



Free (Business) People of Color

Antebellum Black Business Owners in New Orleans and Charleston

By Ramon Vasconcellos

AS RIOTERS PARADED through the streets of New Orleans in July 1900, looking for any Black whom they deemed eligible for retribution in the deaths of four white police officers, they came upon “The Thomy Lafon School.” Considered the best school for “Negroes” in Louisiana at the time, the mob, out of disdain for anything representing progress for “colored citizens,” let alone named after any distinguished Black (Lafon), set fire to the institution. The building had been erected just two years prior and was named in honor of one of the city’s most prominent Blacks, Thomy Lafon, a businessman and philanthropist during the Antebellum and postwar eras. Furthermore, Lafon donated a substantial portion of his wealth for civic improvements before and after his death in 1893 and is believed to be the United States’ first Black millionaire.

Similar philanthropic endeavors were engaged in by the “Brown Fellowship Society” throughout South Carolina, a group composed of free African American males for the purpose of assisting orphans

Broad Street in Charleston, South Carolina, showing St. Michael’s Church, 1861. The Antebellum period witnessed substantial business ownership by “Free People of Color”—or FPCs—in Charleston.

and widows, and establishing school endowments. Founded in 1790 in Charleston, its membership consisted solely of mulattos representing the elite of the city's free African American population. Voicing the importance of the organization's purpose and supporting its stipulation that members were selected according to their biracial ancestry, an affiliate stated in 1848, "[such organizations] add bone and sinew to our strength as a people."

Many of Brown's associates consisted of skilled professionals and, like Lafon of New Orleans, businessmen of substantial wealth who, unlike most African Americans at the time, represented an elite subclass of citizens within the free Black community. Moreover, the Society continued serving the needs of the Black community after 1865 and well into the 20th century.

Lafon and the Brown Fellowship shared a unique cultural pedigree common amongst Blacks in several cities and regions throughout the South: their mixed ancestry and economic stature. Most descended from either a mixed-race background or from the union of a white father and a slave or free mother. Depending upon state laws and proscriptions, Louisiana being the most progressive, the biracial offspring could be freed (manumitted) and sometimes received an education, inherited property (inclusive of slaves) and learned occupational trades essential to local economies. Many residing in cities along the south Atlantic and Gulf coasts established small businesses despite systemic prejudice against their color. Consequently, the Antebellum period witnessed substantial business ownership by "Free People of Color"—or FPCs—in Charleston and New Orleans.

New Orleans' free Black business community took root in the early 18th century. French settlers, predominately male, engaged in liaisons with Native American and Black women, the latter of whom were slaves. Such interactions were quite common, with any resulting children taking on the status of the mother, either slave or free. Yet, in accordance with French custom, many fathers recognized their offspring and, as records substantiate, freed them at birth. As a result, by mid-century, bequests of personal property, education and land were inherited by a burgeoning mulatto class. The colonial government as well adopted a very liberal attitude toward

manumission that encouraged freedom for mistresses and children.

Spanish custom, though dissimilar in some respects, mostly adhered to the French model. After the acquisition of the Louisiana colony in 1763 as a concession of the Seven Year's War, Spanish colonial administration permitted continued manumissions and accepted the social convention for property distribution between the races. The Spanish also employed the practice of "coartacion" (self purchase) contingent upon a master's consent. Any savings accrued from labor outside of a slave's regular duties might be used to purchase his or her freedom sometime in the future.

Under Spain, free Blacks began to realize a significant degree of economic autonomy. As historian Laura Foner concluded, during the Spanish period, free Blacks "were guaranteed equal property rights and full rights to make contracts and engage in all business transactions." Prejudice would eclipse economics to some degree, however, as free people were relegated to occupations in the personal service trades only: barbers, tailors and seamstresses, for example. Although a few could distinguish themselves as "white collar" type entrepreneurs before and after the Civil War, financial services and the legal professions were the exclusive domain of white males.

With slaves occupying the lowest economic tier under colonial (and American) administrations and whites controlling the professions, FPCs had no choice but to exploit and develop niche markets for their survival. Consequently, these "*gens de couleur libre*" (free people of color) found themselves occupying a necessary economic middle ground between white society and slaves; however, regardless of their indispensability, they could never be socially equal with whites.

Census data from Spanish Louisiana in 1795 purports that New Orleans' FPCs held positions as cabinet makers, tailors, seamstresses, launderers and retailers. One observer noted during a visit to the city in the first decade of the 19th century that "[FPCs] are busied some in the mechanical arts for which they have great aptitude." He further recognized the presence of those engaged in the "retail trade" and the significant number of grocers throughout the city.

Some even held more atypical positions. Santiago Derom, a doctor, acquired his talent for medicine from his master, also a doctor, through coartacion in 1783. Considered a "distinguished" member of the city "with a large practice among the races," Derom healed throat ailments. Records indicate that under the Louisiana Purchase in 1803, he became the first licensed African American physician in the United States.

The American era, which commenced with President Thomas Jefferson's Louisiana Purchase, would gradually adopt a new, less inclusive attitude toward New Orleans' FPCs. At the same time, global political events like the successful slave revolt on the island of St. Domingue (Haiti) in 1803 and the Cuban immigration of 1809 increased the population of New Orleans significantly. Both migrations consisted of large numbers of whites and free Blacks, in the case of the latter, the number of free Blacks increased from 2,312 in 1806 to 5,727 by 1810.

For the most part, Americans governing their newly acquired territory found the liberalized attitudes toward race by their Spanish and French predecessors disconcerting. The recent influx of Caribbean migrants only stiffened the resolve of local politicians hoping to limit the presence of Blacks. As a result, the state legislature passed a resolution in 1806 prohibiting the entrance of free Blacks from other states nor could they possess firearms without legal permission. At its worst, free Blacks could not even insult or strike a white citizen without fear of legal reprisal.

Though despite newly created laws prohibiting certain freedoms and curbs on their migrations, the FPC population of Louisiana continued its ascendancy, particularly in New Orleans. The US census of 1830 recorded 16,710 FPCs in Louisiana, 11,906 of which resided in New Orleans. By 1840, 25,502 lived in the state and 75% were New Orleans residents. Nevertheless, their numbers generally represented no more than 10% of the Southern Black population in part due to state prohibitions across the South that, during the 1830s, restricted owners from freeing their slaves.

In the wake of the ill-fated Nat Turner rebellion in Southampton County, Virginia, in 1831, many Southern states passed

laws (though often not enforced) further regulating the lives of slaves and free Blacks. Consequently, Louisiana legislatures followed suit either proposing or adopting legislation restricting the livelihood of FPCs. By 1859, FPCs could not own establishments that might sell liquor such as coffee houses, billiard halls or retail establishments. As for slaves, with manumission restrictions becoming more prevalent, particularly on the eve of the Civil War, the transition from bondsperson to free became less probable.

Yet, regardless of their tenuous social position, the free Blacks of New Orleans prospered. A vibrant, urban community of white male businessmen often sought the latest in European fashion, and free Black tailors would service their needs almost exclusively. One contemporary noted that FPC “tailors...they were almost exclusively patronized by the elite” and from their expertise “acquired individually fortunes of several thousands of dollars.”

Etienne Cordeviolle and Francois LaCroix, both tailors, established a retail clothier business in 1817. By 1853, they had become, as advertised in a city directory at the time, purveyors of “French cloth, fancy cashmere...and clothing made in Paris.” In fact, according to one 19th century historian, American tailors admired Cordeviolle’s work so much so they sometimes copied his designs. The partners also invested in commercial real estate starting in the 1830s; by the 1850s, they owned complete city blocks.

Another tailoring partnership in competition with Cordeviolle and LaCroix—Julian Clovis and Joseph Dumas—operated both in New Orleans and Paris. They, too, are said to have acquired significant holdings of commercial real estate. Brothers Phillippe Aime and Erasme Legoaster would follow a similar path purchasing large estates from the proceeds of their tailoring establishment; Phillippe became the wealthiest FPC in the city by 1850 with taxable property of \$150,000. Revenues from “D. Mercier & Sons Emporium of Fashion and Fair Dealings” allowed the proprietor, Dominique Mercier, to eventually become a plantation owner. His sons, too, due to the net income of the Emporium, enhanced their wealth as successful realtors in the city by the end of the 19th century.

Free women of color also proved notable to New Orleans’ fashion industry.

Nineteenth century Louisiana historian Charles Gayarre observed how they “shaped the dresses of the elegantes of the white race.” Gayarre estimated that many of these designers garnered profit margins as high as two-thirds of sales because they, like many whites, owned slaves. He said the slave women employed by these dress-makers were, “A source of revenue to their mistresses.”

Small markets, grocery stores and vending operations were often owned by free women. An 1838 city directory listed Caroline Duminy, Elizabeth Fay (or Foy) and A.C. Pellebon as grocers; Jane Williams operated a confectionary. In the early 1800s, Rose Nicaud is said to have made coffee that served “like the benediction that follows after a prayer” from her stand located just outside of the city’s famous extant building, St. Louis Cathedral.

As mentioned, financial services in New Orleans were both owned and staffed by whites. Commission merchants, those who held title and marketed commodities like sugar and cotton, and exchange brokers that bought durable goods for resale, were operated by whites as well. Nevertheless, the historical record evidences several FPCs, including women, scratched the glass ceiling in financial services and participated in merchant exchange businesses.

Given the plethora of bank notes in circulation prior to the Civil War, merchants and other non-bank small businesses sometimes engaged in the “discounting” of these notes prior to their redemption. The discounting agent would offer the note holder a percentage of the value based on interest rates at the time and risk of non-repayment of the note in specie (gold or silver coin). According to *R.G. Dun Mercantile Credit Reports, Louisiana*, from 1854, brothers Bernard and Albin Soulie (FPCs), engaged in money brokerage services “doing a large” discount business. The report added that both served as “private bankers...estimated worth between 300(k) to 500(k)” and had a credit rating that was “1st rate.”

Drosin Barthelemy McCarthy, related by marriage to the Soulies, operated a dry goods business and functioned as a commission broker in 1848. Six years later, he retired from selling dry goods, and by 1859 had a desk with “B & A Soulie” as a broker; by that time the Soulie brothers were commission brokers. Cecee Macarty

(no relation to McCarthy), a female with “unlimited credit,” is said to have had an export and, at times, a discounting business. When she died in 1845, her commission business had been appraised at \$150,000, a considerable sum for any female (or male) entrepreneur at the time.

The aforementioned businessman and philanthropist, Thomy Lafon, had a commission business too during the 1850s, proceeds of which helped propel him into owing a seat on the city’s stock exchange. Upon his death in 1893, Lafon had an estimated net worth of \$400,000; even more so than Macarty, a substantial estate for any business owner, North or South, of any race.

Regardless of wealth accumulation, however, societal prejudice could impede how FPCs invested savings acquired from their businesses. For example, the Citizens Bank of Louisiana amended its charter in 1836 limiting ownership of its capital stock to whites. Requiring that “no person who is not a free white citizen...shall be directly or indirectly owner of any part of the Capital stock of said company” resulted in the forfeiture of shares owned by free Blacks.

Francois Boisdore and Jean Goule, a local building contractor and tin smith, respectively, having a total of \$35,000 invested, sued. A lower court and the state supreme court ruled in favor of the plaintiffs. The Louisiana Supreme Court found that the bank’s board of directors had no sufficient ground to amend their charter and that by using collateral pledged by the plaintiffs, then removing them, violated the plaintiff’s rights. As time progressed, New Orleans’ free Black community would not just have their economic livelihood disrupted, but the right to remain within the state, regardless of financial status, eventually came into question.

Most of the first Blacks to arrive at Charleston, South Carolina, came as indentured servants during the late 17th and early 18th centuries. Upon termination of their contracts, they became free; West Indian freed Blacks from Barbados (a source of Charleston’s white population too) also supplemented a growing community of settlers. At the time, liberalized attitudes in the colony regarding intermarriage allowed for biracial unions, often resulting in children. Furthermore, the sentiment toward emancipation, prevalent throughout the states after the



Illustration of the port of New Orleans, circa 1842. Many free Blacks in New Orleans, regardless of their tenuous social position, prospered in the mid-19th century.

Revolution, motivated many South Carolina slaveholders to free their slaves. As to their numbers, 586 free people resided in Charleston according to the 1790 census, which represented 4% of its population.

Though only 6% of Charleston's demographic by 1810, their increasing numbers and the incessant migration of more freed Blacks to the city, because of restrictions placed on the liberties of freed people in other states, alarmed some whites. Governor Geddes felt that continued immigration could lead to a "disturbance in our domestic tranquility." As a result, in 1820, the state legislature passed a law prohibiting immigration and outlawing manumission. Those slaveholders still wishing to free their slaves would have to adopt more sophisticated, legally intricate estate planning devices in hopes of circumventing the 1820 law.

One universal approach adopted by many owners involved the establishment of a "trusteeship" with the creator of the

trust acting as the beneficiary. The beneficiaries could then exercise emancipation rights whenever they chose. William Ellison, a free mulatto and cotton gin manufacturer with family in Charleston, "purchased" his daughter Maria in this manner in 1830. After technically purchasing her, he immediately vested her ownership in trust by "selling" her for "one cent" to Col. McCreight. The trust stipulated that though owned by McCreight, he was to allow her to reside with the Ellison family. Under the trust, William Ellison could emancipate at any time; upon his death, the agreement required that McCreight "secure her emancipation as soon as possible here or in another state."

Free Blacks seeking to directly confront the 1820 law without resorting to measures taken by Ellison and others often met with disappointment in the courts. Still, South Carolina, in hopes of closing the freedom loopholes inherent with trusteeship, passed "An Act to Prevent the

Emancipation of Slaves" in 1841. Although passed, "evasions" occurred and trusteeship was not effectively curtailed; in practice, Blacks continued holding one another in trust until 1865.

Business ownership and working occupations of FPCs closely mirrored that of their counterparts in New Orleans. Brick masons, blacksmiths, butchers, carpenters and barbers were, like in New Orleans, personal service trades avoided by many whites. Females performed domestic services; skilled women worked in the needlecraft trades. Some, like William Ellison, though not a citizen of Charleston, manufactured cotton gins and sold them throughout the state and as far as Mississippi.

Before purchasing himself at 26, Ellison apprenticed as a cotton gin manufacturer. Once freed, he purchased land and slaves for the purposes of manufacturing and retailing gins. Records from 1849 support that he sold 15 gins with his

HORRID MASSACRE IN VIRGINIA.



The Scenes which the above Plate is designed to represent, are—Fig. 1. a Mother interceding for the lives of her children,—2. Mr. Travis, cruelly murdered by his own Slaves.—3. Mr. Barrow, who bravely defended himself until his wife escaped.—4. A comp. of mounted Dragoons in pursuit of the Blacks.

Depiction of Turner's Rebellion in Southampton County, Virginia, 1831. In the wake of that event, many Southern states passed laws regulating the lives of both slaves and free Blacks. By 1859, free people of color could not own establishments that sold liquor, such as coffee houses, billiard halls or retail establishments.

blacksmith enterprise realizing \$1,500 in sales. No information is available regarding his competitors of either race, but his personal and realty holdings identified in 1860 indicate he was one of the wealthiest FPCs in South Carolina.

Richard Holloway of Charleston, in addition to his carpentry business, had a rather unique sideline; he trained slaves in his craft for their master's benefit, and one even stayed with him for four years beginning in 1829. Free Black craftsmen also trained their families, thereby allowing their businesses to exist as "going concerns," which could sustain future generations. Holloway and his family not

only practiced carpentry, but also manufactured harnesses; the Ingliss' would supply a family of barbers to Charleston; the Ellisons of Stateburg, South Carolina, were cotton gin manufactures up to the Civil War. Richard and Joseph Derceef, wood merchants and factors (lenders), with Richard considered one of the wealthiest FPCs in Charleston, were considered "men of great business habits" and highly influential.

Free Charlestonians serviced the hospitality industry, too. Eliza Lee, owner of the Mansion Hotel located on Broad Street, hosted the elite of the city. Apparently, it had a reputation for superb cooking

and good management. The "Antique and Mixed" architecture of Jehu Jones' "Jones Hotel," coupled with its convex windows, is said to have been situated on prime real estate being located (also) on Broad Street next to the famous extant St. Michael's Church. Established in the early 19th century, the hotel, like Lee's, attracted the elite given it "was unquestionably the best in the city." Visitors could expect to find "the comforts of a private house" along with a "table spread with every luxury the country could afford."

The concept of insurance and how risk management associations would serve the needs of African Americans into the

20th century was, in part, practiced by The Brown Fellowship Society. Fraternal organizations established in the early 19th century composed of white employees like firemen, brick masons and other skilled laborers were precursors to modern day life insurance companies regarding the benefits of membership. Similarly, the Browns would pay beneficiaries annuity stipends and absorb the burial costs of its members; in essence, acting as *de facto* insurers.

Under its motto of “Charity and Benevolence,” members could claim sickness benefits of \$1.50 per week, have a “horse, hearse and [pallbearers] for a cost of four dollars,” and would make relief payments to indigent Black non-members. In hopes of abiding social norms in order to maintain their presence as an integral body to Charleston’s freed Blacks without invoking the ire of whites, the Browns prohibited discussions concerning religion or politics at its meetings.

The Humane Brotherhood, also of Charleston and organized in 1791, accepted “free dark men” who were excluded by the Browns. It, too, acted similarly for its membership regarding burial and annuity type benefits. Unlike the Browns, however, membership consisted of carpenters and tradesmen, not mulatto businessmen operating large-scale enterprises.

Alluded to earlier, like many whites, some FPCs also owned slaves. The dichotomy of Blacks, whether mixed blood, mulatto or of direct African ancestry, owning those of their ethnicity has given rise to the questions of “why” and “how” they were treated. The “why”—excluding the morality of slavery—is, to some extent, attributable to the scarcity of “free labor” available in the American South. The fact that personal service trades might have required a labor force necessary to the scale of the operation, to some extent explains the demand for slaves.

Historians examining the “how” have drawn dissimilar conclusions. The late African American historian and co-founder of Black History Month, Dr. Carter G. Woodson, surmised that Blacks held one another for the purposes of buying a loved one out of slavery. To some extent, this adheres with the practice of trusteeship employed (and discussed) by several Black families in South Carolina. Recent scholarship examining whether these Black masters were “Benevolent

or Exploitative” has somewhat refuted Woodson’s thesis.

For instance, William Ellison (South Carolina) is rumored to have treated at least some of his 63 slaves harshly, and records indicate he freed none. Sarah Johnson, a Charleston seamstress, advertised for the return of her runaway slave in 1839. Apparently, even less arduous tasks were not enough to keep slaves from desiring their freedom. October 1857 editions of the *New Orleans Daily Picayune* and *Daily Crescent* described how a “recently freed” slave named Kate Parker had been charged for “nearly beating her slave to death with a cowhide.”

Andrew Durnford, a sugarcane planter residing in Plaquemines Parish outside of New Orleans, remarked how when he recaptured his runaway slaved named Jackson, he would “fix him so the dogs would not bark at him.” When Jackson successfully escaped a few months later, Durnford, seemingly not very inclined as to his whereabouts or rationale for escape, commented, “He had the audacity to go away with all the irons I had put on him.” It seems the complexities behind the treatment of bondspersons, irrespective of the owners’ color, may have something to do with the enigmatic, historical inclination of humans toward cruelty.

Several years after the race riot which engulfed New Orleans in July of 1900, benefactors rebuilt the Thomy Lafon School at a different location; the last of the Lafon schools would be demolished in the wake of Hurricane Katrina. The Brown Fellowship Society survived until 1945, but by that time it had changed its name to the Century Fellowship Society. Until its conclusion, Century continued its philanthropic activities toward Charleston’s African Americans.

Black business leaders in New Orleans sustained their commitment to free enterprise, receiving nationwide recognition in the mid-20th century. *Fortune* spotlighted several prominent members of this exclusive group in a November 1949 article entitled “Negro Businessmen of New Orleans.” Noting that all observed were large-scale businesses with a predominately white clientele, the publication made several observations for their continued success. According to the writer, “education, capital and a sense of community amongst ‘Negroes’ (Blacks)” would allow for greater participation in

the American economy. These principles are indispensable to the success of all people, regardless of skin color. \$

Ramon Vasconcellos is a history professor and lecturer in Accounting and Economics at Barstow Community College in Barstow, CA. He has published numerous biographical and topical articles on the history of the West, particularly related to finance. Ramon has also taught Economics and History at the University of London.

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