

Lowell Notes

Nathan Appleton

National Park Service
U.S. Department of the Interior

Lowell National Historical Park



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“No apology would seem to be necessary for publishing an essay on currency and banking.”

Nathan Appleton -
‘Remarks on Currency
and Banking’ 1858

Born October 1, 1779 in New Ipswich, New Hampshire, Nathan Appleton arrived in Boston with his possessions in the proverbial bandanna, but he died one of the 10 wealthiest men in Boston, having stock in 24 different textile companies and with a net worth of over \$800,000. Still, he called that an accident. “It was accident, not effort, that made me rich,” he said.

NEW ENGLAND ROOTS

Appleton’s father, Isaac III, was known as Deacon, having served 30 years in the Congregational Church. Deacon Appleton helped raise a militia which travelled 40 miles to Concord in April, 1775. Nathan entered Dartmouth College in 1794, but left for Boston, to work for his brother Samuel as a partner from 1800-1809. The brothers traded in rum, snuff, needles and coffee. First a clerk, by age 19 Nathan was running the store while Samuel sailed to Europe.

Nathan also sailed overseas. In 1801, in Manchester, England, he was appalled by the squalor surrounding the mill towns. When he married Maria Theresa Gold in 1806, she was already suffering from tuberculosis and under doctor’s advice to travel.

A MORE SUPERIOR SYSTEM

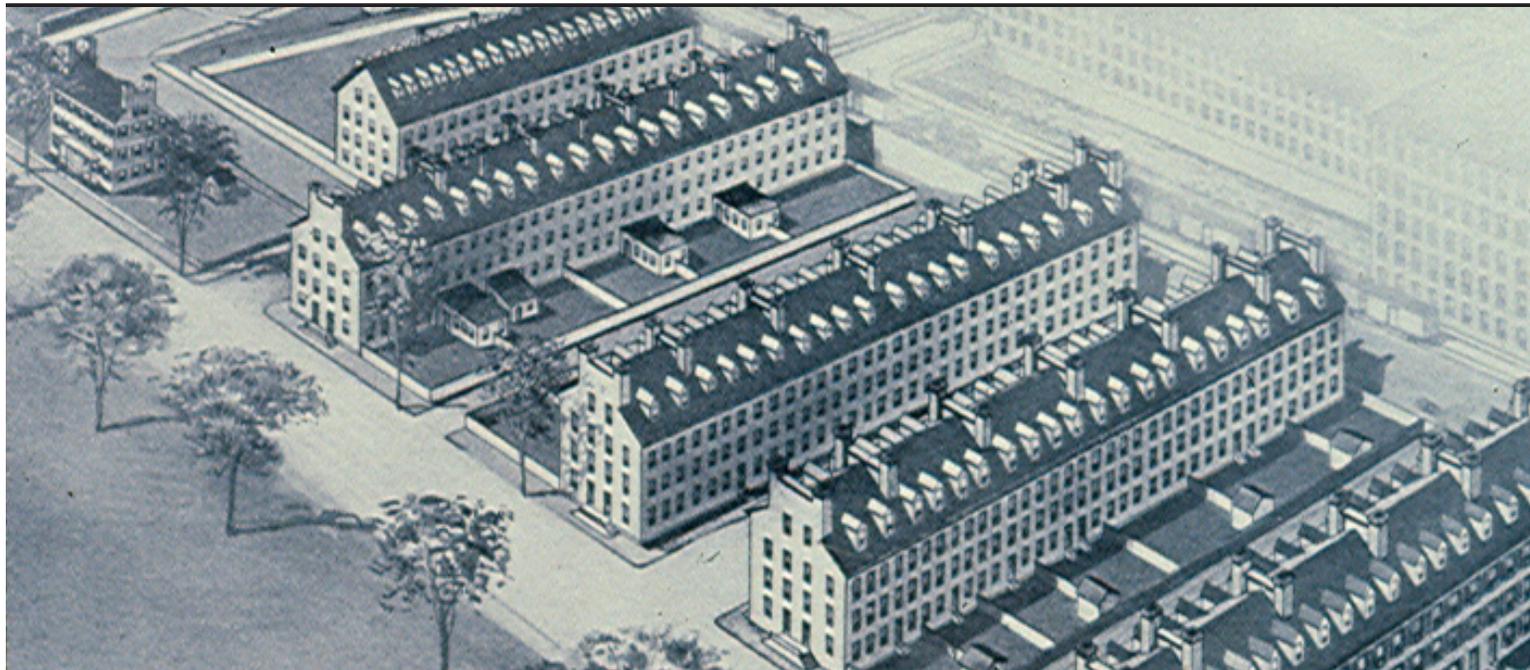


The Appletons went back to England. In Edinburgh, Scotland in 1810 he bumped into a distant cousin, Francis Cabot Lowell, who also was interested in the mills. Appleton was inspired by Robert Owen, who was experimenting with a utopian community elsewhere.

Lowell and Appleton returned to New England and in 1813 introduced the power loom and the manufacture of cotton on a large scale at Waltham. Appleton invested \$5000 to make the venture work. Right away Appleton took some risks. British law put heavy penalties on exporting models or drawings of machinery.

Appleton tried to combine economic development with social and moral responsibility. He knew he needed large sums of capital over a long period of time to realize his dream. Still, it was a small set of investors “to insure harmony and commitment” that Appleton began to dominate while pursuing his long term planning.

He hired Yankee farm girls to do the job and his companies provided boardinghouses, schools, stores and banks, probably thanks to Owen’s influence. He was hoping to avoid the Manchester he saw in 1801. He believed good will would erase exploitation in his companies and confirm his faith in a generous God.



Lawrence Manufacturing Co. Boardinghouses, Lowell, MA

Appleton moved on from Waltham and founded the city of Lowell in 1821. With his mills in place along the Merrimack River, he then turned to marketing and research trying to predict which fabrics would succeed. His technical superiority meant selling more cloth at a lower price. People flocked to see this new venture, even Davy Crockett from the woods of Tennessee and Charles Dickens, who beat the drum for Appleton's more superior system than what stood up in England.

Appleton became the president or director of 22 companies. He also tried banking, which at the time could yield huge dividends, but also were a high risk. In the end, Appleton felt the banking system was "merely a broken promise". Only \$97,000 of his fortune came through banking. He also dabbled in insurance, once making \$15,000 on a \$200 investment, but again high risks knocked down most of his profits.

POLITICAL CAREER



Appleton was not without a voice in Congress. After serving six terms in the Massachusetts legislature, he was elected to the House of Representatives in 1830 on the Whig Party ticket. He argued that protecting the industry in the North with protective duties was not the reason for an oppressive tax in the South. He thought some protection kept workers wages above subsistence levels.

In 1846 the tariff bill passed by one vote, but by 1857, Appleton wrote in an *Introduction of the Power Loom and Origin of Lowell*, that wars in China, overproduction and the tariff of 1846 were the three reasons for the economic downturns of 1857.

The tariff was one issue that held together the Boston Associates, named for Appleton's partners in textiles, Patrick Jackson, Kirk Boott, and both Lawrence brothers, Amos and Abbott. The Associates believed in a protectionist system which would help fund their manufacture. They needed money from somewhere other than stockholders.

FAMILY TIES

Not liking the taste of politics he returned home, but only after Maria died. In 1839 he married again, to Harriet Coffin Sumner, a cousin of abolitionist Charles Sumner. Between his two wives he had eight children. His most beloved daughter, Fanny (born to Maria), married the poet Henry Wadsworth Longfellow.

With his marriage to Harriet, family politics boiled over. He was branded "cotton" Whig as opposed to "conscious" Whig, in part, because the senior Sumner argued so. It was soon remarked by Appleton that an abolitionist "produced nothing but evil." Ultimately, Appleton was unable to protect the US from exploitation in its forms of capital.

In 1842, Appleton returned to the House of Representatives for a little over three months. He served as President of the Massachusetts Hospital Life Insurance company for the last 12 years of his life. He was a member of the Massachusetts Historical Society and published essays, his most famous being "Remarks on Currency and Banking" in 1858.

He dreaded the oncoming civil war and four months after the firing on Fort Sumter in July, his beloved Fanny died when her dress caught fire. One day after her burial, on July 14, 1861, Nathan died. He is buried beside Fanny at Mount Auburn Cemetery in Cambridge.