

“Lockport as Financial Center.” *Lockport Free Press*. “Old Canal Days” Special, 15 June 1978.

### **Lockport as financial center**

*This is the latest in a series on the history of Lockport by John Lamb. Lamb, a professor of history at Lewis University, is president of the Illinois Canal Society and is the newly-elected chairman of the Lockport Historic Preservation Council. He is active in the Will County Historical Society and is this year again serving as chairman of the Old Canal Days Committee.*

For a while during the 1830s and 1840s, Lockport was the financial capital of Northern Illinois. Lockport's current

of the canal script. The travels of the first issue of 1839 would gradually take on increased significance and fuel Illinois' first financial scandal. And the shoebox, which reappeared in 1970 with the death of Secretary of State Paul Powell, made its first appearance.

In 1853 Joel Matteson of Joliet was elected governor. He was the first and last governor from this region. Canal script had after 1845 been shipped from Lockport to the Chicago canal office. One state canal trustee decided it would be best to ship this script down to Springfield to the state treasurer. He packed some of the script in a trunk, which he sealed, and a quantity of \$50 and \$100 notes in a shoebox.

However, the script was not turned over to the state treasurer; it disappeared only to reappear a few years later when a large quantity of \$100 and \$50 bills were presented to the state treasurer for redemption. By whom? By none other than ex-governor Joel Matteson. Since Matteson no longer had his hand on the tiller, he had decided to put into the till. When it was pointed out that this script had been redeemed in 1840 by the Canal Commissioners, Matteson was quick to declare his innocence. Matteson maintained that he didn't have any idea where the script was, that the last he had seen of it was in the State House.

The trunk full of script was found in a basement storeroom of

funds to finish the waterway by 1848.

No more notes were issued by the Canal Commissioners, and Lockport's days as an important financial center were over.

However, that was not the end

the State House, but the shoebox was gone with all its contents. Perhaps it is the shoe boxes themselves that corrupt state officials. Perhaps the shoebox makes cash or securities more delectable and tempting to pilfer

than they otherwise would be.

In any case, Matteson made full restitution of the \$200,000 and retired from politics. He was never indicted because of some hanky-panky with the grand jury in Springfield. The state

legislature



### **John Lamb**

Throughout the year, the FREE PRESS has been pleased to bring you these stories on Lockport history by John Lamb. Lockport is fortunate to have such a rich history and we feel that the town's heritage will play an important role in its future.