

AFD Ep 459 Links and Notes - NYC Flour Riot of 1837 [Bill/Rachel] (Recording Feb 12, 2023)

[Bill] This week we continue to delve into the economic, social, and cultural transition of the pre-Civil War northern United States with the arrival of industrial capitalism. And more specifically we're returning to the subject of the Panic of 1837. One of the early warning signs of an impending financial collapse and economic depression came in mid-February 1837 when about a thousand New York City residents, attending a larger rally for the radical "Locofoco" wing of the Democratic Party, rioted over the rapidly rising price of flour. Most of our First Industrial Revolution episodes so far have focused on Massachusetts, but it is important to note for contrasting context in today's episode that New England, and specifically Massachusetts, were mostly immune from the Panic of 1837 and the ensuing years of doldrums, with the railroads, some though not all textile mills, and certain well-connected banks continuing to hum along profitably there (p.75: "[American Romanticism and the Depression of 1837](#)" by William Charvat in *Science & Society*, Vol. 2, No. 1 (Winter, 1937), pp. 67-82). (Our recent 3 episodes on The Boston Associates covers some of the reasons for that local stability and isolation from the rest of the country's systemic panic and hard currency shortages.) But elsewhere in the United States, and particularly in New York City, life became very hard from 1837 to at least 1843 for a lot of people. The February 1837 flour riot, while short-lived and rapidly suppressed, was the first big manifestation of that period, which saw hardships for both the emerging urban wage-laboring class and the cash-poor independent rural farmers out in the hinterlands.

[Bill] <https://www.nyhistory.org/node/62933> Quick summary: "In 1836–1837 flour prices escalated from \$7 to \$12 per barrel, creating fear that this necessary commodity would become unaffordable. In February 1837, a mass meeting was called in protest. The mob attacked Hart & Co., an establishment accused of hoarding flour. More than 400 barrels of flour and thousands of sacks of wheat were thrown out the windows. The military was called in to quell the rioting." (see also: <https://www.newyorker.com/magazine/1931/11/14/the-flour-riot-of-1837>)

[Rachel] https://en.wikipedia.org/wiki/Flour_Riot_of_1837 One thing to note: In addition to the Locofoco faction, the penny papers also reported on companies' hoarding of flour in order to increase scarcity and drive up flour prices, so they too were partially responsible for inciting the ire of the people towards the flour merchants.

[Rachel] <http://www.gutenberg-e.org/greenberg/ConclusionJRG.html> "Conclusion — The Loco Foco Party" This is the final section of a monograph on masculinity in the self-identity of New York working class men in the early to mid-19th century, but it does happen to include a description of the riot as an offshoot of the Locofoco rally. (source note: "Gutenberg-e, a program of the American Historical Association and Columbia University Press" "These award winning monographs, coordinated with the American Historical Association, afford emerging scholars new possibilities for online publications, weaving traditional narrative with digitized primary sources, including maps, photographs, and oral histories.")

*The story of how the Loco Foco Party began is worth mentioning briefly. At the Democratic Party meeting on October 29, 1835, candidates for the upcoming election were to be chosen, but members were divided over whether to support pro-bank, pro-monopoly candidates or anti-bank, anti-monopoly candidates. When the latter group attempted to grab the floor, the bank supporters turned off the gas, darkening the room. Tipped that the lights might go out, anti-monopoly supporters pulled out a new variety of self-striking "Loco Foco Brand" matches which they brought to the meeting and continued to nominate their own splinter candidates. The new group styled itself as the Equal Rights Party, but was given the name Loco Foco Party from the hostile Whig press. See Fitzwilliam Byrdsall, *The History of the Loco-Foco or Equal Rights**

Party: Its Movements, Conventions, and Proceedings With Short Characteristic Sketches of Its Prominent Men (New York: Clement and Packard, 1842), 22-28.

On February 13, 1837, members of the Equal Rights Party [...] held a meeting in City Hall Park to protest the high cost of family necessities and household maintenance. Spurred to attend by handbills that demanded "Bread, Meat, Rent, And Fuel! Their prices must come down!" thousands arrived in the cold weather. The crowd bristled and grew restless over the subject of the cost of foodstuffs, having seen flour prices rise from \$7 per barrel in September to \$12 per barrel by early February.

Trouble began following speeches by mayoral candidate Moses Jacques and Alexander Ming Jr., who, noticing the potential danger, exhorted the audience to "do no act which might bring into disrepute the fair fame of a New Yorker ... or the character of man." Moments after the meeting adjourned, a group of nearly one thousand protesters broke away from the rally and marched down to the flour warehouses at 173 and 175 Washington Street owned by Eli Hart and Company. After demonstrators stole and destroyed 500 barrels of flour and 1000 bushels of wheat and repelled Mayor Lawrence and a small contingent of officers, the throng moved along to other targets, including Herrick and Company's flour store.

The riot ended within a few hours and police held fifty-three individuals in jail; yet they arrested no Loco Focos. This fact did not prevent the partisan press from excoriating the party for inciting the melee and encouraging street violence. Loco Foco leaders rebuffed the attacks and continued their campaign against monopolies and other economic institutions that threatened their domestic stability. Subsequent park meetings throughout the spring drew as many as forty thousand protesters. Leading Tammany Hall officials noticed the growing public support and in the midst of the financial panic, conceded to a number of Loco Foco demands and reunited the Democratic Party by the fall of 1837.

*For descriptions of the flour riot, see Byrdsall, *History of the Loco-Foco or Equal Rights Party*, 99-108, Joel Tyler Headley, *The Great Riots of New York: 1712-1873* (New York: E.B. Treat, 1873), 97-110, *The New Era*, February 14, 1837, *The New Era*, February 15, 1837, *The Plaindealer*, February 18, 1837, *The Evening Star*, February 15, 1837, *Evening Post*, February 14, 1837, *Courier and Enquirer*, February 14, 1837, *Sun*, February 14, 1837, *Journal of Commerce*, February 14, 1837, *Niles' Register*, February 18, 25, 1837, *New-Yorker*, February 18, March 11, 18, 1837, and Herbert Asbury, *All Around the Town: Murder, Scandal, Riot and Mayhem in Old New York* (New York: Alfred A. Knopf, 1934), 191-197.*

[Rachel] <https://www.jstor.org/stable/1842418> "The Social History of an American Depression, 1837-1843" *The American Historical Review* Vol. 40, No. 4 (Jul., 1935), pp. 662-687 (26 pages)
Published By: Oxford University Press |

- GO TO PAGE 677 FOR FLOUR RIOTS, but it's not elaborated
- Conditions did not really improve after the suppression of the riot. It was estimated in April 1837 that there were 50,000 unemployed workers in New York City and 200,000 underemployed in terms of earning enough to meet their needs. Perhaps a quarter of "mercantile and manufacturing" businesses in the city had closed. Perhaps 90% of factories in the eastern United States shuttered production, at least temporarily.
- Eventually this began to lead toward tenant movements in New York City against paying residential rents, presumably because the workers simply lacked the ability to pay. The rich people were very upset about this.
- One key political belief of the Loco-foco radicals was that the state should not play a legal role in the enforcement of credit arrangements. Lenders should lend money at their own

risk and on their own judgment and creditors should repay debts as a matter of honor, and the market could sort it out without need for the government to enforce debt repayments or arrest debtors.

- There was a relatively successful movement to reform state laws on debtors in various states to protect families from losing everything they owned if they were foreclosed upon and to protect against imprisonment for all debts that were not the result of outright fraud.
- A short-lived federal law on personal bankruptcy in the early 1840s allowed 28,000 Americans to clear almost half a billion dollars in unrepayable debts before it was repealed

[Bill] As another strange aside, in 1837 and 1838, some Americans in the Great Lakes region began taking up arms in noteworthy if disputed numbers as part of a “Patriot” movement in both the US and Canada that aimed to overthrow British rule in Canada and institute republicanism there by force. Ohio and New York often provided safe havens to Canadian frontier rebels. The US government made its largest deployment of federal troops since the Whiskey Rebellion to shut down these American paramilitary activities on the US side of the border. Unemployment appears to have been a factor in Americans in the Great Lakes region joining the cause, and many of the American wage laborers and farmhands in the border area already routinely criss-crossed the border with Canada for work on a regular basis before the economic collapse. <https://www.jstor.org/stable/25149383> “The Patriot War of 1837-1838: Locofocoism with a Gun?” by Andrew Bonthius in *Labour / Le Travail*, Vol. 52 (Fall, 2003), pp. 9-43 | The author describes the ideological position of the radical Locofoco movement inside the 1830s Democratic Party as essentially common people hostile to the emerging industrial finance capital’s control of the political system. Locofoco politics united both wage laborers and smallhold farmers, whose lives in the new market economy revolved around cash. Credit and lending were dangerous to them because – unlike the rich people – they needed to settle their debts and pay their bills in hard coin, not unreliable and discounted paper notes from banks. Paper notes they received for their labor or agricultural produce or cottage industry goods, especially in small denominations under \$5, could not be redeemed for coins at the same value. Credit to them also meant exorbitant interest and unwise financial speculation, compared to so-called “sound money,” which you at least had to actually have and could actually use at face value, even if it was hard to come by and even if prices were rising anyway. (A bit of a counterintuitive tangent: The author notes that because so much economic activity in the American countryside in this era outside of the Atlantic seaboard occurred in a still non-cash framework that relied heavily on bartering goods for services between individuals and families who knew each other, most of these people could not conceptualize why it might be economically necessary for the major American cities, corporations, and governments to engage in credit-based financing of large endeavors in order to grow the economy as a whole. These interior regions were not quite yet being forced into the cash market economy, although it was beginning to creep in.) The Canadian radical republicans embraced the Locofoco positions, seeking to enshrine constitutional subservience of capital and private property to the needs of the general public, in their hypothetical future independent state. On both sides of the border, partisans espoused the view that any future banks should serve the people and be directed by the people through elected representative boards instead of boards of wealthy owners.

I notice the author does not mention that a significant source of anti-British resentment in the United States at the time, including among some of the rich, was how much public and private debt was held by British lenders... (This is discussed in the 1935 article on the Social History of the Economic Depression of 1837-1843 cited above.)

See also:

<http://arsenalfordemocracy.com/2021/09/20/american-money-parts-i-and-ii-antebellum-through-reconstruction-arsenal-for-democracy-ep-396/>

<https://en.wikipedia.org/wiki/Locofocus>