
INTRODUCTION

Working Americans 1880–1999 Volume III: The Upper Class is the third volume of a multi-volume set. Like its predecessors, *Volume I: The Working Class* and *Volume II: The Middle Class*, this volume looks, decade by decade, into the work, homes, and lifestyles that defined the Upper Class—from a wine merchant from California to a record producer from Tennessee. This volume also looks at the society and history that shaped the world of the Upper Class from 1880–1999.

“ . . . The well organized books are designed to facilitate our understanding of the growth and development, as well as the lifestyle and economic life of the working and middle classes over a century . . . these interesting, unique compilations of economic and social facts, figures, and graphs will support multiple research needs. They will engage and enlighten patrons in high-school, public, and academic library collections.”

Booklist

“An interesting look at Americans, focusing on their lifestyles and economic life, by decade . . . Period photographs, newspaper advertisements, cartoons and first person remembrances help to make this an excellent resource for study of American during this time period.”

Pennsylvania School Librarians Association

As in the first two volumes, the chapters in Volume III have been carefully designed to enhance our understanding of the growth and development of the Upper Class over more than a century. This volume begins in the late 1800s at a time when the economy was shifting from the agrarian to the industrialized sector. Also, better record-keeping during this time, and the increase in gathering statistics, provided a wealth of archives from which to draw original material for this book.

From the many government surveys, social worker histories, economic data, family diaries and letters, newspaper and magazine features, this unique reference assembles a remarkably personal and realistic look at the lives of Upper Class Americans.

Family Profiles

Each chapter of *Working Americans 1880–1999 Volume III: The Upper Class* covers a decade, and opens with an overview of important events to anchor the decade in its time. The Upper Class is then explored by examining the lives of a number of Upper Class working families. These Family Profiles examine income, expenses, life at home, life at work, and life in the community. The information is presented in narrative form, but hard facts and real life situations back up each story.

The basis of every Family Profile is a study that either details the family's finances or lifestyle. In most cases, a governmental study identified the family statistically, and this data was used to form the base of the profile. Extensive research into the times, professions, and geographic locations pumped additional life into these families. To further identify each family with their community, we gave each a name. The Colorado silver miner from 1892 is John Gustin, heiress Susannah Wainwright depicts life in Hawaii in 1936, Nashville-based record producer in 1969 is Verne Cringely, and Liming Shao is the Chinese-born immigrant who makes his millions as an entrepreneur in New York City.

Economic Profiles

Each chapter also includes an Economic Profile. These are a series of statistical comparisons designed to put the family's individual lifestyles and decisions in perspective. These charts include the average wages of other professions during the year being profiled, a selection of typical pricing, and key events and inventions of the time. Enhancing some of the chapters are examinations of important issues faced by the family, such as how Americans coped with war and civil rights issues.

In addition to the detailed economic and social data for each family, each chapter is further enriched with Historical Snapshots, News Profiles, articles from local media, and illustrations derived from popular printed materials of the day, such as clippings from cereal boxes, campaign buttons, postcards, and posters. Each graphic was carefully selected to add depth to the understanding of the world that the families lived in. The material used in *Working Americans, Volume III* is a compilation drawn from many different sources, which are listed in detail at the back of the book.

In more than 550 pages, *Working Americans 1880–1999 Volume III: The Upper Class* offers 75 Profiles that cover more than 30 pursuits and dozens of ethnic groups. Geographically, the text travels the entire country, from Hawaii to New York, from sophisticated cities to quiet country homes.

The Table of Contents provides a clear guide through each chapter, outlining each section, from Life at Home to Selected Prices, and quickly illustrates the wealth of information for each decade. In addition, Volume III includes a comprehensive index, providing the reader with easy access to the thousands of specific topics in this volume.

Next in this series is *Working Americans 1880–1999 Volume IV: Their Children*. This volume will explore the lives of school age children from all economic levels.

PREFACE

This is the third volume in a series focused on the social and economic lives of working Americans, using everyday details to describe their lives. The first volume of *Working Americans: 1880-1999* examined the struggles of the working class through the eyes and wallets of three dozen families. It studied the factors that shaped their jobs, wages, family life, expenditures and hobbies. The second volume captured the endeavors of the middle class in a similar but sometimes subtly different way, describing the emergence of two-income families, professional managers, increased disposable income, the move into suburbia and the establishment of regular paid vacations and insurance.

This volume focuses on the fascinating and often complex world of the upper class. Throughout the book, three dozen profiles carefully examine the lifestyles of business magnates, inventors, scientists, architects and investors, frequently pausing in this gallop through history to discuss the expansion of the telephone, the manufacture of the Olds automobile, the creation of frozen foods, the rebuilding of Britain, the popularity of Lionel Trains or the rise of Internet millionaires.

What emerges is the story of men and women who, through hard work, grit, good luck or inheritance, have been elevated to the highest pinnacle of economic prosperity. For many, this level of wealth provides luxuries such as world travel and multiple homes, even a life totally free of work responsibilities. For others, it is the opportunity to influence the development of cities, or fund the college education of those less affluent. Along the way, fortunes are lost and gradually rebuilt, as in the aftermath of San Francisco's earthquake and fire in 1906. Estates were sold through bankruptcy as a result of the Great Depression, and homes were built on the most exclusive spot in Hawaii.

Every generation endows a certain level of romance to the age gone by. The patina embellishing the upper class is even more alluring. The rich become richer, the cars bigger and the parties wilder. Using the public documents of the day, this book attempts to uncover the false veneer of memory in hopes of capturing single snapshots in time: the excitement of traveling out West by train, the love of a man for his recently departed wife, the shock of having a home robbed and vandalized, or the willingness to gamble your family fortune on the potential growth of cellular telephones.

In preparing this book, I found that all families—no matter their economic situation—experience loss, pain and insecurity, as well as immeasurable joy and freedom. For that reason, each profile is different, as each family is different. None of us is average and neither

were our ancestors. Some profiles intimately study the family's personal life—how they coped with losing their home during the Depression, the indulgence in a luxurious lifestyle during the Gilded Age or the love of one man for African art. Others peer intently at professional pursuits such as the contributions of the unofficial mayor of Tulsa, Oklahoma or the decisions of a highly focused Mr. Corporate Fix-it who is often called upon to turn around failing companies.

Many of these people led very public lives. All of the profiles are modeled on real people and events, although, as in the previous books of the series, the families' actual names have not been used. Otherwise, every effort has been made to ensure that all other details about their business, the conditions within the community or the cost of goods and services reflect the knowledge and standard of that day. The newspaper and magazine stories strategically placed throughout the book remind us that many of yesterday's critical issues are still with us. Happily, some issues, such as a shortage of metal hairpins during the Second World War, seem less pressing today.

Ultimately this volume and its two predecessors together represent the history and ancestry of the vast majority of Americans. At the turn of the twentieth century, 10- and 12-hour workdays were standard by dictum; as we reached the end of the century, workdays of the same length were often adhered to by choice. The American economy is complex, made more so by people who insist on explaining the intricacies of money movement without mentioning the lives of the families whose investments, decisions and spending drive the economy. *Working Americans*, volumes I, II or III, is not the total answer; it is simply a clue to understanding whence we came and where we are headed.

Scott Derks



1880 FAMILY PROFILE

Donald Rutherford, already rich and looking for a new challenge at 39, left a rapidly expanding investment business a year ago to join a group of wealthy Boston businessmen who are intrigued by the latest innovation—the telephone. He and his wife, Sybil, have six children, all boys, who enjoy horse-back riding, sailing and touring the West by train.

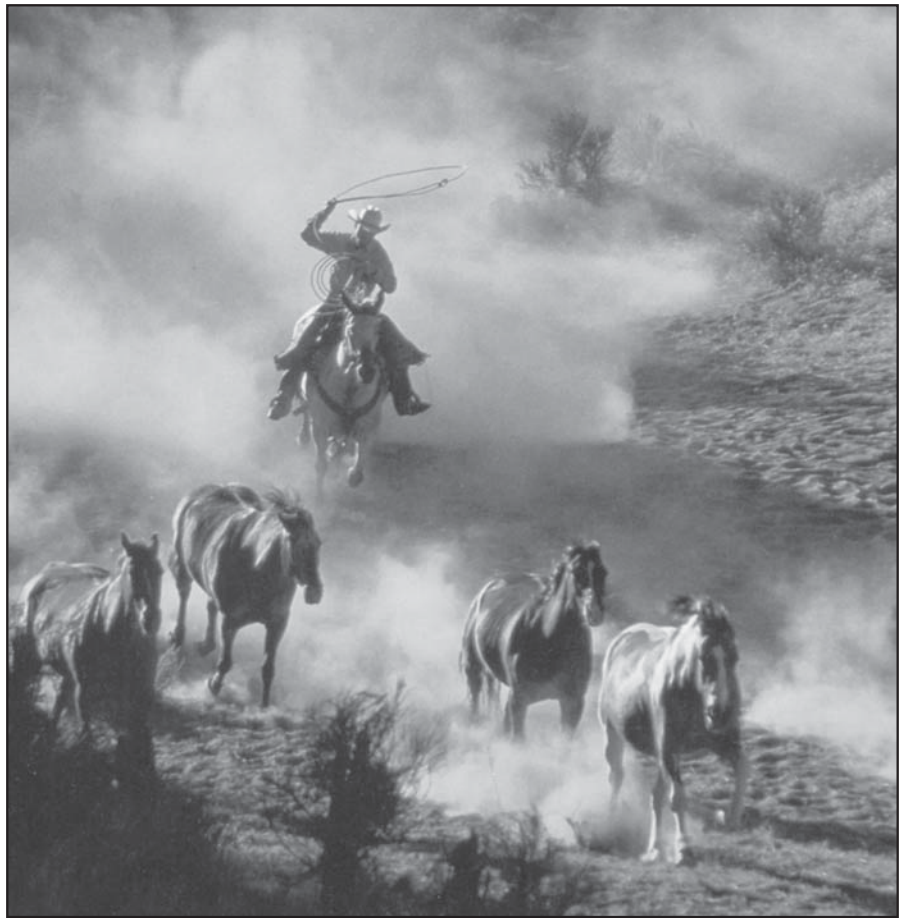
Annual Income: More than \$200,000; their total holdings exceed \$1 million.

Life at Home

- Raised near Boston, Massachusetts, Donald is the son of a wealthy merchant, whose fortune was earned through trade with China.
- His father's business was so lucrative and the opportunities so great, he left his new wife of one month for nearly three years to complete a business deal; by the time he returned home his fortune had been made.
- For the past 20 years, Donald has been working for his father's import business and investing in railroad development in the West, as well as some local development.
- He believes it is part of his Scottish heritage to make money and pass it along to his children.
- He is 39, rich and looking for a new challenge; the development of the telephone looks like a good way to regain his energy and possibly make some money.
- During the past decade, his investments in western railroads have afforded the family more economic freedom and an excuse to travel by train throughout the West.



Donald Rutherford is well-known for his ability to make money.



His sons are fascinated by the sights and sounds of cowboys during railroad trips West.

- The family, especially his sons, are fascinated by the sight of Indians, cowboys and buffalo on the plains.
- Entertaining his children and making money both give him great pleasure.
- He also enjoys a very prominent place in society, which he inherited from his father, but has maintained through his own abilities.
- The Rutherfords recently attended a costume ball to celebrate the end of the Christian season of Lent; they agree with newspaper stories claiming that this evening event cost \$250,000, with \$11,000 spent on flowers, \$155,730 for costumes and \$62,270 for champagne.
- One story about the party reads, “The season brings the flowers again and Easter brings the new bonnets, but not the bonnets alone. It brings to that unemployed, pleasure-seeking society relaxation from the restraints of Lent and ushers in a round of entertainment all the more rapid in procession and delirious in excitement for the long season of fasting and self-denial which has gone before.”
- Sybil has come to enjoy coaching, or riding through the woods in a perfectly appointed coach drawn by four horses and attended by three or four coachmen.

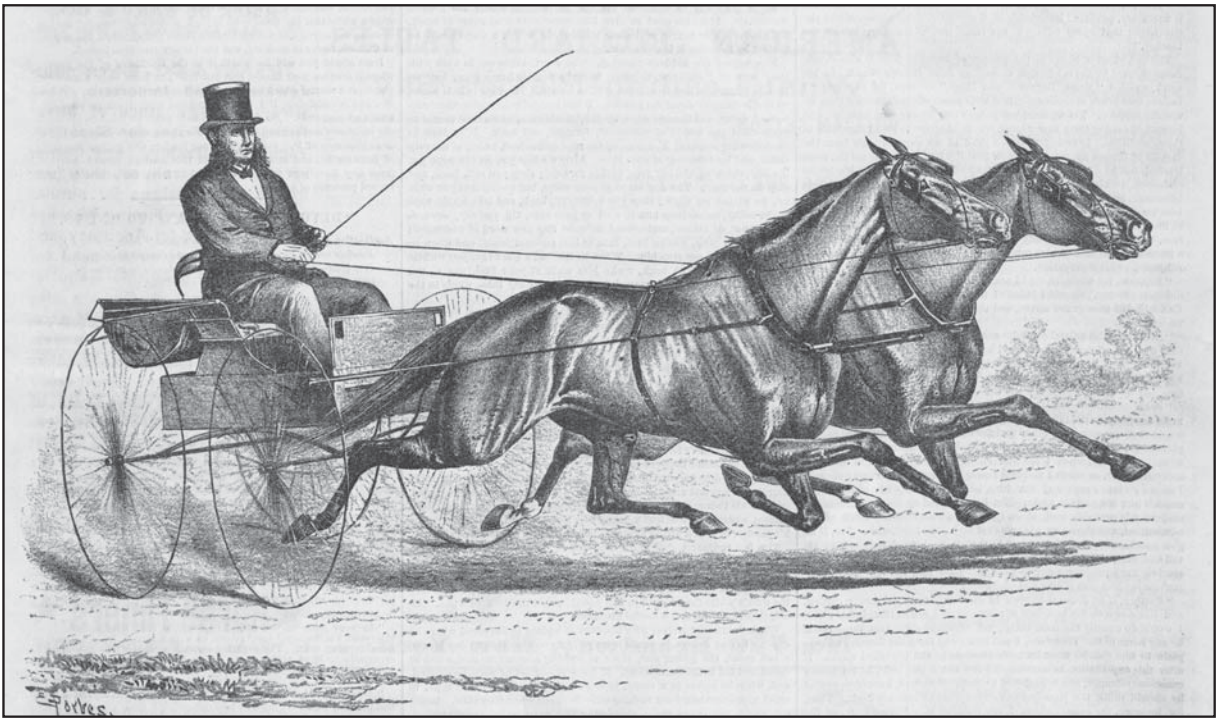
Life at Work

- Donald Rutherford is well-known for his head for figures and taste for making money and social connections—the perfect combination to assist a young company struggling to survive.
- He has been on the job one year, during which the lawsuits with Western Union and others were settled and the company could begin focusing on cautious, deliberate expansion.
- The telephone, under Patent No. 174,465, entitled “Improvement in Telegraphy,” had been approved four years earlier on March 7, 1876.
- The explanation of an unbroken electrical current, magnets and variable resistance in the design of the telephone makes this patent potentially one of the most valuable of the day.
- The hard work of creating a commercially successful telephone company is just beginning.
- The original telephone company, created by inventor Alexander Graham Bell and his father-in-law, ran out of money in 1879, drained of nearly \$100,000 in patent legal battles.
- To survive, Bell and his backers turned National Bell Telephone over to a group of Boston investors, including Rutherford, to run.
- Within months of taking over the company in 1879, the Boston group ended the pitched battle with competitor Western Union in an agreement through which Western Union sold all its telephone properties; in return, Western Union is to receive 20 percent of National Bell Company’s license fees—the fees from district exchanges.
- In addition, Bell Company agreed to keep out of the telegraph business and deliver to Western Union any telegraph messages it might receive for transmission.
- Bell stock, which was unsellable at \$50 a share, zoomed to \$1,000 a share in November after the settlement was announced.
- Donald’s job is to make Bell Telephone profitable; he does not like to take chances, believing that slow, deliberate use of capital will result in survival, and the Board, composed of his friends in Boston, agrees.
- Currently, he is in conflict with Bell Telephone’s general manager, who is pushing to invest in higher quality service to customers; this will simply drive up costs, Rutherford believes.
- Donald holds that when you own a monopoly and have no competitors, you don’t have to provide the highest level of service to compete; his priority is to control costs so the company can return a large profit to its Boston investors—period.
- Recently, to control costs, the Board has agreed that inventor Alexander Graham Bell is no longer providing enough service to the company to warrant his \$5,000 annual wage and should be terminated.
- Now that the patent lawsuits are no longer an issue, Bell is not needed for his testimony in court cases; besides, Bell is more interested in inventions for the deaf, and is not living up to his contract to advance the science of the telephone.
- Legal fees of the law firm that spent several years attempting to save Bell Telephone amounted to \$50,000; the lawyers have agreed to accept \$20,000.
- Donald’s experience investing in western railroad expansion taught him that too much activity can cause jealousy and competing factions, so he understands that building a monopoly is dangerous, making it open to attack; however, he believes a monopoly is necessary if the telephone is to prosper and spread across the nation.
- This is why he has been so aggressive in defending Bell’s ability to set rates and expand service.
- He has publicly stated that “the complaints as to rates are often made thoughtlessly, and in ignorance of the expenses and risks which attend the business.”
- He also opposes all regulation, saying, “No state in fairness ought to destroy that which the patent system has created,” and has warned those who wish to regulate the business

HISTORICAL SNAPSHOT

1880–1881

- Singer sold 539,000 sewing machines, up from 250,000 in 1875
- The new census declared that the United States now had 100 millionaires
- A&P operated 95 grocery stores from Boston to Milwaukee
- The plush Del Monte Hotel in Monterey, California, opened
- Halftone photographic illustrations appeared in newspapers for the first time
- Writer Mark Twain produced the first piece of telephone fiction, in which he described his reaction to the experience of listening to only one end of a telephone conversation conducted by someone else
- To make the invention of the electric light bulb practical, Thomas Edison created his own factory staffed by 133 men, turning out 1,000 lamps a day
- Midwest farmers burned their recently harvested corn for fuel; the price being paid for corn was less than the cost the railroads were charging for shipment east
- President Garfield was assassinated by Charles J. Guiteau, a disgruntled office-seeker
- According to fashion magazines, the “waist ideal” for women was 18 inches; well-dressed ladies wore corsets supported by whalebones to attain the standard
- *Scientific American* lauded the telegraph for having promoted “a kinship of humanity”
- French intellectuals proposed that the 24-hour day be scrapped in favor of a measurement system which divided the day into 10 equal segments
- The Supreme Court ruled that the 1862 federal income tax law was unconstitutional
- The Diamond Match Company was created
- The Southern Pacific Railway linked New Orleans with San Francisco
- The Barnum and Bailey Circus was formed
- Marshall, Fields & Co. stores were created through a reorganization
- Chicago meatpacker Gustavus F. Swift perfected the refrigerator car, allowing Chicago-dressed meat to be shipped to the East Coast
- The national population was increasing by one million people per year, due to immigration
- Only two percent of New York homes had water connections
- New York’s Brooklyn Bridge was under construction



1880 ECONOMIC PROFILE

Daily Income, Standard Jobs

Bricklayers	\$2.68
Carpenters and Joiners	\$2.15
Engineers, Stationary	\$2.48
Farm Labor	\$1.25
Firemen	\$1.37
Hod Carriers	\$1.82
Marble Cutters	\$2.40
Painters	\$2.49
Plasterers	\$1.81
Plumbers	\$3.37
Stonemasons	\$2.58

Selected Prices

Book	\$0.10
Business Cards	\$0.05
Cake of Colgate's Harness Soap	\$0.35
Cologne	\$0.25-1.00

Letters from Alexander (Aleck) Graham Bell to his parents and friends, describing his struggles to invent the telephone:

November 23, 1874:

“The idea to which I allude is an instrument by which the human voice might be telegraphed without the use of a battery at all.... The vibrations of a permanent magnet will induce a vibrating current of electricity in the coils of an electromagnet.”

March 18, 1875, following a visit with Joseph Henry, the first secretary of the Smithsonian Institute and the nation’s most widely respected electrical theorist:

“I set the instrument working and he sat at a table for a long time with the empty coil of wire against his ear, listening to the sound. I felt so much encouraged by his interest—that I determined to ask his advice about the apparatus I had designed for the transmission of the human voice by telegraph. I explained the idea and said, ‘What would you advise me to do—publish it and let others work it out—or attempt to solve the problem myself?’ He said he thought it was the ‘germ of a great invention’ and advised me to work on it myself instead of publishing. I said that I recognized the fact that there were mechanical difficulties in the way that rendered the plan impractical at the present time. I added that I felt that I had not the electrical knowledge necessary to overcome the difficulties. His laconic answer was—‘GET IT.’ I cannot tell you how much those two words have encouraged me.”

“July 1, 1875, after a day of experimenting with an early version of the telephone which produced muffled, but unmistakable speech over a wire:

“This afternoon, on singing in front of a stretched membrane attached to the armature of an electromagnet—the varying pitch of the voice was plainly discernible at the other end of the line (300 feet) with no battery or permanent magnet being employed.

The vibrations were not mechanically conducted, but were produced by magnetolectricity occasioned by the vibration of the armature of the electromagnet. When the sounds are received upon another stretched membrane—instead of a steel spring which can only vibrate at certain pitches—it is highly probable that the ‘timbre’ of the voice may be perceived. I feel that I am on the threshold of a great discovery.”

March 10, 1876, on the day the newly constructed liquid variable-resistance transmitter was tested—resulting in the words, “Mr. Watson, come here, I want to see you” travelling over a telephone line—he wrote his father:

“Articulate speech was transmitted intelligibly this afternoon. I have constructed a new apparatus operated by the human voice. It is not, of course, complete yet—but some sentences were understood this afternoon. . . . I feel that I have at last struck the solution of a great problem—and the day is coming when telegraph wires will be laid on to houses just like water or gas—and friends will converse with each other without leaving home.”

- The first exchange, devised by George W. Coy of New Haven, connected 21 subscribers who were called by name rather than number.
- Almost immediately, the original teenage male operators were replaced by women who were more patient, ladylike and less prone to cuss the customers when frustrated by the equipment.
- Additional exchanges opened rapidly across the nation, many opened by rival Western Union.
- A key business decision was the company’s determination that Bell Telephone, as the exclusive builder of telephones, would lease the instruments and license local providers of telephone service.