

# The American Project

Kathryn Boodry describes the sources that underpin an ambitious research project and their significance for the interpretation of the nineteenth-century Atlantic world.

Nathan Mayer Rothschild was known more for his appreciation of making money than interest in aesthetic pleasures. As he once stated, ‘...you can well imagine that I have nothing to do after dinner...I do not read books or play cards and I don’t go to the theatre... my only pleasure is my business and so I read Amschel’s letter and Kalman’s, James’s, Salomon’s...’<sup>1</sup> Nevertheless he did own a series of portraits of heads of state that had been presented to him by the ministers of various European nations. One guest who visited his villa in Stoke Newington was ‘diverted to hear him explain to us the pictures round the dining room and talk of the originals as his very good friends, and, in a certain sense, his equals.’<sup>2</sup> For him, aside from any aesthetic pleasure in the objects themselves, the display of these portraits was a demonstration of status and political influence. For the nations represented, the hanging of these portraits symbolised confirmation of their own power, and testament to favours received. In 1834 N M Rothschild was appointed the banker of the United States in Europe, a position held by the firm until 1843. In 1836 his Baltimore correspondents, Mssrs. J. J. Cohen, presented Nathan with a portrait of President Andrew Jackson (see page 48).<sup>3</sup> The portrait arrived in London a scant eight days before Nathan’s untimely passing, and he never saw it. Yet the commissioning and presentation of the painting convey the increasing importance and status of the United States in global trade and finance. By the 1830s the United States had become the largest producer of cotton and had developed an economy that relied on slave labour in southern states and the production of goods for national consumption in the North. This system was one factor that contributed to making the United States a vital economic player in an increasingly interdependent Atlantic world of trade and finance.

The other was a lack of attractive investments at home. In the 1820s British firms increasingly deployed excess capital into the United States and other American markets finding lucrative opportunity to engage resources they could not invest productively in Europe. The United States proved especially fertile ground for the deployment of these funds.<sup>4</sup> Many firms became increasingly eager to engage in American trade and Rothschild was no exception. They bought American cotton and state and municipal bonds and invested in Brazilian and South American markets as well.<sup>5</sup> When the Rothschild houses made their initial forays into American markets they contributed to the larger flow of capital, transforming national economies and the entire Atlantic region. In this, they were not unique; however the firm did distinguish itself with a monopoly on quicksilver that proved incredibly lucrative. Additionally, they gained dominance in transactions involving gold after the rush of 1849. On the whole they managed their American affairs with greater finesse than is sometimes realised. In the process they made a larger contribution to international economic development than is generally acknowledged.<sup>6</sup>

Recent work in Atlantic and global history has enhanced our understanding and appreciation of transnational approaches to historical scholarship and how the activities of the nineteenth-century partners of the Rothschild banks fit within this complex web of activity. The Archive’s collections in London and on deposit at the Archives Nationales du Monde du Travail in Roubaix speak directly to the concerns of historical paradigms that reach beyond the narrow parameters of the nation-state. Histories of slavery, commodities, finance and the development of ideas all benefit from the employment of a perspective that looks beyond sovereign borders and makes clear the interconnectivity of production prices, commodity chains, legal regimes and financial



Detail from a bond for the Confederate Seven Per Cent Cotton Loan of £3 million. The loan was issued by Erlanger in Paris and Frankfurt and by Schroders in London and Amsterdam.

operations. It is, in sum, no accident that ‘we are all Atlanticists now.’<sup>7</sup> In the nineteenth century the London bank created an American department responsible for all operations in American goods, chronicling business transactions in China, Mexico, India and Australia, as well as the Americas. The letter copybooks produced by that department are a chronological account of one house’s business activities across the globe. They are a core source for this project and an invaluable resource for the study of the global nature of finance in the nineteenth century. These books ground the project in capital flows and the movement of knowledge, specie and goods across oceans. They document transactions that have a certain fluidity about them and they change with price fluctuations, storms, and whatever way the trade winds blow. At present, these books are vulnerable to similar capricious whims of environment, time, money and fate. They are decaying at a rapid pace and without some type of intervention they will be lost; conservation is thus one of the project’s primary concerns.

The American Project will explore the nature and extent of Rothschild financial involvement across the nineteenth-century Atlantic world. The project will culminate in the online publication of a primary-source edition of documents related to American trade and the production of a monograph detailing the firm’s financial activities and political influence across the region. We plan, additionally to host workshops and conferences to encourage scholarly research into Rothschild involvement in international finance and economic development in this period.

The papers associated with The American Project are important for a variety of reasons, primarily the significance of the collection to an understanding of nineteenth-century economic history. A consideration of the activities chronicled in the archives weaves together a world peopled with slaves working plantations in the southern United States, stevedores labouring on docks, porters, carters, spinners in Lancashire, coffee growers in Brazil, miners, agents scattered across the Americas and financiers in Paris and London. Rothschild finance connected these

diverse worlds and contributed both to economic expansion in the Americas and the greater integration of financial markets. Many of the letters found in London and in Roubaix demonstrate this interconnectivity, along with the volatility found in markets across the Americas.<sup>8</sup> Transnational approaches to historical study emphasise the importance of larger connections across time to developments within nation-states. In the context of American financial history and economic development, these connections are especially pertinent since these funds contributed directly to self-sustaining economic growth.<sup>9</sup> Life in early America, for example, was characterised by a lack of cash, which impeded economic development and the transition from an economy based on mutuality and barter to one characterised by the use of money and credit. European, primarily British banks supplied much of the capital that contributed to financial and industrial development. The investment of British firms in commodities like cotton, tobacco and sugar, bonds, banks and as purveyors of credit was a vital source of revenue.<sup>10</sup>

As would be expected given the geographic dispersal of the partners, houses and agents everything was discussed in detailed and voluminous correspondence and an impressive amount of material has survived. Rothschild worked with sundry brokers throughout the American south when purchasing commodities for European markets. These brokers provided incisive and detailed descriptions of financial activity, weather conditions and the American political situation as it related to commodity pricing. Additionally, the correspondence from August Belmont contains trenchant commentary on American social and political life.<sup>11</sup> The Belmont letters, as well as the series of correspondence pertaining to N M Rothschild's role as banker to the United States in Europe will be of particular interest to scholars researching the US bank wars, Jacksonian America and issues around banking in Early America. Additionally, business transactions, suspicions and plans were shared more candidly in private letters often written in Judendeutsch.

Beyond the importance of the collections in terms of illustrating transnational processes and global connectivity in the nineteenth century, these papers will be of interest to historians of business and finance. Various series of correspondence illustrate how the respective houses worked with (or against) one another, as well as how they approached and conducted business across the Americas. Rothschild relied on the services of agents such as Belmont in New York, Hanau in New Orleans, Benjamin Davidson in San Francisco and Scharfenberg, Tolmé in Cuba to handle their transactions and convey market knowledge. Both houses also employed the services of various factors and brokers scattered throughout the American South in their purchase of commodities like cotton, tobacco and, to a lesser extent, sugar. Aside from these operations, the London house profited from the sale of quicksilver to eager buyers from the



Carolinas to South America. Rothschild held a monopoly on the article, a vital ingredient in silver refining, and profited extensively from its sale across the Americas. Additionally, a study of this collection reveals the evolution of characteristically modern forms of credit and the development of by now familiar banking practices. This development roughly parallels similar transitions made by other firms.<sup>12</sup>

As the project matures, the various components of the enterprise will bring together a number of organisations within a highly collaborative framework. We hope that other archives, research groups, and organisations with an interest in the study of nineteenth-century Atlantic trade will see the benefits in taking part in this endeavour. These interactions will stimulate provocative work in financial and economic history. To this end, we have begun to offer a series of summer schools on research methods for postgraduate students at early stages of their dissertation work. These summer schools have focused thematically on Atlantic and global history. Together with the Program in Early American Economy and Society the Archive is joint-organiser of a conference in October 2012 hosted by The Library Company of Philadelphia. We additionally plan to hold workshops and conferences in London to stimulate interest and engagement with the collections.

In sum, we see this project as enhancing our understanding of the role of Rothschild in the nineteenth century and increasing awareness of the value of the Archive's collections to the study of Atlantic and global economic development. We also hope that our conservation efforts and work with the development of digital resources will be of interest to conservators and archivists. Most importantly, we hope to increase access to the materials available in the archive and enhance understanding not only of the archives, but the history of the firm as well.

*Kathryn Boodry is a doctoral student at Harvard University and is director of The American Project at The Rothschild Archive. She is presently completing her dissertation, The Common Thread: Slavery, Cotton and Finance from The Louisiana Purchase to Reconstruction.*

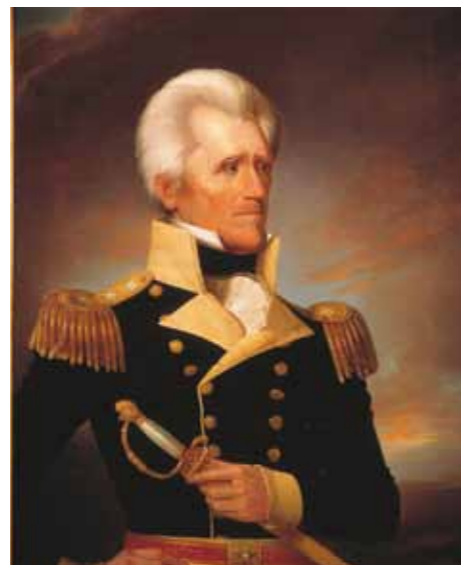


A row of American Accounts from the archives of N M Rothschild & Sons.

*Opposite*  
New York from Bergen Hill, Hoboken. This panorama of New York was published as a special supplement to the *Illustrated London News* in 1876, the year of the American centennial. Collection of N M Rothschild & Sons Limited

## NOTES

- 1 Nathan Rothschild to his brothers, London, 2 January 1816. RAL: XI/109/4/1/05.
- 2 Michael Hall 'Nathan Rothschild as an owner of paintings', in *The Life and Times of N M Rothschild 1777–1836*, eds. Victor Gray and Melanie Aspey (London: N M Rothschild & Sons, 1998), p.73.
- 3 RAL II/10/1 N M Rothschild and Sons, London to Messrs J. J. Cohen, Baltimore 6 September 1836.
- 4 See Leland Jenks, *The Migration of British Capital* (New York: A. A. Knopf, 1927), Peter Austin, *Baring Brothers and the Birth of Modern Finance* (London: Pickering & Chatto Limited, 2007) and Ralph Hidy, *The House of Baring in American Trade and Finance: English Merchant Bankers at Work, 1763–1861* (Cambridge: Harvard University Press, 1949).
- 5 See Caroline Shaw, 'Rothschilds and Brazil: An Introduction to Sources in The Rothschild Archive' in *Latin American Research Review* (Austin: The University of Texas Press, 40:1, February 2005), pp.165–185.
- 6 For a contrasting viewpoint see Niall Ferguson, *The House of Rothschild Volume 1: Money's Prophets 1798–1848* (New York: Penguin Books, 1998), p.354.
- 7 David Armitage, 'Three Concepts of Atlantic History', in David Armitage and Michael Braddick, eds. *The British Atlantic World, 1500–1800* (New York: Palgrave MacMillan, 2002), p.11.
- 8 Two illuminating works on methodological approaches in Atlantic history are Armitage and Braddick, *The British Atlantic World, 1500–1800*. The chapters on economy, migration and 'Three conceptions of Atlantic History' are especially pertinent. Also Bernard Bailyn, *Atlantic History: Concept and Contours*, (Cambridge: Harvard University Press, 2005). Both works confine themselves predominantly to a British Atlantic perspective, (suitable to our purposes here) but restricted to a world in motion before 1800. These both stand in pointed distinction to Paul Gilroy's *The Black Atlantic* (London: Verso, 1993) which considers the Atlantic as an autonomous and extra-national space of ideational exchange. Albion's *The Rise of New York Port* (New York: Charles Scribner's Sons, 1939) or *Square-Riggers On Schedule* (Princeton: Princeton University Press, 1938) are both literally centred in a nineteenth century Atlantic world of exchange, trade and finance.
- 9 See Douglas Cecil North, *The Economic Growth of the United States, 1790–1860* (New Jersey: Prentice-Hall, 1965).
- 10 See Douglas North, *The Economic Growth of the United States, 1790–1860*. See also Eric Hobsbawm, *The Age of Revolution* (London: Weidenfeld & Nicolson, 1962), pp.34–36. On the scarcity of specie in the North see Christopher Clark, *The Roots of Rural Capitalism: Western Massachusetts 1780–1860*, Cornell University Press, 1992. On the South see Eugene Genovese, *The Political Economy of Slavery: Studies in the Economy and Society of the Slave South*, Wesleyan, 1988. See also Gavin Wright, *The Political Economy of the Cotton South*, New York: W. W. Norton and Co., 1978. On the growth of banks see Larry Schweikart, *Banking In The Antebellum South From The Age of Jackson to Reconstruction*. Baton Rouge: Louisiana State University Press, 1987.
- 11 For a discussion of these letters see Elaine Penn, Elaine Penn, 'Interfered with by the State of the Times', *The Rothschild Archive Trust – Review of the Year*, (April 2002–March 2003), pp.25–31
- 12 On the Browns see Brown, J. C. (1909). *A hundred Years of Merchant Banking: a History of Brown Brothers and Company, Brown Shipley & company and the allied firms, Alexander Brown and sons, Baltimore; William and James Brown and company, Liverpool; John A. Brown and company, Browns and Bowen, Brown Brothers and company, Philadelphia; Brown Brothers and company, Boston*. New York, [s.n]. Kent, F. R. (1925). *The story of Alexander Brown & Sons*. Perkins, E. J. (1975). *Financing Anglo-American trade: the House of Brown, 1800–1880*. Cambridge, Harvard University Press. Killick, J. R. (1977). 'The Cotton Operations of Alexander Brown and Sons In The Deep South, 1820–1860' *The Journal of Southern History* vol. 43, no. 2 (May, 1977), pp.169–194. On the House of Baring, see Ralph Hidy, *The House of Baring in American trade and finance; English merchant bankers at work, 1763–1861* and Peter Austin, *Baring Brothers and The Birth of Modern Finance*.



The gift to Nathan Rothschild of this portrait of President Andrew Jackson, by R E W Earl, arrived eight days before he died.

Opposite  
A Robert Thompson mouse in the Reading Room door.

## Mice in the Reading Room: a new home for the Archive

Natalie Broad describes the development of the Archive's new Reading Room.

*'Twas the night before Christmas, when all through the house,  
Not a creature was stirring, not even ... a mouse.'*<sup>1</sup>

23 December 2011 will live long in the memory of the current generation of Rothschild archivists: the day on which the last book was placed on the newly polished oak shelves of the Reading Room. After months of planning, preparation and packing, The Rothschild Archive was finally in its new home in the impressive New Court building; and had a striking new Reading Room to match.

Most archivists would despair at the thought of a mouse in their reading room, yet at The Rothschild Archive we are proud to boast not one, but 12 mice! The Reading Room bookcases and furniture were designed, crafted, and installed by the prestigious North Yorkshire based company, Robert Thompson's Craftsmen Ltd, also known as 'The Mouseman of Kilburn'. A small, family run business, Robert Thompson's pieces are based on the company's ethos derived from its founder Robert Thompson (1876–1955): dedication to the craft of carving and joinery in English Oak. The Rothschild Archive takes pride in joining the ranks of other custodians of Mouseman pieces, most notably Ampleforth College, York Minster, and even Westminster Abbey.<sup>2</sup>

Thompson's use only the best quality sustainable oak and skill to create the finest pieces. The same hand tools are used today to create the pieces as were originally used by Robert Thompson in the late nineteenth Century. Each craftsman can recognise his own mouse individually amongst others. The well-known mouse motif has, what Thompson's describe as, an 'uncertain history'.<sup>3</sup> It is claimed that the motif came about accidentally around 1919 following a conversation between Thompson and a colleague who had described them as being 'as poor as a church mouse'. By chance, Thompson carved a mouse onto the cornice of a church screen he was working on, and the mouse motif remained as part of his work from then on. Continued by the family and Thompson trained craftsman, the coveted mouse motif is highly valued as a sign of quality and distinction. Thompson's only work with seasoned oak; each tree is carefully selected before purchase to guarantee the best quality. The oak comes from managed estates that are certified by the Forestry Stewardship Council, an international organisation created in 1992 which strives to ensure long-term timber supplies as well as protecting the environment.<sup>4</sup> The provenance and heritage of each Thompson piece is traceable. The oaks used in The Rothschild Archive Reading Room were sourced from the 3000 acre Hirsell Estate in Berwickshire; the historic seat of the Earls of Home and residence of former British Prime Minister and 14th Earl of Home, Sir Alec Douglas-Home. The trees were dated to be around 200 years old, which means they were likely to have been planted in 1812, three years after Nathan Mayer Rothschild (1777–1836) had established himself at New Court. 1812 was an eventful year for Nathan. It saw the birth of his third son, Nathaniel Mayer Rothschild (1812–1870), at New Court on 2 July, and the death of his father, Mayer Amschel Rothschild, the founder of the Rothschild banking dynasty, in Frankfurt on 19 September. Being able to make such historic connections adds to the character of the Reading Room. The use of traditional values and techniques made Thompson's an ideal partner in the creation of The Rothschild

