



## Washington and the Networks of W. W. Corcoran

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Leveraging critical networks throughout his many professional and political endeavors, W. W. Corcoran played a significant role in both the transformation of America's financial markets and the growth of the nation's capital. Corcoran made important contributions to the social, cultural, and physical development of an increasingly sophisticated capital city and was one of the nation's most important philanthropists almost a generation before the wealthy Gilded Age. In this paper I further the notion that networks played an integral part in capital formation and business development—beyond bridging the world of partnerships and Chandlerian hierarchies—and could achieve individual and organizational objectives. I also suggest that network characteristics were more enduring and multifaceted than previously recognized, as they transcended business activities to achieve other mutual goals. Furthermore, the consolidation of a self-conscious and influential American moneyed class earlier than generally acknowledged broadly influenced politics, culture, and the urban-built environment in places other than New York, including the seat of American government.

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If William Wilson Corcoran is remembered at all in modern America, it is for the art gallery that he built shortly after the Civil War in Washington, D.C., across from the White House. Less known are Corcoran's significant roles in the transformation of America's financial and banking community and in the funding of the government's needs for the Mexican-American War during the 1840s. Corcoran made important contributions to the social, cultural, and physical development of an increasingly sophisticated capital city. He was one of the nation's most important philanthropists almost a generation before wealthy Gilded Age patrons established and strengthened America's cultural institutions in the late nineteenth century. As a life-long resident of Washington whose family was involved in the earliest days of the capital city's creation, Corcoran had well-established attachments to the city and close

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connections to its power base that allowed him to become one of America's first lobbyists and peddlers of political influence.<sup>1</sup>

Corcoran managed these remarkable (if little-remembered) achievements by developing and sustaining a network of those influential in finance, arts, and politics in Washington, New York, Philadelphia, and Baltimore, and, ultimately, throughout the United States and Europe. He influenced and frequently befriended almost every U.S. president from Andrew Jackson to Rutherford B. Hayes. Corcoran also counted as friends such disparate men as Edward Everett, Daniel Webster, Robert E. Lee, and John Slidell; built connections with most of Washington's mayors; and had close business and social relationships with financiers and bankers ranging from George Peabody and Junius Morgan to Elisha and George Riggs. What is more, in art and architecture circles, Corcoran interacted routinely with the likes of Albert Bierstadt, William Walters, James Renwick, and Andrew Jackson Downing. Indeed, many of the individuals in Corcoran's influential networks were helpful to him not only in politics or business, but throughout his many endeavors, assuming critical roles in a variety of activities that, absent the power and personality of Corcoran, would in all likelihood have remained unconnected.

Recent scholarship on the development of business networks and the growth and consolidation of urban monied elites reveals the value of continuing study of these important issues. The salience of positing a new synthesis in business history incorporating multiple approaches toward the structure and function of business and financial entities permits the illumination of vital networks that created capital formation and furthered the American economy.<sup>2</sup> The emergence of new studies examining the social and cultural influences that consolidating elites played in urban environments further advances the understanding of the ramifications of class identity and how, supported by wealth and power, it transformed cities and influenced their development.<sup>3</sup> In this essay, focusing on Washington, D.C., and the networks of W. W. Corcoran, I further the notion that networks played an integral part in capital formation and business development—beyond bridging the world of partnerships or one-shot transactions and Chandlerian hierarchies—and could achieve individual and organizational

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<sup>1</sup> Corcoran's father, Thomas, was twice mayor of Georgetown, and Pierre L'Enfant, designer of Washington, was several times a visitor to Corcoran's boyhood home. Additionally, Corcoran's father was among the delegates who escorted George Washington on his tour of the area when the founding father was considering placement of the capital city; see William Wilson Corcoran, *A Grandfather's Legacy: Containing a Sketch of His Life . . .* (Washington, D.C., 1879), 4.

<sup>2</sup> Naomi R. Lamoreaux, Daniel M. G. Raff, and Peter Temin, "Beyond Markets and Hierarchies: Toward a New Synthesis of American Business History," *American Historical Review* 108 (April 2003): 404-33.

<sup>3</sup> Sven Beckert, *The Monied Metropolis: New York City and the Consolidation of the American Bourgeoisie, 1850-1896* (New York, 1993), 2-3.

objectives. I also suggest that network characteristics may be more enduring and multifaceted than previously recognized, as the employment of such networks transcended business activities to achieve other mutual goals. Furthermore, the consolidation of a self-conscious and influential American moneyed class appears to have formed earlier than generally acknowledged and seems to have broadly influenced politics, culture, and the urban built environment in places other than New York, including the seat of American government.

### **Business Connections**

Corcoran's success in early American banking and securities endeavors occurred literally on the foundations of the Second Bank of the United States, whose offices diagonally across from the White House Corcoran assumed in establishing his financial activities. After the Second Bank lost its charter in 1836, Corcoran opened a brokerage firm in 1837, and in 1840 he formed a banking firm, Corcoran & Riggs. The firm did not issue bank notes as was common during the period, but instead concentrated on investing in U.S. Treasury notes and reselling them to investors.<sup>4</sup> Through extensive contacts in Congress and multiple presidential administrations, Corcoran successfully attained (and retained) significant government deposits on the demise of the Second Bank and, with his networks' influence, kept Treasury funds after they were pulled from other banks. Based on Corcoran's connections, the bank became one of the premier conduits between Washington and Wall Street. Through his networks, Corcoran built and benefited from strong relationships with several Treasury secretaries, including Levi Woodbury, who often revealed to Corcoran the nature of his competitors' bids on Treasury notes, and Robert Walker, who made Corcoran the U.S. agent for the Treasury during the administration of James K. Polk.<sup>5</sup> Corcoran's networking acumen made him rich, and it was critical to one of his most important successes, the selling of nearly \$22 million in U.S. government bonds to finance the Mexican-American War in large part through London and Paris brokerage houses usually suspicious of American paper.<sup>6</sup> Corcoran

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<sup>4</sup> Corcoran started the bank on his own but soon brought into the firm George Riggs, Jr., son of Elisha Riggs, one of the nation's wealthiest merchants and a significant Wall Street player. It was generally from Elisha Riggs that Corcoran learned his Wall Street–Washington connections, although his investments on Riggs' behalf were not always successful; see generally *Letterbooks of Elisha Riggs*, PNC Bank, Washington, DC.

<sup>5</sup> Corcoran's connections to Walker continued for many years; they were frequently associated in investment dealings related to railroads, land speculation, and mining. Ironically, Walker would become the U.S. agent in England during the Civil War, sent to prevent that country from aiding the Confederacy at the same time Corcoran was in London and rumored to be seeking such support.

<sup>6</sup> See generally Roland Carr, *32 President's Square: Part I of a Two-Part Narrative of the Riggs Bank and Its Founders* (Washington, D.C., 1980), 84-90; and Henry

& Riggs was heavily involved in many loans sold domestically and it was not uncommon for Corcoran to accompany Walker to Wall Street to sell the government's offerings to the financial community. Still, it was Corcoran's sale of significant securities in Europe when domestic purchases were flagging late in the war that most impressed the financial community.<sup>7</sup> Indeed, Corcoran's approach was so risky that his banking partner, George Riggs, felt the firm was too exposed and left the bank; he was replaced by his son, Elisha Riggs, Jr. Nevertheless, so important were Corcoran's efforts that his contemporaries saw them as a watershed in selling bonds overseas and having American paper come of age in Europe. Nearly thirty years after the fact, financier Junius Morgan, father of John Pierpont Morgan, partner to George Peabody, and a friend of Corcoran, told a lavish audience of bankers and politicians:

At that time, [1830s and 1840s] American securities were but seldom dealt in, or even quoted on any European bourse. . . . It had issued some bonds in 1847 or 8, and my venerable friend Mr. Corcoran . . . could, if he would, tell you of the many difficulties which he met with when he went to England to place that loan there. Then followed the terrible war which stirred this country to its very depths . . . but with the inevitable penalty which follows the calamity of war, that of a large public debt. It was evident, however, that for a while we should require the aid of the surplus capital of Europe. Those who controlled that capital responded liberally to our requirements, because they believed in the ability, in the honor, and in the integrity of our people, and now our bonds are quoted on almost every bourse in Europe, and rank side by side with those of the oldest and most wealthy of those countries.<sup>8</sup>

Similarly, a mid-1870s New York journalist reviewing Corcoran's role in the nation's financial maturation stated, "When Mr. Corcoran returned to America, he received, in New York, a brilliant ovation from the bankers and

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Cohen, *Business and Politics in America from the Age of Jackson to the Civil War: The Career Biography of W.W. Corcoran* (Westport, Conn., 1971), 13-17.

<sup>7</sup> Corcoran's reach into the European markets depended on his network connections there, including financier George Peabody and the Baring Brothers investment house. Corcoran successfully bridged the gap between the financing schemes of the War of 1812 and the Civil War. Stephen Girard raised money principally on a regional basis through his own bank and others mainly in the Philadelphia area, and Jay Cooke, who undertook a public war bonds campaign for the Union during the Civil War that was among the first mass marketing efforts in the country. See Donald R. Adams, Jr., *Finance and Early Enterprise in America: A Study of Stephen Girard's Bank, 1812-1831* (Philadelphia, Pa., 1978); and Melinda Lawson, *Patriot Fires: Forging a New American Nationalism in the Civil War North* (Lawrence, Kansas, 2002).

<sup>8</sup> Morgan Library, *Remarks by J. S. Morgan*, Dinner given to Junius S. Morgan Esq. of London at Delmonico's, New York, 8 Nov. 1877, p. 18.

capitalists of that commercial metropolis, who hailed him as the fortress of American credit on the exchanges of London and the Continent of Europe.”<sup>9</sup>

Political and financial relationships allowed Corcoran to retain government funds for several years after the collapse of the independent treasury system and the government’s use of private banks. While most such banks lost their government funds once Zachary Taylor led the Whigs to victory, Corcoran staved off the inevitable until Franklin Pierce’s administration finalized the removal of U.S. funds from private banks. Soon after this event, Corcoran retired from active banking, to spend most of his time (with help from his networks) investing in real estate and railroads and more assiduously developing his social, cultural, and political interests.

### **Social and Cultural Networks**

Except for the Civil War years spent in Europe to avoid possible arrest back home for his well-known Confederate sympathies, Corcoran lived virtually his entire life in Washington D.C., most of it in a mansion on Lafayette Square across from the White House. Considered among the premier hosts in the capital, Corcoran was a fixture in society and broadened his networks through a variety of social and cultural activities. Luminaries at his parties ranged from General Winfield Scott to Edward Everett, from Daniel Webster to Jefferson Davis, from President Millard Fillmore to Washington Irving.<sup>10</sup> His sophisticated tastes and White House connections gave him the opportunity to furnish rooms in the Executive Mansion and even to purchase jewelry and other items for at least one First Lady while on his New York business trips. Moreover, Corcoran was internationally known for his art collecting, and his Washington, D.C., gallery was the first in the capital, the first attempt to establish a national art gallery, and among the earliest public art galleries in the United States.<sup>11</sup> Corcoran was an avid collector of old European paintings and sculpture and among the earliest patrons of American art, particularly paintings by the Hudson River School. Corcoran leveraged the assistance of artists, dealers, and wealthy friends to build an important collection known throughout the United States and Europe.

The public gallery, begun in the 1850s, but interrupted by the Civil War, was located just down the street from Corcoran’s house and across the street from the White House. Corcoran’s gallery was created and opened before the public galleries in New York, Philadelphia, or Chicago were established, and it was instrumental in eliminating the Enlightenment fashion of mingling art,

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<sup>9</sup> “A Washington Philanthropist,” *Appleton’s Journal*, New York, 3 Jan. 1874, no. 250, vol. 11, Corcoran Scrapbooks, Corcoran Gallery of Art, 2: 106.

<sup>10</sup> Almira Lincoln Phelps, an article based on her diary recollections of 1854, *The Baltimorean*, June 1874, Corcoran Scrapbooks, 2: 93.

<sup>11</sup> See Alan Wallach, “William Wilson Corcoran’s Failed National Gallery,” *Exhibiting Contradiction: Essays on the Art Museum in the United States* (Boston, 1998), 22-37; C. Powell Minnigerode, “The Corcoran Gallery of Art,” *Records of the Columbia Historical Society, 1946-1947*, 48-49 (Washington, D.C., 1949): 227.

science, and curiosities together. Corcoran provided the gallery with almost his entire private art collection, and he continued to buy art for the gallery until the year he died.

The networks Corcoran developed to create and sustain his social and cultural enterprises included many of the same individuals who helped him sustain his business and financial pursuits. Members of the Corcoran Gallery of Art's board of directors included financier and fellow art collector William Walters (who later established the Walters Gallery in Baltimore, Maryland); Joseph Henry, first secretary of the Smithsonian (for which Corcoran was the banker), who donated most of that Institution's art to the Corcoran because of his principal interest in science; business partner George Riggs; and Anthony Hyde, Corcoran's long-time personal secretary, who handled most of his business affairs.

Many influential Washingtonians shared Corcoran's views and supported his causes even after he died. Banker Charles Glover, who eventually became president of Riggs Bank, served on the gallery's board for forty-six years and worked with Corcoran on various efforts to improve the capital city. Corcoran's close friend George Peabody, while not a board member because he resided in London, was intimately involved in the gallery's direction and in purchasing art overseas for the collection. Corcoran frequently talked about art with his wide circle of business, social, and political friends, many of whom advised him on acquisitions, including Edward Everett, Baron von Humboldt, and artists such as Albert Bierstadt. Indeed, one testament to Corcoran's power in Washington even after his Civil War exile was his ability to use his connections to finish the art gallery. In 1865, the Union Army's quartermaster operations occupied the gallery building, which was only partly finished. Just a few years later Corcoran's ornate Second Empire masterpiece was complete, the gallery filled with important European and American art, evidence of his continued ability to influence and manipulate politics. The art gallery's opening ball featured President Ulysses S. Grant, Vice-President Schuyler Colfax, much of the Cabinet and Congress, and scores of foreign dignitaries. Indeed, Corcoran, the Confederate confidant, had none other than William Tecumseh Sherman next to him in the receiving line.<sup>12</sup>

We also find Corcoran's networks among his philanthropic and urban improvement activities. In the middle of the capital, Corcoran built and provided endowment for the Louise Home, a retirement refuge built in memory of his deceased wife and daughter, inhabited mainly by indigent Southern upper-class women ruined by the Civil War. He named some of the same individuals who at times oversaw the art gallery (including Hyde, Riggs, James Carlisle, and James Hall) to the Home's board of directors. President John Tyler's daughter and descendents of George Washington lived in the

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<sup>12</sup> A wonderful description of the event is found in *The Daily Patriot*, 21 Feb. 1871, Corcoran Scrapbooks, 2: 81.

home for years; the home and its purpose live on in the Lisner-Louise-Dickson-Hurt Home.

Corcoran also provided significant financial support to several churches, built the National Theatre, donated the land for and funded part of Washington's Orphanage, and sold off a large tract of land to provide substantial funding to Columbia College, later to become George Washington University. Although benefaction to improve the quality of life in Washington was clearly a motivator in most of these activities, so too was the business of networking. For example, the president of George Washington University, James Clarke Welling, had been president of the Corcoran Gallery's board and editor of the *National Intelligencer*, a partisan newspaper to which Corcoran was a significant financial contributor.

Corcoran invited many of his wealthy and influential friends and business associates to join the managing board of Oak Hill Cemetery. Corcoran built Oak Hill in Georgetown in the late 1840s as one of the earliest examples of the "natural cemetery movement," which placed the deceased in a park-like naturalistic setting rather than in rows of headstones adjacent to churches. Containing a chapel built by James Renwick and covering many acres of prime Georgetown real estate donated by Corcoran, Oak Hill holds the remains of the benefactor and his family, along with those of other notables including John Howard Payne, Edwin Stanton, Joseph Henry, Peggy Eaton, and John Nicolay.<sup>13</sup>

Corcoran's interests in art and landscaping, supported by his influential connections, brought about several other important developments for the nation's capital. For example, Corcoran convinced Joseph Henry, who lived with his family in the Smithsonian Castle, that beautification of the area between the Capitol and the White House would improve the city by reducing crime and creating a pleasing and peaceful park-like setting. After personally convincing his close friend President Fillmore of the concept, Corcoran sought out Andrew Jackson Downing, a leading nineteenth-century landscape architect, who designed and implemented the first landscape plan for the U.S. Capitol, the White House grounds, and what would become the National Mall.<sup>14</sup>

When Downing's premature death in a steamboat accident threatened to slow down the landscape plan, Downing's assistant, John Saul, completed the work (as well as much of the other public landscaping in the capital) with Corcoran's support. Indeed, it was on Corcoran's estate, and with his financial backing, that Saul would build the greenhouses that established him in one of

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<sup>13</sup> James Renwick was the architect for Corcoran's original art gallery, inspired by the Louvre and other buildings that Renwick and Corcoran saw together on a trip to Paris. Known today as the Renwick Gallery of American Art, it is part of the Smithsonian Institution. Among other landmarks, Renwick also built St. Patrick's Cathedral in New York City.

<sup>14</sup> For the best chronicle of the National Mall's development, see Richard Longstreth, ed., *The Mall in Washington, 1791-1991* (Washington, D.C., 1991).

the earliest nursery businesses in the country.<sup>15</sup> Corcoran's dedication to naturalistic settings as part of the urban environment was also instrumental in his efforts, achieved with Charles Glover and others in his business and political network, to convince Congress that a large swath of land along Rock Creek should be set aside in perpetuity as a national park in the city.

### **Political Influence and National Reconciliation**

Throughout his life, Corcoran increasingly influenced local and national events by leveraging his many business connections and his proximity to national political actors. Partly because of his business deals and loans involving members of Congress, one could frequently find Corcoran on the floor or in the cloakrooms of the U.S. House or Senate. He was no stranger to legislation and lobbying, and, whether to promote business deals involving land, railroads, or favored clients, the banker-turned-lobbyist at mid-century influenced many public laws and private bills of relief. A friend of legislators from both the North and the South, Corcoran exerted his influence on Stephen A. Douglas, Daniel Webster, John Slidell, and Jefferson Davis. Corcoran may have helped broker the Compromise of 1850 from behind the scenes.<sup>16</sup> Through his influence and connections in the Democratic Party (and his money, of course), Corcoran in 1856 was instrumental in getting his close friend James Buchanan nominated and elected to the presidency.

Corcoran's influence failed him only during the Civil War, when his reputation as a Southern sympathizer forced him to flee the Union capital for London and Paris, where his reputation as a man with effective networks preceded him. While there is no record in his papers of how he responded, at least one American southerner seeking connections with English supporters of the Confederacy sought his aid.<sup>17</sup> His decision to flee the country during the war, coupled with the rumor that he helped finance the Confederacy and plot to kill President Abraham Lincoln would have ruined most men's prospects after the war, but not Corcoran's. On at least one occasion, the banker's return to Washington prompted an escort and parade of leading citizens from the city's outskirts. Also, unlike virtually every other expatriate in his situation, his government-confiscated property was swiftly returned to him and most back taxes were waived<sup>18</sup>

Upon resettling in Washington, Corcoran resumed many of his activities with vigor, such as finishing the art gallery. Corcoran also used his friends and contacts to develop other ways in which he could further the aim of

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<sup>15</sup> James M. Goode, *Capital Losses: A Cultural History of Washington's Destroyed Buildings* (Washington, D.C., 2003), 27.

<sup>16</sup> Cohen, *Business and Politics in America from the Age of Jackson to the Civil War* develops this view but it remains unsubstantiated because Corcoran's letters for 1850 in the Library of Congress are missing.

<sup>17</sup> Thomas Geaturau to William Wilson Corcoran, Nov. 1863, Papers of William Wilson Corcoran, box 3, Library of Congress.

<sup>18</sup> Sue A. Kohler, *Sixteenth Street Architecture* (Washington, D.C.: 1978), 1: 35.



national reconciliation and personal redemption. Corcoran became president of the society that completed the Washington Monument. He was active both in raising funds to finish the obelisk and (with architect Robert Mills, the Army Corps of Engineers, and key members of Congress) in settling on a final design after false starts and unsatisfactory plans threatened to derail the project.<sup>19</sup> Corcoran gave a significant donation to the organization struggling to preserve Washington's Mount Vernon home and used his influence and funds to refurbish Thomas Jefferson's grave at Monticello, both long neglected.

Corcoran's influence in establishing some sense of national reconciliation after the war was, if anything, matched by his continued sympathy for Southern causes and colleagues. Corcoran sought to support and repair the war-damaged South by assisting individuals such as those residing in the Louise Home and by financing universities and churches. Corcoran's philanthropy supported the University of Virginia and, with other benefactors in his network, including George Peabody, infused funds into what would become Washington & Lee University, thus supporting the postwar endeavors of their close friend, General Robert E. Lee. Indeed, Corcoran's Southern connections continued unabated after the war, as he frequently summered with Lee and other Confederate notables at the White Sulphur Springs Resort in southern Virginia. This community looked to Corcoran to honor Lee in death, electing the then elderly benefactor head of the group organized in the capital to commemorate Lee's life. It was no surprise that many of those elected with him were part of his network and had helped shape his own life and activities, as well as the civic and cultural structure of the nation's capital.

### Conclusion

Born before, yet tied to, the rise of the American capital, W. W. Corcoran lived a long and influential life that established him as a forerunner in national finance. He used his powerful place in Washington to vitalize art, education, politics and lobbying, philanthropy, and the urban environment. Moreover, Corcoran's role in expanding the reach of capital and culture in American society started nearly a generation before the wealthy industrialists of the Gilded Age turned their attention to similar objectives.<sup>20</sup> While from an early age Corcoran acted on his own initiative to improve the city and the society in which he lived, he clearly relied on a strong and like-minded network of wealthy business and political associates who shared both his

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<sup>19</sup> See Longstreth, *National Mall*; Rhodri Windsor Liscombe, *Altogether American: Robert Mills, Architect and Engineer* (New York, 1994), 239-300; and Thomas B. Allen, *The Washington Monument: It Stands for All* (New York, 2000), 68.

<sup>20</sup> As early as the 1830s, Corcoran donated funds to build the National Theatre, provided support to once-wealthy widows, and aided local churches. By the 1840s, Corcoran was opening his mansion to the public on a regular basis to allow them to view his growing art collection.

class and his values. These individuals were not shy about using their money, contacts, and social status to achieve public goals as well as private ends. Although not everyone in Corcoran's financial or political circles shared his sense of duty or his vision of how best to support the community, many did share his views and sense of responsibility. What emerged was a wealthy elite, self-conscious of its role and comfortable with its ability to achieve a variety of ends: public and private, political and cultural, financial and philanthropic. This group's legacy served as the basis for the building of the modern American capital.