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Racism, Slavery, and Free Enterprise: Black Entrepreneurship in the United States before the Civil War

JULIET E. K. WALKER

¶ *In reconstructing the early business history of black America, Professor Walker emphasizes the diversity and complexity of antebellum black entrepreneurship, both slave and free. With few exceptions, prevailing historical assessments have confined their analyses of pre-Civil War black business participation to marginal enterprises, concentrated primarily in craft and service industries. In America's preindustrial mercantile business community, however, blacks established a wide variety of enterprises, some of them remarkably successful. The business activities of antebellum blacks not only offer insights into the multiplicity of responses to the constraints of racism and slavery, but also highlight relatively unexplored areas in the historical development of the free enterprise system in the United States.*

Blacks, both slave and free, participated in America's antebellum economy as entrepreneurs within the tradition of creative capitalists. While historical sources exist to document their business activities, few historical studies examine antebellum black entrepreneurship within the commercial context and social setting of the nation's free enterprise system in the four decades before the Civil War.¹ In the occupational

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¹ Studies that provide an in-depth examination of antebellum black entrepreneurs within the social setting of the communities in which they lived are: Edwin Adams Davis and William Ransom Hogan, *The Barber of Natchez* (Baton Rouge, La., 1954); Gary B. Mills, *The Forgotten People: Cane River's Creoles of Color* (Baton Rouge, La., 1977); David O. Whitten, *Andrew Durnforth: A Black Sugar Cane Planter in Antebellum Louisiana* (Natchitoches, La., 1981); Juliet E. K. Walker, *Free Frank: A Black Pioneer on the Antebellum Frontier* (Lexington, Ky., 1983); Michael Johnson and James L. Roark, *Black Masters: A Free Family of Color in the Old South* (New York, 1984). Walker's *Free Frank* is the only study that examines slave entrepreneurship and the business activities of a nonslaveholding black in both the antebellum South (Kentucky) and in the North (Illinois). For published autobiographical accounts of antebellum blacks who participated in business, see Mifflin Wistar Gibbs, *Shadow and Light: An Autobiography with Reminiscences of the Last and Present Century* (Washington, D.C., 1902); William J. Brown, *The Life of William J. Brown, of Providence, R.I.* ([1883]; Freeport, N.Y., 1971); William Ransom Hogan and Edwin Adams Davis, *William Johnson's Natchez: The Antebellum Diary of a Free Negro* (Baton Rouge, La., 1951); Allan Peskin, ed., *North into Freedom: The Autobiography of John Malvin, Free Negro, 1795-1880* (Cleveland, Ohio, 1966); Willard B. Gatewood, ed., *Free Man of Color: The Autobiography of Willis Augustus Hodges* (Knoxville, Tenn., 1982); and Loren Schweniger, *From Tennessee Slave to St. Louis Entrepreneur: The Autobiography of James Thomas* (Columbia, Mo., 1984).

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distribution of the antebellum labor force, only a small number of all black workers participated in the business community as entrepreneurs. Doubtless, when viewed strictly within the context of traditional interpretations of the antebellum black experience, Afro-American business participation beyond the emphasis on small marginal enterprises presents an historical anomaly.² The legal constraints of slavery emphatically denied the economic freedom requisite for any business activity among the bondsmen, while institutional racism, buttressed by proscriptive legislation, severely limited the potential development of any enterprise undertaken by free blacks.

Even the basic structure of the American free enterprise system would seem to preclude the participation of blacks as independent businesspeople in the antebellum business community. Simply put, as Morris Copeland explains, "Under the free enterprise system, the organization of most production is left to individual enterprises, each of which has a wide measure to manage its operation as it sees fit." In a racially repressive society in which blacks had few rights that whites were bound to respect, antebellum blacks' business participation and the identification of antebellum black entrepreneurs as creative capitalists appear somewhat contradictory, if not altogether illusory.³ Prevailing assessments, consequently, have discouraged any sustained or systematic inquiry into a neglected but vital tradition that distinguishes the Afro-American historical experience before the Civil War.

² For individual occupational listings by state, see U. S. Bureau of the Census, "Population Schedules of the Seventh Census of the United States, 1850," manuscript microcopy, National Archives and Records Services, Washington, D.C., the first to list specific occupations, including information on the value of real property. The 1860 manuscript census also includes the value of personal property. See also J. B. D. DeBow, *Statistical View of the United States* (Washington, D.C., 1854), 80–81, for black occupational comparisons in the states of Connecticut, Louisiana, New York, and the cities of New York and New Orleans. For other cities, see *Register of Trades of Colored People in the City of Philadelphia and Districts* (Philadelphia, Pa., 1838); Benjamin C. Bacon, *Statistics of the Colored People of Philadelphia* (Philadelphia, Pa., 1838); *A Statistical Inquiry into the Condition of the People of Colour of the City and Districts of Philadelphia* (Philadelphia, Pa., 1849); and R. G. Spaulding, "Coloured People of Boston," *African Repository* 13 (March 1837): 89; J. L. Dawson and H. W. DeSoussure, *Census of Charleston for 1848* (Charleston, S.C., 1849); and James Freeman Clarke, "Condition of the Free Colored People of the United States," *Christian Examiner*, 5th ser. 66 (1859): 246–65. Also see Charles H. Wesley, *Negro Labor in the United States, 1850–1925* (New York, 1927; reprint, 1967); Carter G. Woodson, *Free Negro Heads of Families in the United States in 1830: Together with a Brief Statement of the Free Negro* (Washington, D.C., 1925), v–lvii. For fifteen cities, North and South, see Leonard P. Curry, *The Free Black in Urban America, 1800–1850: The Shadow of the Dream* (Chicago, 1981), 15–36. For the South see Ira Berlin, *Slaves without Masters: The Free Negro in the Antebellum South* (New York, 1974), and Richard Wade, *Slavery in the Cities: The South* (New York, 1964). Also see Leonard P. Stavisky, "The Negro Artisan in the South Atlantic States, 1800–1860: A Study of Status and Economic Opportunity with Special Reference to Charleston" (Ph. D. diss., Columbia University, 1958). Primarily, studies of black business activities have focused on the post–Civil War period to the present; see Robert Allen, *Black Awakening in Capitalist America: An Analytic History* (New York, 1969); Ronald W. Bailey, *Black Business Enterprise: Historical and Contemporary Perspectives* (New York, 1977); J. H. Harmon, Jr., Arnette G. Lindsay, and Carter G. Woodson, *The Negro as a Business Man* (College Park, Md., 1929). See also, for a review of the literature, George H. Hill, *Black Business and Economics: A Selected Bibliography* (New York, 1985), which covers one hundred years of black entrepreneurship and economic conditions.

³ Morris A. Copeland, *Our Free Enterprise Economy* (New York, 1965), 137. For a discussion of the disciplinary limitations and theoretical constraints found in conventional interpretations of American

THE BASIS OF ANTEBELLUM BLACK BUSINESS PARTICIPATION

The expansion of the nation's economy before the Civil War indirectly encouraged the entrepreneurial participation of blacks. A vacuum existed in America's antebellum business community that did not preclude their participation as entrepreneurs within the tradition of creative capitalism. With few exceptions, however, the most successful black businesspeople continued to serve whites. Paradoxically, the need to protect private property, which protected and promoted the institution of slavery, also provided the basis for black entrepreneurial expression, both slave and free. The profit motive, underscoring the expansion of America's antebellum economy, also encouraged the expression of black entrepreneurial talent. Ultimately, as Arthur H. Cole emphasizes in his *Business Enterprise in Its Social Setting*, "entrepreneurial endeavors will rise through crevices in societies made rigid by tradition or force."⁴

In pre-Civil War America, even the absence of political freedom did not preclude the business participation of blacks as creative capitalists. As Milton Friedman explains in his discussion of the free enterprise system in *Capitalism and Freedom*, "History suggests only that capitalism is a necessary condition for political freedom," since many nations can be identified which have "economic arrangements that are fundamentally capitalist and political arrangements that are not free."⁵ The existence of black entrepreneurship, both slave and free, provides an example of an economic arrangement in this nation's antebellum free enterprise system that was fundamentally capitalist, but within which some of the capitalists, antebellum Afro-Americans, were not fundamentally free.

Even while confronted with severe racial constraints, which not only suppressed full antebellum black business participation, but also limited the full expression of black entrepreneurial talents, some antebellum blacks did establish enterprises that were neither marginal in profits nor peripheral to mainstream American business activity. Antebellum blacks developed enterprises in virtually every area important to the pre-Civil War business community, including merchandising, manufacturing, real estate speculation and development, the construction trades, transportation, and the extractive industries. In the development of those enterprises, which paralleled mainstream

business history that discourage an entrepreneurial inquiry of antebellum black business activities, see Juliet E. K. Walker, "Black Entrepreneurship: An Historical Inquiry," *Business and Economic History*, 2d ser. 12 (1983): 37-55.

⁴ Arthur H. Cole, *Business Enterprise in Its Social Setting* (Cambridge, Mass., 1959), 156.

⁵ Milton Friedman, *Capitalism and Freedom* (Chicago, 1962), 10.

American business activity, the leading black antebellum entrepreneurs accumulated property in excess of \$100,000.

While this essay includes examples of antebellum black entrepreneurship and provides a synthetic assessment of the diversity of historical sources available to document their property holdings, it is not intended as a detailed prosopographical study of representative antebellum black entrepreneurs. Nor is its focus a systematic analysis of every aspect of black business participation before the Civil War, or even of the full range of racial constraints that limited black entrepreneurial participation. Rather, the intent is to illustrate the scope and diversity of antebellum black entrepreneurship beyond that found in broad general studies of the antebellum black historical experience, and to offer an interpretive assessment of black business participation within the social setting of America's free enterprise system.⁶

⁶ See my forthcoming study, *Captive Capitalists: Black Antebellum Entrepreneurship and Business Enterprise*. State and local historical studies in which antebellum black business activities are discussed include John Hope Franklin, *The Free Negro in North Carolina, 1790-1860* (Chapel Hill, N.C., 1943); Luther Porter Jackson, *Free Negro Labor and Property Holding in Virginia, 1830-1860* (New York, 1942); Herbert E. Sterkx, *The Free Negro in Antebellum Louisiana* (Rutherford, N.J., 1972); Marina Wikramayake, *A World in Shadow: The Free Black in Antebellum South Carolina* (Columbia, S.C., 1973); Irving H. Bartlett, *From Slave to Citizen: The Story of the Negro in Rhode Island* (Providence, R.I., 1954); Rudolph M. Lapp, *Blacks in Gold Rush California* (New Haven, Conn., 1977); James M. Wright, *The Free Negro in Maryland, 1634-1860* (New York, 1921); Jeffrey R. Brackett, *The Negro in Maryland* (Baltimore, Md., 1889); Edward R. Turner, *The Negro in Pennsylvania: Slavery-Servitude-Freedom, 1639-1861* (Washington, D.C., 1911); Emma Lou Thornbrough, *The Negro in Indiana: A Study of a Minority* (Indianapolis, Ind., 1957); Wendell P. Dabney, *Cincinnati's Colored Citizens: Historical, Sociological and Biographical* (Cincinnati, Ohio, 1926); Letitia Woods Brown, *Free Negroes in the District of Columbia, 1790-1846* (New York, 1972); J. Merton England, "The Free Negro in Antebellum Tennessee," *Journal of Southern History* 9 (Feb. 1943): 37-58; Russell Garvin, "The Free Negro in Florida before the Civil War," *Florida Historical Review* 46 (July 1967): 1-17; Carter G. Woodson, "The Negroes of Cincinnati Prior to the Civil War," *Journal of Negro History* 1 (July 1916): 1-22; Ralph B. Flanders, "The Free Negro in Antebellum Georgia," *North Carolina Historical Review* 9 (1932): 250-72; Theodore Hershberg, "Free Blacks in Antebellum Philadelphia: A Study of Ex-Slaves, Freeborn, and Socio-economic Decline," *Journal of Social History* 5 (1972): 183-209; Arnette Lindsey, "The Economic Conditions of the Negro in New York prior to 1861," *Journal of Negro History* 6 (April 1921): 190-91. Harry E. Davis, "Early Colored Residents of Cleveland," *Phylon* 4 (1943): 238; Donnie Bellamy, "Free Blacks in Antebellum Missouri, 1820-1860," *Missouri Historical Review* 67 (Jan. 1973): 198-226; Judy Day and M. James Kendro, "Free Blacks in St. Louis: Antebellum Conditions, Emancipation, and the Postwar Era," *Missouri Historical Society Bulletin* 30 (Jan. 1974): 117-35; Leo H. Hirsch, "The Negro in New York, 1783-1865," *Journal of Negro History* 16 (Oct. 1931): 382; Harold B. Hancock, "The Free Negroes in Delaware in the 1830s," *Civil War History* 17 (1971): 320-32; Quintard Taylor, "Slaves and Free Men: Blacks in the Oregon Country, 1840-1860," *Oregon Historical Quarterly* 83 (1982): 153-70; Dorothy Provine, "The Economic Position of Free Blacks in the District of Columbia, 1800-1860," *Journal of Negro History* 58 (1973): 61-72; Henry S. Robinson, "Some Aspects of the Free Negro Population of Washington, D.C., 1800-1862," *Maryland History Magazine* 64 (1969): 43-64. See also Terry L. Seip, "Slaves and Free Negroes in Alexandria, 1850-1860," *Louisiana History* 10 (1969): 125-45; Edward F. Sweat, "Social Status of the Free Negro in Antebellum Georgia," *Negro History Bulletin* 29 (1965): 129-31; Leedell Neyland, "The Free Negro in Florida," *ibid.*: 27-28, 42-43, 45; Herbert Bolton, "The Free Negro in the South before the Civil War" (Ph.D. diss., University of Pennsylvania, 1899); James M. England, "The Free Negro in Antebellum Tennessee" (Ph.D. diss., Vanderbilt University, 1941); E. Horace Fitchett, "The Free Negro in Charleston, South Carolina" (Ph.D. diss., University of Chicago, 1950); Morris R. Boucher, "The Free Negro in Alabama prior to 1860" (Ph.D. diss., State University of Iowa, 1950); Donald E. Everett, "The Free Persons of Color in New Orleans, 1830-1865" (Ph.D. diss.,

First, to illustrate the scope, diversity, and multidimensional character of antebellum black business activity, black entrepreneurs have been categorized into seven groups. Wealthholding provided the basis for the categorization of free black entrepreneurs, who make up six of the seven groups, determined by the value of their property holdings and, when this information was available, of their business capital and profits. The most important primary sources that document antebellum black wealthholding are the federal manuscript censuses for 1850 and 1860, county and municipal property deed records and tax assessment records, wills, inventories of estates, succession records, and the R. G. Dun and Company credit reports.⁷ These diverse sources were important for corroborating pre-Civil War published accounts of black business activities found in local, regional, and national business directories, business pamphlets, traveler accounts, books, periodicals, slave narratives, and oral family histories of descendants of antebellum black entrepreneurs.

The six wealthholding categories of antebellum free black entrepreneurs range as follows: 0 to \$500; \$501 to \$5,000; \$5,001 to \$25,000; \$25,001 to \$50,000; \$50,001 to \$100,000; and over \$100,000. At the other end of this wealthholding continuum were the slave entrepreneurs, self-hired bondsmen who established business enterprises, who comprise the seventh category. While many opened their own shops and owned the tools of their trade, profits can be reconstructed only when information is available on the amount that the slave who hired his own time had to pay his owner, as well as on market prices paid for the goods or services that self-hired bondsmen provided. Since many slave entrepreneurs eventually purchased their freedom, information on the purchase prices, when available, is also suggestive of the profits earned by this group of antebellum black entrepreneurs.

Tulane University, 1952); Edward F. Sweat, "The Free Negro in Antebellum Georgia" (Ph.D. diss., University of Indiana, 1957); Rhoda G. Freeman, "The Free Negro in New York City in the Era before the Civil War" (Ph.D. diss., Columbia University, 1968); Donald M. Jacobs, "A History of the Boston Negro from the Revolution to the Civil War" (Ph.D. diss., Boston University, 1968); and Tommy Lee Bogger, "The Slave and Free Black Community in Norfolk, 1775-1865" (Ph.D. diss., University of Virginia, 1976).

⁷ Juliet E. K. Walker, "R. G. Dun & Company Credit Reports as Sources of Antebellum Black Business History," unpub. MS. Lewis Tappan, who founded Dun & Company in 1841, and his brother Arthur were prominent abolitionists. See Bertram Wyatt Brown, *Lewis Tappan and the Evangelical War against Slavery* (New York, 1973), 231. Initially, there was opposition to Tappan's Mercantile Agency: "the difficulties he encountered came mostly from the unpopularity of his reformist views in the business community. New York merchants would have hesitated in any case to put their money into some untried scheme, but to deal with an abolitionist was out of the question for many." Also see Brown, "God and Dun & Bradstreet, 1841-1851," *Business History Review* 40 (Winter 1966): 432-35, and the Arthur Tappan Papers, American Missionary Association Archives, Amistad Research Center, New Orleans, La.

WEALTHHOLDING OF LEADING ANTEBELLUM BLACK
ENTREPRENEURS

Certainly, none of the top black entrepreneurs whom I identified achieved the status, wealth, power, or prestige of the merchant princes of that era. Stephen Girard, for example, left an estate estimated at some \$7.5 million at his death in 1831. John Jacob Astor, whose fortune was built on the fur trade and extensive real estate speculation, was probably the richest man in America when he died in 1848. His estate at that time was conservatively estimated at some \$20 million. But at least twenty-one entrepreneurs of African descent would have satisfied the criterion established by Moses Beach for inclusion in his series of twelve handbooks on New York's wealthy citizens, published sporadically between 1842 and 1855. In 1855, Beach set \$100,000 as the lower limit of wealth; in his handbook for that year, Beach listed 14 millionaires; 19 people possessed at least a half million dollars, and 137 were reported to be worth more than \$250,000. The remaining listees, numbering almost one thousand, were worth at least \$100,000. All of the people listed were white.⁸

Serious deficiencies disqualify Beach's handbooks as reliable sources for identifying New York City's top wealthholders, however. His listings were not only inaccurate, but also incomplete, as Edward Pessen discovered, "omitting most of the wealthy one thousand in the city." The importance of the handbooks, despite their inexactitude, lies in the insight they provide into both popular perceptions of the monetary values that constituted wealth and the degree of distribution of wealth before the Civil War. A more accurate determination of wealthholding is based on data from tax assessor records. In his analysis of those records for 1845, Pessen was able to identify "New York's Wealthiest Three Hundred." He found that 2 people were assessed at over \$1,000,000; 9 people were assessed at over \$500,000; 44 people were assessed at over \$250,000; and, the remaining listees, 245, were assessed at between \$100,000 and \$250,000. Pessen also found that the richest one percent possessed 45 percent of the city's wealth.⁹ By 1860, as Lee Soltow found, the national mean wealth of Americans was

⁸ John Bach McMaster, *The Life and Times of Stephen Girard*, 2 vols. (Philadelphia, Pa., 1918) and Kenneth Wiggins Porter, *John Jacob Astor, Businessman*, 2 vols. (Cambridge, Mass., 1931); Moses Yale Beach, *Wealth and Biography of the Wealthy Citizens of New York, Comprising an Alphabetical Arrangement of Persons Estimated to be Worth 100,000 and Upwards, with the Sums Appended to Each Name: Being Useful to Banks, Merchants, and Others* (New York, 1855).

⁹ Edward Pessen, "Moses Beach Revisited: A Critical Examination of His *Wealthy City* Pamphlets," *Journal of American History* 58 (Sept. 1971): 415-26. Pessen, *Riches, Class, and Power before the Civil War* (Lexington, Mass., 1973), 323-26 for listing; 34-35 for discussion of wealth distribution based on tax assessments. By 1863, of the top 1,600 New York families, the upper one percent earned 61 percent of all incomes in that city; *ibid.*, 45n25.

\$2,580; \$3,978 in the South and \$2,040 in the North. In Charleston, South Carolina, however, where a relatively "prosperous" group of Afro-Americans lived, the mean wealth for whites was \$8,251, according to Michael Johnson. The Afro-American population was divided into two groups: mulattoes, with a mean wealth of \$712, and blacks, with a mean wealth of \$379.¹⁰

While no blacks were listed in Beach's handbooks, based as they were on the fame, reputation, and conspicuous consumption of the listees, an 1846 handbook of wealthy citizens of Philadelphia, which Pessen accepts as reliable, listed four blacks who met the minimum wealth criterion for inclusion: property holdings valued at more than \$50,000. Three blacks were listed with property valued in excess of \$50,000: Joseph Casey, whose occupation was recorded as hairdresser; the estate of James Forten, who was a sailmaker; and his son-in-law, Robert Purvis, a gentleman farmer, the Charleston-born son of a wealthy English merchant and a North African woman sold into American slavery. Only one black with property in excess of \$100,000 was listed—Stephen Smith, a lumber merchant. Additional information from an 1852 publication by Martin Delany shows, moreover, that Joseph Casey was also a money broker, and indicates that "his name and paper were good in any house in the city." Municipal records of wills and conveyances show that on his death in 1849 Casey's estate, valued at \$75,000 dollars, was clear of all encumbrances. Other sources also show that the Philadelphia sailmaker, James Forten, was already worth \$100,000 by the 1830s.¹¹

In the distribution of wealth among the twenty-one black entrepreneurs whose wealthholding exceeded \$100,000 in the period from 1830 to 1865 (see Table 1), only one person was a millionaire: William Lei-

¹⁰ Lee Soltow, *Men of Wealth in the United States, 1850-1870* (New Haven, Conn., 1975), 65. Other wealth distribution studies also based on property ownership include Soltow, "Economic Inequality in the United States in the Period from 1790-1860," *Journal of Economic History* 31 (1971): 822-39, and Peter H. Lindert and Jeffrey G. Williamson, "Three Centuries of Economic Inequality," in Paul Uselding, ed., *Research in Economic History: An Annual Compilation of Research* (Greenwich, Conn., 1976), 1: 69-123. Michael P. Johnson, "Wealth and Class in Charleston in 1860," in *From the Old South to the New: Essays on the Transitional South*, ed. Walter J. Fraser, Jr., and Winfred R. Moore (Westport, Conn., 1981), 72. Also see Johnson and Roark, *Black Masters*, 60-63. For a counter-factual assumption on how wealth would have been distributed had the slave population been free and therefore potential property holders, see Randolph B. Campbell and Richard C. Lowe, *Wealth and Power in Antebellum Texas* (College Station, Tex., 1977), 146-53. See also James M. Smallwood, "Blacks in Antebellum Texas: A Reappraisal," *Red River Valley History Review* 2 (1975): 443-65; and Harold Spruon, "The Free Negro in the Republic of Texas," *Southwestern Historical Quarterly* 39 (April 1936): 292-309; *ibid.* 40 (Oct. 1936): 85-114; *ibid.* (Jan. 1937): 169-99; *ibid.* 41 (April 1937): 267-89; *ibid.* (July 1937): 83-108; and Andrew Frost Muir, "The Free Negro in Galveston County, Texas," *Negro History Bulletin* 22 (1958): 68-70.

¹¹ A Merchant of Philadelphia, *Memoirs and Autobiography of Some of the Wealthy Citizens of Philadelphia with a Fair Estimate of Their Wealth* (Philadelphia, Pa., 1846), 12, 44, 50, 58. For "wealthy citizen" pamphlets and books which provide autobiographical sketches on the progress on antebellum blacks, see Abigail F. Mott, *Biographical Sketches and Interesting Anecdotes of Persons of Color* (New York, 1839); Joseph Willson, *Sketches of the Higher Classes of Colored Society in Philadelphia, by a*

TABLE I
Wealthholding of Representative Leading Black Entrepreneurs, 1820-1865
 (Minimum property values, \$100,000)

NAME	LOCATION	BUSINESS ACTIVITY	ASSESSED WEALTH
Leidesdorff, William	San Francisco	merchandising, real estate	\$1,500,000
Smith, Stephen	Columbia; Philadelphia, Pa.	lumber merchant, real estate	500,000
Soulie, Albin & Bernard	New Orleans	merchant broker, capitalists	500,000
Lacroix, François	New Orleans	tailor, real estate	300,000
Lacroix, Julien	New Orleans	grocer, real estate	250,000
Ricaud, widow, & son, Pierre	Iberville Parish	sugar planters	221,500
DuBuclet, August	Iberville Parish	sugar planter	206,400
Pottier, Honore	New Orleans	commission broker, in cotton	200,000
DuPuy, Edmond	New Orleans	capitalist	171,000
Reggio, Auguste and Octave	Plaquemines Parish	sugar planter, overseer	160,000
McCarty, Mme. Cecee	New Orleans	merchandising, money broker	155,000
DeCuir, Antoine	Pointe Coupee Parish	sugar planter	151,000
Logoaster, Erasme	New Orleans	landlord	150,000
Colvis, Julien and Dumas, Joseph	New Orleans	tailors	150,000
Metoyer, Augustin	Natchitoches Parish	cotton planter	140,958
Durnford, estate of Thomas	Plaquemines Parish	sugar planter	115,000
Metoyer, Jean Baptiste	Natchitoches Parish	cotton planter	112,761
Casenave, Pierre A. D.	New Orleans	commission broker, undertaker	100,000
Donato, Martin	St. Landry Parish	cotton planter	100,000
Forten, James	Philadelphia, Pa.	sailmaker	100,000
Sprauiding, Washington	Louisville, Ky.	barber, real estate	100,000

- Source: William Leidesdorff; William A. Leidesdorff, Estate Papers, 1842–52, Leidesdorff Collection, Bancroft Library, University of California, Berkeley; Leidesdorff and Folsom court records, Bancroft Court Records, Bancroft Library; *People ex rel. Attorney General vs. Joseph L. Folsom*, 5 Cal. Rep. 373 (1855); and *U.S. vs. Exec. J. Folsom*, U.S. Superior Court, Dec. term 1863, cases 168 and 236. When Leidesdorff's estate was settled, the final sale of the property brought in \$1,442,232.35.
- Stephen Smith: Pennsylvania, vol. 132, p. 322; R. G. Dun & Co. Collection, Baker Library, Harvard Business School, Boston, Mass.
- Albin and Bernard Soule: *ibid.*, Louisiana, vol. 11, p. 30, entry for 19 March 1857: "Are rich, w. 500m."
- François Lacroix: *ibid.*, vol. 10, p. 392, entry for 15 June 1860: "wor \$300m."
- Julien A. Lacroix: *ibid.*, vol. 11, p. 92, entry for 1 June 1854: "est. w. \$250m."
- Widow Ricard & son Pierre: U.S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Louisiana, Iberville Parish," National Archives and Records Service, Washington, D.C., manuscript microcopy M-653, reel 411.
- August DuBuclet: *ibid.*
- Honore Pottier: Louisiana, vol. 10, p. 526; R. G. Dun & Co. Collection, entry for 1 Oct. 1869: "In business many yrs prior to war . . . owns R. E. wor 100m total wor \$200m."
- Edmond DuPuy: U.S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Louisiana, New Orleans," manuscript microcopy M-653, reel 420.
- Auguste and Octave Reggio: *ibid.*, Plaquemines Parish, manuscript microcopy M-653, reel 414.
- Mme. Cecece McCarty: *Macarty et al. v. Mandeville*, 3 La. An. 239 (March 1848; p. 240, note: "She is in possession of a fortune which . . . exceeds . . . \$155,000."
- Antoine DeCuir: U.S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Louisiana, Pointe Coupee Parish," manuscript microcopy M-653, reel 414.
- Erasme Legoaister: *ibid.*, New Orleans, manuscript microcopy M-653, reel 420.
- Julien Colvis and Joseph Dumas: Louisiana, vol. 9, p. 140; R. G. Dun & Co. Collection, entry for June 1849: "w in RE \$150m." Also see *ibid.*, vol. 12, p. 39, for entry on "Dumas Frères," which notes for 11 March 1871 that their father, Joseph Dumas, "is wor a 1/2 a million-\$.
- Augustin Metoyer: compiled from Natchitoches Succession Records of Pierre Metoyer, no. 193; Dominique Metoyer, no. 375; Jean B. L. Metoyer, no. 362; Marie S. Metoyer, no. 375; Agnes Metoyer, no. 395; Natchitoches Parish Records, Office of the Clerk of the Court, Natchitoches, La.
- Thomas Durnford: Estate, U.S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Louisiana, Plaquemines Parish," manuscript microcopy M-653, reel 414.
- Jean Baptiste Metoyer: Succession of Jean Baptiste Metoyer, Natchitoches Parish Succession Records, no. 362.
- Pierre A. D. Casenave: Louisiana, vol. 10, p. 497; R. G. Dun & Co. Collection, entry for 1 June 1864: "w at least 100m."
- Martin Donato: U.S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Louisiana, St. Landry Parish," manuscript microcopy M-653, reel 424.
- James Forten: Martin R. Delany, *The Condition, Elevation, Emigration and Destiny of the Colored People of the United States* (Philadelphia, Pa., 1852), 94–95; and notes 13 and 58 in the text of this article.
- Washington Spraulding: U.S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Kentucky, Jefferson County," manuscript microcopy M-653, reel 378. See also Henry Clay Weeden, *Weeden's History of Louisville* (Louisville, Ky., 1897), 57. Spraulding died in 1865.

desdorff, a San Francisco merchant and landholder, who left an estate approximating \$1.5 million. Blacks with holdings of at least \$500,000 included Stephen Smith, the Philadelphia lumber merchant, and two New Orleans brothers, Albin and Bernard Soulie, whose occupations were variously listed as “capitalist,” “broker,” or “merchant.” The tailor François Lacroix and his brother, grocer Julien Lacroix, worth respectively \$300,000 and \$250,000, also had extensive real estate holdings. Had their wealth been combined, the Lacroix brothers would rank second to Leidesdorff among the leading antebellum black wealthholders. At least nine blacks held property or business capital valued between \$150,000 and \$250,000. Their occupations included four sugar planters, a cotton broker, a capitalist, a merchant, a landlord, and two master tailors. The remaining seven black entrepreneurs whose wealthholding exceeded \$100,000 included three cotton planters, one sugar planter, one commission broker (who was also an undertaker), one sailmaker, and a barber. Of these twenty-one leading black entrepreneurs, only four accumulated their wealth outside the state of Louisiana: Leidesdorff, the San Francisco merchant; two Pennsylvanians, Forten, the sailmaker, and Smith, the lumber merchant; and Washington Spraulding, the Louisville, Kentucky, barber.¹²

James Forten (1766–1841) provides an example of one of the most successful black entrepreneurs in the early antebellum period. Not only do his business activities reflect black participation in preindustrial antebellum manufacturing, but, with his invention of a sailmaking device, he is also representative of the blacks who achieved some financial success as inventors. By 1820, Forten employed some forty men, black and white, in his sailmaking manufactory.¹³

Southerner (Philadelphia, Pa., 1841); Martin R. Delany, *The Condition, Elevation, Emigration and Destiny of the Colored People of the United States* (Philadelphia, Pa., 1852); Cyprien Clamorgan, *The Colored Aristocracy of St. Louis* (St. Louis, Mo., 1858); William Wells Brown, *The Black Man, His Antecedents, His Genius, His Achievements* (New York, 1863). The commercial publishing industry provided a basis for black business development beginning in 1817, when the African Methodist Episcopal Church established the AME Book Concern in Philadelphia. Ten years later, the first black newspaper, *Freedom's Journal*, was founded in 1827, marking the beginning of the black newspaper business. See Donald Franklin Joyce, *Gatekeeper of Black Culture: Black Owned Book Publishing in the United States* (Westport, Conn., 1983); I. Garland Penn, *The Afro-American Press and Its Editors* (Springfield, Mass., 1891); Frederick G. Detweiler, *The Negro Press in the United States* (Chicago, 1922); Mary Sogarín, *John Brown Russwurm: The Story of Freedom's Journal, Freedom's Journey* (New York, 1970); Penelope Laconia Bullock, “The Negro Periodical Press in the United States 1838–1909” (Ph.D. diss., University of Michigan, 1971); and Peggy Jo Zemens Richmond, “Afro-American Printers and Book Publishers, 1650–1865” (M.A. thesis, University of Chicago, 1970). Also, see my *Captive Capitalists*, for discussion of this antebellum black commercial enterprise. Delany, *Condition of the Colored People*, 94–95.

¹² See Table 1 for documentation on the occupations and wealthholding of the leading twenty-one black entrepreneurs from federal manuscript censuses, R. G. Dun & Company credit reports, and estate inventories.

¹³ On James Forten, see William Douglas, *Annals of the First African Church in the United States of America, now styled the African Episcopal Church of St. Thomas* (Philadelphia, Pa., 1862), 107, 110; Lydia Maria Child, *The Freedmen's Book* (Boston, Mass., 1865), 102–3; William C. Nell, *Colored Patriots of the American Revolution* (Boston, Mass., 1855), 172–74; and *Dictionary of American Biography* (New

BEDSTEADS, VENETIAN BLINDS AND PAPER HANGINGS.

HENRY BOYD,
 MANUFACTURER OF
PATENT BEDSTEADS,
Cor. of Broadway & Eighth sts., Cincinnati.

His patent Right and Left Wood Screw and Swelled Rail Bedsteads take precedence over all others; from the fact that they never become loose; having no harbor for vermin, they can be put up or taken down in one-fourth the time that any other kind can.

☞ A great many spurious articles are in the market, purporting to be Boyd's Bedsteads, but none are genuine except stamped "H. BOYD."

BOYD'S PATENT BEDSTEADS

Henry Boyd of Cincinnati provides an example of a black entrepreneur who not only established his own business, but also invented the product that he sold. The R. G. Dun agent reported: "being a colored man has to submit to unusual exactions on the part of his white employees." (13 April 1857, Ohio, vol. 80, p. 73, R. G. Dun Collection, Baker Library, Harvard Business School.) (The advertisement is reproduced from United States Commercial Register [New York, 1851], 27.)

The spectacular business success of the Pennsylvania lumber merchant, slave-born Stephen Smith (1796–1873), indicates that the extractive industries also provided an area of profitable entrepreneurial activity for leading black antebellum businesspeople. By the 1850s, Smith was grossing \$100,000 annually in sales, according to Dun credit reports; by 1864, they show Smith's net worth as \$500,000. Perhaps in grudging recognition of Smith's business acumen, an 1857 credit entry described Smith as "King of the Darkies w. 100m." Dun credit reports show Smith's partner, William Whipper, worth \$20,000 in 1853 and his nephew-in-law, Ulysses B. Vidal, in an entry dated April 1865, "w. 30–50m."¹⁴ The lumber merchant's Pennsylvania business was carried out in both Columbia and Philadelphia, where Smith moved in 1842. By

York, 1937), 6: 536–39. Also see Johnson and Roark, *Black Masters*, 72–73, 127, for information on William Ellison, master ginwright who, through his business activities, accumulated personal property, mostly in slaves, valued at \$53,000 and real property, 800 acres, valued at \$8,250. Although records do not document that Ellison received a patent, his cotton gin innovations were widely recognized. Henry Boyd, a Cincinnati manufacturer, was noted for his "patent bedsteads." Delany, *Condition of the Colored People*, 98. For Boyd's advertisement, see *United States Commercial Register* (New York, 1851), 27. See also Ohio, vol. 80, p. 73, R. G. Dun & Co. Collection, Baker Library, Harvard Business School, where his business is reported as a "Patent Bedstead Factory."

¹⁴ Pennsylvania, vol. 79, p. 31, R. G. Dun & Co. Collection; vol. 132, p. 322; vol. 79, p. 31; for Whipper, see *ibid.*, p. 121. For Ulysses B. Vidal, see *ibid.*, vol. 132, p. 322. By 1870, Whipper had accumulated property valued at \$108,000. See U.S. Bureau of the Census, "Population Schedules of the Ninth Census of the United States, 1870, New Jersey, Middlesex County, New Brunswick," manuscript microcopy M-753, reel 873.

1849 he had one of the largest lumber and coal yards in that city, according to Martin Delany, who reported that the firm of Smith and Whipper held in stock "several thousand bushels of coal, two million two hundred and fifty thousand feet of lumber; twenty-two of the finest merchantmen cars running on the railway from Philadelphia to Baltimore. . . ." Smith was also involved in real estate, reportedly owning "fifty-two good brick houses in that city." Lancaster County records show Smith involved in over sixty real estate transactions as both grantor and grantee. As Delany noted, Smith's principal active business was "that of buying good negotiable and other paper, and speculating in real estate."¹⁵

In Louisiana, where the largest number of the most successful black businessmen resided, they were involved in virtually every phase of business activity. In the cosmopolitan antebellum urban community of New Orleans, one of the most successful was Pierre André Destrac Cazenave, a merchant and commission broker, who, according to R. G. Dun credit reports, increased his income from \$10,000 in 1850 to \$40,000 by 1857. Three years later he was worth over \$100,000. Cazenave went into the undertaking business in the late 1850s, having invented a "secret" embalming process.¹⁶

Merchandising distinguished the business activities of the former slave, Madame Cecee McCarty, who by 1830 owned thirty-two slaves. By 1848, through her diverse business activities, she was worth more than \$155,000. Madame McCarty purchased her goods and merchandise from importers. Her slaves made up a formidable sales force, with assigned territories in various parishes outside New Orleans. She owned a depot in Plaquemines Parish that provided a base for merchandising her goods outside New Orleans. Although she was a placée, the courts established that the fortune she had accumulated over fifty years was based entirely on her own efforts. Madame McCarty had unlimited credit and increased her income by discounting notes. Through her diverse business activities, she was acknowledged as "*une femme extrêmement laborieuse et economie*. . . ."¹⁷

Outside New Orleans, cotton and sugar plantations proved profitable for other Louisiana blacks, some of whom had extensive holdings in slaves and land valued at more than \$100,000. The Ricaud family, mother and son, owned a total of 152 slaves by 1860. The DuBuclet

¹⁵ Delany, *Condition of the Colored People*, 95-96. Lancaster County, General Index to Deeds, Grantee, "S," 44-46, and *ibid.*, Grantors, "S," 44-47, Lancaster County Courthouse, Recorder of Deeds Office, Lancaster, Pa.

¹⁶ R. G. Dun & Co. Collection, Louisiana, vol. 10, p. 497.

¹⁷ *Macarty et al. v. Mandeville*, 3 La. An. 239 (March 1848). A placée was a free woman of color engaged in a common-law marriage.

family held ninety-four slaves.¹⁸ The Metoyer family, beginning with its matriarch, the ex-slave Marie Theréz (1742–1816), of unmixed African descent, eventually acquired 278 slaves by 1830. Before her death, Marie Theréz and her family had acquired almost 12,000 acres of land. Freed from slavery in her mid-thirties, she began development of her plantation enterprise at the age of forty-six with a gift tract of sixty-eight acres, acquired after the formal ending of her concubinage relationship. In building her labor force, Marie Theréz, mother of eleven slave-born children, purchased slaves for her own plantation, but she also purchased the freedom of her children, grandchildren, and future in-laws.¹⁹

The diverse business activities of William Leidesdorff (1810–48), America's first black millionaire, allowed him to accumulate property worth \$1.5 million before his death in 1848, at the relatively young age of thirty-eight. Leidesdorff was born in the Danish West Indies. His mother was black, variously described as a "negress," "mulatress," or "with a strain of black and Carib blood." His father, a Dane, was white.²⁰ On coming to the United States in the 1830s, William Leidesdorff settled in New Orleans, where he was a ship captain, and then moved on to San Francisco in 1841. In that frontier city, Leidesdorff built the first hotel, opened an importing-exporting business, a ship chandlery shop, and established both a lumberyard and a shipyard. His assumption of Mexican citizenship in 1844 allowed him to acquire a 350,000-acre land grant. In spite of his Mexican citizenship, in 1845 Leidesdorff was appointed vice consul to Mexico by Thomas Larkin, United States consul to Mexico in California. During the Mexican War, the enterprising Leidesdorff, still a Mexican citizen, provisioned the American army. With independence, Leidesdorff became San Francisco's first city treasurer.²¹

¹⁸ U. S. Bureau of the Census, "Population Schedules of the Eighth Census of the United States, 1860, Louisiana, Iberville Parish," manuscript microcopy M-653, reel 411; and reel 428 for slave schedules.

¹⁹ Mills, *Forgotten People*, 67, 108. For information on antebellum blacks who owned slaves see Carter C. Woodson, *Free Negro Owners of Slaves in the United States in 1830* (Washington, D. C., 1928), 11 (Madame McCarty slaves), 7 (Metoyer family slaves); Woodson, "Free Negro Owners of Slaves in the United States in 1830," *Journal of Negro History* 9 (Jan. 1924): 41–85; R. Halliburton, Jr., "Free Owners of Slaves: A Reappraisal of the Woodson Thesis," *South Carolina History Magazine* 76 (1975): 129–42; John H. Russell, "Colored Freemen as Slave Owners in Virginia," *Journal of Negro History* 1 (July 1916). See also Gary B. Mills, "Coincoin: An Eighteenth Century 'Liberated' Woman," *Journal of Southern History* 42 (1976): 205–22.

²⁰ For biographical information on William Leidesdorff, see Sue Bailey Thurman, *Pioneers of Negro Origin* (San Francisco, 1949), 1–5; Delilah Beasley, *The Negro Trail Blazers of California* (Los Angeles, 1919), 107–13. Beasley relied heavily on Hubert Howe Bancroft, *The History of California* (San Francisco, 1884–90), 4: 279, 566, 711, and 5:566. See also *California Pioneer Register and Index, 1542–1848, Extracted from The History of California by Hubert Howe Bancroft* (Baltimore, Md., 1964).

²¹ William A. Leidesdorff, log of schooner *Julia Ann*, 30 July 1840–9 Jan. 1841, Leidesdorff Collection, Bancroft Library, University of California, Berkeley. See also William A. Leidesdorff, Cash Account Records, 1843–1844, Leidesdorff Collection; Robert G. Cowan, *Ranchos of California: A List of Spanish*



WILLIAM ALEXANDER LEIDESDORFF

The only wealthy black entrepreneur in this study who is known to have passed as white, Leidesdorff built up large real estate holdings near San Francisco, and he was active in California politics. (Photograph reproduced from Robert Ernest Cowan, "The Leidesdorff-Folsom Estate: A Forgotten Chapter in the Romantic History of Early San Francisco," Quarterly of the California Historical Society 7 [June 1928]: facing 105.)

Obviously, Leidesdorff did not present himself as black. Described as dark and swarthy, his appearance differed little from that of California's predominant Mexican population and thus attracted no undue attention. Wealthy from his diverse mercantile business activities alone, Leidesdorff was propelled to millionaire status by his landholdings. His property was located on the American River, directly across from Sutter's Mill, where gold was discovered in January 1848. Leidesdorff died in May 1848. The disposition of his estate, because of the exten-

* *Concessions, 1775-1822 and Mexican Grants, 1822-1846* (Fresno Calif., 1956), 15: "Americano, Rio de los Sacramento Co. from close to Folsom. 8 leagues granted in 1844 to William A. Leidesdorff." Jos. L. Folsom and Anna Marie Spark (Leidesdorff's mother) were claimants to 35,521 acres. William A. Leidesdorff, Account Papers with United States Military and Naval Personnel, 1847, Leidesdorff Collection. For appointment as San Francisco city treasurer, *California Star*, 18 Sept. 1847. See also William Leidesdorff, *San Francisco Town Journal, 1847-1848* (San Francisco, Calif., 1926), and San Francisco Council, Minutes of Proceedings, 16 Sept. 1847 to 10 April 1848, Leidesdorff Collection.

siveness of his holdings as well as his prominence in San Francisco's politics, was detailed in a letter of 1 June 1848 from Larkin to Secretary of State James Buchanan.²²

The value of Leidesdorff's estate was determined over a period of eight years. In 1852, the tax assessment was \$346,800. In 1856, 309 San Francisco city lots owned by Leidesdorff were sold for \$607,695. The *Ranchero de los Americanos* was sold for \$163,360, with other property sold through private transactions. When the estate was finally settled in 1856, Leidesdorff's property was valued at \$1,442,232.35. The wealth did not accrue to Leidesdorff's heirs, however. In 1849, Joseph L. Folsom had purchased all rights and titles to Leidesdorff's estate for \$75,000 from Leidesdorff's mother, who lived in St. Croix. The town of Folsom, California, now stands on the site where Leidesdorff's *Rio de los Americanos* ranch was located.²³

In antebellum America, the leading black entrepreneurs, as did white men of wealth like Girard and Astor, had extensive real estate holdings. They also shared with their white counterparts of that age participation in a diversity of economic activities, the most important business characteristic distinguishing entrepreneurs during the pre-Civil War period. Black entrepreneurs, too, were men of uncommon ability, who possessed remarkable business acumen. Innovation, risk taking, and the ability not only to sense the wants of the consumer, but also to create consumer demand and open new markets—entrepreneurial expertise—distinguished the business activities, not only of the top black entrepreneurs, but of other antebellum Afro-American businesspeople as well.

ANTEBELLUM BLACK ENTREPRENEURS, \$500–\$100,000

Most antebellum free black entrepreneurs were men and women who developed marginal enterprises that earned only minimal profits, sometimes not even beyond economic self-sufficiency. Usually, these blacks participated in the business community as hawkers, peddlers, draymen, carters, laundresses, vendors, chimney sweeps, black-

²² George P. Hammond, ed., *The Larkin Papers* (Berkeley, Calif., 1960), 285. The letter is noteworthy because it is an official announcement of the April 1848 Coloma gold strike in California.

²³ Robert Ernest Cowan, "The Leidesdorff-Folsom Estate: A Forgotten Chapter in the Romantic History of Early San Francisco," *Quarterly of the California Historical Society* 7 (June 1928): 110. See also California Legislature, Senate, Sixth Sess., *Journal of the Sixth Session of the Legislature* (Sacramento, Calif., 1855), 324–26, contains the message of Governor John Bigler concerning the William A. Leidesdorff estate; William A. Leidesdorff, Estate papers, 1842–52 [Accounts and Legal papers pertaining to the estate of Leidesdorff], Leidesdorff Collection. See also Leidesdorff Family, Estate Papers, 1846–49, relating to J. L. Folsom, Administrator of the Estate [documents originating in St. Croix, Danish West Indies, securing to Joseph L. Folsom, from the heirs of William A. Leidesdorff], Bancroft Library; and *People ex rel. Attorney-General vs. Joseph L. Folsom*, 5 Calif. Rep., 373 (1855); and Bancroft Court Records, Leidesdorff-Folsom Court Records, Bancroft Library.

smiths, nurses, gardeners, whitewashers, and jack-of-all-tradespeople. Their property holdings, real and personal, ranged from nothing to \$500. Despite the minimal profits of these businesses, the ingenuity and perseverance free blacks displayed in establishing them should not be minimized. Societal as well as legal constraints made entry into even these occupational areas difficult for blacks. In the antebellum South, laws making it illegal for blacks to work as peddlers, hawkers, tavernkeepers, draymen, or carters increasingly closed the door to business participation for blacks in areas which required little, if any, specialized skills, but which had offered opportunities for economic self-sufficiency. At the same time, societal racism in the North discouraged black business participation in the skilled trades, an avenue by which an artisan could translate his craft into a profitable enterprise.²⁴

This group of marginal black entrepreneurs has been the primary focus in general studies which detail the antebellum black business experience.²⁵ To provide a more inclusive discussion of pre-Civil War black business activities, my emphasis here will be on the successive four categories of antebellum black businesspeople who accumulated property in excess of \$500 to \$100,000. In the second category, \$501 to \$5,000, the black entrepreneurs developed businesses in areas traditionally associated with black business participation, such as catering, barbering, tailoring, craft shop establishments, livery stables, dressmaking, and merchandising. In some instances, black entrepreneurs in this second category of wealth participated in more than one business activity. For example, the R. G. Dun & Company credit reports provide information on Edward V. Clark, a black entrepreneur who was a jeweler as well as a "public waiter" (professional caterer),

²⁴ For information on how antebellum laws limited black occupational participation, see William Jay, *Condition of the Free People of Color* (New York, 1838) and John C. Hurd, *The Law of Freedom and Bondage in the United States*, 2 vols. (Boston and New York, 1858–62). For antebellum state statutes, see Henry W. Farnam, *Chapters in the History of Social Legislation in the United States to 1860* (Washington, D.C., 1938), and court cases, Helen T. Catterall, *Judicial Cases Concerning American Slavery and the Negro*, 5 vols. (Washington, D.C., 1926–27). Also see for legal foundation of black laws, A. Leon Higginbotham, *In the Matter of Color: Race and the American Legal Process in the Colonial Period* (New York, 1978); and Eugene D. Genovese, "The Slave States of North America," in *Neither Slave nor Free: The Freedmen of African Descent in the Slave Societies of the New World*, ed. David W. Cohen and Jack P. Greene (Baltimore, Md., 1972), 258–77. State studies include Juliet E. K. Walker, "The Legal Status of Free Blacks in Early Kentucky, 1792–1825," *The Filson Club History Quarterly* 57 (Oct. 1983): 382–95. Florence R. Beatty Brown, "Legal Status of Arkansas Negroes before Emancipation," *Arkansas History Quarterly* 28 (1969): 6–13; James T. Currier, "From Slavery to Freedom in Mississippi's Legal System," *Journal of Negro History* 65 (Spring 1980): 112–25. William I. Imes, "The Legal Status of Free Negroes and Slaves in Tennessee," *ibid.* 4 (July 1919): 255–61; Lee Calligaro, "The Negroes' Legal Status in Pre-Civil War New Jersey," *New Jersey History* 85 (1967): 167–80; and Elmer Gertz, "The Black Laws of Illinois," *Journal of the Illinois State Historical Society* 56 (1963): 454–73. Also see Mary Frances Berry, *Black Resistance/White Law: A History of Constitutional Racism in America* (New York, 1971).

²⁵ See John Hope Franklin, "James Boon, Free Negro Artisan," *Journal of Negro History* 39 (April 1945): 150–80; and Caroline Pell Gunther, "Tom Day—Craftsman," *The Antiquarian* 11 (Sept. 1929).

and who accumulated property worth between \$501 and \$5,000. The report on Clark also provides documentation of the extension of credit to a black small businessman:

Ed V. Clark Jeweler 89 Canal Street Oct 15, 1851, is a negro, was formerly a porter with Platt Bros [Platt Bros. was one of the leading New York jewelers], commenced business at 89 Canal Street April, 1850 with 2 1/2 to 3m cash. His principal bus is to loan silver, glasswares, etc to the "upper ten" for dinners and evening parties at which he is said to be doing well, keeps a stock of such articles amounting to about \$5m. He is respectable and very honest and upright and not likely to contract debts improperly. Feb 28/53 Col man, besides his jewelry business, he is a public waiter and gets up dinners and suppers in which business he is making money. Had on the 1st of Jan cast silver and plate dining and tea sets which he bought for \$1500 of which he owes \$100. Has stock in his store of \$5000 on which he owed \$3m mostly to Platt Bros and has since nearly paid that up, gd for all he asks.²⁶

William Goodridge, whose property holdings place him in the category of black entrepreneurs with accumulated property valued from \$5,001 to \$25,000, provides another example of the multidimensional expression of antebellum black entrepreneurship. The Dun ledger reported:

Wm Goodridge York Fancy Goods July/45 Mulatto. Trades extensively, Little capital Has extensive property holdings but encumbered. Industrious but not pushed. Oct/45—Credit moderate, industrious and attentive, has a Barber shop car on RR, deals in Jewels, Oyster Co., Printer, Toys. Prompt in payment. In Bus 12 years. Feb 46/July 46—no change. June 48 A colored man worth 20m—close, shrewd, attentive and safe for contracts July/49 Shrewd and thrifty Making money and likely to go on doing so. Very safe for a reasonable amount. Mch/50 same. June/50 Smart and shrewd, worth money but hard to tell how much, probably 10 or 15m/ Houses and lot. Mrch/51 Age 50 owns RE, very good, safe May/52 Well off. Built our finest store here, Honest and Safe Ag/1852. has a great many irons in the fire but seems to be making money, runs a train of cars on the Columbia RR Cr and character good, owns a large amt of property and is supposed to be rich. Ag/53 Same, has been purchasing land in Canada.²⁷

Despite their creditworthiness and reputation as careful, shrewd businessmen, both Clark and Goodridge failed in their businesses. From 1854 to 1857, the credit ledger reports the downfall of Clark's business, concluding with 22 December 1857: "This is a colored individual has been as good as failed for several years. There is some 5 to 8m judgments against him and 00 to pay with." For Goodridge, the Dun credit reporter tersely recorded, "Ag 58 failed." The last entry for Goodridge, dated April 1863, announced, "Failed some time ago

²⁶ R. C. Dun & Co. Collection, New York, vol. 318, p. 315.

²⁷ *Ibid.*, Pennsylvania, vol. 207, p. 4.

1. *Alphonse Vidal* 11/17/71 He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

2. *Smith & Vidal* (See *Journal* 132) at the head of the enterprise, and a still constant of our good working, money abstractly.

3. *Smith & Vidal* He & our partner will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

4. *M. G. Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

5. *Alphonse Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

6. *Smith & Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

7. *Alphonse Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

8. *Smith & Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

9. *Alphonse Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

10. *Smith & Vidal* He is a man of immense energy & will etc. He is a man of immense energy & will etc. He is a man of immense energy & will etc.

R. G. DUN CREDIT REPORT ON SMITH & VIDAL

The report (which erroneously lists Clysses B. Vidal as William and has him married to both Smith's daughter and his niece) chronicles the continued success of the firm. Note the 7 April 1865 entry for Vidal: "Is an educated & intelligent darkey of considerable pride of char." (Reproduced from Pennsylvania, vol. 132, p. 322, R. G. Dun & Company Collection, Baker Library, Harvard Business School.)

and has not recovered, worth 00 and heavy in debt." The financial crash of 1857 brought a severe depression, along with unprecedented unemployment and countless business failures and bankruptcies. Those blacks who survived, including Smith, the lumber merchant, and Whipper and Vidal, his business partners, had depression-proof businesses, impeccable credit, solid business connections, or were backed by houses of solid financial reputation.²⁸

A decline in black business participation in New Orleans also occurred in the 1850s, but an increasingly hostile racial climate, rather than financial setbacks in response to fluctuations in the business cycle, account for that decline. For the free people of color in that city, as Robert Reinders found, "In general the fifties was a period of white hostility, restrictive laws, and declining economic opportunities."²⁹ The more successful free people of color who managed to stay afloat had substantial property holdings. They also had substantial business capital and solid business connections, as did the Rillieux-Reggio, McCarty, and Soulie firms. Their business profits provide examples of black entrepreneurs in the three top wealthholding categories: \$25,001–\$50,000; \$50,001–\$100,000; and over \$100,000.

Edward Rillieux and E. Reggio (son of Auguste Reggio, Table 1) were listed in the R. G. Dun ledgers as being in the dry goods business. The entry for 1850 first noted that the two men were successors of D. B. McCarty. The June 1854 entry again notes that Rillieux and Reggio "are backed by McCarty whom they succeeded, sales amt to abt \$40m." Then for May 1855: "Dg pretty well for the times"; and May 1858: "Said to be well off." Drausin McCarty, the son of Madame McCarty, was listed as "Broker (Dry Goods)" in the R. G. Dun credit ledgers—July 1848 entry: "Col man, owns RE does a good business in good credit, now in NY buying goods, w 30m and is a very responsible man and the brother-in-law of B A Soulie"; July 1849 entry: "keeps over \$20m stk and prob sells \$60m w. a yr." The Soulie brothers, Bernard and Albin, are listed in the Dun reports as merchants and exchange brokers. Their entry for May 1853 noted, "Good for 100m," for May 1854, "fmc [free men of color] 45 to 50 very wealthy, est. w from

²⁸ "Mercantile Failures in 1856," *Hunt's Merchant's Magazine and Commercial Review* 34 (Feb. 1857): 595. Within the broader context of the New Orleans business community, see Robert E. Roeder, "New Orleans Merchants, 1790–1837" (Ph.D. diss., Harvard University, 1959) and Roeder, "Merchants of Antebellum New Orleans," *Explorations in Entrepreneurial History*, 1st ser. 10 (1958): 113–22.

²⁹ Robert C. Reinders, "The Free Negro in the New Orleans Economy, 1850–1860," *Louisiana History* 6 (Summer 1965): 285, and Reinders, "The Decline of the New Orleans Free Negro in the Decade before the Civil War," *Journal of Mississippi History* 24 (Jan. 1962): 88–98. Also see Claude H. Babin, "The Economic Expansion of New Orleans before the Civil War" (Ph.D. diss., Tulane University, 1954); Berlin, *Slaves without Masters*, 343, notes that while "The onrushing sectional conflict pushed the free Negro caste to the edge of extinction. . . . With the exception of a brief financial panic in 1857, the South enjoyed a decade of continuous economic expansion, and many free Negroes shared in the good times."

250–300m.” The entry for July 1855 announced, “They are capitalists,” and 19 March 1857: “are rich, w \$500m. . . .”³⁰

The high degree of business participation and level of wealthholding of Louisiana’s free people of color require an analysis that gives consideration to the socioeconomic realities inherent in the pattern of race relations derived from the Latin American caste system that persisted in that state after 1803. In some instances, inherited wealth from white fathers—and, for free women of color, from their white common-law husbands or lovers—provided venture capital enabling this group to establish businesses in Louisiana. Further, white family connections often provided access to credit for business development and expansion. The Haitian migration of skilled and educated Creoles in the mid-1790s and again in the early 1800s, before the American purchase, assured the entrenchment of free men of color in both skilled and white-collar occupations. The great diversity of occupational participation provided the basis for expanded business opportunities for free people of color in the New Orleans urban economy.³¹

While there were regional differences that contributed to the development of antebellum black entrepreneurship, the leading black participants in the antebellum business community shared several characteristics with their more successful white counterparts. First, many white businessmen during that period inherited wealth or acquired business connections through marriage or other family ties. This was certainly the case with Louisiana’s free people of color in the top wealthholding categories. Second, many of the leading white entrepreneurs served as apprentices or clerks before establishing their own successful businesses; this was also the case with some black entrepreneurs. The wealthy sailmaker, James Forten, who was born free in 1766, the great-grandson of an African-born slave, apprenticed himself to a white sailmaker to learn the trade. He quickly became foreman and, when his mentor retired, took over the business. Under Forten’s ownership, and with his invention of a sailmaking device, the business enjoyed spectacular success.

Stephen Smith learned the lumber business from his owner, who was a lumber dealer. Before he was nineteen years old, the young slave exercised complete management responsibilities for his master’s Pennsylvania lumberyard. He purchased his freedom from slavery for \$100

³⁰ R. G. Dun & Co. Collection, Louisiana, vol. 10, p. 328; vol. 9, p. 97; vol. 11, p. 30.

³¹ Laura Foner, “The Free People of Color in Louisiana and St. Domingue: A Comparative Portrait of Two Three Caste Societies,” *Journal of Social History* 3 (Summer 1970): 406–30; Donald E. Everett, “Free Persons of Color in Colonial Louisiana,” *Louisiana History* 7 (Winter 1966): 21–50; and Donald E. Everett, “Emigres and Militiamen: Free Persons of Color in New Orleans, 1803–1815,” *Journal of Negro History* 38 (1953). Also see Carl N. Degler, *Neither Black Nor White: Slavery and Race Relations in Brazil and the United States* (New York, 1971).

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ADVERTISEMENT OF PIERRE CASENAVE

This New Orleans entrepreneur began as a merchant and commission broker, then went into the undertaking business in the 1850s, when he invented a "secret embalming process." (Reproduced from United States Commercial Register [New York, 1851], 12.)

and, with less than one hundred dollars in venture capital, Smith established his own lumberyard. As his business grew, the lumber merchant brought in two partners, William Whipper and Ulysses B. Vidal. Vidal, who had initially been employed as a clerk, eventually married into the Smith family. The New York lumber dealer, Joseph C. Cassey, who by the early 1850s was just starting off in business, had been employed by Smith. According to Delany, Cassey "was raised to the business by Smith and Whipper . . . where he was principal Book-Keeper for several years."³²

Pierre Casenave, the inventor of the secret embalming process, was reported in the R. G. Dun credit ledgers as "a pet of Judah Touro," who was a wealthy Jewish landholder and real estate speculator in New Orleans. The Dun report noted that Casenave was "for a number of years confidential clerk to the late Judah Touro who enabled him to start in business." When Touro died in 1854, Casenave was named one of the executors of the estate. Touro also bequeathed \$10,000 to Casenave. The relationship between the sugar planter, Andrew Durnford (1800–1859), and his mentor, John McDonough, one of the most important figures in Louisiana at that time, spanned a quarter of a century until McDonough's death in 1850. Durnford, son of a placée, had inherited wealth from his white father, a friend of McDonough, who served as a "sounding board for Durnford's business schemes." In an

³² Franklin Ellis and Samuel Evans, *History of Lancaster County, Pennsylvania with Biographical Sketches of Many of Its Pioneers and Prominent Men* (Philadelphia, Pa., 1883), 574; Delany, *Condition of the Colored People*, 107–8.

estimated capitalization of Durnford's St. Rosalie plantation, David Whitten shows an increase from \$93,750 in 1835 to \$124,938 in 1859.³³

As antebellum black entrepreneurship developed, apprenticeships, mentorships, and business connections—factors important in the success of white entrepreneurs—clearly were important, in some instances, to blacks as well. Specifically, important business connections, whether white or black, provided access to capital and credit, the major determinants of business success, and, for the most part, the major nonhuman resources usually denied free black entrepreneurs in antebellum America.

SLAVE ENTREPRENEURS

With few exceptions, most antebellum slave entrepreneurs, bondsmen who hired their own time, had to rely on human capital resources in the initial development of their businesses. Their investment costs were ingenuity, energy, industriousness, resourcefulness, and a formidable business acumen, particularly for those who established the more successful business enterprises. Wages earned by self-hired bondsmen, who first worked as employees, provided the start-up capital necessary for developing their enterprises. As business proprietors, slave entrepreneurs worked only for themselves. Management of the self-hired slave's enterprise was independent of the master's control, direction, or supervision. The profits earned by slave entrepreneurs in their businesses, after they paid their owners for allowing them to hire their own time, were used primarily as venture capital to purchase freedom for themselves, their family members, or friends.³⁴

As independent business proprietors, slave entrepreneurs assumed the risk and responsibility for the production and distribution of their goods or services. Their commercial transactions, marketing, and management operations differed little from those of their free counterparts. Slave entrepreneurs also advertised, negotiated contracts, extended

³³ For Casenave, see R. G. Dun & Co. Collection, Louisiana, vol. 10, p. 497. Also see Max J. Kohler, "Judah Touro, Merchant and Philanthropist," *American Jewish Historical Society* 13 (1905): 104 for Touro's will. For Durnford, see David O. Whitten, "A Black Entrepreneur in Antebellum Louisiana," *Business History Review* 45 (Summer 1971): 201–19.

³⁴ Juliet E. K. Walker, "Slave Entrepreneurs," in *Dictionary of Afro-American Slavery*, ed. Randall M. Miller and John David Smith (Greenwich, Conn., forthcoming 1987). Herbert Aptheker, "Buying Freedom," in *To Be Free* (New York, 1945), 32, notes that "In certain areas the right of a slave to enter into a contract with his master for the working out, or the purchase of, freedom and the binding quality of this instrument upon both parties were legally recognized." See C. S. Morehead and Mason Brown, eds., *A Digest of the Statute Laws of Kentucky, of a Public and Permanent Nature*, 2 vols. (Frankfort, Ky., 1834), 1:608, for an example of a law which allowed slaves to contract with their masters for freedom, providing that "an agreement to emancipate was specifically enforced in equity; whereas a promise or declaration made to a slave, or for his benefit cannot be enforced in a court of law or equity." See also Walker, *Free Frank*, 38–40. By the 1850s, southern attitudes regarding manumission had changed, making freedom increasingly difficult. For laws see Berlin, *Slaves without Masters*, 138–39.

credit, and assumed debts. Their earnings, too, depended as much on customer demand as on the extent of their business acumen, expertise, initiative, productivity, and propriety as businesspeople.³⁵ As among free blacks, the entrepreneurship of slaves was distinguished by a diversity of business activities that included developing innovative production techniques, creating new goods, and devising a more efficient distribution of goods and services.

The pioneer slave Free Frank was a bondsman who hired his own time from his owner and established a saltpeter manufactory on the Kentucky frontier during the War of 1812. Saltpeter, which Frank produced from the crude niter which he also mined, was the principal ingredient in the manufacture of gunpowder: it was also one of three items in daily use on the frontier that could not be produced on the self-sufficient pioneer farm homestead (salt and lead were the others). With the profits earned from his production of saltpeter, Free Frank purchased his wife's freedom in 1817 and his own two years later. Their combined purchase price was \$1,600.³⁶

Few business papers are available to detail the business activities on the early nineteenth-century frontier of small merchants, many of whom (including Free Frank) could not read or write. Information is available on the price of saltpeter in the period between 1810 and 1819, however, to give some indication of the prices for which Free Frank could have sold his product. In 1802, saltpeter was selling for a price of an "eighth of a dollar per pound." By 1810, the price had increased to \$.17 a pound, and, with the War of 1812, saltpeter prices escalated to \$.75 to \$1.00 per pound. As Horace Hovey noted, "The nitre fever of 1812 rivaled the subsequent gold fever of 1849."³⁷

The amount of saltpeter Free Frank could produce by himself was, of course, limited. In the Mammoth Cave, a center of saltpeter production in Kentucky, it was reported that a full work force of sixty to seventy laborers could produce over five hundred pounds of saltpeter each day. "If Free Frank produced only four pounds of saltpeter each

³⁵ See R. G. Dun & Co. Collection, Louisiana, vol. 10, p. 166, for the Jan. 1854 entry of a slave barber, F. St. Mark, as an indication of the extent to which slave participation in the business community was considered an intrinsic part of the antebellum social setting. For the business directory advertisement of the Nashville slave who operated a highly exclusive bathhouse and barbershop, see *Nashville General Commercial Directory* (Nashville, Tenn., 1853), 68. See also Loren Schweniger, "The Free-Slave Phenomenon: James P. Thomas and the Black Community in Ante-Bellum Nashville," *Civil War History* 22 (Dec. 1976): 293-307.

³⁶ Walker, *Free Frank*, 41-46. For information on the range of bondsmen's earnings, as reflected in purchase prices, see Ohio Anti-Slavery Convention, *Report on the Condition of the People of Color in the State of Ohio* (Boston, 1839), which shows that over one-third, 476 of the 1,129 blacks who had been slaves, had purchased their freedom for a total amount of \$215,522.04. In Philadelphia for 1847, of the 1,077 former slaves, 275 had purchased their freedom for \$60,000. See *A Statistical Inquiry into the Condition of the People of Colour, of the City and Districts of Philadelphia* (Philadelphia, Pa., 1849).

³⁷ Horace C. Hovey, "Our Saltpeter Caves in Time of War," *Scientific American* 76 (1897): 291. For saltpeter prices, see "American Manufacturers," *Niles Weekly Register*, 6 June 1812, 227.

day, and sold it for \$.35 to \$.50 per pound (half the market price), his earnings could amount to as much as two dollars a day. Running his saltpeter works seven days a week would thus offer him the possibility of making as much as \$728 a year." Even earnings of half that amount would have enabled Free Frank to pay his owner the average of \$12 a month to hire his own time, leaving the slave at least \$200 annually in profit. On this basis, one can see how Free Frank was able to pay \$1,600 for the freedom of his wife and himself in the period 1812–19. Moreover, saltpeter was not only in local demand, for by 1819 this product ranked ninth in Kentucky's major exports.³⁸

Early examples of managerial capitalism in the form of slave intrapreneurship also are represented, in those instances when a slave was granted decision-making authority in managing the owner's enterprise in industry, commerce, or agriculture.³⁹ Often slave intrapreneurship provided the opportunity for bondsmen to develop their own enterprises separate from their management responsibilities, as illustrated by the coal yard enterprise of Robert Gordon, a bondsman in Virginia who managed his owner's coal yard. Gordon's profits were much greater than the slaveowner had anticipated and, as compensation for the slave's management expertise, the slaveowner gave Gordon the yard slag. Through innovative use of materials at hand, Gordon succeeded in processing a high grade of coal, thus meeting the demand of local manufacturers and blacksmiths, perhaps at prices lower than they would have had to pay on the open market. With the profits from this enterprise, \$15,000, Gordon purchased his freedom in 1846 and moved north in 1847, where he invested in a Cincinnati coal yard.

Whether Gordon's former owner had advanced him part of the \$15,000, or it represented Gordon's profits earned from the sale of his slag, or it included money that Gordon had skimmed off the top while managing his owner's coal yard, we do not know. But with venture capital of nearly \$15,000, Gordon succeeded in building a large and profitable coal business in Cincinnati, employing both laborers and bookkeepers. In addition, Gordon had his own coal wagons, built his own docks, and purchased coal by the barge-load. He also won a "coal war" launched against him by Cincinnati's white coal dealers, and he acquired extensive real estate holdings, valued in 1860 at \$59,000.⁴⁰

Innovative management within the firm also distinguished the business activities of Simon Gray, a slave riverboat captain who had com-

³⁸ Walker, *Free Frank*, 38; Henry Fearon, *Sketches of America: A Narrative of a Journey of Five Hundred Miles through the Eastern and Western States of America*, 3d ed. (London, 1819), 238. Also see Juliet E. K. Walker, "'Free' Frank and New Philadelphia: Slave and Freedman, Frontiersman and Town Founder" (Ph.D. diss., University of Chicago, 1976), 56.

³⁹ Walker, "Slave Entrepreneurs," for a discussion of slave intrapreneurship.

⁴⁰ Woodson, "The Negroes of Cincinnati," 21.

plete charge of his vessel, a management line position. His crews usually numbered between ten and twenty men, both slaves and free whites. The slaves were either company-owned, as was Gray, or they were hired out by their owners to the Brown Lumber Company of Natchez. The white crewmen, on the other hand, were hired directly by Gray, who kept their records, paid their expenses, and sometimes even their salaries. Gray's major responsibility was to deliver lumber to riverside plantations and towns between the New Orleans and Natchez markets, but this activity required business transactions that went beyond deliveries; Gray "also solicited orders for the mill, quoted prices, extended credit to customers, and collected money owed to the lumber company."⁴¹

Gray's relative freedom in conducting the company's business kept him under constant suspicion, and at times he was charged with appropriating both lumber and money for himself. Even when the company found some of the charges true, however, Gray was not relieved of his management responsibilities, because, simply put, he made money for the company. Also, Gray's salary of \$20 per month was half what the company would have to pay a white supervisor. By 1855, this time with his company's approval, Gray was allowed to set up his own riverboat business hauling sand, lumber, and cordwood to the New Orleans market. Gray even hired another slave to assist him. Often, the more successful self-hired bondsmen hired other slaves as their employees. Charles Ball, for example, a self-hired bondsman, found employment in Savannah when he was hired by another slave who also "hired his time of his master at \$250 a year, paid in monthly installments." In addition to Ball, this slave employer had seven or eight men who worked for him in his business, an enterprise that specialized in short-term odd jobs.⁴²

⁴¹ John Hebron Moore, "Simon Gray Riverman: A Slave Who Was Almost Free," *Mississippi Valley Historical Review* 49 (Dec. 1962): 472-84. Also see Juliet E. K. Walker, "Slave Drivers," in *Dictionary of Afro-American Slavery*, for a discussion of slave intrapreneurship.

⁴² Robert S. Starobin, ed., *Blacks in Bondage: Letters of American Slavery* (New York, 1974), 38-41 on Simon Gray. Also see Charles Ball, *Slavery in the United States: A Narrative of the Life and Adventure of Charles Ball, a Black Man* (New York, 1837), 391. For autobiographies of other slaves who hired their own time and purchased freedom or escaped as fugitives, see Lunsford Lane, *The Narrative of Lunsford Lane, Formerly of Raleigh, North Carolina* (Boston, 1842); Frederick Douglass, *My Bondage and My Freedom* (New York, 1855), 328-29; Moses Roper, *A Narrative of the Adventures and Escape of Moses Roper, from American Slavery* (London, 1843); Henry Bibb, *Narrative of the Life and Adventures of Henry Bibb* (New York, 1849); William Wells Brown, *Narrative of William Wells Brown, A Fugitive Slave* (Boston, 1847); J. W. C. Pennington, *The Fugitive Blacksmith* (London, 1850); Pennington would become a proficient scholar in Greek, Latin, and German while studying theology. He was an internationally acclaimed antislavery speaker and was awarded the degree of Doctor of Divinity from Heidelberg University. For Pennington as a historian, see Clifton H. Johnson, "The First Afro-American History," *Crisis* 77 (1970): 296-98. Also see David O. White, "The Fugitive Blacksmith of Hartford: James W. Pennington," *Connecticut History Society Bulletin* 49 (Winter 1984): 4-29. For other examples of self-purchase, see *Slavery Records, Manumission and Fugitive Slaves*, Record Group 21, National Archives, Washington, D.C.



ELIZABETH KECKLEY

Like many former slave entrepreneurs, Keckley continued to develop her business after gaining her freedom. She employed a number of seamstresses in her Washington, D.C. dressmaking and designing business, and she was noted as Mary Todd Lincoln's dressmaker. (Reproduced from the frontispiece of Elizabeth Keckley, Behind the Scenes, or Thirty Years a Slave and Four Years in the White House [New York, 1868].)

Slave entrepreneurship and intrapreneurship thus provide examples of the great diversity of black business expressions that existed in the pre-Civil War free enterprise economy. As Julius T. Wendzel has noted, "the ownership of property is not essential to the enterpriser as enterpriser." Under capitalism, he emphasizes, "men without property can and do become leaders of economic activity."⁴³ With their profits,

⁴³ See Clement Eaton, "Slave Hiring in the Upper South: A Step toward Freedom," *Mississippi Valley Historical Review* 46 (1960): 663–78; Richard Morris, "The Measure of Bondage in the Slave States," *ibid.* 41 (1954): 219–40; John Hope Franklin, "Slaves Virtually Free in Antebellum North Carolina," *Journal of Negro History* 28 (1943): 284–310; Sumner Eliot Matison, "Manumission by Purchase," *ibid.* 33 (April

most antebellum slave entrepreneurs and intrapreneurs who succeeded in purchasing their freedom continued in business, either in the enterprises they had established while slaves or in new areas that further developed their talents. Richard Allen (1760–1831), who founded the African Methodist Episcopal Church in 1794, was a self-hired bondsman in Pennsylvania; he purchased his freedom for \$1,000 with money earned from his teamster business. While a slave, he had also been an itinerant preacher. On his death, his estate was worth \$25,000. Elizabeth Keckley (1818–1907), noted as Mary Todd Lincoln's dressmaker, purchased her freedom from slavery in St. Louis for \$1,200 with earnings from her dressmaking enterprise. In Washington, D.C., Keckley, who also designed dresses, had twenty seamstresses in her employ.⁴⁴

Manumitted at the age of forty-two, Free Frank soon opened a branch of his saltpeter enterprise in another county. He also speculated in land, accumulating over seven hundred acres on the Kentucky frontier in the 1820s. Moving to Illinois in 1830, Free Frank established a farm and continued his activities as a small land speculator, acquiring one thousand acres in that state. In 1836, the former slave founded a town, New Philadelphia, on the Illinois frontier in response to the speculative frenzy surrounding the building of the Illinois-Michigan Canal. By the time of his death in 1854 at the age of seventy-seven, Free Frank had purchased sixteen family members from slavery, for a sum amounting to over \$14,000, with the profits earned from

1948): 146–67. Traveler accounts also provide examples of self-hired bondsmen: James Buckingham, *The Slave States of America*, 2 vols. (London, 1842); Charles Lyell, *A Second Visit to the United States of North America*, 2 vols. (London, 1849); Frederick Law Olmstead, *A Journey to the Seaboard Slave States, with Remarks on Their Economy* (New York, 1859); Olmstead, *The Cotton Kingdom: A Traveller's Observations on Cotton Slavery in the American Slave States*, 2 vols. (New York, 1861); and James Redpath, *The Roving Editor, or Talks with Slaves in the Southern States* (New York, 1859). See also Frederic Bancroft, *Slave Trading in the Old South* (New York, 1931), and James Hugo Johnson, *Race Relations in Virginia and Miscegenation in the South, 1776–1860* (Amherst, Mass., 1970). Originally a doctoral dissertation (University of Chicago, 1937), *Race Relations* is insightful for information on self-purchase and free blacks. Julius T. Wendzel, *The Dynamics of Capitalism* (New York, 1956), 30.

⁴⁴ Richard Allen, *The Life Experience and Gospel Labors of the Rt. Rev. Richard Allen* (Philadelphia, Pa., 1888); Charles Wesley, *Richard Allen, Apostle of Freedom* (Washington, D.C., 1935); Carol V. R. George, *Segregated Sabbaths: Richard Allen and the Rise of Independent Black Churches, 1760–1840* (New York, 1973). Elizabeth Keckley, *Behind the Scenes, or, Thirty Years A Slave, and Four Years in the White House* (New York, 1868). For information on other self-hired bondsmen who continued business participation in the antebellum period after the 1820s, and achieved distinction after the Civil War, see William J. Simmons, *Men of Mark, Prominent, Progressive and Rising* (Cleveland, Ohio, 1887). See also Richard Bardolph, "Social Origins of Distinguished Negroes, 1770–1865," *Journal of Negro History* 40 (July 1955): 211–49. Among blacks who achieved business prominence before the 1820s were the merchant importer and exporter Paul Cuffe (1759–1817), a sea captain who owned several ships. See Paul Cuffe Papers, New Bedford Public Library, New Bedford, Mass.; Paul Cuffe, *Memoirs of Paul Cuffe* (New York, 1812); and Sheldon Harris, *Paul Cuffe, Black American and the African Return* (New York, 1972). Also see Tom W. Schick, *Behold the Promised Land: A History of Afro-American Settlers in Nineteenth-Century Liberia* (Baltimore, Md., 1980). Woodson, *Free Negro Heads of Families*, xli–xlii, provides examples of antebellum black businessmen who emigrated to Liberia. From 1820 to 1860, some 15,000 blacks emigrated to Liberia. Also see American colonization papers, Library of Congress, Washington, D.C.

the sale of town lots and his commercial farming enterprise and stock-raising activities, as well as from his other land sales.⁴⁵

ANTEBELLUM BLACK ENTREPRENEURIAL MOTIVATION

Since business profits are a function of the owner's human as well as nonhuman capital resources, one is led to consider the motivating forces that propelled antebellum blacks to participate in an economic system that not only discouraged black business involvement, but also forced most blacks, regardless of their legal status, to live in abject poverty and racial subordination. In addition to capitalizing on technological innovations, if entrepreneurship can also be understood as the ability to make unusual amounts of money using commonly available resources, then surely the motivating force for the business participation of the slave entrepreneurs was the hope that the profits earned would enable them to purchase their freedom. Antebellum free blacks viewed business activities not only as a means of escape from the degrading poverty of their lives, but as a basis for improving the socioeconomic status of the race as well.

Throughout the antebellum period, black leaders encouraged, if not exhorted, blacks to find some way to go into business. From the late eighteenth century, even the mutual aid and benevolent societies founded by free blacks provided banking and financial services for their members on a limited scale.⁴⁶ In his support of black business participation, Martin Delany said in 1852: "What is necessary to be done, in order to attain equality, is to change the condition and the person is at once changed. If, as before stated, a knowledge of all the

⁴⁵ For information on Free Frank's land transactions in Kentucky between 1821 and 1829, see Pulaski County, General Index to Surveyor Office Books; Pulaski County, General Index to Real Estate Conveyances, both in Pulaski County Courthouse, Somerset, Ky. See also Land Office, Warrants 5805, 16466, 16488, and 16470. Kentucky Secretary of State, Land Office, Frankfort, Ky. For Free Frank's Illinois land transactions, see Pike County Tract Index, Hadley-Berry (T4SR5, 6W), Pike County Courthouse, Pittsfield, Ill. For New Philadelphia town plat, see Pole County Deed Record Book, 9:182, Pike County Courthouse. See Walker, *Free Frank*, 162, for purchase prices of the Free Frank McWorter family. For the founding of New Philadelphia, see Juliet E. K. Walker, "Entrepreneurial Ventures in the Origin of Nineteenth Century Agricultural Towns: Pike County, 1832-1880," *Illinois Historical Journal* 78 (Spring 1985): 45-64.

⁴⁶ See Frederick Cooper, "Elevating the Race: The Social Thought of Black Leaders, 1827-1850," *American Quarterly* 24 (Dec. 1972): 604-25; Lance E. Davis and Peter L. Payne, "From Benevolence to Business: The Story of Two Savings Banks," *Business History Review* 32 (Winter 1958): 386-406; L. P. Jackson, "Negro Enterprise in Norfolk during the Days of Slavery," *Quarterly Journal of the Florida A & M College* 8 (April 1939): 5-12. James Blackwell Browning, "The Beginning of Insurance among Negroes," *Journal of Negro History* 22 (Oct. 1937): 417-32. On Martin Delany, see Victor Ullman, *Martin P. Delany: The Beginning of Black Nationalism* (Boston, 1971). See also Floyd J. Miller, "The Father of Black Nationalism: Another Contender," *Civil War History* 17 (1971): 310-19, on the Reverend Lewis Woodson, who in the 1830s stressed the importance of blacks' developing business enterprises and investing their money, principally in banking institutions. While Woodson advocated separate black business and communities, he did not support colonization. See Howard H. Bell, "Negro Nationalism: A Factor in Emigration Projects," *Journal of Negro History* 47 (Jan. 1962): 47 and Bell, ed., *Minutes and Proceedings of the National Conventions, 1830-64* (New York, 1969). For black emigrationist ideology,

various business enterprises, trades, professions, and sciences, is necessary for the elevation of the white, a knowledge of them is also necessary for the elevation of the colored man; and he cannot be elevated without them." As a basis for black business participation, Delany emphasized: "Let our young men and women, prepare themselves for usefulness, and business; that the men may enter into merchandising, trading, and other things of importance. . . . Educate them for the store and the Counting House to do everyday practical business. . . . What we need most then, is a good business practical Education."⁴⁷

Yet, for those antebellum blacks who did go into business, was the impetus simply the belief that establishing an enterprise offered the only means by which a degree of independence and economic self-sufficiency could be achieved? Or, in challenging the rationale that supported their subordinate status, was the impetus that distinguished antebellum black entrepreneurship the conviction that the American business community provided the major, if not the only, arena of racial competition, where winning success announced one's superiority of character and intelligence? If antebellum black business participation can be viewed from this perspective, then one might also argue, in a somewhat restricted sense, that black entrepreneurship can be understood from within the Schumpeterian framework of the "creative capitalist." Within this construct, factors other than the achievement of monetary success can be seen as providing the motivating force for business participation. As Joseph Schumpeter emphasizes in his *Theory of Economic Development*, entrepreneurial motivation for the "creative capitalist" also encompasses "the will to conquer, the impulse to fight, to prove oneself superior to others, to succeed for the sake, not of the fruits of success but of success itself."⁴⁸

Entrepreneurial success for the creative capitalist requires the ability to organize business ventures in a rational manner, so that opportunity can be grasped and risks minimized. And, from the perspective

see Floyd J. Miller, *The Search for a Black Nationality: Black Colonization and Emigration, 1787-1863* (Urbana, Ill., 1977), in which a Wisconsin black entrepreneur, Jonathan J. Myers, is described. For a discussion of the founding of Free Frank's town, New Philadelphia, within the context of antebellum black nationalist thought, see Walker, *Free Frank*, 113-21.

⁴⁷ Delany, *Condition of the Colored People*, 44, 192-93, 195. Not all blacks in the late antebellum period subscribed to the pursuit of wealth. The noted published poet, Frances Ellen Watkins Harper (1825-1911), abolitionist and supporter of the Free Produce Movement, which boycotted slave produced commodities, including sugar and cotton, said, "We have money among us, but how much of it is spent to bring deliverance to our captive brethren. Are our wealthiest men the most liberal sustainers of the Anti-slavery enterprise? Or does the bare fact of their having money, really help mould public opinion and reverse its sentiments? . . . Let us not defer all our noble opportunities till we get rich. And here I am, not aiming to enlist a fanatical crusade against the desire for riches, but I do protest against chaining down the soul, . . . to the one idea of getting money as stepping into power or even gaining our rights in common with others." *The Anglo-American Magazine* 1 (May 1859): 160.

⁴⁸ Joseph A. Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest and the Business Cycle* (Cambridge, Mass., 1936), 93.

of production, management, organization, and marketing, the business activities of antebellum black entrepreneurs, although limited in scope, differed only in degree from those of their white counterparts. Innovation, risk taking, and the ability to sense the wants of the consumer, the business acumen traditionally associated with entrepreneurial endeavors, were precisely the characteristics that distinguished the business activities of antebellum black businessmen. The market demand for the goods they produced or the services they provided required the expression of these entrepreneurial abilities.

Antebellum black entrepreneurship, then, was a reality. Yet, scholars in their examination of the pre-Civil War Afro-American historical experience have largely ignored the business participation of blacks, both slave and free, in the context of creative capitalism. With free blacks comprising only 10 percent of the antebellum black population, which numbered almost 4.5 million by 1860, historical emphasis has centered on the racial constraints limiting black business participation to marginal enterprises with minimal profits.⁴⁹ With few exceptions the strategies developed and the business expertise expressed by antebellum black entrepreneurs to surmount those racial constraints and establish business enterprises have not been identified. The limited financial success of many black enterprises should not detract interest from the entrepreneurial expertise required to transform menial and unskilled occupations into sustaining businesses, especially if one considers the societal constraints militating against black business participation.

Moreover, with prevailing historic assessments of the antebellum experience centered on plantation slavery, a tendency exists for some students of the Afro-American historical experience to subsume the larger antebellum black experience within the context of a patriarchal, labor-intensive, capital-extensive plantation social system. Hence, antebellum black entrepreneurial expression, slave or free, finds no place in those interpretations which emphasize a paternalistic master-slave relationship. While acknowledged as resentful, reluctant workers in exchange for the necessities of life, antebellum slaves derived psychological satisfaction from the knowledge that the livelihood of the slaveowners depended on their labor; this, rather than money payments, presumably sufficed as compensation for their unpaid labor. Within the context of those interpretations emphasizing slave bourgeoisification, antebellum slaves are presented as cooperative, almost

⁴⁹ John Cummings, *Negro Population in the United States, 1790-1915* (Prepared for the U.S. Bureau of the Census, Washington, D.C., 1918). See also U.S. Bureau of the Census, *Population of the United States in 1860* (Washington, D.C., 1964).

willing workers. Imbued with the Protestant work ethic, their ultimate desire, beyond some nebulous concept of freedom, was promotion within the occupational hierarchy of the slave community.⁵⁰

Seemingly, both interpretations imply a racial incapacity of blacks to understand, much less challenge, a market system in which monetary rewards, property ownership, and capital accumulation represent not only one's economic worth, but also a societal measure of the strength of one's character and abilities. Moreover, both interpretations reflect a failure to resolve the dilemma of the Afro-American acculturation/transculturation process, which can provide a basis for understanding antebellum black entrepreneurial motivation.⁵¹ While the acculturation process produced the Afro-American, it did not fully obliterate the heritage of individuation and family economy that existed in Africa, characterized by an entrepreneurial spirit based on the equality of men and women as free, independent producers with access to property for self-directed development in the production of goods and commodities for market.

Historians now readily acknowledge African participation in the slave trade, with its highly specialized commercial economies, but they fail to consider that the Africans brought to the New World had also lived and worked in that same political economy. With generational transfers of black business participation from the time of colonial settlement, a heritage of black business activity encompassing almost two centuries represented the legacy which paced antebellum black entrepreneurship.⁵² This historic continuity was reflected not only in the early establishment and persistence of marginal enterprises from the seventeenth century, but also in the development of black businesses paralleling mainstream American business activity in antebellum America.

⁵⁰ For views on the precapitalist paternalistic ethos seen in the antebellum master-slave relationship, see Eugene D. Genovese, *Roll Jordan Roll: The World the Slaves Made* (New York, 1974). For a discussion on the "capitalist character of slavery," see Robert W. Fogel and Stanley Engerman, *Time on the Cross: The Economics of American Negro Slavery* (Boston, Mass., 1974), vol. 1. For some assessments, see Paul A. David, Herbert Gutman, et al., *Reckoning with Slavery: A Critical Study in the Quantitative History of American Negro Slavery* (New York, 1976); Mark V. Tushnet, *The American Law of Slavery, 1810-1860: Considerations of Humanity and Interest* (Princeton, N.J., 1981); Allen Kaufman, *Capitalism, Slavery, and Republican Values: Antebellum Political Economists, 1819-1848* (Austin, Tex., 1982); and James Oakes, *The Ruling Race: A History of American Slaveholders* (New York, 1982), xiii, who considers "the profound impact of the market economy on the nature of slavery."

⁵¹ On slave acculturation, see John W. Blassingame, *The Slave Community: Plantation Life in the Antebellum South*, rev. ed. (New York, 1979); and Ira Berlin, "Time, Space, and the Evolution of Afro-American Society in British Mainland North America," *American Historical Review* 85 (Feb. 1980): 44-78. See also Walker, *Free Frank*, 38, for a discussion of the motivations of the self-hired bondsman, Free Frank, noting that his "motivation and energy after 1810 were derived not only from the satisfaction of being able to remain near his family and earn money for their freedom, but also from being now directly involved in an activity that judiciously weakened the social and economic fabric of the slave system."

⁵² For early black business activity and property ownership, see Peter Wood, *Black Majority: Negroes in South Carolina from 1670 through the Stono Rebellion* (New York, 1974), and T. H. Breen and Stephen Innes, "Myne Owne Ground": *Race and Freedom on Virginia's Eastern Shore* (New York, 1980).

This analysis of the motivation and economic behavior of antebellum black entrepreneurs, slave and free, does not, however, deny the bourgeoisification of antebellum blacks. The inclination toward and capacity for hard work, the desire for and the acquisition of material goods, wealth, and power are hardly exclusive to Western culture. Rather, this perspective emphasizes the existence of an antebellum black consciousness beyond that found in the system of reciprocal relationships inherent in a somewhat conceptually elusive patriarchal, paternalistic master-slave construct. Acculturation for antebellum blacks, both slave and free, or their bourgeoisification recognizes within the context of this analysis the existence of a black community consciousness which fully understood the system of reciprocal relationships inherent in America's free enterprise system of capitalist social market relations.

The existence of a black community consciousness that recognized the need for blacks to develop strategies to profit from, rather than to be exploited by, those market relations was clearly reflected in the concerns of antebellum black leaders, which intensified in the decade preceding the Civil War. The 1853 National Negro Convention, which was the largest and most representative of the antebellum black conventions, made plans for the organization of the National Council of the Colored People. The constitution of the new organization provided for a business relations committee charged with the following responsibilities:

"The Committee on Business Relations, shall establish an office, in which they shall keep a registry of colored mechanics, artizans and businessmen throughout the Union. . . . They also shall report upon any avenues of business or trade which they deem inviting to colored capital, skill or labor. Their reports and advertisements to be in papers of the widest circulation. They shall receive for sale or exhibition, products of the skill and labor of colored people."⁵³

That antebellum blacks, although few in number, participated in the business community, where some achieved a comparative degree of self-sufficiency, can thus be understood within the framework of an announced black community consciousness that transcends those theoretical constructs in which black definitions of self-advancement and achievement can be understood only within the framework of a pre-capitalist plantation social system. By 1860, of the 3.9 million slaves, some 400,000 lived in towns and cities; some 200,000 worked in industry; and 1.8 million worked on the cotton, sugar, and rice plantations. And, of the southern white population of eight million, by 1860

⁵³ "Proceedings of the Colored National Convention, held in Rochester, July 6th, 7th, 8th, 1853," *Frederick Douglass' Paper*, 1853, 18–19, Schomburg Collection, New York Public Library, New York City.

only 384,884 owned slaves, with 88 percent, 338,000 slaveholders, owning fewer than twenty slaves.⁵⁴ The antebellum slave population, then, was not monolithic in societal relationships or labor experiences. Urban and industrial slaves and self-hired bondsmen and hired-out slaves not only experienced the routine of capitalist market social relationships; doubtless they also defined their lives and futures, particularly the attainment of freedom, within a cash nexus.

Before the Civil War, then, expressions of black entrepreneurship were shaped by the black community, both slave and free, for the promotion of black economic interests rather than for the profits of slave-owners or white employers. Within this framework, antebellum black entrepreneurial expertise as it developed underscores Hugh Aitken's analysis of the management expertise which made for successful business ventures, particularly in America's nineteenth-century economy. "In a culture that sets a high value on growth and change, the particular modality [management style] that 'pays off,'" as Aitken suggests, "will be that which gives flexibility, anticipates events, and stays one step ahead of necessity."⁵⁵ In antebellum America, black business participation required an entrepreneurial expertise and motivation far beyond those which distinguished the business success of their white counterparts. It would be expected, too, that black entrepreneurs would have to show a higher than usual level of ingenuity and subtle aggressiveness in the development of their enterprises, as they contended not only with the same economic forces as white entrepreneurs, but also with societal and institutional racism and slavery.

The extent to which Louisiana's black entrepreneurs shared the economic concerns of the black community is, obviously, open to question. Doubtless those large plantation owners, managing labor-intensive enterprises and owning a hundred or more slaves, had thoroughly embraced the business ethos of plantation capitalism. Encouraged by a class and caste system that supported the distinctiveness of their Creole heritage, they capitalized on those societal advantages in the development of their business enterprises, allowing profits and privileges to take precedence over a common heritage of racial subordination. For the free people of color, support of the slave system was the trade-

⁵⁴ John Hope Franklin, *From Slavery to Freedom: A History of Negro Americans*, 5th ed. (New York, 1980), 132-33, 136. On industrial and urban slavery, see Robert S. Starobin, *Industrial Slavery in the Old South* (New York, 1980); Ronald L. Lewis, *Coal, Iron, and Slaves: Industrial Slavery in Maryland and Virginia, 1785-1865* (Westport, Conn., 1979); Wade, *Slavery in the Cities*; and Claudia Dale Goldin, *Urban Slavery in the American South, 1820-1860: A Quantitative History* (Chicago, 1976). Kenneth M. Stampp, *The Peculiar Institution: Slavery in the Ante-bellum South* (New York, 1956); and Leslie Howard Owens, *This Species of Property: Slave Life and Culture in the Old South* (New York, 1976).

⁵⁵ Hugh C. J. Aitken, "The Future of Entrepreneurial Research," *Explorations in Entrepreneurial History*, 2d ser. 1 (Fall 1963): 6.

off for the preservation of their economic position. Despite their quasi-free legal status, as Ira Berlin explains, in the South “many free Negroes, especially the elite, depended on white protectors to reduce the risks of living in a slave society to improve their chances for material prosperity. They strengthened their relationships with whites by patronizing white merchants and tradesmen—and thereby retarded the development of Negro-owned businesses. . . .”⁵⁶

Yet the black elite—even the entire antebellum free black population—did not exist in sufficient numbers, or possess the degree of wealth, that would have made either the success or failure of all black business contingent on their support. In the communities where they lived, black businesspeople supported each other and provided employment for other blacks, even backing them in business ventures when possible. If they deferred to whites, it was because, despite their “pretensions,” they had no illusions about their status as people of African descent. As one entry in the Dun ledgers reports, in response to a query regarding the race of Reggio and Rillieux, “They are white enough for all ordinary purposes [and] we have no doubt would pass in New York as pure white. Nevertheless they are *colored*, [and] stand in the same position under the law here as if their skin was black as ebony.”⁵⁷

Leidesdorff provides the only known example of an antebellum black entrepreneur who achieved business success by passing as white. Those leading black entrepreneurs who developed their enterprises within the constraints of societal racism, however, were also people of uncommon ability. They, too, possessed remarkable business acumen. Moreover, they did not deny their African heritage—which was certainly a real possibility for many free people of color—or focus all of their energies on their business activities. In Pennsylvania Stephen Smith and William Whipper, the wealthy lumber merchants, James Forten, the sailmaker, his son-in-law, Robert Purvis, and William Goodridge played leading roles in developing the black communities in that state. While participating in local, state, and national antislavery activities, these representative antebellum black entrepreneurs

⁵⁶ See Whitten, “A Black Entrepreneur in Antebellum Louisiana,” 201–19, a study which estimates capitalization, production, and profits for the black Louisiana sugar planter, Andrew Durnford; Berlin, *Slaves without Masters*, 340. Berlin also admits that “Some freemen slipped through this fine web of discrimination and proscription, practiced lucrative trades, accumulated property, and grew in wealth. Part of this class, because of the independence their skills afforded or because of the support of black customers, stood aloof from whites. . . . But most of the free elite was intricately involved in the white economy . . . [and] they absorbed white values and ideals.” *Ibid.*, 249.

⁵⁷ R. G. Dun & Co. Collection, Louisiana, vol. 10, p. 328. See also Roger A. Fischer, “Racial Segregation in Antebellum Louisiana,” *American Historical Review* 74 (Feb. 1969): 926–37; Ira Berlin, “The Structure of the Free Negro Caste in the Antebellum United States,” *Journal of Social History* 3 (1976): 297–318.

also denounced the racism and discrimination confronting free blacks in the antebellum North. All contributed money to the abolitionist movement, and it was said of James Forten that "his own coffers were so generously opened that only the wealthy New York merchants, Arthur and Lewis Tappan, contributed more to abolitionism than he did."⁵⁸

PROPERTY, LAW, AND ANTEBELLUM BLACK ENTREPRENEURSHIP

Paradoxically, the most distinctive feature of the American free enterprise system, access to and protection of private property, was also the most important factor allowing blacks, slave and free, to participate in the antebellum economy as entrepreneurs. In his discussion of the relationship between economic freedom and political freedom, Friedman also provides insight into understanding the legal basis which permitted slave entrepreneurship when he notes that "Capitalism and the existence of private property provided some checks on the centralized power of the state."⁵⁹ That is, while slave laws made it illegal for slaves to hire themselves out, few states interfered with the property rights inherent in slave ownership. Acting with impunity and in their own economic self-interest, slaveholders allowed their slaves to hire their own time and to participate in the commercial life of the antebellum community not only as wage earners, but also as businesspeople. Inherent in the ownership of private property in the American free enterprise system is the right not only to protect one's interest in one's own property, but also to manage that property without restrictions or interference. In the newly developing American economy, the protection of the right to private property was so important, as Herbert Aptheker explains, that "Everywhere in the ante-bellum United States the right of a slave to accumulate, with his master's permission, his own personal property—or peculium—was recognized, either by law, judicial decision, or custom."⁶⁰

The same principle that protected the property rights inherent in

⁵⁸ Ray Allen Billington, ed., *A Free Negro in the Slave Era: The Journal of Charlotte L. Forten* (New York, 1953), 18. See also Benjamin Quarles, *Black Abolitionist* (New York, 1968); Leon Litwack, *North of Slavery: The Negro in the Free States, 1790-1860* (Chicago, 1961); and Bell, *National Negro Convention*, for information on their antislavery activities. On two occasions, the Columbia lumberyard of Smith and Whipper was burned in opposition to their abolitionist activities. See *New York Weekly Advocate*, 1 Jan. 1837, and *Boston Liberator*, 21 Dec. 1849. For the underground railroad activities of Smith, Whipper, Goodridge, and Purvis, see Charles L. Blockson, *The Underground Railroad in Pennsylvania* (Jacksonville, N.C., 1981), 37, 83, 88-91. For the underground railroad activities of Free Frank McWorter, in both Kentucky in the late 1820s and in Illinois between 1830 and 1850, see Walker, *Free Frank*, 11, 149, 150, 200n10. See also M. Weeks, "John P. Parker: Black Abolitionist Entrepreneur, 1827-1900," *Ohio History* 80 (Spring 1971): 155-62.

⁵⁹ Friedman, *Capitalism and Freedom*, 10.

⁶⁰ Aptheker, "Buying Freedom," 33.

JAMES FORTEN

A Philadelphia sailmaker and inventor, Forten amassed a considerable fortune. He contributed generously to abolitionist causes and was a supporter of William Lloyd Garrison's Liberator. (This, and the other two portraits on this page, are reproduced courtesy of the Historical Society of Pennsylvania, Philadelphia, Pa.)

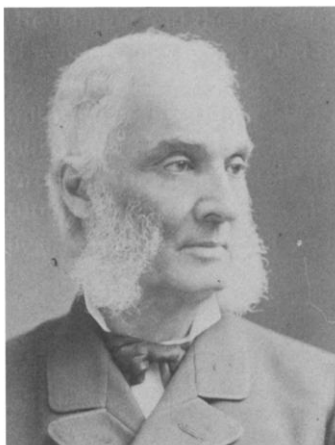


STEPHEN SMITH

A Pennsylvania lumber and coal merchant, Smith was able to withstand antebellum economic fluctuations and to keep his business on a firm footing. In addition to his lumber and coal yard, Smith was also actively engaged in real estate speculation.

ROBERT PURVIS

Of mixed English and black ancestry, Purvis was sent to a private Philadelphia school for black children and later attended Amherst College. He married the daughter of James Forten and gave great financial support to the abolitionist and women's suffrage movements.



slave ownership, and that allowed slaves access to personal property, also extended to the protection of the property rights of free blacks. Black property ownership was established in seventeenth-century colonial America, at the same time that the system of slavery was worked out as an established institution. Despite the erosion of civil rights and political liberties confronting free blacks in the eighteenth century, including various attempts to deny blacks the right to property ownership, the need to provide unqualified guarantees in the use of property was even more important and took priority. The framers of the Constitution in 1787 consequently did not move to suppress black property ownership, although, as Friedman has emphasized, "The failure to impose such barriers clearly did not reflect any special concern to avoid restrictions on Negroes." More important, as Friedman also suggests, the concern "reflected rather, a basic belief in private property which was so strong that it overrode the desire to discriminate against Negroes."⁶¹ Access to the ownership of private property, despite racism which operated to restrict its uses, thus provided an opportunity for free blacks to establish business enterprises in America before the Civil War's promise of freedom.

On the other hand, that so few blacks were entrepreneurs and that their successes were limited also indicate that, in antebellum America, laws, customs, and traditions worked together to minimize black access to the acquisition and development of private property. Paradoxically, in a society where the presumption was that anyone of African descent was a slave, and where slaves lived under a status definition of chattel property, it was the very sanctity of private property in American life and thought that allowed blacks, slave and free, to participate in the antebellum economy as entrepreneurs. That black entrepreneurship and black slavery could coexist in antebellum America, then, is not surprising. The economic activities of blacks were profitable and contributed, although in distinct ways, to the developing economy of antebellum America.

Virtue, as William H. Hutt suggests, has never been the basis for the operation of the free market system, nor can one claim "that the free market which releases the 'liberating force' has been motivated by altruistic sentiment." In a free market system such as Hutt sets forth, the buyer is not asking "What was the colour of the person who makes it? Nor do we ask about the sex, race, nationality, religion or political opinions of the producer."⁶² Rational economic behavior in the free

⁶¹ Friedman, *Capitalism and Freedom*, 109.

⁶² W. H. Hutt, *The Economic Consequences of the Colour Bar: A Study of Economic Origins and Consequences of Racial Segregation in South Africa* (London, 1964), 173-75.

enterprise system is self-serving, explains Hutt, and the primary concern is whether the price demanded represents good value for the commodity or service offered. With price the ultimate concern of the consumer who commanded the marketplace, antebellum black entrepreneurship afforded reciprocal profits for both the consumer and the black entrepreneur. The profit motive, underscoring the expansion of America's preindustrial antebellum economy, thus allowed for the expression of black entrepreneurial expertise.

Even in a racist slave society in which "blacks had no rights that whites were bound to respect," the antebellum Afro-American entrepreneur, particularly the leading wealthholders, operated in a business community of like-minded people. Interpreting the totality of the antebellum black experience solely within a macroeconomic framework that is limited to slavery and that excludes black business participation encourages the tendency to separate law from the reality of capitalist social market relations. While laws are enacted to embody, preserve, and enforce societal values, within the context of America's antebellum profit-oriented market system they also illuminate practical experiences and popular sentiment. As Max Weber explains, "The limitation of successful legal coercion in the economic sphere lies in the relative proportion of strength of private economic interests on the one hand and interests promoting conformance to the rules of law on the other. The limitation to forego economic opportunity simply to act legally is obviously slight. . . ." ⁶³

Within the antebellum free enterprise system, then, ambivalent market considerations sanctioned a form of commercial dualism, particularly in the South. Often consumer demand was met more efficiently and at less cost in the marketplace, especially on the local level, when black businesspeople were allowed a degree of entrepreneurial freedom in the management of their enterprises, despite the obvious denial of their freedom or absence of civil liberties outside of the marketplace. Even in the North, personal service occupations translated into profitable business enterprises, particularly those that catered to the white elite. In the case of the lumber and coal merchants, antebellum black entrepreneurs had captured limited alternative goods markets in which consumer price preferences took precedence over prejudice.

⁶³ Max Weber, *Max Weber on Law in Economy and Society*, ed. Max Rheinstein (Cambridge, Mass., 1954), 38.

CONCLUSION

The diversity seen in the business activities of antebellum black entrepreneurs reflects both societal and economic responses to a complex array of social attitudes, institutional racial constraints, technological innovations, and frontier land settlement patterns, as well as changing patterns of urban life in the nation's cities. The expansion of the nation's economy before the Civil War encouraged black entrepreneurial participation. In the unstructured business environment of preindustrial antebellum America, moreover, specialized knowledge beyond that of apprenticeship was not required for business participation. Before the mechanization of industry and the mass production of goods, entrepreneurial opportunity existed for the development of individually owned profit-making enterprises, especially those that produced for the local market. The 1820s had marked the critical decade of economic transformation. With the beginning of rapid urbanization, the continuous westward movement, and the development of new frontiers, a vacuum existed in America's preindustrial economy that did not preclude black participation in the antebellum business community as entrepreneurs within the tradition of creative capitalists. Most important, extensive venture capital was not required in the initial capitalization of many of the businesses established by antebellum blacks.

The historical significance of antebellum black entrepreneurship has yet to be considered within the broader frame of American business history. The low participation rate of blacks in the pre-Civil War business community and the comparatively limited profits earned seem insignificant as a basis for historical inquiry. While it has been estimated that only 2,300 black business enterprises were in existence at the time of the Civil War, this figure fails to consider the number of enterprises in which slaves participated as entrepreneurs or the number of black enterprises that existed before the financial crisis of 1857. Yet, despite a historic tradition of black business participation and an increase in the absolute numbers of black businesspeople since the Civil War, my research shows comparatively little change in the proportion of blacks engaged in business today from the proportion of blacks, both slave and free, who participated as entrepreneurs in America's antebellum business community.⁶⁴

Before the Civil War, blacks in business had to contend not only with institutional racism, but also with the devastating and pernicious ef-

⁶⁴ See Walker, *Captive Capitalists*.

fects of slavery. That competitive black entrepreneurial expertise existed in the nation's preindustrial business community is attested to by nationwide licensing laws and societal constraints that systematically militated against black business participation before the Civil War. An historical assessment of antebellum black entrepreneurship, then, not only broadens the scope of inquiry in the study of the pre-Civil War experiences of Afro-Americans, it also offers insight into a relatively unexplored area of the American free enterprise system. The expression of antebellum black entrepreneurship underscores the contrapuntal balance between law and society in an economic system which was fundamentally capitalist, but in which some of the capitalists were not fundamentally free.