Capitalism by Gaslight: The Shadow Economies of 19th-Century America

The current exhibition in the Louise Lux-Sions and Harry Sions Gallery, on view through August 24, looks at criminal enterprise in 19th-century America. Guest Curator Wendy Woloson proposes that rapid and profound shifts in the country’s demographic patterns and economy following the Revolution contributed to the flourishing of both legal and illegal commerce. She further suggests that the entrepreneurial activities of many successful merchants may have been indistinguishable from those of the fraudulent schemer.

Woloson’s examination of thieves, prostitutes, snake-oil salesmen, card sharps, counterfeitors, and conmen reveals that their commercial enterprises, like those of legitimate businessmen, required them to seize the opportunities of the moment and avoid traps. Capitalism by Gaslight introduces us to many of these shadowy entrepreneurs, and also the popular exposés that graphically depicted underworld commerce.

Successful entrepreneurs in the shadow economy relied both on their connections to legitimate activities and their ability to circumvent the law. Small urban police forces had no hope of keeping up with burgeoning underworld economies. Outnumbered and outsmarted, police struggled in vain to shut down shady dealers and could easily be bought off with bribes. Low-rent districts at the edges of city centers and along waterfronts attracted brothels, gambling halls, pawnshops, and illegal gin shops. These cultures sustained themselves within the larger cityscape, despite the attention they received from police.

Few women were prostitutes in America during the Colonial and Early Republic eras, but 19th-century American cities offered opportunity for purveyors and purchasers of sex, and the trade thrived. Some girls and young women were unwittingly lured into prostitution; others turned to it to support themselves. Prostitution offered them a modicum of economic and social independence and savvy women worked their way up to become successful madams who lived in relative comfort.

Exact figures are impossible to come by because prostitutes tended not to report their income to census takers or admit their occupation to reformers, but it was certainly big business. By 1855, the estimated total value of prostitution, including alcohol, lodging, entertainment, and services rendered, was more than six million dollars, and the success of the sex industry relied on collusion and cooperation between brothel owners, city elders, and law enforcement officials. With a few notable exceptions, pornographers, quack medicine purveyors, and theater operators were rarely prosecuted until the Comstock era of the early 1870s.

Then as now, gambling offered the seduction of risk-taking and the promise of great rewards. Different forms of gaming tended to be popular in different regions of the country. Southerners preferred animal sports such as horse-racing and cock-fighting; people living in western frontier towns and along major rivers most often engaged in card-playing; while denizens of the urban Northeast engaged in all these activities.

Theft occurred from the establishment of the first colonies, and America’s earliest newspapers contain notices for stolen goods. The opportunity for theft only grew over time as people en-
joyed increased mobility and traveled with valuable possessions. With the growth of manufactures came new goods, giving rise to flourishing secondary markets. Stolen goods often re-entered legitimate commerce, whether indirectly as scrap material or directly in the case of disinterred corpses sold for dissection in anatomy classes. Trafficking stolen goods presented economic opportunities for those excluded from legitimate forms of business, including children, who moved easily through the streets, alone and in gangs.

In addition to the more than 400 banks issuing their own paper currency, merchants, canal companies, factory owners, and other enterprises were also issuing notes, and the United States was awash in foreign hard currency. Confusion among many meant opportunity for some, and counterfeiting became a rampant problem that vexed Americans throughout the century. Money was not the only thing enterprising counterfeiters imitated; luxury goods such as gems and fine fabrics and mundane items such as patent medicines, tea, and tobacco were also profitably faked.

Swindling—whether running fake auctions, adulterating foodstuffs, organizing mail-order schemes, or leveraging false celebrity—required great cunning. Creative in their deceptions, swindlers adapted to their social and geographic situations. Bogus auctions were better suited to the city, while other cons, like peddling fake jewelry, worked more effectively in rural markets.

Nineteenth-century conmen were constantly forced to change their game as the public got wise to the latest schemes, but they also capitalized ingeniously on social and economic changes.

Although the rogues’ gallery of gray- and black-market operators presented in this exhibition were excoriated by prominent businessmen, reformers, and authorities of the time, they often had intimate ties to legitimate commerce and enjoyed the patronage of these very critics. Ultimately, illegal forms of commerce were integral to the success of the larger American economy and continue in varied forms today.
Thanks to the generosity of the Trustees, the Library Company was able to acquire and conserve portraits of Mr. and Mrs. Zachariah Poulson by the eminent painter James Peale (1749-1831). Peale painted the couple in 1808. In a delightful twist, he did not sign the painting in a traditional sense, but included an advertisement in the newspaper Zachariah Poulson holds, which reads, “James Peale / No. 69 / Lombard Street / Paints Portraits / In Oil And Miniature / Oct. 29, 1808” (detail shown below). Adjacent is an ad for the museum run by Charles Willson Peale, the artist’s brother.

Zachariah Poulson (1761-1844) edited and published the newspaper Poulson’s American Daily Advertiser. He was born in Philadelphia to a family of printers. His father learned the art of printing from Christopher Sauer II, and in 1780 Zachariah married Susannah Knorr, Christopher Sauer III’s sister-in-law. Little is known about Susannah Poulson. She was born in Germantown in 1756 and had four children, three of whom survived to adulthood. She died in 1830 following a stroke. In Zachariah’s own words she was “blessed with a clear and discriminating mind, a sincere and a feeling heart, and an ardent love of Truth and Justice. These endowments… made her, what she really was, an exemplary and faithful wife, a tender and affectionate mother, and a kind and sincere friend and neighbor.”

Poulson devoted himself to the Library Company, serving as Librarian from 1785 until 1806, Treasurer from 1806 to 1812, and a Director from 1812 to 1844 (almost sixty years of service!). We are pleased that the Poulsons have returned home, and it is fitting that they now preside over our Reading Room.

James Peale, Mrs. Zachariah Poulson [Susannah Knorr Poulson], 1808. Oil on canvas.

Recent Acquisitions: Ralston Album, Three Books Belonging to Benjamin Franklin

Through the generosity of Board President B. Robert DeMento, the Library Company was recently able to acquire a wonderful collection of 22 cased portrait photographs relating to the James Grier Ralston family. The collection consists of 20 daguerreotypes and two ambrotypes dating from the 1840s and 1850s. Most of the cased images also include early 20th-century hand-written notes identifying the sitters. The sitters appear comfortable with having their images taken and the portraits, particularly of those of children, have a charming intimacy.

The Rev. James Grier Ralston and his wife Mary Larimore Ralston opened the Oakland Female Institute in Norristown, Pennsylvania, in 1845. While primarily attracting students from the greater Philadelphia area, the school, as noted in its catalogs in the Library Company’s collections, was attended by young ladies from as far away as Georgia and South Carolina. Our holdings also include sheet music dedicated to the Institute’s pupils and to Mary Ralston, whose duties included serving as the school’s piano teacher. Forming the most poignant group of portraits in the collection are four mid-1850s daguerreotypes of infant daughter Lilly taken by William Stroud of Norristown. Despite her chubbiness and seeming good health, a paper note in the case reveals that Lilly died before her first birthday, probably soon after these images were taken.

Early in 2012, the Library Company had the amazing good fortune to acquire three books that had once belonged to Benjamin Franklin: John Dryden’s sensationally bloody adaptation of Sophocles’ Oedipus (London, 1735), which came from the collection of the great Franklin collector Stuart Karu; and two others newly discovered by an antiquarian bookseller, a 1773 Philadelphia edition of a British anti-monarchical pamphlet called The Judgment of Whole Kingdoms and the printed Journal of...
Upcoming Events

“A Work to Wonder At”: Stowe House and the American Revolution.
Tuesday, April 17, Reception at 5:30 p.m,
Program at 6:00 p.m.
Dr. Jonathan Foyle, Chief Executive of World Monuments Fund Britain and British architecture expert, will discuss the rise and fall of Stowe House, Buckingham, England.

Annual Meeting (Members Only)
& Public Lecture
Tuesday, May 15, 5:00 p.m. and 5:45 p.m.
Join us for our Annual Meeting (5:00) followed by a talk by Wendy Woloson, guest curator of the Capitalism by Gaslight exhibition, entitled “Trickle-Down Economies in the 19th Century: Junkers, Rag Pickers, and Beggars” (5:45).

Capitalism by Gaslight Symposium
Thursday, June 7, and Friday, June 8
This two-day symposium will highlight the many ways Americans earned livings through economic transactions made beyond the spheres of “legitimate” commerce. Co-sponsored by the McNeil Center for Early American Studies. Thursday, June 7, at 3355 Woodland Walk on the Penn Campus; Friday, June 8, at the Library Company.

Juneteenth Commemoration: Making Freedom in the Atlantic World
Saturday, June 16, 8:00 a.m. to 5:00 p.m.
A conference exploring the process and impact of emancipation across the United States, the Caribbean, and Europe during the 18th and 19th centuries. The program will include a panel discussion featuring Gary Nash, Laura Roseanne Adderley, Jasmine Cobb, and Edna Medford; a roundtable discussion on collecting Afro-Americana; and a keynote address by James Stewart of Macalester College.

Save the Date: Tuesday, November 13, 2012
Annual Dinner featuring Franklin descendant and former Delaware Governor and U.S. Representative Michael N. Castle

For more information and to RSVP for these events please visit http://www.librarycompany.org/events or call 215-546-3181.

LCP Gets Steamed

Chief of Maintenance and Security Al Dallasta with the new dual-fuel boilers.

Although it is startlingly modern when compared to most of the Library Company’s collections, our main library building at 1314 Locust Street turns a respectable 47 this year. And, as with so many of us in middle age, the old structure is in need of some attention. Thanks to a major grant from the Commonwealth of Pennsylvania, together with grants from the William Penn Foundation, the McLean Contributionship, and the Scheide Fund, we have embarked on a program of improvements and upgrades that began with installation of new heating and humidification equipment.

When the building was constructed for our use in 1965, it was connected to the “City steam loop,” a system that used excess steam produced by the local electrical utility to heat city properties via a system of 26 miles of underground pipes. This was an efficient idea when it was developed in the 19th century, but as the years went by the costs of the city’s steam rose to almost three times that of producing our own heat on site. This past fall we undertook a conversion to in-house heat and humidification generation by means of dual-fuel boilers that should save an estimated $40,000 to $50,000 annually. The boilers are fired with natural gas, but they can use heating oil as a back-up in the case of a gas outage.

The conversion involved tapping into a high-pressure gas main at 13th Street and running a new line into 1314 Locust Street, as well as hoisting the boilers and one of the oil tanks up to the eighth floor by means of a crane. We were thankful
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for patient neighbors during the several days of street closure! The conversion to our new boilers took place just in time for the warmest winter we can remember.

In the next phase, the current pneumatic temperature and humidity controls will be replaced with a state-of-the-art digital control system that will allow us to precisely regulate the environment in the building, ensuring environmental stability for our priceless collections, as well as further saving annual fuel costs. Additionally, the building’s elevator, for which the manufacturer no longer makes replacement parts, will be replaced.

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had put homemade cloth wrappers, on which he had typed LIBRARY OF BENJAMIN FRANKLIN, around many of the books in the sale. Most of them had no other sign of Franklin’s ownership, and were knocked down for three to five dollars each. It didn’t take Wolf long to realize he had missed the opportunity of a lifetime. “Even the volumes with presentation inscriptions to Franklin or bearing his name in a contemporary hand on a cover,” Wolf later wrote, “went for prices which can only be described as dwarf low. What mass psychology convinced the audience at the sale that, in spite of evidence to the contrary, none of the books had really belonged to Franklin I do not know. Perhaps, it was Franklin Bache’s amateurish attempt to establish the pedigree by putting wrappers on all the books which shrieked the fact.”

As he wrote in 1962, “I am now convinced that all these books came from the house on Franklin Court after its owner’s death, and were all part of Franklin’s library.” For the rest of his life he pursued the books that were in that sale, and what he learned from them led him to many others. (His catalog of Franklin’s books, completed by Kevin Hayes and published by the Library Company in 2006, lists 3,740 titles.) But most of the books in the Bache sale eluded him because their buyers threw the seemingly bogus wrappers away.

Remarkably, our three Franklin Library acquisitions were still in Bache’s cloth wrappers, the only examples of those wrappers of which we are aware. There is no denying these are great books, but it is those homely wrappers that we really love.

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the Continental Congress for 1783-84. They are all intriguing books for Franklin to have owned, the first two exploring the many ways kings have come to grief, and the third documenting the American victory in a war against the King of England, funded (as Franklin knew better than anyone) by the King of France. We are grateful to Trustee Clarence Wolf for the assistance and financial support that enabled us to acquire these books.

The reconstruction of Benjamin Franklin’s private library obsessed our former Librarian Edwin Wolf 2nd for 44 years. That obsession took hold of him at the estate sale of Franklin Bache (a Franklin descendant) at Freeman’s in 1947. Bache


Franklin Bache’s homemade cloth book wrappers.
Help Us to Honor
Phil Lapsansky

How does one appropriately recognize more than 40 years of service to the Library Company and to the field of African American History? How to pay lasting tribute to the curator who brought Lorene Cary the story of Jane Johnson from William Still’s *The Underground Railroad*, providing her with the inspiration for *The Price of a Child*—or who first showed Erica Armstrong Dunbar, new Program in African American History Director and author of *A Fragile Freedom: African American Women and Emancipation in the Antebellum City*, the Cassey friendship album?

We’re not sure there’s a way, but we thought creation of the Phil Lapsansky Acquisition Fund might be a good place to start. What better way to recognize his historic contributions than to ensure the continued growth of his beloved collections? Your gift to this fund will help build an endowment to support continuing acquisitions in African American History.

Please contact Molly Roth mroth@librarycompany.org.

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John C. Van Horne
The Edwin Wolf 2nd Director

From the Director:
Program in African American History
On the Move

Since the appointment of the Program’s first director Erica Armstrong Dunbar last summer, PAAH has made some exciting plans and initiated a major digitization project. In January, the Library Company signed a contract with Readex, a division of the NewsBank electronic research services company, to create the digital *Afro-Americana, 1535-1922: From the Library Company of Philadelphia*. Digitization of the more than 12,000 printed works in the collection, underway since the middle of February, will create a unique online resource.

In the words of Professor Richard Newman of the Rochester Institute of Technology, a scholar familiar with the collection through years of research, “the Library Company’s Afro-Americana Collection is one of the most comprehensive and valuable archives of printed material by and about people of African descent anywhere in the world. From early descriptions of African society and culture to the black struggle for justice in the Americas during the 19th century, it remains a touchstone for scholars and students alike. To have it available online and at your fingertips in a searchable format will be a dream come true.”

The Library Company’s Juneteenth observance this spring will pay tribute to retiring Curator of African American History Phil Lapsansky. Juneteenth commemorates the arrival of Union soldiers in Galveston, Texas, on June 19th, 1865, with news that the Civil War had ended and that the enslaved were now free. The news arrived two-and-a-half years after President Lincoln’s Emancipation Proclamation was delivered. Juneteenth is one of the oldest known celebrations commemorating the ending of slavery in the United States.

A conference on June 16 entitled “Making Freedom in the Atlantic World” will honor Phil, who retires this year after a 41-year career at the Library Company, during which he has made incalculable contributions to scholarship in African American history. The program will include a morning panel on “Freedom Across the Centuries,” a roundtable discussion on “Preserving Freedom: Collecting Afro-Americana” with representatives of the area’s leading archives, and an afternoon session entitled “Perspectives on a New Field: 21st-Century Slavery in the U.S.,” sponsored by Historians Against Slavery.

On that occasion we will present Phil with a publication comprising 50 short appreciations written by scholars whose work has been advanced by his encyclopedic knowledge of the Library Company’s collections and by his great generosity in sharing that knowledge. See the conference website for details and plan to join us in June.