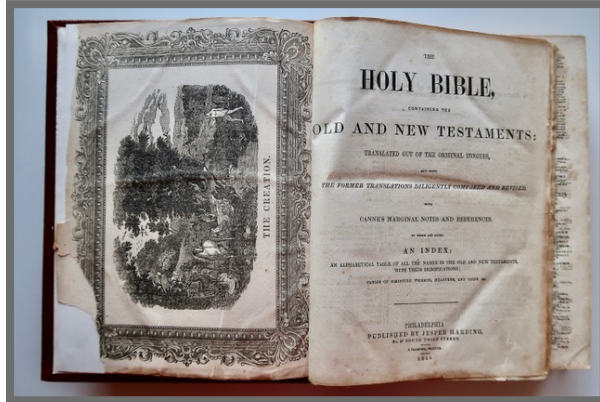


From the Bible to Black Friday

By Susan Palmer

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My husband inherited one treasure from his mother's family, a 1849 bible published in Philadelphia.



The first entry in the Bible's Family Records page is "George Preston And Nancy Beswick Married at the old church Stockport England on the 6 of December 1840". Stockport in that era was a quintessential textile town with an excellent water source. The primary industries were first weaving silk, then cotton, and later hat making.

In 1840 an impressive new viaduct was built in Stockport to carry the railroad between Manchester and London, but the city was, described at the time by the Marxist Friedrich Engels, "renowned as one of the huskiest, smokiest holes in the whole of the industrial area". It was from here that George, Nancy, and their infant daughter sailed for New York in June 1842 on a 3 masted packet ship. (They sailed - on the same ship - eight months after George's older brother John immigrated with his family.) They settled in Brooklyn, then the nation's seventh largest city, and increased their family with sons William Henry (my husband's great-grandfather) born in 1844 and his brother Richard Wallace, born in 1848, the focus of this story. The father was a 'patternmaker' which in that era was a skilled trade making replicas of objects to be cast from molten metal. Mother Nancy tended the three children and a fourth who died in her first year.

William became a machinist, similar to his father's profession, married at 27, and had two children. Richard, four years younger and his mother's youngest surviving child, lived at home in Brooklyn with his parents, brother, sister-in-law, niece and nephew until his mother's death in 1884. He then quickly married at 37 to a German immigrant 15 years his junior. They never had children and he died at 68 of heart disease in 1916.

I became interested in Richard from a single line in his ***Brooklyn Eagle*** obituary:

"During the famous fight between Jay Gould and Colonel James Fisk, then President of the Erie Railroad, young Preston carried messages to both and had a vivid recollection of the stormy times of 'Black Friday!'"



RICHARD PRESTON

The start of Richard's career was probably similar to his contemporary, the great financier and railroad magnate, E.H. Harriman. Richard was born in Brooklyn several months after Harriman was born in Nassau County, New York. Harriman, who left school at 14 to seek his fortune, was first employed with a Wall Street firm as a 'pad shover', carrying from office to office notebooks on which the latest prices of securities and their bids were scribbled. Harriman's career advanced quickly and he bought a seat on the New York Stock Exchange when he was only 22.

The 1865 New York census lists our relative Richard as a child of 17 working as a clerk, probably also an errand boy like Harriman, and while he did not become a Gilded Age tycoon, his obituary noted he did become a member of the Consolidated Stock Exchange, formed in 1885, which competed with the NYSE and was known as the "Little

Board".

What happened on Black Friday, September 24, 1869? It was an effort by Robber Barons Jay Gould and James Fisk to corner the market for gold. They enlisted the brother-in-law of President Ulysses S. Grant, bribed an Assistant Secretary of the Treasury and were initially successful, driving the price of gold from \$5 to \$125 an ounce. Grant, who was never involved in the scheme, became suspicious of the market activity and ordered his Secretary of the Treasury to sell significant U.S. gold reserves. His brother-in-law and Jay Gould knew of the government's decision to sell but didn't tell Fisk who kept bidding up the price before the Treasury started to sell. Many brokers were ruined though Gould left the bidding early and Fisk pretty much came out even as he reneged on his contracts. Subsequent to the gold crash the stock market dropped, foreign trade suffered and farmers' crops went unsold. It took years for the United States economy to recover fully.

What did Richard do on Black Friday? He was 21 years old running messages between the co-conspirators. His obituary stated he worked for two different firms, both of which are identified as brokerages doing business with Jay Gould. Sometime after Black Friday, the principal of one firm, William Heath & Company, left New York to protect Gould or, as the **New York Times** wrote, "hurried out of the country to wait until the storm blew over."

William Heath & Company ultimately failed 16 years later in 1885 and Mrs. Heath, who had lived in a "palatial establishment in Paris", returned to bail her husband out of jail where he awaited trial after being sued by a creditor for \$440,000 (about \$12 million today).

Brooklyn City Directories list Richard as a stock broker until 1891 and then the New York State census records him as being retired from Wall Street in 1892, age 44. He traveled to Europe that year with his German born wife and took at least four more multi-month trips to Europe during his lifetime.

Richard also began actively investing in Brooklyn real estate. His obituary stated that he was a "very successful" investor. This second career was filled with Brooklyn real estate transactions, purchases, sales, and lots of lawsuits. Researching this might lead to another Member Story.

For many years Richard was on the Board of the Long Island Throat Hospital and Eye Clinic which was located in Brooklyn. Providing free surgery and prescriptions for hundreds of poor people, their board meetings and benefits were faithfully recorded in the **Brooklyn Eagle**. For instance, in January 1902, 300 people attended an 'Entertainment Euchre'* at the fashionable Germania Club.

While Richard's brother, my husband's great-grandfather, followed their father's path and was a blue collar worker, his son, my husband's grandfather, followed the path of his Uncle Richard and became a businessman in Brooklyn. With an 8th grade education, he grew up in the same home with his extended family, certainly listening to stories of banking, the stock market and Black Friday, becoming a businessman too and owning a tin can factory before the Depression.

* *Euchre is a card game in which one takes tricks, similar to bridge, but with fewer cards. Wikipedia claimed it was the "national card game of the United States in the late 19th century."*

