup>10</sup> Like Ebenezer Strong, who had bought original proprietors' rights from Southbury investors and was selling lots at a tidy profit to settlers from New Hampshire, Massachusetts, and Connecticut, Hinman engaged in land deals on a smaller scale, selling lots to family members and an assortment of settlers from diverse communities.

These pioneers organized their lives according to long-established patterns. By 1797 Timothy had become Derby's justice of the peace.<sup>11</sup> His duties included conducting marriages and settling disputes in an informal setting, probably his home. Early Vermont's economy, which lacked cash, depended upon an intricate balance of mutual indebtedness, with a simple legal system to work out disagreements.

Soon, however, established custom gave way to modifications. For example, disputes may have arisen concerning roaming livestock. Among those officers elected at the first town meeting convened in 1798 were two fence viewers, which suggests that communal pasturing, common in earlier New England towns, was short-lived in Derby and that its settlers preferred a more individualized arrangement of their assets.

Favoring individual endeavor over communal arrangement may be partly attributable to Derby's first inhabitants' coming from several towns in southern New England and never meeting until they arrived in Derby's wilderness. They subscribed to a variety of religious faiths, including Freewill Baptist and Methodist as well as Congregationalist. Although land was set aside for a church when the town was laid out, no church was organized until 1807, no settled minister called until 1810, and no church building erected until 1820.<sup>12</sup>

Those who established a new town hoped that it would "improve" with further settlement so they could sell their land at a profit if they decided not to live there. In order to improve, a town required settlers and connections to other towns. In this sense, Hinman's town and his own fortunes improved rapidly, for within five years of settlement, Derby had one hundred seventy-eight inhabitants.<sup>13</sup>

In what was to become a life-altering decision, Hinman opened a store, which sold basic necessities to cash-poor settlers who traded goods or services for items such as buskins, mittens, corn, pork, and rum. Like other storekeepers in Vermont, Hinman accepted potash or pearlash in trade. Settlers saved all their fireplace ashes, as well as the ashes remaining from clearing land through burning, which they processed into "black salts" or pearlash, useful in manufacturing glass, bleach, and gunpowder. Because Britain paid good prices for pearlash,

this by-product of clearing forest land became America's first important chemical export.<sup>14</sup> Accepting pearlsh as payment for goods at his store, Hinman could arrange to transport the ash to Quebec for re-export to Britain.

Hinman's account book, covering the years from 1798 to 1809, records a complex web of debts, some in dollars, some in pounds, which townspeople of Derby owed to either the store or the tavern.<sup>15</sup> His method of record keeping reveals that the villagers of Derby met their basic needs through a network of dependencies. Although a few items, such as velvet, buttons, cups and saucers, rum, gin, and brandy, would have been imported, most of Hinman's stock in trade was available locally: In the early years he sold more hay, pork, applesauce, and horses than fancy fabric or housewares. When the store began, Derby's economy was locally based, and Hinman's shop supplied townsfolk with necessities they could not, or chose not to, provide for themselves.

Hinman used a day book and a ledger. Only the single-entry day book survives. This was a record of who was charging for items sold at his store or tavern, and it contains valuable data.<sup>16</sup> Some of these transactions were quite complicated in that Hinman accepted goods and services as well as cash. In this sense, his customers might also be his suppliers. Sometimes he would accept notes of indebtedness to third parties. For example, on March 31, 1800, he wrote, "Record with Mr. Noah Woodward and settled by taking a note against Aron Vilas of \$3.50." Transactions such as "to Eliphalet Bangs Jr to Mr. Clark 2/ to 1 Day work at his farm" indicate that Hinman accepted labor for paying off debts.<sup>17</sup>

The day book also provides data regarding Hinman's land sales. In at least two cases, those of David Dustin and Rufus Stewart, people to whom Hinman sold land did not pay the full price all at once, for he noted, "by Cash in Dollars to be endorsed on a note" (July 26, 1798), and "by Cash 15 Dollars to be endorsed on his note." On November 28, 1798, Hinman recorded that David Dustin worked for seven months for twenty-one pounds, "of which he gives \$14.87 to giving up his note."<sup>18</sup>

The later years covered by the account book list many charges for alcoholic beverages sold by the glass, the quart, or the gallon. Among those running up a tab at the tavern were Hinman's neighbors Eliphalet Bangs, Freeman Vining, John Phelps, and Sheriff James Owen.

Hinman put a series of cross-hatchings beside notations such as "keeping 4 oxen overnight," which indicated that he had transferred the debt from the day book to the ledger. However, at one point he wrote in the margin, "Previous to this page, all is posted which was necessary to be posted and some more, but finding so many inexplicable

things I dare not venture any further in that way,"<sup>19</sup> as if the tangle of who owed what was too complicated to unravel. It also suggests that Hinman's accounting was not precise. If everyone managed to get by, he was not particularly concerned with making every column balance.

This casual attitude toward finance, while typical of early New England farming communities, would later prove disastrous for Hinman. Local exchange permitted great latitude in the settlement of debts; creditors rarely charged interest and allowed extra time for the debtor to gather assets to pay off the debt, often waiting until the next harvest for payment. Only when the creditor needed money himself did he feel justified in pressuring the debtor to pay.<sup>20</sup> However, as credit relationships extended over larger geographical areas, they became more formalized. If a townsman did not know his debtor, he was likely to desire more formal credit arrangements, such as promissory notes and bonds.

As his business increased, Hinman took on two associates. Beginning in 1800, Ralph Parker of Glover appeared in the account book: "To Mr. Parker, 6 hundred of hay," and later "to Mr. Parker 4 hundred of hay took away the heifer the 29 day of March."<sup>21</sup> Parker also did some work for Hinman, for he wrote, "In the summer of 1802 Parker worked 17<sup>1/2</sup> days."<sup>22</sup> Ralph Parker, one of Glover's first citizens, came to settle late in the eighteenth century from Fair Haven and sold lots to new settlers. Like Hinman, he opened a store and tavern at his home, and served many terms with Hinman in the legislature. Melvin Vining of Derby was the son of Freeman Vining, in whose home the Congregational church was organized. Melvin Vining first appeared in the account book in 1808.

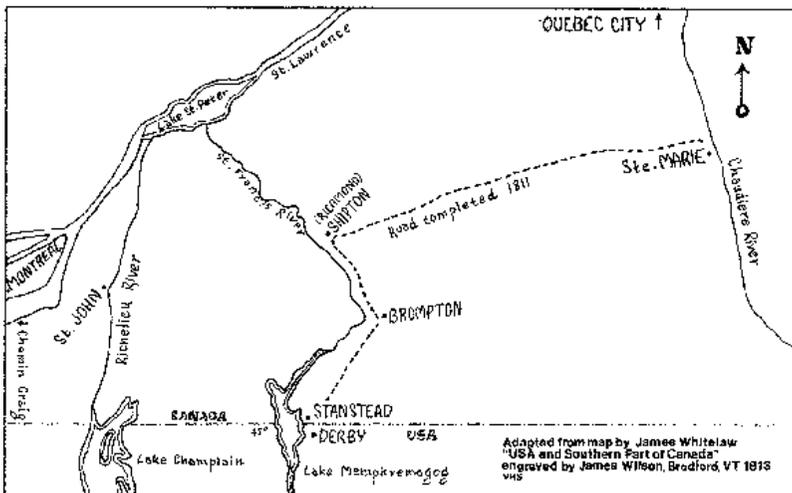
Within a few years Hinman had expanded his business beyond the local area by offering goods obtained from Boston merchants. Later records indicate that he borrowed money to pay for merchandise from several wholesalers, among them Staunton and Spellman, Eli & Company, and Oliver C. Wyman.<sup>23</sup> In so doing, he drastically changed the nature of his business, for this kind of trade required cash rather than barter and written contracts rather than simple trust.

Once his store was in operation, Hinman had more reason than ever to seek to increase trade with the British by creating a route to the north so that he could offer more of the imported wares that customers craved. Beginning in 1802, along with his brother Isaac and Ebenezer Strong, Hinman petitioned the legislature not only for a tax for the construction of roads and bridges but also for exclusive rights to a ferry across Lake Memphremagog.<sup>24</sup> The ferry would have served as the beginning of a water route to the St. Lawrence River. The legislature continually postponed action on the ferry proposals, however, ordering them to "lie on the table" in 1802, 1803, and 1804.

By October 1805 Hinman had conceived another strategy. He joined several citizens of Orleans and Caledonia counties in a petition to construct the Vermont section of a proposed Boston and Montreal Turnpike. However, when the route for this turnpike proposed by James Whitelaw followed the Bayley-Hazen Road and bypassed Derby, Hinman withdrew his support.<sup>25</sup> Instead, he seems to have placed his hopes on another route, north from Derby to Quebec City.

Just how far Hinman got in creating such a roadway is unclear. According to his grandson's account, Hinman constructed a road from Shipton (now Richmond in Quebec) on the St. Francis River sixty-five miles north to the vicinity of Quebec City.<sup>26</sup> This road, called Chemin Craig, was completed by November 1810 under the direction of Lower Canada's Governor Craig, commanding a force of more than four hundred soldiers, who built a route through the wilderness to accommodate stagecoach travel.<sup>27</sup> Although Hinman may have been involved in the planning of this road, his name does not appear either as surveyor, financier, or builder, and despite his hopes, the road was not completed in time to connect his business in Derby to the St. Lawrence at Quebec.

Earlier, Hinman's road building had been funded by property taxes, which he collected and disbursed, but in 1808 he sought another source: money borrowed from a bank. Whether Hinman told the bankers what



"Chemin Craig," eastern route for Vermont goods to Quebec City. Map by Anniographics [M. Ann Bartel], Greensboro, Vt. (2002), courtesy of the author.

he planned to do with the money is not clear because his application has not survived. Although he may not have realized it, borrowing money from a bank was very different from being indebted to a neighbor or from wangling money from the state for taxes to build roads.

According to the records of the General Assembly, in December 1808 Timothy Hinman as principal, with Ralph Parker and Melvin Vining as securities, executed a promissory note of \$11,000 to the president and directors of the Burlington branch of the Vermont State Bank. This represented a very large sum of money at the time: According to John J. McCusker's composite consumer price index, eleven thousand dollars in 1808 would be the equivalent of \$118,689 in 1992 dollars.<sup>28</sup> The \$11,000 was due to be repaid within a short period. How Hinman and his associates expected to pay back such a large sum so quickly is unclear, and the penalties for defaulting were harsh.

He couldn't have chosen a worse time to borrow money to finance a business based on international trade. Situated on the border, with contacts already established, Hinman may have considered himself favorably positioned to sell British goods to Americans isolated from other suppliers. Yet, while he was envisioning expanded trade with the British, President Jefferson was issuing trade restrictions forbidding importation of many British products. In December 1807 Congress had passed an embargo on seaborne trade that prohibited the overseas export of American products. Hinman may have wished to profit from the interruption in normal overseas routes by which Americans secured British goods. However, in March of 1809, only a few months after he had received his loan, Congress passed another act strengthening the Embargo of 1807. This bill covered overland trade, stating that any person who should load products "into any cart, wagon, sled, or other carriage . . . with intent to export, transport or convey the same on board any foreign ship or vessel" risked seizure of the cargo and a fine equal to four times its value.<sup>29</sup> The administration put in place enforcement measures to prevent smuggling, which trimmed American exports from \$108,000,000 in 1807 to \$22,000,000 in 1808.<sup>30</sup>

Undaunted by the unfavorable economic situation and with funding available, in 1809 Hinman built a large store at Derby Line, which his grandson described as "a store that soon, in a small way, became a wholesale store."<sup>31</sup> As soon as his new store was built, however, the state bank, in deep financial trouble itself, recalled Hinman's loan. With financial troubles looming, Hinman, never averse to taking a risk, borrowed \$3,000 more from the Middlebury branch of the state bank in May 1809. Among other unusual practices, this branch did not require collateral on the loans it made.<sup>32</sup>

Overall, Hinman's share of the bank's debt was 2.7 percent of its notes outstanding. For each \$1,000 of unpaid debt the bank had to call in another \$1,000 loan to meet depositor demands, and, because the bank had ignored state requirements that bills in circulation not exceed three times the sum of deposits, its bills had decreased in value. This may explain why the bank requested that Hinman repay his loan only nine months after receiving the money. Within two years the bank failed.

Hinman himself was in serious trouble on several fronts. According to his grandson's account, the wreck at sea of a ship carrying Hinman's pearlsh and peltries, together with the embezzlement of funds by his "business manager," presumably Vining, brought financial ruin.<sup>33</sup> There may have been other reasons for the collapse of the business. For example, the price of pearlsh had declined and would continue to do so. Further, as a merchant, Hinman was in the difficult position of trying to balance the demands of distant suppliers for prompt settlement of their bills with traditional local expectations of extended credit. With little currency, customers at Hinman's store were accustomed to delaying settlement until they could trade their surplus produce, but Hinman's Boston suppliers had no such understanding.<sup>34</sup> The long-range prospects for Hinman's business were even dimmer. Certainly by the time federal troops were stationed in Derby in 1812, charged with maintaining the embargo, illicit trade would have been difficult, if not impossible.

Yet the sympathies of many of the local people favored international exchange. Several of Derby's citizens opposed and flagrantly violated the embargo, for they depended on the Canadian market as a way to sell their cattle, lumber, and pearlsh surpluses. They believed that for the federal government to hold back trade in this manner amounted to denying them the opportunity to prosper.

Vermonters in the early nineteenth century took a more sympathetic view of debtors than did the law. An article in Danville's *North Star* entitled "The Poor Imprisoned Debtor" expressed a mix of outrage and sympathy toward "these unfortunate men, shut up in a Bastile by the rigor of an impolitic and barbarous law, and the tyranny of unmerciful creditors."<sup>35</sup> Addressing the affluent or the merchant class, the writer stressed that the fate of the miserable imprisoned debtor might easily have been their own. During these years citizens' petitions on behalf of prisoners who had cosigned on loans for their friends who subsequently defaulted clogged the General Assembly's docket.<sup>36</sup>

Court records reveal that the effects of the bank's recalling the loan were disastrous for Hinman and put him in a difficult position as judge of the Orleans County Court. Already beleaguered by creditors, Chief Justice Hinman presided over the March 1810 session of the court. One

case on the docket involved his neighbor and frequent tavern customer Eliphalet Bangs, who had failed to pay a debt to a New York creditor. Although Sheriff Joseph True had signed papers assuring that Bangs would appear to answer the charges in court, he failed to do so, and Judge Hinman directed his brother Isaac to attach property of Bangs and/or True to the value of \$300, or to take Bangs himself to jail.

Another case at that session involved Hinman himself, who had personally guaranteed that Bangs would pay a debt he owed Aaron Porter of Danville. As a judge, Hinman must have known the possible consequences of such action, but Bangs may have been unable to negotiate his note without the signature of a prominent townsman, and as Bangs's neighbor, Hinman was doing what was expected of him. When Bangs did not pay, Justice of the Peace Jehiel Boardman authorized Sheriff Isaac Hinman to attach goods and chattels of his brother Timothy. On the specified date in March 1810, neither Bangs nor Hinman agreed to pay the debt, so Boardman authorized the sheriff to attach up to \$200 of Judge Hinman's property, or failing that, to take his body to jail.<sup>37</sup>

In other business before the court that session, Hinman once again received a tavernkeeper's license for two dollars and was appointed by the court as a surveyor. For the most part, however, Assistant Judge Samuel Crafts heard the cases that session. Conflict of interest may not have been written into law, but common sense may have persuaded the court that it was inappropriate for Hinman to act as judge in cases directly involving himself.

Even though conflict of interest violations did not trouble early Vermonters nearly as much as they might today, Derby's land records and those of the legislature nevertheless reveal some disquieting details of Hinman's murky understanding of the separation between his own and the public's money. A petition from the selectmen of Holland, Vermont, in October 1811 stated that in 1808 when towns were assessed a tax for building a new state prison, the selectmen had given Holland's tax money to Hinman to turn over to the state treasurer. They thought that Hinman had done so, but learned later that he had never relayed the funds. A similar situation came to light regarding the town of Morgan, which had given its tax money for the prison to Hinman only to learn that he had merely turned over about half of it.<sup>38</sup> These cases hint at the possibility of larger irregularities, for Hinman had been collecting tax money for a number of towns since 1792.

Shortly after the March 1810 session of the county court, Hinman attempted to raise money to settle his debts. On March 21 he executed a deed conferring land rights for a large part of Glover to Ralph Parker

with the understanding that if Hinman should pay off the bank debt independently, the deed to Parker would be void.<sup>39</sup> Derby's land records also contain a document signed on the same day in which Hinman stated that for the sum of \$5,000 he conveyed to Parker "All the Lands of every Name or Nature which I own in the Town of Derby." In conveying this land to Parker, Hinman hoped to gather funds to pay off the bank loan. He also may have wished to transfer ownership to Parker so that his creditors could not touch it. The next day he sold a piece of land to Levi Goodenough of Derby for \$130,<sup>40</sup> but these efforts fell far short of meeting his financial obligations.

Eighteen ten was the last year Hinman served as a judge. Samuel Crafts, far better educated than his predecessor, replaced him as chief justice the following year. Eighteen ten was also Hinman's last year in the legislature, for the forces of the law were closing in upon him swiftly.

In February 1811 the Chittenden County Court rendered judgment against Timothy Hinman, Melvin Vining, and Ralph Parker for \$11,662.75 and court costs in the Vermont State Bank case.<sup>41</sup> Combined with the other suits against Hinman, he owed his creditors more than \$18,000. The court ordered the county sheriff to attach goods, chattels, and lands of Hinman, Parker, and Vining, and, in the event their property proved insufficient to discharge their debt, to incarcerate them. By the summer of 1811, even though Hinman had finally secured legal counsel, professional help did not keep him a free man. Sheriff Joseph Scott arrested Hinman and escorted him to jail at Craftsbury.<sup>42</sup>

Craftsbury's jail, located in the buttery of Sheriff Scott's own home,<sup>43</sup> was hardly adequate, for on the very day that Scott granted Hinman the liberties of the jailyard, whose boundaries included a sizable portion of the town, Hinman "did escape from sd prison and from the liberties thereof and go at large whither he would," thereby setting off yet another lawsuit.<sup>44</sup> Whether Hinman intended to return home to Derby or merely to roam farther in Craftsbury than permitted, and just when he was transferred to the more secure prison at Danville is not stated in the record.

A few days before his land was to be sold to repay his loans, Hinman wrote to reassure James Whitelaw that land belonging to Whitelaw and to one of Whitelaw's clients had been mistakenly advertised as part of Hinman's holdings. In a rare instance expressing regret for the inconvenience he had caused others, he wrote, "I am sorry that my misfortune s[h]ould make others so much trouble."<sup>45</sup> Eliphalet Bangs had bought this land in 1798, but when debt overtook him, he sold it to Hinman for \$1,000. After holding it for only a few months, in August 1809 Hinman

sold it to Whitelaw for \$2,500, more than five times the average selling price of Derby lots at the time. Whitelaw had been associated with Hinman for close to twenty years and may have regarded this favor as what he owed a friend.

After the auction of Hinman's land in August 1811, the sheriff filed a list of his land parcels sold in Greensboro, Salem, Holland, and Derby, which brought in a total of \$6,129, far short of the sum required to pay the debts.

The August 1811 session of the Orleans County Court dealt with further litigation regarding the wreck of Hinman's business. Boston merchants Eli & Company claimed \$1,001, and Oliver C. Wyman of Boston recovered judgment against Hinman and Melvin Vining for \$1,569. These wholesalers may not previously have been aware of the sad state of Hinman's affairs. Although it is difficult to imagine that anything remained, Sheriff James Owen attached more of Hinman's property on August 11.<sup>46</sup>

Many of Hinman's associates appealed for redress of injuries they had suffered in the course of their financial involvement with him. Elisha Bartholemew, one of Hinman's business acquaintances in Lower Canada and one of the cosigners of loans from the Woodstock and Middlebury branches of the Vermont State Bank, petitioned the legislature in October 1812 stating that in 1809, at the request of Hinman and Vining, he had "endorsed" a note to them from the Middlebury branch for \$3,000, only to learn later that the note had already been paid. Apparently Hinman was paying a debt to Bartholemew by using the canceled check as if it were valid and made Bartholemew a party to his scheme. Bartholemew stated that he "hadn't the least idea the note was paid until February 1811 when he was arrested . . . and committed to gaol in Brownington in October 1811 where he has been confined ever since." He requested that the legislature grant him an act of insolvency. The committee voted to suspend the charges in consideration of Hinman's fraudulent use of the returned note.<sup>47</sup>

Ralph Parker also petitioned the legislature in 1812, claiming that when he cosigned on the loan from the Burlington branch of the state bank in December 1808, the amount of the loan was not specified. He said he had merely signed his name on a blank note, which Hinman subsequently filled in with the sum of eleven thousand dollars. Parker alleged that he had assumed the note was only for one or two thousand dollars, as had been the case with previous transactions, but when he later learned that it was for eleven thousand, he "became seriously alarmed at the state of Hinman's affairs and went to Burlington to urge the Directors to press the collection of the note of Hinman." In effect,

by not telling Parker what he was signing, Hinman had lost his trust. The committee looking into the matter found in Parker's favor, declaring that since Parker had not received any of the money from the loan, he should not be held liable.<sup>48</sup>

Parker proposed a deal whereby he would turn over to the state land valued at \$9,000 if the state would release any further claims upon him. The legislature complied with the recommendation of the committee, although Parker was optimistic about the total amount that could be raised toward the debt, for in a final report of the committee, a post-script was appended: "in the above amount of \$77,550 is included the sum of \$18,000 being the Hinman and Parker debt one half of which (that is \$9,000) is supposed to be lost."<sup>49</sup> Parker did, however, avoid serving time in prison by forfeiting a large portion of his land.

Litigation over Hinman's debt dragged on at the Orleans County Court for years. Boston merchants Staunton and Spelman's suit against Melvin Vining and Timothy Hinman for \$1,350 was continued from one session to the next. By 1817 they were suing Hinman's sons Albert and Hoel for a total of \$3,500, and though they won their case, they were back in court the next year alleging that the full amount had not been paid.<sup>50</sup>

Many other litigants sued Hinman for amounts large and small. Managers of the Charitable Lottery, for example, claimed that Hinman had taken twelve lottery tickets, promising to sell them, but had never paid for them. In this case, Isaac Hinman signed papers for his brother "as good and sufficient bail."<sup>51</sup> In 1811, however, Isaac himself won a suit against Timothy, claiming that Timothy had failed to deliver goods promised to Isaac.<sup>52</sup>

Life for the family in Derby was difficult during the next few years. Timothy and Phebe's last child, Porter, was born in January 1812, when Phebe was forty-three years old, her husband was imprisoned, and his financial affairs lay in ruins. Without her husband's support, Phebe relied on her eldest sons, Albert and Hoel, now in their early twenties, who struggled to support the family during these difficult times. In 1814 and 1815 they bought back a portion of their father's farm from Ralph Parker.<sup>53</sup> In 1815, Hoel secured a tavernkeeper's license in order to keep the family business going. In 1816 Albert and Hoel worked on repairing Derby's roads in lieu of paying cash to discharge their property taxes.<sup>54</sup>

Statewide disgruntlement over the economic effects of the war resulted in the election of Federalist Martin Chittenden as governor in 1813. Since Federalists also controlled the General Assembly, Hinman hoped to gain his freedom and petitioned the legislature in October

1813: “The undersigned Represents . . . that he is now and has been for more than two years a Prisoner in the Common Gaol in Danville . . . for Debt and . . . he cannot take the oath prescribed by law for poor Debtors in consequence of sundry matters that remain uncertain and . . . therefore your Petitioner believes that it might be for the intrest of his Creditors that he be liberated from Prison either by an act of Insolvency or suspension for a term.”<sup>55</sup>

The “sundry matters that remain[ed] uncertain” may have been that Hinman still had assets he did not wish to have confiscated by the state. An imprisoned debtor could gain his freedom in three ways: One was to pay the debt; another was to take the poor debtors’ oath, which Hinman declared he was unable to do; the third was to petition for a private act of insolvency, as Hinman did in this letter. The Federalist-controlled legislature was sympathetic toward Hinman, for in November 1813 the committee considering his request recommended a two-year suspension of his sentence.<sup>56</sup> However, another year went by before he actually went free.<sup>57</sup>

By 1815, with the war successfully concluded, the Federalists lost their hold on Vermont’s state government, and Jonas Galusha returned as governor with a Republican legislature. The temporary suspension of Hinman’s sentence was not renewed. Because his name does not appear on any Derby documents or personal papers until 1818, it is likely that he returned to Danville when his two-year furlough expired.

Hinman’s financial troubles occupy a very large portion of the Orleans County Court records, as well as those in Caledonia and Chittenden counties, from 1810 through 1818. No other cases heard before the Orleans County Court involved such large sums nor dragged in so many other townspeople. Most of the debt cases heard during these years involved \$100 or less. Whatever the size of the debts, reading Orleans County Court records of the second decade of the nineteenth century gives the impression that the region was suffering a financial breakdown that entangled many of its prominent citizens.

This period of Derby’s history reveals several instances in which neighbor sued neighbor, and brother sued brother. The situation may have resulted from Derby’s economy no longer being locally based. Eliphalet Bangs’s debt was owed to a New York creditor; Timothy Hinman was indebted to three Boston wholesalers. Under these new circumstances, the tradition of trustfully allowing a debtor great leeway in paying off his debt had eroded, with the result that even local creditors appealed to the courts for relief. Because they were both debtors and creditors, merchants were especially likely to experience these troublesome lawsuits.

Fearing that Hinman would never repay what he owed, Parker brought suit against him in September 1813 in the Supreme Court of Judicature at Danville, stating that he had been held liable for the bank debt, and thus had been obliged to forfeit much real estate to the state. He asked to recover twenty thousand dollars, but the court ruled that he should receive half that amount.<sup>58</sup> Parker may have hoped that since the judgment would be good when Hinman got out of prison, he would recover what was owed, but by the time Hinman was free, Parker had already moved to New York State.

Several others caught up in Timothy's ruin requested relief from the legislature. In October 1813 Isaac Hinman submitted a petition stating that in 1810 he had cosigned for \$1,500 as security for his brother. As a result of Timothy's failure to repay the loan, \$350 of Isaac's goods were attached. Isaac stated that since he was unable to pay the sum due the bank "without selling his farm and turning himself and his large family out of doors," he begged the General Assembly to pass an act directing the bank to give him more time to pay. He concluded, "since the state has been greatly the loser by his unfortunate Brother," he prayed that the General Assembly would "take his hard case into your wise consideration." The assembly granted Isaac a time extension but determined that he was still liable for the amount he had signed for.<sup>59</sup>

Timothy's neighbor, John Phelps, was another petitioner to the legislature in 1813. He declared that in order to prevent Melvin Vining from going to prison, he had endorsed a writ on Vining's behalf, believing that Hinman and Parker's attached properties would be sufficient to settle the debt, and "Vineing being worth nothing, his being arrested seemed . . . of no use." Unfortunately, Vining fled to Canada, and the bank held Phelps responsible for the full amount owed by Hinman, Vining, and Parker. The legislative committee found in Phelps's favor.<sup>60</sup> When the matter finally came to trial at Danville's Supreme Court of Judicature in 1816, representatives of the failed bank did not appear, and the court ruled that Phelps should recover his costs.<sup>61</sup>

Some of the townspeople caught up in Hinman's difficulties moved on. Within a few years of his failure, many of his regular tavern customers were gone. The Bangs family had left the state, Eliphalet owing state taxes of two hundred dollars.<sup>62</sup> Derby's annual reports make no mention of Freeman Vining or of John Phelps after 1814. Also absent from the list of heads of households in the 1820 census are Jehiel Boardman, James Owen, and Joseph True. In fact, of the ninety-five heads of household enumerated for Derby in 1810, sixty-three were gone by 1820 (66 percent), while only 47 percent had vanished in the years between 1800 and 1810. Of course, the unsettled economic times

in the years following the war with Britain led many northern Vermonters to leave, but Derby lost population at a higher rate than other towns in Orleans County.<sup>63</sup>

Despite their diminished financial and social status, however, the Hinman family remained. Whatever exuberance Timothy may have felt at the time of his town's founding had been dissipated by the time he filed a claim for a veteran's pension in 1818. Not mentioning his legal troubles or his recent incarceration, Hinman stressed his poor health and impecunious situation: "am now fifty-seven years of age and much infirmed and poor and have need of assistance from my Country."<sup>64</sup> Two years later he filed an inventory of his meager possessions, which listed basic home furnishings, a "note for ten sheep," and "one proprietors right in Norton in Essex County worth little or nothing being on a mountain all rock and in an unsettled town." He described himself as "a farmer, lame in the right knee and unable to support myself by manual labour, resides with his second son, together with my wife Phebe aged fifty-one years, much infirm, three children, one son fifteen years old named Timothy, one daughter thirteen years old name Katharine, one son name Porter age two years. I with my wife and the three children here named live with my son Hoel who is not in very affluent circumstances."<sup>65</sup> Ira H. Allen, clerk of Orleans County Court, estimated the total value of Hinman's property to be \$35.75. After reviewing the application, the federal government awarded Hinman a pension of eight dollars per month.

Hinman resumed life in Derby after his years in prison. Derby's census in 1820 listed him as head of a household of ten with six men engaged in agriculture. (This census offered two other occupational categories: "engaged in commerce" and "engaged in manufacturing," both of which were left blank.) At town meeting in 1820 Timothy was sworn in as a highway surveyor and chosen as a petit juror.<sup>66</sup> The next year he was chosen to serve as poundkeeper, a low-status job that both Albert and Hoel had held in recent years.<sup>67</sup> By 1821 he had been reinstated as justice of the peace, for he signed property deeds and performed marriages at least until 1825.

His grandson's encomium said that Timothy and Phebe Hinman passed their declining years in a "humble cottage," living with Hoel, but the 1830 census listed Timothy as head of a household separate from Hoel with one son over twenty living with him and Phebe.<sup>68</sup>

In 1836, when Hinman was seventy-five years old, Derby's residents entrusted him to represent them at the state constitutional convention.<sup>69</sup> Back at Montpelier after an absence of twenty-six years, he joined a group of 218 delegates to draft a new constitution. Hinman

took an active role in the proceedings, voting on all the amendments proposed.

Although the record of Hinman's business dealings suggests a risk-taking, self-serving nature, once he had completed his prison sentence he managed to regain his place in his community. The gravestone description of Timothy Hinman as an honest, patriotic, and faithful citizen may represent an attempt to restore the good name of someone whose reputation suffered from forces he did not understand and could not control.

## NOTES

<sup>1</sup> Manuscript Papers of Vermont, State Archives, Office of Secretary of State, Montpelier, 21: 126.

<sup>2</sup> Norman Bingham, *A Sketch of the Life of the Honorable Timothy Hinman* (Somerville, Ma., 1892).

<sup>3</sup> Manuscript Papers of Vermont 5: 301.

<sup>4</sup> *Vermont Gazette*, 24 Feb. 1792.

<sup>5</sup> Letter from Timothy Hinman and Ebenezer Strong, 30 Mar. 1792, Whitelaw Papers, Vermont Historical Society (VHS), Barre.

<sup>6</sup> Manuscript Papers of Vermont 9: 413.

<sup>7</sup> B. F. Hubbard, *The History of Stanstead County Province of Quebec* (Montreal: Lovell, 1874, Facsimile Reprint, Bowie, Md.: Heritage Books, 1988), 31.

<sup>8</sup> Frye Bailey's Sheriff Book, Vendue for the Sale of Land in Maidstone to Satisfy the General Survey, 1789, Orleans County Superior Court, Newport, Vt.

<sup>9</sup> Manuscript Papers of Vermont 2: 60.

<sup>10</sup> Timothy and Phebe's 1795 trip to Connecticut provided the occasion for an oft-repeated myth that Timothy left his children, six-year-old Albert and three-year-old Laura, in the care of Indians encamped at Derby Lake for the entire winter of 1794 when a ferocious snowstorm prevented him from returning with them to Greensboro. According to the legend, repeated in the Greensboro town history, when Timothy returned the next spring, the children were fine. This story appeared in the history of Derby written by Mildred and Cecile Hay, retired schoolteachers, in 1967. Their information about Hinman comes largely from *A Sketch of the Life of the Honorable Timothy Hinman*, written by Hinman's grandson, Norman Bingham, who was Laura's son from her second marriage, and from "The Old Meeting House," read by Mrs. F. H. Webb at a meeting of the Orleans County Historical Society in 1890. But Bingham's account of the children left in Derby differs markedly from that in the Hay sisters' town history. According to Bingham, the children were left in the care of Phebe's younger sister, Eunice Stoddard, during the winter of 1795-96 when the parents went south to Connecticut. Bingham does write that Albert and Laura played with Indian children nearby, but the Indians were not assigned the task of caring for them. Although his book wasn't written until forty-two years after Timothy's death, certainly Bingham is more reliable than the Hay sisters, since his own mother was one of the children supposedly left with the Indians.

<sup>11</sup> Derby Town Records, Vol. 1.

<sup>12</sup> Cecile B. and Mildred B. Hay, *History of Derby* (Littleton, N.H.: Courier Printing, 1967), Derby Historical Society, 94-95.

<sup>13</sup> *Vermont 1800 Census Index, Heads of Families. Orleans County* (Washington, D.C.: Govt. Printing Office, 1908), 101-102.

<sup>14</sup> Theodore J. Kreps, "Vicissitudes of the American Potash Industry," *Journal of Economic and Business History*, 3 (1931): 637 ff.

<sup>15</sup> This account book records providing "Joseph Indian" with pork, rum, flour, etc. The legislature paid Hinman \$10 a year to supply food and clothing to Indian Joe, for whom Joe's Pond in Danville is named. An Abenaki Indian friendly to the American cause who remained in Vermont after the Revolution, Joe aided settlers and later became one of the state's first welfare cases.

<sup>16</sup> Christopher Densmore's "Understanding and Using Early Nineteenth-Century Account Books" (*The Midwestern Archivist*, 5: 1, [1980]) explains the system of day books and ledgers in common use in the first half of the nineteenth century. Of the two, the day books contained far more detailed information than the ledgers, which often listed sales as "sundries" without specifying what was exchanged. The purpose of the ledger was to keep track of the balance due from individuals charging their purchases. Because the ledger has not survived, we cannot know how often Hinman allowed a debt to drag on for years nor how many of his debtors he forgave.

- <sup>17</sup> Account Book of Timothy Hinman, 1798–1809, VHS (MSC205), 41.
- <sup>18</sup> *Ibid.*, 43.
- <sup>19</sup> *Ibid.*, 51.
- <sup>20</sup> Christopher Clark, *The Roots of Rural Capitalism: Western Massachusetts, 1780–1860* (Ithaca: Cornell University Press, 1990), 123 ff.
- <sup>21</sup> Account Book of Timothy Hinman, 51.
- <sup>22</sup> *Ibid.*, 82.
- <sup>23</sup> Derby Land Records, Book 1: 385, 389, 392, Derby Town Clerk's Office. Also see Manuscript Papers of Vermont 49: 123.
- <sup>24</sup> Manuscript Papers of Vermont 43: 93, and Hinman Road Process File, VHS.
- <sup>25</sup> *An Act of Incorporation and the Bylaws of the Boston & Montreal Turnpike Co.* (Peacham, Vt.: Samuel Goss, 1806), American Antiquarian Society, Worcester, Ma.
- <sup>26</sup> Bingham, *Timothy Hinman*, 20.
- <sup>27</sup> An announcement appeared in the *Quebec Gazette* 31 December 1810, declaring that a traveler could depart from Quebec City on Monday and arrive in Boston on Saturday the same week. The stagecoach traveled from Quebec City to Shipton, south through Hatley, Stanstead, and Derby, then followed the Hinman Road through Salem, Brownington, and Barton, heading east through Sheffield, Lyndon, and St. Johnsbury, to Newbury where it crossed into New Hampshire and followed existing roads south to Boston. Quoted in l'Abbé Ivanhoe Caron, *La Colonisation de la Province de Québec Les Cantons de l'Est 1791–1815* (Quebec, 1927), 222. A search of the Inventaire des Procès Verbaux of the Grand Voyers of the Province of Quebec at the Provincial Archives of Quebec turned up many references to this road, named Chemin Craig, from 1817 to 1823 when it was being reconstructed, but there is no mention of Hinman in connection with the building of this road.
- <sup>28</sup> John J. McCusker, *How Much Is That in Real Money? A Historical Price Index for Use as a Deflator of Money Values in the Economy of the United States* (Worcester: American Antiquarian Society, 1992), Appendix A, 31–33.
- <sup>29</sup> *Annals of Congress*, Tenth Congress, First Session (Washington, D.C.: Gales and Seaton, 1852), 2814–2817, and Tenth Congress, Second Session (Washington, D.C.: Gales and Seaton, 1853) 1798.
- <sup>30</sup> Donald R. Hickey, *The War of 1812* (Urbana, Ill.: University of Illinois Press, 1989), 21.
- <sup>31</sup> Bingham, *Timothy Hinman*, 20.
- <sup>32</sup> Crafts Family Papers, Bailey/Howe Library, University of Vermont, Carton 1, Folder 34 and Kenneth A. Degree, “Malfeasance or Theft? What Really Happened at the Middlebury Branch of the Vermont State Bank,” *Vermont History*, 68 (Winter/Spring 2000): 5–34. According to Ralph Parker, Hinman was in the habit of borrowing a thousand dollars from the bank from time to time.
- <sup>33</sup> It is interesting that the Hay sisters' history of Derby mentions more than one conniving “business manager” who brought financial ruin upon his boss. In 1809, it is unlikely that any store-keeper had a business manager.
- <sup>34</sup> See Clark, *Roots of Rural Capitalism*, chapter 4.
- <sup>35</sup> “The Poor Imprisoned Debtor” *North Star*, 8 Feb. 1808.
- <sup>36</sup> See Manuscript Papers of Vermont 47: 156, for an example.
- <sup>37</sup> Orleans County Court Records, II: 16, Newport Vt.
- <sup>38</sup> Manuscript Papers of Vermont 51: 103.
- <sup>39</sup> Orleans County Deeds, II, Book 2, Newport, Vt.
- <sup>40</sup> Derby Land Records, Book 1: 437, 89, Derby Town Clerk's Office.
- <sup>41</sup> Chittenden County Court Records, Vol. 6: 618, 1811–1815, Public Records, Middlesex, Vt., microfilm F-5604.
- <sup>42</sup> Orleans County Court, Case 354, *Coos Bank v. Timothy Hinman & Jesse Olds*, General Index, March term 1810 to August term 1813, II: 122.
- <sup>43</sup> Frederick W. Baldwin, *Biography of the Bar of Orleans County, Vermont* (Montpelier: Vermont Watchman and State Journal Press, 1886), 6.
- <sup>44</sup> Orleans County Court, General Index, March term 1810 to August term 1813, II: 122. The liberty of the jailyard was an ameliorating measure taken to improve the lot of imprisoned debtors whereby they could work on their farms during the day and return to jail at night. Throughout this period the boundaries of jailyards increased until they eventually encompassed the entire state.
- <sup>45</sup> Hinman to James Whitelaw, 21 Aug. 1811. Whitelaw papers, Doc. 334-7, VHS.
- <sup>46</sup> Derby Land Records, Book 1: 389 and 392.
- <sup>47</sup> Manuscript Papers of Vermont 74: 51.
- <sup>48</sup> Manuscript Papers of Vermont 49: 123.
- <sup>49</sup> Manuscript Papers of Vermont 74: 51.
- <sup>50</sup> Orleans County Court Records, Vol. III: 344, 447.
- <sup>51</sup> Orleans County Court Records, General Index, Vol. II: 118.

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<sup>52</sup> *Ibid.*, 204.

<sup>53</sup> Derby Land Records, 2: 187.

<sup>54</sup> Orleans County Court Records, Vol. III, General Index, March term 1814 to August term 1818, 131.

<sup>55</sup> Manuscript Papers of Vermont 49: 148.

<sup>56</sup> *Ibid.*

<sup>57</sup> *Ibid.*, 74: 49.

<sup>58</sup> Supreme Court Records, 3: 186. (This court received cases on appeal or on the recommendation of judges in the lower county court system.)

<sup>59</sup> Manuscript Papers of Vermont 50: 13.

<sup>60</sup> *Ibid.*, 26.

<sup>61</sup> Supreme Court Records, 3: 291.

<sup>62</sup> *Journals of the General Assembly 1811* (Rutland: William Fay, 1811), 26.

<sup>63</sup> In Greensboro, for example, 52 percent of its heads of households in 1810 were gone by 1820, similar to Bennington, which lost 48 percent of its 1810 population by 1820. Robert E. Shalhope, *Bennington and the Green Mountain Boys* (Baltimore: Johns Hopkins University Press, 1996), 393.

<sup>64</sup> Pension application, Timothy Hinman #W1607, Bureau of Land Warrantees, 14765-160-55, National Archives.

<sup>65</sup> *Ibid.* According to other documents, Porter was eight years old at the time.

<sup>66</sup> Derby Annual Report, 1820, Public Records, Middlesex, Vt.

<sup>67</sup> Derby Annual Report, 1821, Public Records, Middlesex, Vt.

<sup>68</sup> *U.S. Census, Orleans Co. Vermont*, 1830.

<sup>69</sup> *Journal of the Convention of Vermont together with the Constitution of the State of Vermont* (St Albans: Spooner, 1836).