The African American Financial Industries: Issues of Class, Race and Gender in the early 20th Century

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The social history of office workers has received a great deal of scholarly attention recently [Andersen, 1986; Aron, 1987; Davies, 1982; DeVault, 1990; Fine, 1990; Rapone, 1981; Rotella, 1981; Srole, 1984]. This literature has focused predominantly on women office workers and, to a lesser extent, on the gendered aspects of business [Kanter, 1977; Kwolek-Folland, 1994].[1] Because research on office workers has its roots in labor history or in an interest in the development of the middle class, concern with the historical evolution of office work has centered on the formation of class consciousness, workers' ability to shape the workplace, and the presence or absence of union activity—all approaches with little significance in the historiography of business. In fact, for the most part these studies remain unconnected to the research agendas of business history or African American history. Conversely, with a few exceptions, business historians have until quite recently overlooked women's or gender history but have been interested in the development of African American businesses and businessmen. Business historians have engaged in a lively and informative debate over the impact of racial segregation on the development of African American businesses and entrepreneurial skills [Burrows, 1988; Schweninger, 1989 and 1990; Stuart, 1940; Walker, 1983, 1986, and 1990; Watkinson, 1989].

Yet, given the increasing Balkanization of historical studies, scholars in disparate areas often are unaware of important research in

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other fields. One historian, for example, excluded African American business women from his analysis of black business in the Reconstruction South because "their historical track is much fainter and harder to follow" than men's [Kenzer, 1989, p. 62]. Although it is true that the history of women is harder to trace than that of men, and that documentation on African American women is especially difficult to find, the burgeoning field of women's history suggests it is far from impossible. Indeed, the innovative ways in which historians of women have used documentation to reveal the seemingly invisible deserves general attention. Conversely, another business historian found enough material to write an essay on African American women property owners in the nineteenth century, which then was published in a women's history, rather than a business history, journal [Schweninger, 1990]. Although women's historians could learn a great deal from a business history approach, such a placement suggests the kind of disciplinary segmentation that can hinder scholarly interchange.

Focusing the field of study on issues of both gender *and* race could illuminate research in business history. In particular, there are two, sometimes unspoken, assumptions common to most histories of turn-of-the-century U.S. business that could benefit from scrutiny through the lens of these social categories. First, most business histories assume that the history of business is class-, race-, and gender-neutral, except in the case of specific races or gender groups such as African Americans or women. Thus, race becomes a category of study only when dealing with African Americans, for example, and not when analyzing white businesses. Or gender applies only in cases where women are clearly visible, rather than in cases where their very absence might reveal business imperatives. The notion that masculinity might have something to do with the way business developed is almost never raised.[2] The second assumption is built into the Chandlerian model that has dominated business historiography for almost twenty years—that is, that modernization best explains the history of business, because business institutions have made steady progress toward more

[2]For an exception see Alan R. Raucher, "Dime Store Chains: The Making of Organization Men, 1880-1940," *Business History Review*, 65 (Spring 1991), 130-63.

sophisticated and rationalized forms of organization. This essay will explore these two assumptions in light of relations between the white-dominated and the African American financial industries. A comparative approach provides an opportunity to explore the connections among race, gender, and class in the history of business at the turn of the twentieth century. Before analyzing these assumptions, however, some brief background material is in order.

Race and Gender in the Development of Financial Service Businesses

Like those of the white-dominated financial industries, the roots of modern African American financial institutions can be found in the family and community relations of the early nineteenth century. In 1787 two African American ministers in Philadelphia formed one of the earliest African American mutual aid organizations, the Free African Society. This group, despite the vocation of its founders, was based in the Philadelphia free black community rather than in a particular religious organization. It was created, as its charter stated, "in order to support one another in sickness and for the benefit of widows and fatherless children" [Weare, 1973, p. 5; Henderson, p. 3].[3] Eighteenth- and nineteenth-century fraternal organizations such as the Masons, Oddfellows, and the Colored Knights of Pythias provided benefits to black and white artisans, shopkeepers, small-scale entrepreneurs, and professional men. Such organizations were segregated by race and sometimes by ethnicity, and they were open only to men. Although some organizations had female chapters or counterparts, these groups essentially provided nonfamilial associations for men [Clawson, 1989; Weare, 1973, pp. 11-12].

Among nineteenth-century African Americans in particular, often one type of organization gave birth to others. This was especially

[3]The Free African Society soon folded, but was important to both African American and national history. From it came the African Methodist Episcopal Church, black abolitionist organizations, and groups opposed to the colonization of former slaves. The earliest known free African American mutual aid society was the African Union Society, begun in 1780 in Newport, Rhode Island.

true for the transition from mutual aid, to insurance, to banking. For example, many of the health, accident, and life insurance companies owned and operated in the early twentieth century by African Americans began as church relief societies or as mutual aid or benevolent associations before and just after the Civil War. The first savings bank in the country owned and operated by blacks was begun in 1888 as an adjunct of a Virginia mutual aid society, the True Reformers [Stuart, 1940, pp. 9, 33, 35; Henderson, 1990, p. 8; Watkinson, 1989]. The first woman bank president in the United States was African American Maggie Lena Walker. Her creation of the Saint Luke Penny Savings Bank in 1903 built directly on her association with Mary Prout's Independent Order of Saint Luke [Brown, 1989, pp. 615-16].

The African American financial industries provided a unique model of community-building and paternalism, profit-seeking and social responsibility [Watkinson, 1989; Weare, 1973]. Black Americans saw life insurance both as a cushion for the effects of racism and as a major entrepreneurial field, particularly after the end of slavery [Stuart, 1940, pp. xvii-xxv; Kwolek-Folland, 1994]. African American financial industries had a history as long as that of the white-dominated industries, and they responded to many of the same large-scale economic imperatives. In addition, however, they provided unique entrepreneurial avenues and vital economic and social resources for a segregated population.

Incorporating the history of African American financial institutions into our understanding of mainstream historical development involves understanding the ways that race is not a category unique to one racial group. In fact, relations among the class, race, and gender of various groups in the financial industries complicates our understanding of business development. Essentially, race and class, as *relational* categories, are experienced by all people—differently, of course, depending on an individual's position. Juliet Walker has argued that race, and not class, was the single most important factor shaping African Americans' ability to act as entrepreneurs within a dominant white society, because whites defined blackness as inferior to whiteness [Walker, 1990, p. 410]. Clearly, then, whiteness took its meaning from its relationship to blackness or "coloredness." Yet most histories of the middle class assume that to be middle class is to be white, without addressing the ways in which "whiteness" is a racial category derived by devaluing coloredness. Most studies of class relations fail to problematize race; they treat whiteness as the neutral standard, a kind of race absence. However, ignoring the fact that whiteness is created by denigrating coloredness overlooks the important ways in which race is a category of experience and definition for *all* businesses, not just those of African Americans. Further, understanding whiteness as a racial category would enable us to understand the ways in which racism and notions of racial inferiority have been central to the history of modern business development in general.

For example, whites used racial difference in their business organizations to create race solidarity. At the New England Mutual Life Insurance company's General Agents Association annual meeting in 1931, attendees were given a music sheet for sing-alongs. The songs ranged from straightforward renditions of "Happy Days are Here Again" and "My Wild Irish Rose" to special adaptations of well-known songs. Words sung to the tune of "Old Black Joe" clearly reminded the agents that selling insurance was work, but did so through racist humor and self-parody:

> Gone are the days when I lay in bed till nine;
> Gone are the times when I wasted hours so fine;
> Gone, gone for aye, for I've wakened with a jerk;
> I hear the prospects loudly calling, "WORK, WORK, WORK."

The racial element of this song, which uses a piece originally about "Black Joe" as the basis for a commentary on laziness, was typical of the professional meeting's effort to create a sense of solidarity, in this case among white male agents, by emphasizing their racial exclusivity [Kwolek-Folland, 1994]. Further, the racial segregation of fraternal organizations, and of most public facilities in urban areas, reinforced the fact that whiteness conferred more opportunities on its possessors than did coloredness. The white stake in maintaining racial privileges was an important and fundamental business resource.

Focusing on race also problematizes the association of business with middle-class status. From the inception of modern office work in the early nineteenth century, most social commentators and scholars have labeled clerical work middle class [Blumin, 1989; Ryan, 1981]. Class, however, has its limits as a tool for understanding the history of business. Strictly speaking, most economic analyses argue that middle-class status is achieved when a man has sufficient education or training in white-collar work to support a wife and children without their additional paid labor. Class status thereby assumes a gendered material base derived from the value of a man's wage. If economic class flows from male labor, however, it is not clear what role gender or race plays in the creation of a "classed" female wage earner, or what separates the classes from one another. This becomes especially problematic when dealing with women white-collar workers or with shifts in the social meanings of men's white-collar work. Further, people can experience middle-class status as both individuals and as family members, or as members of a racial or ethnic group.

The economic and social meaning of work can vary depending on gender, life stage, race, or the opportunity that work provides for widening social contacts. Thus, a young, white woman clerical worker in 1900, whose salary elevated her above factory laborers, could aspire to middle-class social status either as a career secretary or as the wife of a white middle-class man, even if her father were a day laborer. If she chose to be a career secretary, however, eventually her work experience would outstrip her earning power, and as she got older she would become working class, in economic terms, while retaining the middle-class respectability embedded in the social status of her work. Conversely, a young white man who became a typist in 1900 would face the steady deterioration of both wages and the social meaning of his work as some office jobs were "feminized." His choices were to work his way up and thus maintain both economic and social middle-class status by becoming a manager, or to remain in an increasingly devalued position both economically and socially. In most white corporate businesses, the assumption of female domesticity and male breadwinning translated into low wages in the labor market for all women (who were not, by definition, breadwinners) regardless of race and the use of gendered imagery such as female "office housekeepers" and "manly salesmen" to describe bureaucratic relations [Kwolek-Folland, 1994].

The development of classes among African Americans after the end of slavery further complicates the picture. Until the 1920s, it is difficult to distinguish a separate black economic middle class. Rather, because of the relatively limited economic resources available to the African American population and the racism of white society, after about 1865 there was an upper class of comparatively wealthy families, a small, economically distinct middle class, and a large lower class. It appears there were few differences between upper- and middle-class African Americans in terms of social values. Both groups shared a belief in respectability, church membership, family stability, home ownership, hard work, education, and refinement. Further, the black middle class apparently held many of the same gender ideals as whites, although for different reasons [Horton, 1986]. Thus, social beliefs did not widely separate the black middle and upper classes from one another or from the white middle class, even though the implications of class were different according to race or gender. The nineteenth-century white middle-class ideals of manhood and womanhood, for example, assumed that the perfect woman or man was white and sexually chaste—as opposed to black and lower-class men and women, who were perceived as sexually promiscuous. This racialized image not only helped shape the white perception that black women and men were more sexual than whites, but it also strengthened the importance of female chastity among middle-class African Americans as a way of denying the veracity of white definitions of morality [Shaw, 1986, pp. 61-79; Gatewood, 1990; Hine, 1990]. That emphasis, in turn, contributed to the symbolic importance of African American women office workers in black businesses, who were seen to elevate the social tone of the office and to affirm its middle-class status.

Insurance and banking played a critical role in the labor and financial markets of African American communities and in the growth of a new black middle class, especially after about 1900. By the 1920s, new African American upper and middle classes had emerged, especially in urban areas, who owned, managed, or worked for black banks and insurance or real estate companies. The gender and class patterns of so-called "race businesses" [Stuart, 1940] differed from

Table 1

Men and Women in Selected Banking and Insurance Occupations, By Race

	All Men	All Women	Black Men	Black Woman	Women as % of Total	Black Women as % of Black Total
1910						
Banking:						
Bankers & Bank Officials	22,353	325	55	4	1.4	7.2
Bookkeepers & Cashiers	106,130	6,280	115	36	5.6	24.0
Stockbrokers	13,522	207	32	4	1.5	11.0
Accountants & Auditors	1,967	115	1	-0-	5.5	-0-
Clerks	45,977	3,748	143	27	7.5	16.0
Stenographers & Typists	2,001	11,287	9	26	85.0	74.0
Insurance:						
Managers & Officials	9,376	125	101	4	1.3	3.8
Accountants & Auditors	1,215	123	3	-0-	9.0	-0-
Agents	82,743	2,521	1,387	309	3.0	18.0
Bookkeepers & Cashiers	6,385	4,222	27	113	40.0	81.0
Clerks	15,678	6,219	69	132	28.0	66.0
Stenographers & Typists	1,334	14,418	4	58	91.0	94.0
1930						
Banking:						
Bankers & Bank Officials	87,429	5,927	68	12	6.3	15.0
Bookkeepers & Cashiers	35,753	36,184	38	51	51.0	57.0
Stockbrokers	69,157	1,793	90	5	2.5	5.3
Accountants & Auditors	13,338	1,109	13	-0-	7.7	-0-
Clerks	136,386	57,435	401	78	30.0	16.2
Stenographers & Typists	1,682	56,287	6	67	97.0	91.0
Insurance:						
Managers & Officials	27,556	1,752	409	12	6.0	3.0
Accountants & Auditors	5,950	1,018	36	4	15.0	10.0
Agents	243,974	12,953	5,200	1,086	5.0	17.2
Bookkeepers & Cashiers	7,931	18,634	61	253	70.0	80.0
Clerks	34,442	55,986	259	534	62.0	67.3
Stenographers & Typists	1,249	75,202	16	636	98.3	97.5

Compiled from: *Thirteenth Census of the U.S. Taken in the Year 1910*, vol. IV, *Population, 1910: Occupation Statistics* (Washington, D.C.: Government Printing Office, 1914), table IV; *Fifteenth Census of the U.S.: 1930, Population*, vol. V, *General Report on Occupations* (Washington, D.C.: Government Printing Office, 1933, table 2; *Negro Population, 1790-1915* (Washington, D.C.: Government Printing Office, 1918), table 22; and, *Negroes in the United States, 1920-1932* (Washington, D.C.: Government Printing Office, 1935), table 27.

those of white-owned companies. Black men and women in offices, for example, tended to come from the best-educated among the African American population. Black women more often had jobs, such as bookkeepers in banks and insurance companies, that in white businesses were filled by men (see Table 1).

In addition, the old black upper class, from the 1860s until about the 1920s, was not strictly synonymous with wealth, much as white upper-class status was in part a function of birth as well as, or even in the absence of, wealth. Blacks in the old upper class before the 1920s were domestic servants for wealthy whites or owned various types of service businesses, such as barber shops, with a predominantly white clientele [Kenzer, 1989; Shaw, 1986, p. 67; Walker, 1983]. Members of this old upper class included food caterers and teachers, barbers and lawyers, blacksmiths and dentists in the South and, in the North, civil servants, college-trained clergy, nurses, and social workers. Among whites, most of these were middle-class and not elite occupations. In addition, to the extent that one could identify an elite of upper and middle classes among African Americans, much of their social status and class position derived not directly from economic status, but from physical characteristics such as straight hair and light skin, which "afforded economic advantages that were not available to darker-complexioned blacks" [Kenzer, 1989; Shaw, 1986, p. 63]. Given these complex connections among race, gender, and social or economic class, it becomes difficult to construct a history of business that does not take these divisions into account.

Business job and consumer markets in the United States have been divided by race, and the racial composition of the life insurance and banking industries was in some ways typical of American business generally. Racist attitudes on the part of whites and a literacy rate among blacks lower than that among whites kept African Americans out of most white-controlled office work. For example, a survey conducted in Chicago and Atlanta in 1931-32 by the U.S. Women's Bureau found that no offices in those cities employed *both* black and white men or women [Erickson, 1934, p. 92]. Jacqueline Jones has observed that when whites hired black women for office work, it usually was in positions that had no contact with either the general public or white employees. Most white-owned businesses simply excluded black women and men from office work. She also claims that black men rather than women usually filled clerical positions in African American companies [Jones, 1985, pp. 154, 161, 180-81]. However, census figures suggest that this pattern varied depending on the type of clerical work. Federal census reports show that, with the exception of the general clerk category, patterns of gender segregation in black offices were similar to those in white offices (see Table A). By 1930, for example, when women were 96 percent of all stenographers and typists, white women made up 95.6 percent of all whites in these jobs, and black women made up 92.5 percent of all blacks in them. On the other hand, black women sometimes fared better than white women in some office jobs. In 1910, black women were 24 percent of all black bookkeepers and cashiers in banking, whereas white women bookkeepers and cashiers in banking were only 5.4 percent of all employees in that category. This may have been because the wives or daughters of the African American owners more often worked in the business, and therefore took the higher-status and more economically sensitive positions. Moreover, evidence from the North Carolina Mutual Life Insurance Company and the Atlanta Life Insurance Company suggests that life insurance may have followed a different pattern from other industries, because there women were highly visible members of the office and managerial staff almost from the beginning. The entire home office staff of North Carolina Mutual in 1909, for example, consisted of twelve women [Kwolek-Folland, 1994; Henderson, 1990, pp. 142-44].

For African American men and women, the appearance of "race businesses" after 1880 meant expanding opportunities. The racial segregation of the insurance and banking industries, particularly after 1900, provided economic and job opportunities for black companies and individuals, as the same racism that kept African Americans from working for white companies encouraged them to create or patronize black insurance firms or banks. In the most extreme case, for example, the participation of white insurance agents in lynchings could increase the business of black insurance companies—in one instance, as much as 800 percent within a month. In Baltimore in 1921, the African American community denounced Harry Fledenheimer, a 50-year-old white insurance agent, for assaulting 10-year-old Esther Short while making his collections [Stuart, 1940, pp. 36-37; Kwolek-Folland, 1994].

These kinds of activities understandably created bitter feelings toward white companies and strengthened the market for African American business products.

Patterns in the black and white financial industries shared some similarities even as differences developed. Particularly for the first two generations of black financial industries, clerical work could provide entry into management. This pattern held true in white industries as well, with the difference that women did not participate in the upward mobility. Both black men and black women clerical workers tended to be better educated than their white counterparts and, because of the high standing and financial importance of many black businesses among the black community, all forms of clerical work continued to maintain a high status, which was not the case in white industries. Black women, however, experienced much the same lack of promotional opportunities as did white women and, like white women, when found in management positions usually supervised other women. Further, because before 1930 more black women clerical workers than white were married, office work was not the transitional experience for them that it was for most white women office workers [Erickson, 1934, p. 92; Henderson, 1990, pp. 142-44].

Both black and white women, however, found expanding opportunities in insurance sales after 1880. Until about 1900, selling was not a highly professionalized activity and thus provided an avenue into the business for people of different backgrounds. For example, Mattie Burke was North Carolina Mutual Life Insurance Company's agent in early twentieth century Edenton, North Carolina. Because insurance sales took place in people's homes rather than in an office and could be carried out according to an individual's own schedule, sales positions were particularly attractive to women, who might be single mothers or have other responsibilities. They could make up for the loss of seasonal income, for example, in teaching or agricultural work. The development of "women's departments" in insurance sales encouraged the employment of women to sell to other women, on the assumption that their investment in home and family would give them a unique window onto female needs. Sales could even be an avenue into higher-paying managerial positions for some women, and by 1930 women were approximately 5 percent of all insurance agents and brokers [Kwolek-Folland, 1994].

Entry-level positions in offices continued to be available to middle- and working-class white men, but these opportunities, as well as those for promotions, probably constricted after 1900 as formal education became more important than apprenticeship as a job qualification. For white women a similar stratification occurred, as working-class women, including first- and second-generation immigrants, continued in the less-skilled positions, while middle-class women dominated in the increasingly feminized secretarial jobs. For black men, opportunities enlarged somewhat as African American businesses expanded after 1900, particularly in the South and in large northern cities like Chicago [Weems, 1987; Chavers-Wright, 1985]. Office work, especially in African American life insurance companies and banks, provided an avenue for educated black men and women. Unlike the situation for the white clerical labor force, clerkship remained a managerial position and a mark of middle-class status for both black men and black women. It continued to draw on the most literate, best-educated portions of the African American population well into the twentieth century.

Most business history has assumed that business development was not influenced by the categories of race or gender. As these examples suggest, however, the financial industries were not race- or gender-neutral. Rather, racial and gender relations played a vital role in the development of the labor force, pay scales, and advancement opportunities, and even in the creation of market and investment areas in these industries. Further, if we consider the relations between race and class, it becomes clear that class is also a category that needs to be explained historically rather than taken for granted in its relation to business history.

That we have overlooked the importance of these social categories to understanding the history of business is closely related to the second major assumption of most business historiography. The emphasis on modernization that guides most post-Chandlerian business history is, at bottom, an emphasis on the disappearance in business culture of inefficient social categories (including gender and race, as well as some forms of organization) and the emergence of rationalized standards. It has been possible to ignore gender or race as historical forces precisely because of the assumption that business is based on natural responses to economically driven market imperatives that are themselves devoid of individual purpose.

The stress on modernization has emphasized the departure of business development from early nineteenth century forms and relations [Chandler, 1977; Keller, 1963]. However, in both the white and the African American financial industries, older patterns lingered into the twentieth century. For example, the early nineteenth century emphasis on character as a male business asset did not disappear with the advent of college training, professional managers, working women, and corporate bureaucracy [Blumin, 1989; Kwolek-Folland, 1994; Ryan, 1981]. This is clear in the ways that race and gender solidified business relations. Reputation, or character, had both an economic and a social exchange value for men concerned about success in the marketplace [Ryan, 1981, p. 141; Halttunen, 1982, p. 50; Rotundo, 1993, pp. 196-205]. For male insurance sales agents and managers, the economic and the social value of one's character and one's personal network of friends and family were inextricably linked well into the twentieth century. Friendships formed at school, in fraternal orders or lodges, and at sporting clubs were resources from which to draw contacts. A good example of these linkages can be found in the activities of Rencher Harris, in the 1920s an officer and agent of Bankers' Fire Insurance Company, an African American company in Durham, North Carolina. Harris' travels on behalf of the company involved, among other duties, recruiting agents and making "connections" that would expand the business. Some of his connections built on a web of institutions that included black colleges, churches, and fraternal organizations, all of which were part of racial as well as personal networks [Kwolek-Folland, 1994].

Mary Ann Clawson has traced the connections between white, middle-class definitions of manhood and membership in fraternal organizations. Clawson specifically emphasizes that fraternalism was a nineteenth-century expression of manhood that built fictive kinship ties and allowed men to express emotions in a way denied them in both their competitive business lives and the domestic context. After the gradual loss of membership in fraternal organizations apparent by the

1920s, service clubs such as the Lions reinforced fraternal ties. Service clubs were specifically oriented to white, middle-class businessmen and professionals, and they continued many of the same forms of organization and relations as the nineteenth-century fraternals [Carnes, 1989; Clawson, 1989; Halttunen, 1982]. They cemented business ties through gender solidarity and racial segregation. African American fraternal organizations performed many of the same functions as white groups, including providing business contacts and extra-familial ties. Club membership tied African American men to other businessmen, both locally and nationally.

Furthermore, far from disappearing with rationalization, ties of direct kinship continued to exist after 1900 and were augmented by bonds of social life and generational proximity. A systematic demographic study of the blood relationships of white-collar workers, managers, and corporate executives would be nearly impossible. However, impressionistic and direct evidence suggests not only that blood ties were extremely important in corporate organization, but also that they were present at every level of corporate experience from executives to the clerical staff, and they included both men and women. Particularly at the executive level in insurance and banking, directorates and company officers often were bound together by formal blood or kinship ties. Further, life insurance agencies encouraged hiring relatives in sales, management, and clerical positions, perhaps to keep the profits and clientele of an agency within a family. Race businesses seem to have hired more than their share of siblings and relatives, probably because of the pressures of segregation that limited the outside opportunities for educated, middle-class African Americans [Collier, 1985, p. 226; Gardner, 1979, p. 128; Keller, 1963; Kennedy, 1970; Kenzer, 1989; Kwolek-Folland, 1994].

In some instances, women and men seem to have been treated as essentially the same in terms of where their kinship ties placed them in corporate work. In other cases, gender determined different traditions of inheritance and participation. It is well-documented that sons took over merchant houses, manufacturing concerns, or small businesses from fathers or were promoted into their fathers' businesses. This type of kinship connection also was evident even in large-scale financial industries and encompassed many executive positions. In 1894, Robert

McCurdy, the son of the president of Mutual Life Insurance Company, was appointed to run the company's London office and, by extension, all their European business. James Hazen Hyde, the son of Equitable's founder Henry Baldwin Hyde, became a company officer in 1899 when his father died [Buley, 1959, p. 540]. Inheritance remained an avenue to a business career well into the twentieth century. J. Stinson Scott started as an agent in his father's insurance firm in 1926 and was promoted to general agent, probably on the senior Scott's death, in 1931 [Kwolek-Folland, 1994; Collier, 1985, p. 78]. North Carolina Mutual Life consistently has employed family members, in some cases for three generations [Kwolek-Folland, 1994; Weare, 1973].

Sometimes kinship ties acted to reinforce or continue blood ties already in existence; others were simply the result of propinquity. In the early twentieth century, the directors of the Union National Bank of Wilmington, Delaware, for example, became part of a complex genealogy when James Price, the president in 1908, married Margaret Tatnall Starr, the widow of former director Isaac Starr and the sister of director Edward Tatnall. Thus president Price was related by marriage to two of the bank's directors, and Margaret Tatnall Starr Price's willingness to marry within the business kept its resources and control in family hands. At North Carolina Mutual, the three principals also were united through marriage. Fannie Jones, stepsister of founder John Merrick, married president C. C. Spaulding, who was, in turn, the nephew of company officer Dr. A. M. Moore [Kwolek-Folland, 1994; Kennedy, 1970, pp. 12, 19]. There were other ties of kin and family in the corporate world. Siblings sometimes worked at the same company, occasionally in the same department. Black insurance companies often hired siblings. Sisters Dora, Bess, and Pearlie Whitted, for example, all were clericals in the home office staff of North Carolina Mutual in the early twentieth century [Kwolek-Folland, 1994].

Gender ideals did not prevent women from becoming executives, although they usually did so because of marriage. A combination of inheritance and marital ties allowed women executives to act as the heads of large and small companies. Sometimes a woman became an executive or head of a board of directors by virtue of her relationship with her husband. Margaret Tatnall Starr Price helped cement and maintain a banking directorate simply through her role as a serially polygamous wife. Tradition in life insurance stresses that women first became agents by taking over a husband's debits when he became ill or had died [James, 1947, p. 81; Ryan, 1981, p. 138]. This certainly would be in keeping with long-standing methods of business operation, whereby widows or married women could operate as *femes sole* in their husband's absence or death. These patterns of executive relations also were true of race businesses. When Alonzo Herndon, the founder and chief officer of Atlanta Life Insurance Company, died in 1927, his wife Jessie Gillespie Herndon became the company's first vice-president [Henderson, 1990].

Some of these women executives actually directed their companies; others may not have been active in management. Jessie Herndon, although a director of Atlanta Life and its major stockholder, left the actual management of the company to her stepson Norris, Alonzo's son by a previous marriage [Henderson, 1990]. However, even women executives who were not directly active in the affairs of their companies were more than mere figureheads. They played important roles in keeping social networks intact and thereby maintained the position of their companies both socially and economically. Rencher Harris' wife, for example, took an interest in his business associates and fraternal ties, helping to maintain his status by entertaining while he was travelling [Kwolek-Folland, 1994].

The social and kinship ties of both men and women involved in financial industries at the executive level were critical to generating and maintaining success. In order to create and nurture political relations to secure favorable legislation, for example, and to maintain the social connections that ensured a company's financial well-being, elite men and women maintained various social and family ties outside the company organization. Like the all-male clubs and fraternal organizations or the interlocking directorates of major financial companies, executive wives' social skills and connections through informal entertaining or formal charitable work could strengthen a corporate reputation. In this way, elite women aided in the social legitimation of the company's product, the social value of its community presence, and the attraction of business contacts. Jessie Herndon, for example, was one of the most important social figures in black Atlanta, and she kept the company's profile both high and respectable [Davidoff and Hall, 1987; Kwolek-Folland, 1994; Henderson, 1990, p. 32].

For those involved in race businesses, socializing had a special importance. It could create and strengthen ties within or among black communities, and it was part of the material support African Americans provided one another in segregated towns and cities where public facilities might not even be available. Furthermore, in segregated markets socializing strengthened the solidarity of the black business sector and helped with customer relations. Rencher Harris noted that on a business trip to Memphis, local people treated him to supper and a ride through the city's business section. At home in Durham, his wife entertained visiting fraternity brothers by organizing a recital [Kwolek-Folland, 1994].

Some large, company-sponsored events ritualized social gatherings and connected executives of one business to others within and outside the company. These events were an important part of both white- and black-owned businesses. For example, at a party in 1923 honoring the forty-ninth birthday of North Carolina Mutual president C. C. Spaulding, 91 staff and family members got together at the company's home office for a celebration. The party even included several young children and one baby [Kwolek-Folland, 1994]. For race businesses, company gatherings also could be important sources of information and solidarity. In 1921, C. C. Spaulding inaugurated Saturday morning "Forums," which began with singing a chorus of the company song to the tune of "Old Time Religion." The Forum was a kind of "pep rally" based on a ceremony Spaulding had observed at a black fraternal meeting in Arkansas. In addition to company songs and spirituals, the meeting included prayer and self-improvement exercises in the form of spelling bees and informal debates. Spaulding also brought in outside speakers on a variety of topics, including W. E. B. Du Bois, A. Philip Randolph, and Adam Clayton Powell. The Forums were an opportunity to stimulate racial and ethnic pride, cement the ties of the "Mutual family," and provide employees with educational information, all under company auspices [Weare, 1973, pp. 133-35].

North Carolina Mutual Life Insurance Company's outings, which began in 1904, were designed to bring together not only company personnel but a race community. The first was an agency meeting at the

North Carolina Colored State Fair. Trains brought the "Mutual Family" to the fair, where the agents and managers mingled with the general crowds, enjoyed themselves, and incidently advertised the company. The prosperous-looking Mutual agents suggested the company's affluence and security. In 1908, the company began "superintendents' conferences" at the home office. These were important managerial meetings as well as vital summer events for black Durham. Because there were no African American-owned hotels in Durham, Mutual agents and managers who came for the conferences stayed in churches or with church- or company-affiliated black families. Although a product of segregation, this mingling with the local community reinforced the ties between the company and powerful institutions such as the churches. Further, since the mission of such conferences was partly to educate the public and heighten the company's profile, staying in homes or churches more easily incorporated Mutual agents into the community and the community into the company. In addition to the purposes Mutual outings shared with financial industries generally—reinforcing fictive kin ties between managers and their company, encouraging class identification—Mutual outings also spoke to important race issues. Intriguingly, most white financial industries also maintained church involvement. White companies, however, kept these ties more informally through the memberships of executives and their wives in local churches, clubs, and charitable organizations [Watkinson, 1989, p. 11].

Within the financial industry's professional organizations, racial and gender differences emphasized the exclusivity of these clubs. The National Association of Bank Women, a professional organization with 80 members in 1923, held formal dinners to allow members to discuss developments in banking, meet other women, and exchange ideas. Primarily an East Coast organization in the early 1920s, by the early 1930s the organization had a wider representation and had made an effort to associate itself with the much larger white, male professional organization, the American Banking Association (ABA). The women's group held their meeting at the same time as the men's group and invited some of the ABA's officers to be guest speakers. The organization was dominated by women who were nominally cashiers and managers, but who were concentrated in personnel work and women's departments

[Gildersleeve, 1959; Seward, 1923, p. 15].[4] These women, however, were all white, and the organization did not include any of the black women involved in banking in the years before 1930. Nor were African American women welcome in the black men's insurance organization, the National Negro Insurance Association (begun in 1921), until the 1938 election of Mamie C. Hickerson as the organization's statistician. Black women did not form strictly professional organizations, opting instead for more broadly conceived, community-oriented clubs and associations [Brown, 1989; Stuart, 1940, pp. 323-27].

Corporate-sponsored leisure clearly expressed the racial divisions of early twentieth century business. African Americans appear almost nowhere in the photographs of white companies' office outings, for example. However, "blackface" or minstrel shows, using white players, were popular entertainments at white conventions and outings. Provident Mutual Life Insurance Company of Philadelphia divided men's baseball teams by race but emphasized their different job positions as the source of their "rivalry." The contest between the "Mechanics" and the "Porters" was also a competition between white and black men's teams. It brought together on the field two different positions in the male corporate hierarchy as well as two races. The Mechanics clearly followed the artisanal or craft tradition associated with white working-class manhood, whereas the Porters grew out of African American men's involvement in various forms of personal service [Blewett, 1988; Jones, 1985; Kwolek-Folland, 1994]. Black employees had a separate field day on a different date than the white employees, and the reports of their field day in the company newsletter were brief: one page compared to several pages for the white employees' outing. Because a good deal of the impetus behind these company-sponsored events was related to corporate advancement, the reports of games and activities among white employees were more detailed than those among African Americans. Blacks could not expect promotion out of the racial job track, and thus white management's concern with and reporting of their activities during field day centered on the black employees' alleged gratitude toward the company rather than on their

[4] "Association of Bank Women," *Pacific Banker* (October 1932), p. 176.

interpersonal skills or conduct under pressure [Kwolek-Folland, 1994]. This clearly reinforced the racial status quo and constructed a relationship between whites and blacks that mirrored, and reinforced, the bureaucratic organization.

Conclusion

The relations among class, race, and gender that are evident in comparing the African American and white-dominated financial industries reveal the importance of these categories of experience and definition to business history. Race and gender analyses suggest that we must reconceptualize two of the most basic assumptions of business history—the perceived social neutrality of business and the importance of modernization. Race is an important analytical category for the white as well as the black financial industry. The white industry maintained its hegemony, created class and race solidarity, and demarcated complex relations among gender, class, and race by positioning itself in relation to African American businesses or race in general. Furthermore, even as a class of professional managers proliferated, personal and family ties remained central aspects of business networks. Far from abandoning kinship or leisure to the private world of the family, financial industries drew their substance directly into the corporate experience. If we understand categories such as class, race, and gender as aspects of *all* business development, histories of business will more nearly reflect the richness of historical experience.

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