

# SWIFT, THE IRISH BANKER

## A MAN WHOSE METHODS WERE THOROUGHLY ORIGINAL.

**How He Started in Here Before 1840 and Built Up a Banking Business That Was Marked by Many Unusual Features—Eccentricity of Ideas Manifested in Curious Transactions—His Failure in Business and Subsequent Service in the Army.**

Among those who came to Chicago previous to 1840 there are few indeed who do not recall Richard K. Swift. Mr. Swift



R. K. SWIFT.

came to Chicago from Auburn, N. Y., arriving here on horseback. He remained but a short time, and soon returned East, deciding, however, to make his home here later. Again, in 1830, he started for the West in a covered wagon, accompanied by his wife and a daughter 6 months old. In the following spring he opened a pawnbroker's office at the north-west corner of Dearborn and Lake streets. The business proved very prosperous from the start, and gradually merged into banking and general exchange, of which he became very fond. In 1850 Mr. Swift decided upon a European trip, with a view of establishing branch agencies, and with the intention of drawing exchange on all foreign cities of importance in a financial way. He was the first to begin a system of foreign exchange here, and after his return could give letters of credit on almost every civilized city or country on the globe, and his list of foreign exchange correspondents numbered several hundred. One of his pet theories was to span the world with exchange. He was also the first one here to establish financial connection with California. In 1840, after the breaking out of the gold fever, he advertised in the Chicago Democrat as follows:

R. K. Swift will receive deposits of money and allow interest as follows: On certificates payable five days after demand, 4 per cent; ten days, 5 per cent; fifteen days, 6 per cent; twenty days, 7 per cent; twenty-five days, 8 per cent; thirty days, 9 per cent; forty-five days 10 per cent. If the sum or sums deposited by one person should exceed \$1,000 the time of demand is to be arranged by special contract. A deposit book will be opened from 1 till 4 p. m. every day (holidays and Sunday excepted) at the residence of the subscriber, No. 48 Michigan avenue. For the benefit of ladies, an additional 1 per cent will be allowed them over the rates above named.

R. K. SWIFT,  
111 Lake street.

Office over Kohn's store, No. 111 Lake street. While on a second trip to Europe Mr. Swift visited Ireland in company with Dr. Egan and succeeded in enlisting interest in this country among a large number of young Irish people who afterward came to this country to make it their future home. As an illustration of the original methods adopted by Mr. Swift in his business as a banker this incident is related: An Irishman came to him for a bill of exchange to take with him to the "ould sod." He was unable to write, and was also in doubt of being able to identify himself when he got there. Mr. Swift had a large placard written and pinned on his own breast; then, taking the man to a photograph gallery, had their pictures taken together. On the placard was written:

This is to certify that the man on my right is Barney Murphy, and is entitled to the face of the draft which he will present.

Two copies were made of the picture, one of which was mailed ahead of the traveler and the other Barney took with him and with which he succeeded in getting his money without further identification. In November, 1851, Mr. Swift became associated with his brother, L. P. Swift, under the style of Swift Bros., in the Saloon Building at the corner of Lake and Clark streets. The business continued to grow under the new management, and the scarcity of money, combined with high rates of interest demanded by everybody having funds to loan, acted as a stimulus to the business, which was taken advantage of, and the firm was already becoming well known. When the old Metropolitan Building (Hall) was erected on the corner of Randolph and La Salle streets the first floor was arranged for business purposes, and was occupied by Mr. Swift, his brother, and J. S. Johnston under the style of R. K. Swift, Bro. & Johnston. Mr. R. K. Swift was at the head of the firm, and notwithstanding his many peculiarities of doing business developed a decided business tact which brought increased returns to the firm. Another curious specimen of his business dealings was the use of odd figures in connection with his stationery. On the envelopes which were sent by the firm to Ireland was one like this, which he designed:



Ireland.

The firm of R. K. Swift, Bro. & Johnston, besides doing a banking business, also had rooms on the upper floor of the same building where the banking business was done and which were run as a sort of money-loan office, where even a higher rate of interest was asked than by the bank proper. In 1850 this part of the country was flooded with "stumptail" and "wildcat" money, among which there was a large amount of Georgia and Tennessee paper. Jan. 16, 1850, the firm advertised that they would not take on deposit any more of the scrip that was issued by those two States, and thereby incurred the animosity of some other bankers who continued to deal in it. He persisted in warning every one against accepting this alleged money from those banks, and two other bankers, George Smith and J. Young Scammon of the Marine Bank, began a crusade on "Swift's Bank," as it was always called, and when the panic of 1857 came refused him assistance. During some difficulty in previous years in the Marine Bank Swift rendered them great moneyed help, but could not get the favor returned. In October, 1858, Swift's Bank failed. They had loaned money to hundreds at a high rate of interest on real estate securities, and the panic of the previous year had so depreciated the value of landed property that when a pinch came they could not get out by turning their securities. A good many citizens of Chicago have at some time worked in "Swift's Bank."

Swift's weakness was for excessive rates of interest, which he both paid to depositors and required of borrowers. At one time a man went to him with a note for \$3,000, running three years. Swift thought this rather a long time, but began to figure what he would take it at. "Let me see," he began, "my rate is 8 per cent a month, and interest in advance, that's 88 per cent a year and 105 per cent for the three years; you'll just owe me the 8 per cent on the amount, which is \$240, or, in other words, I should want that amount for taking the note, and I not to give you any money. See?" The customer did see, and decided his rates were too high.

In addition to his banking business, Mr. Swift took a great interest in military affairs; "to show himself," his enemies said. In 1847, when Chicago had but 14,000 people, he organized the "Chicago Hussars and Light Infantry," which continued as an organization until 1854, when it merged into the Chicago Light Artillery. During the "lager-beer riots" in 1856, when Dr. Levi D. Boone was Mayor, Capt. Swift's company was among those called upon to protect the city with the assistance of the police. A large number of prisoners was confined in the jail of the Court-House, and it was expected a ransom would be attempted. Capt. Swift commanded a battery of two guns, and is said to have disagreed with Mayor Boone as to their efficacy in protecting the four sides of the building. It is related that the Mayor as a clincher to his argument drew a diagram for him, demonstrating that by placing one gun at the corner of La Salle and Washington streets and the other at the corner of Randolph and Clark he would be able to command all the approaches to the building and protect the four sides with two guns. This was afterwards done. In the following year, March 12, 1857, Mr. Swift was elected and commissioned Brigadier-General of the Second Brigade, Sixth Division of the Illinois State militia, by Gov. W. H. Bissell. On the breaking out of the War Gen. Swift was among the citizens who

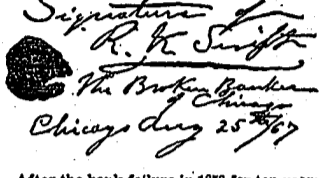
met at Bryan's Hall on Clark street in April, 1861, to adopt resolutions on the firing on Fort Sumter, and to take such action as might be deemed proper as citizens of Illinois, and to help carry out the order of April 15. When Gov. Yates called for six regiments of militia for immediate service Chicago lost no time in responding, and two regiments were formed into the Second Brigade, Sixth Division, Illinois State militia, Brig-Gen. R. K. Swift commanding and having three aides with rank of Major. Other companies were rapidly formed, and the day after the meeting at Bryan's Hall Gen. Swift received the following dispatch from Gov. Yates on an order received by him from the Secretary of War:

SPRINGFIELD, Ill., April 19, 1861.—Gen. Swift: As quick as possible have as strong a force as you can raise, armed and equipped with ammunition and accoutrements, and a company of artillery ready to march at a moment's warning. A messenger will start for Chicago tonight.  
RICHARD YATES,  
Commander in Chief.

The morning of the 20th the messenger referred to in the dispatch arrived in the person of J. W. Bunn, who gave him the following order in writing at his headquarters, No. 19 Wells street:

CHICAGO, April 20, 1861.—Gen. R. K. Swift: I am instructed by Gov. Yates to inform you to raise the largest force possible, including artillery, and take possession of Cairo at the earliest moment. The utmost secrecy is required. Have your expedition start as if going to Springfield via Illinois Central Railroad. JOHN W. BUNN, Special Messenger from the Commander in Chief, Gov. Yates.

It is needless to go over the experiences of the troops at Cairo, nothing of an unusual nature occurring. Gen. Swift, after his failure in the banking business, seemed to have an abnormal trait of endeavoring to keep his name before the public as a one-time banker here, and the following fac-simile is one of two which he frequently used in after-life. The seal he would use in closing his envelopes for years afterwards:



After the bank-failure in 1858 for ten years Mr. Swift was engaged principally in buying tax-titles, which grew out of a connection with John B. King and their mutual representation of Eastern capitalists in loaning money; for, notwithstanding Mr. Swift's failure, it was generally believed an honest one, and his general credit was fairly well preserved. He is said to be the originator of the trust-deed system now in general use. In 1808 he went into business with D. G. Hamilton, at No. 120 Clark street, continuing the purchase of tax-titles, and remained with him as partner until the summer of 1871. While of the firm of D. G. Hamilton & Co., Mr. Swift still continued his characteristic way of business transactions, and while competitors were advertising "millions to loan," he was satisfied to toll people through the daily papers that he still "had six bits and a trifle over to loan," or would "loan money to turn corners." In the fall of 1871, after the fire, his health failing him, he removed to Colorado, where he resided until 1881, when he went to Missouri. There he died Sept. 28, 1883, in the 70th year of his age.

Mr. Swift in his prosperous days was a very charitable man, generous even to a fault, and his many individual traits were never protruded so as to make him enemies. His love of mechanics was early developed, and he had experimented with electricity before Prof. Morse's discovery, and had learned that sound could be transmitted by electricity. His public-spiritedness was shown on many occasions when in early days a helping hand was needed. He was one of the incorporators of the Oakwoods Cemetery and also one of the original founders of the Academy of Sciences in this city. He was also Treasurer of the "Illinois General Hospital of the Lake," opened in 1850 in the old Lake House. Up to the time of his final departure from Chicago Mr. Swift was one of the recognized "land-marks" when met on the streets; everybody seemed to know him, for he was quite original in his manner and dress, as well as in public life. A stout cane was his habitual companion, and, while not above medium height, he was what would vulgarly be termed "pussy," and had a shambling gait as though undecided which side of the street he was walking on. While a resident of Chicago he first lived on Wabash avenue and Adams street, and afterwards in one of Charles Sherman's cottages on Michigan avenue, between Lake and Randolph streets. A short time before his failure he built a handsome residence on Michigan avenue, where the Ritz Hotel now stands, and which he occupied till the breaking out of the War. A genealogical tree written up for Mr. Swift by an expert shows him to have been a direct descendant of Dean Swift, Dean of St. Patrick, and that the Swift family in America descended from four brothers who came from the Yorkshire district in the seventeenth century. Mr. Swift was a great admirer of Thoreau, the poet-naturalist, and in his later years lived for about six years in Michigan, Wisconsin, and Indiana a life out of doors similar to that of Thoreau. At his death he left a wife and three daughters who are living. Mrs. Swift resides in Lawrence County, Mo. A married daughter, the eldest, Mrs. W. H. Christian, lives in this city, another daughter, Mrs. George Wheeler, living in Colorado.