

EARLY AMERICAN STUDIES

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Exploring neglected aspects of our colonial, revolutionary, and early national history and culture, Early American Studies reinterprets familiar themes and events in fresh ways. Interdisciplinary in character, and with a special emphasis on the period from about 1600 to 1850, the series is published in partnership with the McNeil Center for Early American Studies.

CAPITALISM  
— BY —  
GASLIGHT

Illuminating the Economy  
of Nineteenth-Century America

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consolidation before the Civil War than it did in England. In America totting a backbreaking peddler's pack to rural customers provided an essential apprenticeship far more advantageous to Jews than collecting and hawking cast-off clothing. It was no accident that in the decades before and after the Civil War, many of the Jews who opened garment factories came not from the ranks of used clothing dealers or skilled tailors—who would have had to abandon their traditional craft to do so—but from men who had begun their careers as peddlers.

By the 1880s, the retailing and manufacturing of new clothing had displaced peddling and dealing in used clothing from the center of the Jewish ethnic economies of England and the United States. Although neither occupation disappeared as options for immigrants, the move into mass manufacture transformed a staple industry of the Jewish working class. The arrival of hundreds of thousands of poor Jewish immigrants from eastern Europe with basic tailoring skills—many of whom would likely have otherwise started as ragmen or peddlers—provided an easily exploitable labor pool for the expansion of the subcontracting system. Whereas once many of the poor and recent immigrants found employment in the various branches of the used clothing trade, now they became the poorly paid sewers and cutters who underpinned the piecework system. Without earlier Jewish dominance of the used clothing business, however, this outcome would have been unlikely.

This shift within the ethnic economy occasioned change in the representation of Jews and Jewish economic life in popular culture. Over time, the popular tropes that associated Jews with Chatham Street were displaced by a changing commercial reality in New York and other cities. By the 1880s, Jewish clothing and dry goods firms, many owned and operated by former peddlers and their sons, were far more prominent on Broadway than on Chatham Street. And the clothing trade had also moved on. Although many poor consumers continued to rely on secondhand clothing, inexpensive ready-mades were plentiful and commanded much more attention. Though Chatham Street no longer played the same role in the secondhand economy as it once had, Jews remained a useful focus for anxieties about American capitalism. These concerns, however, now reflected anxieties about mass production. The Jewish sweatshop owner, a putative exploiter of immigrant workers, was demonized for undermining craftsmen and bastardizing honest labor. Even as one set of stereotypes declined, another rose to take its place.

## CHAPTER 5

### Lickspittles and Land Sharks

#### The Immigrant Exploitation Business in Antebellum New York

BRENDAN P. O'MALLEY

In August 1844, William Brown, a clothier from Leeds, sailed from Liverpool to New York with his family in a second-class cabin aboard the packet ship *Oxford* of the Black Ball Line. The vessel carried roughly three hundred Irish passengers in steerage. As the ship glided across New York's Upper Bay at the end of the journey, Brown admired the "splendid city" coming into view. He noted "the steeples of numerous churches" that were "glittering in the sun like gold and silver." Brown posited that from this vantage point, a weary traveler arriving in the "Empire City" for the first time might be led to believe that "if a paradise exists in the sublunary world, it is here."<sup>1</sup>

But at the moment the ship moored at the pier, a ferocious clamor burst Brown's reverie. "A gang of 300 or 400 ruffians, calling themselves runners, jump[ed] on board, [and] beg[a]n, very much in the style of plunderers or pirates, seizing hold of the passengers' baggage, and endeavoring to persuade them to go to some inn or lodging house which they represent." Competing runners denounced each other, assuring a newcomer that if he went with a rival, "you certainly will be robbed and perhaps have your throat cut if you entrust yourself and baggage into his hands." Brown lamented that "the swearing and fighting of these runners, the shouts of the passengers, the crying of the women and children, make as great a confusion as ever was heard at Babel."<sup>2</sup>

Up close, Brown found the appearance of the runners "the most disgusting possible." They dressed "without coats, without cravats, with shirt necks flying open," and held a "large roll of tobacco in each cheek, the juice from which exuded down the corners of their mouths." They appeared to him "a mongrel breed, half Indian and half Irish," and probably because of their tanned visages, he likened their physiognomy to that of gypsies in England. According to Brown, runners made their living by luring travelers to "lodging-houses and grog shops" where the proprietors would pay a small fee for each traveler brought in. Innkeepers would then charge exponentially higher rates than the runner had promised for room, board, and luggage storage, holding baggage hostage until the bill was paid. Brown claimed that runners would augment their income by stealing passengers' trunks outright, stating that twenty-seven trunks owned by the *Oxford's* steerage passengers vanished in this way. He declared this state of affairs "a disgrace to the police of the city to allow passengers to be robbed by such a race; but there has been no effectual stop put to their depredations, although every vessel with passengers suffers by them."<sup>3</sup>

Brown was far from the only writer to depict the waterfront predations of the "emigrant runner." By the 1840s, the runner had earned a place among other mythic archetypes in the city's pantheon of entrepreneurial lowlifes, joining the "sporting man" who gambled to support himself, the prostitute and brothel keeper, the "Peter Funk" mock auctioneer, the pick-pocket, and the shoulder-hitter on the politician's payroll. A broad spectrum of publications related the activities of these underworld figures, starting with the "penny press" of the 1830s, the even more lurid but short-lived weekly "flash press" of the early 1840s, and the American version of the "mysteries of the city" genre pioneered by Ned Buntline and George Foster a few years later.<sup>4</sup> The figure of the runner also played into a developing conceit that Edwin Burrows and Mike Wallace claim is reflected in the "Primal Deal" of the mythical \$24 purchase of Manhattan by the Dutch: "New Yorkers love yarns about city slickers scamming rural suckers."<sup>5</sup> Even reporters for the respectable metropolitan dailies knew runners made good copy. Such writers not only condemned the immigrant exploiters and demanded greater government oversight but also delighted in lavishing vivid monikers on these rogues: crimps, harpies, land-pirates, land-sharks, man-catchers, sharpers, touts, "boarding-house black-legs, leeches, or lickspittles," and "hordes of soulless vampyres."<sup>6</sup>

Writers and policymakers returned again and again to the figure of the runner since he was one of the most visible workers within the emerging

commercial system of mass transatlantic migration. The inner workings of this system remained opaque to the outside observer, but its results were plain to anyone witnessing the fresh arrivals who disembarked on the city's piers every day. The annual number of newcomers in the United States first broke the 50,000 mark in 1832 and hit 100,000 a decade later; by 1846 the number topped 150,000 and then doubled to 300,000 in 1849. They came in the wake of the Irish famine and political, economic, and social upheaval on the European continent, and it was the Port of New York where the great majority of these newcomers landed.<sup>7</sup> Between 1840 and 1860, customs officials recorded about three million "alien passengers" entering the United States by sea, and roughly 75 percent of these passed through lower Manhattan's congested waterfront.<sup>8</sup> The "respectable" businessmen who profited from this system—shipowners, railroad investors, and owners of canal boat lines among them—operated at a significant remove from it and were thus hard to hold accountable for conditions within it. Ships involved in the steerage trade, for example, were rarely owned by one individual. Multiple shareholders, rather, pooled their resources to minimize any one individual's risk and responsibility.<sup>9</sup> Government efforts to regulate and reform this system, therefore, proved exceedingly difficult because it was often nearly impossible to identify and punish a responsible party.

The runner, unlike the behind-the-scenes commercial investor in transportation companies who may or may not have engaged in predatory practices, *was* visible on ship decks, wharves, and streets, an embodiment of the moral qualms and anxieties Americans had about the business of mass migration. Indeed, outrage generated by runners' exploits drove the rallying cry for reform. In 1847, the New York State Board of Commissioners of Emigration was established as the first government body designed to protect immigrant welfare and regulate immigrant transportation in the United States.<sup>10</sup> The board struggled for several years to establish its legitimacy as the exploiters sought to undermine it at every turn. The commissioners did not make much progress in their war against runners and their ilk until they secured a beachhead at Castle Garden, the War of 1812-era fort-turned-theater in Battery Park. In the summer of 1855, the board converted the structure into the world's first immigrant landing station, at last putting vulnerable newcomers behind thick sandstone walls, out of the reach of the land sharks.

Runners and their constituent businesses proved so difficult to regulate because they occupied an economic and legal "in-between" space in a new transatlantic mass commerce in humanity and could represent themselves as

legitimate businessmen when they needed to do so. Well-intentioned laws and government authorities lagged behind new developments in mass migration, ill-equipped to deal with the reality before them, much like the ways governments now struggle to regulate Internet commerce. Contrary to the persistent myth that the antebellum United States was a nearly stateless, *laissez-faire*, free-market utopia, legal historian William Novak has argued that local and state governments occupied a robust place in people's lives.<sup>11</sup> And yet, the intensely local nature of most regulatory regimes made them woefully inadequate to deal with the new mass circulation of goods and people that accompanied the economic "revolutions" of the 1830s and 1840s. Immigration was a prime example of this state of affairs, especially in the nation's busiest port. Before 1847, the city and state of New York still employed local, eighteenth-century strategies, based on English poor law tradition, to cope with the onslaught of "strangers." These mechanisms, including the requirement that shippers post a bond or pay a fee to city authorities for each steerage passenger in case he or she became a public charge, proved incapable of providing for the needs of the large volume of people flowing through and being stranded in the city. The bonding system, for example, was more effective at giving city officials opportunities for corruption than providing meaningful support for immigrants.

Most observers agreed that runners' abuses needed to be curbed, but opinions about the transatlantic immigration business as a whole varied greatly. Defenders of immigration, like one 1836 editorialist, saw it as "the main source of our prosperity," noting that immigrants had "cleared the forest, dug the canals, and built the cities of our country."<sup>12</sup> Yet many Americans viewed mass migration as an almost existential threat to their society, political system, and economy. In the 1830s and 1840s, they struggled to define what constituted economic independence in an environment in which wage labor was becoming more prevalent, and since many newcomers were seeking jobs that paid wages, their presence fed these anxieties. Not a few American thinkers and policymakers, like Maine Free Soiler George Weston, feared that European "pauper labor" might infect and degrade "free" American workers.<sup>13</sup> These anxieties were reflected in Americans' belief that, after England's Parliament passed Poor Law reform legislation in 1834, English and other European municipalities were paying the transatlantic passage fare of workhouse and prison inmates to "dump" them on the young Republic.<sup>14</sup> Although evidence suggests that the practice was rare, the figure of the "foreign

pauper" served as effective political cover for immigrant exploiters: many Americans did not care whether or not an immigrant's impoverishment happened before or after landing; what mattered was that almshouses in the major port cities were filling up with the foreign-born and creating a significant public burden.<sup>15</sup>

The image of the steerage passage business was also tainted by the fact that it bore more than a passing resemblance to the ways unfree laborers had been introduced into the country in the not-so-distant past. The legal Atlantic slave trade shut down in 1808 and the indentured servant trade had collapsed by 1820, but for decades afterward, the steerage trade could not shake its associations with bonded labor.<sup>16</sup> For some Americans, the possibility that certain shippers were profiting from the importation of those likely to be economic dependents cast a shadow on the immigrant passenger business. Most white northerners opposed both slavery and abolition because they believed that African Americans threatened their own freedom and well-being, and many saw immigration in similar terms. Immigrants who scraped together \$15 to \$25 for steerage fare from Liverpool to New York had not passed a bar high enough to assuage anxieties about disease, immorality, and threat to the social order in the way that cabin passengers—people of independent means who could afford \$80 to \$100 for first-class passage—did. Poverty, low moral character, and susceptibility to infectious disease remained firmly linked in the minds of middling and elite Americans, although advances in public health were beginning to challenge these linkages.<sup>17</sup>

Carrying steerage passengers was a lucrative business, and New York's wealthiest and most influential merchants enjoyed substantial earnings from it. Through influential bodies like the New York Chamber of Commerce, they took an active interest in shaping legislation, making sure it would not impinge on the trade's profitability.<sup>18</sup> In the 1840s, the city's merchants owned most of the packet lines that dominated not just the immigrant trade but nearly all commerce between New York and its chief transatlantic partner, Liverpool. New York merchants created the Black Ball Line in 1817, the first service with a fixed schedule of transatlantic departures. Before this time, almost all transatlantic ships delayed departure until their holds were full. Packets initially carried fine freight and first-class cabin passengers, leaving steerage passengers to transient vessels that did not sail on fixed schedules. But as steamships in the late 1830s and early 1840s began to steal away lucrative first-class cabin passengers and fine freight, packet owners increasingly



turned to steerage passengers to fill their vessels on the return trip to New York.<sup>19</sup> While visiting London in 1848, Robert B. Minturn, one of New York's preeminent "merchant princes," testified before a parliamentary committee on emigration, stating that "the amounts paid for the passage of emigrants go very far towards paying the expense of [the] voyage of ships from America to Europe and back."<sup>20</sup> When the decision was made to carry migrants instead of freight in steerage, carpenters hastily erected pinewood bunks, "knocked together with coarse planks" and looking "more like dog-kennels than any thing else," according to the narrator of Herman Melville's 1850 novel, *Redburn*.<sup>21</sup>

Respectable shipping firms kept their distance from the rough-and-tumble business of recruiting steerage passengers. They turned this task over to the middlemen of the transatlantic system: the "passenger broker." By the 1850s, there were over fifty such brokerages in Liverpool, some viewed as respectable, and others not.<sup>22</sup> In that city on the Mersey, brokers and boarding-house keepers would employ runners in a manner that mirrored the system in New York. Some passenger brokers would send runners far out into the Irish countryside, luring many to emigrate by promising high wages and easy living across the Atlantic and bargaining fare prices that would not be honored in Liverpool, earning them the sobriquet "man-catchers." Some Liverpool brokers followed British restrictions on the number of passengers a ship could carry per its tonnage, but others employed a variety of tactics to evade such restrictions, like manipulating the passenger lists submitted to the naval officer in charge of enforcing the passenger laws. Most often, brokers would contract an entire steerage deck of a ship, enabling them to pack it as densely as they could while still evading scrutiny. Some were also boardinghouse keepers and sellers of victuals, and they would bribe captains to delay departure of transient vessels to squeeze out a few more nights of room and board. Several brokerages were situated along Goree Plaza, where Britain's most prominent slave traders had headquartered before 1807, drawing out inevitable comparisons between slave and steerage trades.<sup>23</sup>

Having survived the treachery of Liverpool's shady runners and passenger brokers and the crossing of the turbulent North Atlantic, new arrivals had to run the gauntlet yet again upon entering the Port of New York. The process usually began when an immigrant ship anchored in the Narrows between Staten Island and what is now Brooklyn so that a state health inspector could board the vessel. At this point, if passengers were deemed healthy and not detained at Quarantine, the ship could continue across the bay to

Manhattan. Runners used this moment to their advantage, bribing captains or using force to come aboard the vessel. This "head start" was a significant competitive advantage, because once the vessel carrying passengers landed at a Manhattan dock, the total chaos that William Brown had observed would ensue. As the gangplank lowered to the dock, a new wave of predators rushed on board.<sup>24</sup>

Most runners appear to have been Irish or German immigrants themselves who used exaggerated promises and other modes of verbal persuasion in native tongues to convince the newcomers to engage their services. But if runners' words failed to elicit trust, they would "take charge of [the immigrants'] luggage, and take it to some boarding house for safe keeping, and generally under the assertion that they will charge nothing for carriage hire or storage."<sup>25</sup> Cartmen and "baggage smashers"—adolescents who would carry bags for an exorbitant fee—would also use this tactic to secure custom.

Runners in New York were usually of two distinct types: those who corralled their charges into boardinghouses and those who solicited business for establishments selling tickets for inland transportation, often called "forwarding offices" or "express offices." Boardinghouse runners often shepherded newcomers to Washington Street, which parallels the North River waterfront and in the 1840s was lined with inns catering to immigrants. Keepers of these establishments paid the most productive runners on a monthly salary, while others received a per-head piece rate.<sup>26</sup> A reporter for the *Brooklyn Eagle* strolling down Washington Street in June 1846 observed, "From the Battery up to Courtland [*sic*] street is a series of the most squalid habitations, each one being fitted out in the lower story as a low groggery. These places were teeming with newly arrived immigrants, in all manner of costumes, and speaking all manner of dialects, from the ancient Erse and Teutonic, to the modern low Dutch."<sup>27</sup> For room and board, proprietors would charge immigrants "three or four times as much as they agreed or expected to pay, and exorbitant prices for storing their luggage, and in the case of their inability to pay, their luggage is detained as security."<sup>28</sup>

While boardinghouse runners worked within a local circuit, those representing passenger forwarding offices operated within more geographically expansive networks that shadowed those established by operators of packet lines between New York and Liverpool or railroads between Albany and Buffalo. Forwarders in New York frequently coordinated scams with agents in Albany and other transfer points along the route to the Great Lakes and shared the profits. One common tactic was for a runner to represent a ticket

to Albany as one for Buffalo and charge an immigrant the full passage price to the city on Lake Erie. As 1847 testimony to a New York state legislature committee tasked with investigating immigrant exploitation explained, "A pretence is also often set up for not honoring these tickets, that the freight is not paid, or at least not enough has been paid upon the luggage, and the emigrant is either detained at Albany, or compelled to pay additional charges."<sup>29</sup> The worst scammers in this category were impostor ticket agents who collected fares and left to "go back to the office" to fetch the tickets, never to return. A reporter for the *New York Herald* noted in June 1845 that this practice was "quite common, yet the rogues are hardly ever detected."<sup>30</sup>

Ticket brokers and passenger forwarders could also make considerable profits by funneling immigrant passengers into upstate transportation networks. In the 1840s, canal boats remained dominant modes of carrying immigrants across upstate New York. Passengers could choose either an express "packet" or a slower "line" boat along the canal system. If they were willing to pay more, they could use some combination of canal boats and short rail lines to quicken the pace. By 1851, two cross-state rail lines had been completed: the Erie Railroad across the state's Southern Tier, and several small lines that together comprised an Albany-to-Buffalo link. Canal boats gradually began to lose favor to these faster conveyances.<sup>31</sup>

By 1848, a hard-nosed steamboat proprietor named Isaac Newton and his forwarding firm of Newton, Wolf and Ruschmuller had gained a monopoly over transporting immigrant passengers to railroad connections along the Hudson River. In May of that year, an independent passenger forwarder named "R. Schoyer" wrote to Erastus Corning, the industrialist, railroad investor, and former mayor of Albany, knowing that Corning had considerable influence over several railroads, including the Utica and Schenectady and the Michigan Central. Corning would also soon preside over the consolidation of the New York Central Railroad in 1853.<sup>32</sup> Schoyer tried to convince Corning to rethink Newton's monopoly, arguing that he could carry passengers more cheaply and that competition would be advantageous to the railroad: "it is a question of great importance for the R.R. Co. to decide whether it is best to give one person a monopoly or to place all forwarders on a footing and thus make it the interest of all to work for the R.R."<sup>33</sup>

Schoyer claimed that he would have 10,000 to 15,000 immigrants from Europe consigned to him that season, but seemed aware that Corning might have some suspicions about his respectability. To assuage Corning's fears,

Schoyer offered to send along his account books to show that he had not overcharged passengers in the past: "I am pleased to have the opportunity to do away with the mischievous reports you had of me." Schoyer further built his case for respectability by noting that he removed his trade from the canal the previous year because he viewed those who controlled access to it at Albany as thuggish fraudsters who used intimidation and tampering with luggage scales to enable overcharging. And he claims to have done so despite the possibility of harm to himself. "I was the first and only one in this city who withdrew the business from that chanal at the risk of being *killed* by a *slug shot* from one of their *Bullies*."<sup>34</sup> Fighting his less-than-sterling reputation, Schoyer depicted himself as unwilling to engage in fraud and violence like the Albany canal forwarders. By cultivating the appearance of an honest businessman, perhaps Schoyer was casting his lot with the future direction of the business, in which the canal forwarders' brutish practices would no longer be acceptable after respectable men like Corning had gained control.

Runners of all sorts were successful in ways that other commercial entrepreneurs were successful, by developing influential local and regional contacts, understanding the possibilities provided by transportation systems, and marshaling information about the movement of people that their customers did not have. They possessed qualities that accorded with the ascendant free-market ethos of the day—ambition, persistence, and the perpetual seeking of competitive advantage—but to a grotesque extent. Their ready use of violence and intimidation marked their position outside the boundaries of respectability upheld by wealthy and powerful merchants and professionals. Runners had not forged their business practices within the genteel environment of the counting-houses, but rather in the context of the rough, hypermasculine, working-class culture that emerged in American cities in the decades before the Civil War. The antibourgeois "sporting man" celebrated violence in the boxing ring, political arena, and saloon.<sup>35</sup> In this milieu of "shoulder hitters" and prizefighters, being good with one's fists made a man influential and respected.

So when runners' business contacts, their access to transportation and information, and their ability to persuade immigrants failed them, they resorted to the violent means that Schoyer condemned. The vulnerable political, economic, and legal standing of immigrants in tandem with the weak state of law enforcement in the city helped them get away with it. Even after a semi-modern police department replaced New York's antiquated sheriff and night watch system in 1844, the initial legislation limited its size to 800 men, a tiny

force for a city whose population would reach over 500,000 by 1850. Moreover, the force was scattered across the city, far more likely to be deployed in "respectable" neighborhoods than the waterfront. An 1853 letter writer to the *Tribune* noted, "It is a fact that on the docks where immigrants land, no other law exists than that of the fist. There is downright robbery. Few emigrants, even if they have the assistance of some friends residing here, can escape being plundered by baggage smashers, runners, and car[t]men." The writer observed that immigrants rarely pressed complaints in the courts against their victimizers, since "most of them don't stay in the City; justice is too slow; they don't know anything about our laws, and are glad to get away with their lives."<sup>36</sup>

While violence was a regular feature of antebellum urban working-class life, it was even more common among those who worked in the highly congested space of New York's waterfront. Maritime laborers in antebellum New York, including "sailors, riggers, boatmen, ferrymen, stevedores, and a variety of craftsmen whose work related to the shipping industry" were, according to historian Paul Gilje, "a rough lot. . . . Brawls broke out often. . . . The slightest confrontation could end with drawn knives and murder."<sup>37</sup> Runners operated in this milieu, and the vicious competition for trade between them frequently resulted in runner-on-runner violence. In December 1854, at the Chambers Street Pier on the North River, a runner for the Erie Railroad named Hugh Hagen announced to anyone who would listen that Dennis Carrick, a runner for another line, would overcharge immigrants for carrying their luggage. Carrick responded by swinging a cart rung—a heavy iron spoke that served as the nineteenth-century brawling equivalent of a tire iron—at Hagen's temple. A reporter observed the blow and saw Hagen crumple to the ground, bleeding from a "frightful wound, that will probably result in the loss of the life."<sup>38</sup>

Manhattan's waterfront was not only violent. It was a chaotic, disorganized, and peripheral urban space. Runners used the chaos of the waterfront and the neglect of authorities to their advantage. As historian David Scobey has argued, "The disorganization and blight of the waterfront . . . stood in stark contrast to New York's economic power and the natural endowments of its port. Ships commonly experienced delays of up to a week in landing their cargoes; the growth of trade, combined with an ad hoc method of assigning berth space, made it nearly impossible to obtain dockage without patience or bribery."<sup>39</sup> "Respectable" New Yorkers began to avoid the waterfront, and even Battery Park, once a fashionable promenade in the 1820s and 1830s, had by the 1840s lost this status as elites increasingly moved their residences far-

ther uptown and into the center of the island. The disorganized and dispersed layout of the waterfront itself made policemen's surveillance difficult, thus allowing runners to use intimidation and violence with little fear of intervention by city authorities.

But even if the police did arrest a well-connected land shark, the runner had little to fear because the political and legal system often failed to punish offenders. Runners applied intimidation and violence to commerce in much the same way Tammany applied it to politics; not surprisingly, shoulder-hitters and runners were often one and the same, as was the case with John Morrissey, a runner who later would gain fame as a bare-knuckle boxer and U.S. congressman.<sup>40</sup> Having cultivated political connections, runners often received preferential treatment from elected city judges during criminal proceedings. An 1859 *New York Times* editorial complained that a system that allowed a particular judge "to sentence a poor Irishman . . . to forty years for stealing six cents, and suspend sentence—or, in other words, release—on a shoulder-hitting emigrant runner, guilty of a murderous assault, is almost a caricature on criminal justice."<sup>41</sup> Another exasperated *Times* editorial published around the same time, mockingly titled, "Is Swindling Legal?" complained, "We read, almost daily, statements of persons who have been swindled by Peter Funk auctioneers, by emigrant runners, or by members of the fraternity of thieves, with the addition sometimes that the offender was made to refund the money. But why are these scoundrels let off on such condition? Is there no law to punish them?"<sup>42</sup>

The anarchic and lawless conditions on the waterfront made it difficult for reformers to rein in the immigrant exploitation business, but what made the problems even more intractable was that corrupt government officials charged with regulating immigration frequently profited from the status quo. Municipal authorities of the City of New York administered an antiquated system that in theory provided for the immigrants who became indigent. The state legislature passed the law in 1824, a time when national immigration rarely exceeded 10,000 people. It required shippers to post bonds for every "emigrant passenger" who landed in the state, with each being recorded by the mayor's office. In addition, shippers had to pay a "head tax" to support the Marine Hospital at Quarantine on Staten Island where sick immigrants and sailors were treated. If the newcomer became a public charge within two years after landing, the city's almshouse commissioners called in the bond to pay for that individual's support.<sup>43</sup> Shipowners found the bonds burdensome, especially as the volume of immigration increased in the late 1820s, and pressured city authorities to find another solution. Without any modification to the state



law, city officials instituted a "commutation fee" of \$1.50 a head in lieu of the bond if the immigrant in question was deemed unlikely to become a charge (for those who seemed likely to become indigent, a bond was still required). The commutation funds in theory would be turned over to the commissioners of the almshouse for the care of immigrants. But it was discovered in 1842 that John Ahern, the city clerk overseeing this process, not only had failed to keep accurate records of the fees collected but had absconded with a sizable portion of the funds. Ahern and other officials entrusted with migrant welfare set the tone for the rampant exploitation of the 1840s, undermining the idea that municipal authorities might play a role in reform.<sup>44</sup>

Merchants and shippers were also complicit in one of the more vicious aspects of the bonding and commuting system that developed in the early 1840s. For a small fee, a shipper could sell an immigrant bond to brokers who were often passenger forwarders as well. In general, bond brokers who had purchased immigrant bonds from shippers did not have enough capital to cover all of their liabilities if they came due and were taking a calculated risk in making this transaction. If city officials tried to collect on bonds that "fly-by-night" firms could not pay, these businessmen would simply shut their doors and re-form under a different name or flee to Europe or California.<sup>45</sup>

More established bond and passenger brokers, like the firm of William and James T. Tapscott Brothers, had an even more pernicious strategy to avoid paying for the care of bonded immigrants. Like several of the bigger forwarding houses, Tapscott Brothers ran a transatlantic business: William operated a passenger brokerage in Liverpool and James maintained the New York bureau and oversaw the bond brokerage. The Tapscotts established their own private hospital and poorhouse to shelter those immigrants unfortunate enough to have had their bonds purchased by the brothers' firm. In 1846, a select committee of the Board of Assistant Aldermen investigated the Tapscotts' private immigrant poorhouse in the town of Williamsburg (now in Brooklyn), and found its inmates sickly and starving. The committee judged the premises unfit for human habitation and the food rotten.<sup>46</sup> Curiously, the scandal seemed to have little effect on the brothers' reputation as businessmen. Five years later, a credit agency reporter called them a very responsible house that did a good business selling passage through their "Emigration Office" and distilling camphene and alcohol used for lanterns on ships. The reporter noted that the Tapscotts were rich, honorable in business dealings, prompt in payment, and possessing abundant capital.<sup>47</sup> The example of the

Tapscotts demonstrates not only the difficulties in trying to regulate the immigrant trade but also the near impossibility of drawing a clear line between respectable and illicit practices within it.

In 1845, the Common Council, acknowledging runners' rampant exploitation, passed a law requiring them to have licenses in an attempt to establish order on the chaotic waterfront. "No person shall exercise the vocation of runner," the law read, "to solicit custom for boarding-houses, forwarding or transportation lines, without the Mayor's license, for which he shall pay the sum of twenty dollars per annum." In addition, the licensed runner had to give "satisfactory bonds" to the Mayor for \$300 as security for his good behavior and wear "a label or plate with the words, 'Licensed Runner'" that indicated his license number. An unlicensed runner would pay a fine of \$25 for the first offense and \$100 for additional ones.<sup>48</sup> This new system, however, did little to bring the problems under control; if anything, the official plaques made runners appear trustworthy while doing nothing to change their practices.

During the 1846 sailing season, the extensive abuses perpetrated by runners and their employers in combination with the first wave of the Irish famine migration galvanized reformers. In December 1846, the radical Democratic politician and journalist Mike Walsh published two editorials in his paper, the *Subterranean*, that reflected a widely shared disgust with the status quo. In the first, he expressed astonishment that the top runners made \$75 to \$100 per month, a lordly sum for individuals "distinguished for nothing but the most unblushing effrontery, hopeless depravity, and brutal demeanor." Furthermore, Walsh thought it unseemly that "the most mercenary and thievish portion of [the exploiters] hold office too under the government."<sup>49</sup> In his second editorial, published a week later, Walsh noted that several prominent citizens had contacted him in support of his condemnation of the runners. He expanded his critique, arguing that nearly everyone who came into contact with incoming immigrants was complicit in the system of exploitation: the Quarantine doctor and his staff on Staten Island who charged unnecessary fees, ship captains and officers who accepted bribes, city officials like John Ahern, former mayor Robert Morris, boardinghouse keepers, operators of "fictitious transportation companies," and "that most graceless, heartless and abandoned horde of hirelings and ruffian pilferers known by the now degraded appellation of 'runners.'" Even officers of various protective immigrant societies came under fire for having entered "into villainous speculations" similar to "those connected with the swindling transportation companies." In Walsh's opinion,



the worst was the president of the Board of Alderman, Oliver Charlick, who owned a stake in a fraudulent passenger forwarding business. Walsh called him the "Leader of the Coenties Slip clam boys" and "Friendly skinner of Emigrant passengers."<sup>50</sup> For Walsh, those who passed laws or ran benevolent societies that supposedly protected immigrants but who in fact were using their position to profit personally from exploitation operated on a moral plane even lower than that of the runners themselves. To Walsh, runners were merely the rotten extremity of a gangrenous body politic.

Two months earlier, in October 1846, city Democrats had conducted "a large and influential meeting" at Tammany Hall to decide upon methods to reform "the present outrageous system" of landing steerage passengers that left them so vulnerable to predators.<sup>51</sup> By January 1847, a bill to reform the system was working its way through the state legislature at Albany. The initial proposal was that the reformed system would remain in control of city authorities, despite their miserable track record in limiting runners' abuses. But upstate legislators, driven by the increase in the foreign poor in their own county almshouses, pushed to create a statewide immigrant welfare agency, the New York State Board of the Commissioners of Emigration, which would distribute commutation funds to support foreigners in county almshouses across the state. Governor John Young signed the bill that enacted the board into law on May 5, 1847. On that occasion, an editorialist for the *Albany Evening Journal* expressed his hopes for what the new agency might accomplish: "This Law takes the Stranger out of the hands and out of reach of those who lie in wait to prey upon him. It provides Guardians for the Immigrant, who, instead of plundering them, will take them by the hand, give them needed information, cheapen their expenses, and facilitate their movements."<sup>52</sup> It quickly became evident that the board had considerable work to do before it could give any credence to those words.

In its first years, the new authority made headway in creating a statewide welfare system for sick and indigent immigrants, building new hospitals and an "Emigrants' Refuge" on Ward's Island in the East River.<sup>53</sup> But it failed to check the rampant exploitation of immigrants until it opened its Castle Garden Emigrant Depot on August 1, 1855, after several previous failures to secure a dedicated landing place. Runners knew an enclosed and protected space for immigrants to land posed a threat to their livelihoods, and they protested vehemently in the initial days of the depot's operation. On the evening of August 6, 1855, they even organized an "indignation meeting" in Battery Park against the commissioners, whom they referred to as "those men



Figure 5.1. "Emigrants at Castle Garden—Runners and Crimps at Work—a Characteristic Group." *Frank Leslie's Illustrated Newspaper*, October 24, 1868. Picture Collection, the New York Public Library, Astor, Lenox, and Tilden Foundations.

who would erect a Charnel House in our midst, in spite of our most urgent wishes, and regardless of the health, prosperity and interest of the lower wards of the City." The runners' rhetoric tried to reignite long-held fears about immigration introducing even more disease, pauperism, and vice into the heart of the city. The raucous crowd marched defiantly in front of the Castle Garden walls and shot fireworks at the structure, perhaps with the intention of setting it ablaze.<sup>54</sup>

Castle Garden did curb some of the worst abuses, but the immigrant exploitation business in New York persisted and in certain ways became more sophisticated and institutionalized. Some operators, finding their opportunities more limited in the city, moved overseas. In 1858, one author claimed that Castle Garden "effectually broke up the system by which emigrants had so long been shamefully defrauded in the city of New York, but only led to the transfer of the seat of depredations from that port to the port of embarkation."<sup>55</sup> More American passenger forwarders opened up shop in European

ports, selling fraudulent or overpriced tickets for inland transportation to destinations in the U.S. interior. Like other commercial men, exploiters continued to adjust and seek new competitive advantages as regulatory conditions changed, creating new networks that spanned the Atlantic Ocean. But as the illustration published in 1868 in *Frank Leslie's Illustrated Newspaper* shows, some small-time operators still lingered around Battery Park, looking to take advantage of a green newcomer, a state of affairs that persisted at least until the closure of the Castle Garden Depot in 1890 (see Figure 5.1).<sup>56</sup>

In the decades following its establishment, the Castle Garden regime itself struggled to maintain its legitimacy as an authority to regulate the immigrant trade, and often faced well-founded charges of corruption and abuse. The accusations that immigrants were overcharged for railroad fares purchased at the concession within Castle Garden were constant: suspicions pointed to payoffs made to board employees by the railroad corporations in exchange for access to Castle Garden.<sup>57</sup> A near death-blow to the board's legitimacy came in 1870 when the Tweed Ring, empowered by a Democratic majority in both chambers of the state legislature for the first time in sixteen years, reorganized the board as a vehicle for Tammany Hall sinecures and patronage opportunities.<sup>58</sup> While the board was restored to its original form after the ring's fall, the episode nevertheless demonstrated the frailty and inherent instability of the city's and the state's regulatory authority. But by the 1870s, the systematic corruption and fraud of the great railroad corporations and the Tweed Ring had dwarfed the misdeeds perpetrated by the emigrant runner. In the decades before the Civil War, the land shark had been a particularly despised cog in the matrix of economic fraud and political corruption that shaped immigrants' experiences and cultural debates about the regulation of urban space and the legitimacy of commercial endeavor. By contrast, the postbellum runner was a quaint rogue whom Horatio Alger nostalgically rendered as a safe fictional protagonist.<sup>59</sup>

## CHAPTER 6

### "The World Is But One Vast Mock Auction"

#### Fraud and Capitalism in Nineteenth-Century America

COREY GOETTSCH

In July 1845, the *New York Herald* printed a story about a swindle that was commonplace in antebellum New York City: the mock auction. The article recounts the story of "John Brown," a "verdant youth" from the "wild woods of New Hampshire." He was walking down Chatham Street when his "attention was arrested by the cries of an auctioneer—'going, going, for only \$5.00.'" He entered a mock auction store and was bedazzled by an array of beautiful watches, jewelry, pistols, and other items. Drawing on both the man's sympathy and impulse for a good bargain, the auctioneer told him that the lot of goods had been the property of a "poor widow, and must be sold." Brown could not resist: he entered the bidding with an offer of ten dollars. Little did he know that the people bidding against him had no intention of buying any goods, but were in fact coconspirators of the auctioneer. Almost immediately, the hammer went down—Brown was the winner! He entered the back room to pay and discovered that the glittering silver he thought he purchased was in fact "a lot of rings, breastpins, and worthless articles." He was also informed that he owed fifty dollars, not ten. At this point, "Brown expostulated, but to no purpose; there were the goods, and his ten dollars were already in the possession of the knaves who insisted upon his paying the balance." In the nick of time, "Our hero's Yankee spirit" came to the rescue.