LIKE FATHERS, UNLIKE SONS:
THE FALL OF THE BUSINESS ELITE IN
SCRANTON, PENNSYLVANIA, 1880-1920

“Remeber that your future position depends mainly on yourself,” cautioned Horatio Alger, “and that it will be high or low as you choose to make it.” Such is the message in *Ragged Dick* and dozens of other Alger novels. We do not know whether the millions of Americans who read these stories believed Alger’s philosophy of success.¹ We do know that most historians believe almost the opposite—that the luck of birth and the family into which you are born, more than anything else, seals your fate in life.² For decades, historians from William Miller to Edward Pessen, with reinforcement from a gaggle of sociologists, economists, and laymen, echo the same message on social mobility: like father like son.² The sons of the patriciate sat at the tables in corporate board-


rooms, so the argument goes, while the sons of manual laborers sweated in the factories. Merit had little to do with it.

The historians' quest to understand social mobility is commendable. When we learn about social mobility we also learn about the levels of opportunity created by the industrial revolution. If, for example, economic power and the wealth that goes with it can be easily held and passed on from one generation to the next, then we know something about the role of class, merit, and luck in that society. Also, the ethical problem of allowing the government to tax incomes and inheritances to forceably distribute wealth often hinges on the belief that wealth is easily preserved. Those who desire such tinkering can find much comfort in the company of scholars, where so many insist that the rich have had few obstacles to holding their fortune and passing it on to anxious heirs. The continuity of wealth in families, the reasoning goes, happened because the freedom of action under capitalism let them do it.3 Is this view of a corporate aristocracy shifting power and untaxed wealth from generation to generation really an accurate portrayal of the dynamic economy created under American capitalism? To help answer such a question, this study will explore the intergenerational mobility of the captains of industry from 1880 to 1920 in Scranton, Pennsylvania, the largest and fastest growing city in the anthracite coal fields.

Scranton makes an ideal case study because its industries and its mushrooming growth provided many opportunities for talented men with capital. The city took its name from the family of ironmasters who came to the site in the 1840s to make rails from the nearby ores and coal.4 Their success attracted a crowd and Scranton soon out-


4. For a useful description of the founding of Scranton, see W. David Lewis, "The
stripped the rival towns of Wilkes-Barre and Carbondale. By 1880 Scranton was the main artery in the anthracite fields, pumping coal and manufactured goods to New York City and supplying services throughout the Lackawanna region. Reaching a population of 45,000 by 1880, Scranton achieved a mixed economy with the manufacture of engines, stoves, and gunpowder to support the primary export of coal. Businessmen in Scranton also started flour and pork companies, eleven banks, two insurance companies, and a trolley company. This phenomenal progress had occurred within the adult lives of most of Scranton's founding families, and it lasted until the coal industry declined in the 1920s.5 Many early investors who sank their savings into Scranton's growth radiated power by 1880 and had much to give their children afterward.

Who were these urban capitalists who built the city of Scranton? What are the criteria for inclusion and exclusion? To sort out such a group is hard because there is no foolproof way to calculate a person's economic influence. Membership in large partnerships or on the boards of directors of incorporated companies is one valuable technique for gauging economic influence in any nineteenth century American city. Those firms that incorporated were almost always the largest enterprises in the city. For someone to be elected to a corporate board of directors in the late 1800s he usually had to be a major stockholder in the venture.6

In this study, then, an "economic leader" is someone who is a member of at least three corporate boards or major partnerships (those with at least $50,000 in paid in capital). Any man holding only two such positions was also included as an "economic leader"

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if he was an officer of a corporation. Absent from this group will be corner retailers, ethnic grocers, or savvy undertakers. Present will be local bankers, railroad owners, and surviving coal operators—those who directed Scranton's largest enterprises.⑦

By 1880, after a full generation of industrial growth in Scranton, only forty men qualified as "economic leaders." These forty capitalists, less than one-tenth of one percent of the city's 45,000 population, held 129, or 63 percent, of the 205 positions on major partnerships or corporate boards of directors. What's more, fifteen relatives of these men each had one directorship, a fact that may point to their added leverage. But even this astonishing level of business involvement does not explain the actual power wielded by these forty entrepreneurs. They held the presidencies of almost all local enterprises and several regional companies as well. Also, they totally controlled the most heavily capitalized of Scranton's corporations—all five directorships on the First National Bank, all nine on the Dickson Manufacturing Company, and almost all of the directorships on the Scranton Steel Company, the Moosic Powder Company, and the Weston Mill Company. These forty nabobs forged Scranton's economic development by making major investments that created markets outside of Scranton and urbanization inside of Scranton.⑧

Many of these forty captains of industry started their careers as humble wage-earners. In fact in Scranton, as in other rapidly growing cities, many local tycoons had shown striking social mobility. In their ranks, for example, were nine immigrants, most of whom started in America as mule drivers, mechanics, day laborers, and miners. After a flurry of skill, hard work, and luck they had become the head of a regional railroad, president of the local trolley, owner of Scranton's largest manufacturing company, bank presidents, and multimillionaire coal operators. Another group of economic leaders

⑦ For a more detailed description of these economic leaders and their businesses, see Burton W. Folsom II, Urban Capitalists: City-Building in Pennsylvania's Lackawanna and Lehigh Regions, 1800-1920 (forthcoming, Johns Hopkins Press), Chapter III.

To rely on incorporated companies as indicators of business leadership is potentially hazardous. Only after the 1850s, and the relative decline of partnerships, is this approach realistic. The following sources have been useful to me in constructing economic leadership: Benson, et al., "Propositions on Economic Strata and Groups, Social and Ruling Classes.", Baltzell, Philadelphia Gentlemen; and Edward J. Davies II, "The Urbanizing Region: Leadership and Urban Growth in the Anthracite Coal Regions, 1830-1885," (Ph.D. Dissertation, University of Pittsburgh, 1977).

⑧ Folsom, Urban Capitalists, Chapter V.
included William Scranton, the son of a founding father, who was born into prominence and was able to stay there. Also in this group were four men who were transferred to Scranton by large family companies and another ten lawyers, bankers, and merchants, who moved to Scranton from stagnant towns nearby.9

A motley band of capitalists, then, formed Scranton’s economic elite in 1880. These city fathers were varied in background but united in purpose—to create an open environment to make money in Scranton. Within this open system business and friendship seem to have mixed very well together. The forty economic leaders and others often formed close ties through intermarriage, the construction of neighboring mansions, and participation in the same churches and social clubs. Radiating opulence and openness, these titans urged themselves and others to invest in Scranton. They feared the absence of businesses in their city more than they feared competition from them.10

As the mainsprings of industrial revolution, these forty capitalists had much to give their children. Blessed by the luck of the draw, these fortunate offspring could choose almost any career with the security that only wealth can bring. They often had doting parents to pamper them with education in private schools, college if they wanted, or specialized training in engineering or industry. Should they somehow not prosper they could fall back on hefty inheritances. And, as these children matured, usually inside Victorian mansions rife with servants, Scranton provided a thriving marketplace to make even more money. From 1880 to 1920, for example, Scranton’s population tripled from 45,000 to 130,000. Vast increases


10. These forty businessmen are economic leaders by definition, not by their sense of class consciousness. They were fragmented in social origins, political preference, and kinship ties among others. Much of their collective success in advancing Scranton’s industrial development came through imposing organizational restraints, such as the Board of Trade, on their varied interests. See Folsom, Urban Capitalists, Chapters II and V; and Lee Benson, “Philadelphia Elites and Economic Development: Quasi-Public Innovation during the First Organizational Revolution, 1825–1861,” in Working Papers from the Regional Economic History Research Center, 2 (1978): 25–53.
in coal mining paced this diversified economy. Rail car repair and the making of coal mining equipment led the secondary industries, and smart capital also got plowed into utilities and banks. By 1920, the sons of Scranton’s 1880 leaders had ample opportunity to succeed their fathers as the pacesetters of Scranton’s business world.11

Yet they did not. Few went hungry, but most could not come close to matching their fathers’ achievements. Only nine of the forty economic leaders in 1880 had even one son, son-in-law, or grandson who forty years later was an officer (president, vice-president, or treasurer) of even one corporation in Scranton. In short, the fathers and sons provide a stunning contrast. In 1880, the fathers were the presidents of every bank in the city and every major industry as well. Only two small companies eluded their executive grasp. Forty years later, in the midst of boundless growth, the sons lagged hopelessly behind. They were the presidents of only five of Scranton’s twenty-one banks. Surveying their conquests, they did hold the top rank in the local lace mill, the gas and water company, the button company, a mammoth coal company, an insurance company, a mining supply company, and a cemetery association. Granted, these firms were important. Yet the fact remains that only a minority of the sons followed their parents as economic leaders in the Scranton of 1920.12

In some ways, the meagre record of these sons seems astonishing. Not only were they showered with education, training, and wealth. Their fathers, by definition, operated almost every company in Scranton—many of which could be handed down almost intact to their children. By accident of birth, the children of Scranton’s 1880 elite had the chance to expand the city their fathers created. Yet fewer than one of every four economic leaders of 1880 had even one descendant who was a company officer in the city in 1920.13

Part of the reason for this startling breakdown lies in the general problem of family continuity. All forty of Scranton’s economic leaders of 1880 were married; but one had no children and another five had all daughters. In none of these last cases did the daughters

12. For data on the children of the Scranton elite of 1880, see Folsom, Urban Capitalists, Chapter V; and Scranton City Directory, 1920, 1921.
marry men who vaulted into economic prominence. So the corporate influence of six families ended through a lack of male heirs. At the other extreme, seven of the forty families had trouble preserving their fortunes because they had eight or more children. These leaders could certainly afford large families. But the costs of rearing and educating so many children dwindled the family's resources and, at inheritance time, splintered the family wealth into small pieces.\textsuperscript{14}

A couple of families lost their local influence because their sons left Scranton for opportunities elsewhere. By educating sons and daughters "back east" and taking vacations outside of Scranton in the summer, many of Scranton's early industrial leaders created psychological mobility in their children and made it easier for them to leave Scranton for business opportunities in other cities. James Archbald and Clarence B. Sturges, for example, made investments in the southern anthracite fields and moved there to follow them through. Studying medicine at the University of Pennsylvania, Alfred Hand, Jr. became a physician and practiced his profession in Philadelphia. With the daughters, the time spent outside of Scranton allowed them to meet men from other cities. When marriages resulted, the daughters usually went to their husbands' home towns. John Jermyn's daughter Susan, for example, wedded bank president R. A. Downey of Oswego, New York, and moved there with him. These examples were rare, though, in almost all cases in Scranton, economic leadership was not continued within the family or within the city.\textsuperscript{15}

The nature of corporate recruitment after 1880 also helped scatter venturesome sons. The emerging national corporations, with their networks for upward mobility, shifted Scranton men around the country. Cousins John J. Albright and Joseph A. Archbald, for example, moved to Buffalo as employees of the Delaware Lackawanna and Western Railroad (DL&W). Thomas Torrey, the son-in-law of Thomas Dickson, worked for the rival Delaware and Hudson (D&H) in New York City. The Belin family had members who moved to Wilmington, Delaware, to work for their DuPont cousins in the powder industry. Corporate migration became a prominent feature in Scranton after the 1880s.\textsuperscript{16}

\textsuperscript{14} See Folsom, \textit{Urban Capitalists}, Chapter V.
\textsuperscript{15} Hitchcock, \textit{History of Scranton}, 2: 660-63, 669-72, 7-9, 277-82.
In fact, the onslaught of national corporations from the 1880s to the 1920s led to the absorption of numerous Scranton enterprises, which often displaced local leaders. The business adventures of three generations of Scrantons—Joseph, William and Worthington—highlight the interplay between local autonomy and New York domination. Joseph H. Scranton was president of the Lackawanna Iron and Coal Company, (LI&C) the city’s first and largest industry, from 1858 until his death in 1872. During these years the New York influence increased so much that Joseph’s son William could not succeed his father as the company president. Young William was restless as a mere local manager so he studied the new Bessemer process in Europe and returned to start his own Scranton Steel Company in 1881. The city’s low tax law for new industries gave him an edge over the larger LI&C, but the older company soon won the competition and absorbed his enterprise in 1891. A decade later, the New York owners moved the entire operation to Buffalo. Ousted from the steel industry, William Scranton and his son Worthington converted the local gas and water company to a centralized regional concern. By 1906 they were supplying these utilities to ten cities in the Lackawanna Valley. Their growth again could not outpace the competitive pressures from New York. In 1928 Worthington Scranton sold this large regional firm to the Federal Water Service Corporation of New York. In three generations, then, the Scrantons lost three multimillion dollar corporations to capitalists in New York City.\(^\text{17}\)

The fragmentation of some of Scranton’s larger family fortunes seems remarkable. For example, brothers Thomas and George Dickson held the presidencies of a national railroad, the largest manufacturing company in northeast Pennsylvania, an iron company in New York, the vice-presidency of the largest bank in Scranton, and directorships on a variety of large companies. Yet only one of Thomas Dickson’s three sons went into business, and under his leadership the Dickson Manufacturing Company went out of business. George Dickson’s only child, Walter, became a mere salesman and held no corporate influence. The four sons of multimillionaire James Blair were nonentities. Only one of Blair’s sons

appears to have been gainfully employed, and his job was that of assistant cashier in his father's bank.\textsuperscript{18}

Some of the sons of Scranton's early industrialists literally squandered fortunes. Economic leader Benjamin Throop became a millionaire by investing in real estate, banks and utilities. His surviving son had, at best, modest business skills, and when he and his wife died prematurely in 1894, the eighty-three year old Throop undertook the task of rearing his only grandchild, five-year-old Benjamin, Jr. The elder Throop died shortly thereafter, but young "Benny" inherited a ten million dollar fortune to assuage his lack of parental supervision. Young Throop married into the Connell family, and having no financial worries, he began raising German shepherd dogs. He served in World War I but by that time his wife had divorced him, and he seems to have lost any interest that he might have had in gainful employment or in the city of Scranton. During the 1920s, like a character from an F. Scott Fitzgerald novel, he spent most of his time in Paris with champagne tastes in cars, women, and style of life. He married a French movie star, who was also divorced, in the apartment of an actress friend and traveled widely during their marriage. Throop died in 1935, in his mid-forties, of undisclosed stomach ailments after apparently dissipating his grandfather's entire fortune.\textsuperscript{19}

Throop was an infrequent but hardly isolated example of dissolution. Given the tradition of partible inheritance, many of the sons of economic leaders knew that they would never have to work to make a living so they became men of leisure with nonbusiness interests. For example, James Blair's son Austin was "a gentleman of leisure [with] nothing to do except fish and hunt." According to a credit agent "his father, James Blair, is a millionaire and supports him and lets him have a fine residence rent free and supplies him with funds when required."


Without strong parental guidance, the life of sloth held some understandable attractions for these scions of wealth. With the genetic improbabilities of Scranton’s 1880 elite producing only children like themselves (with a knack for business) the fragmentation of economic leadership becomes even more plausible. One editor’s observation that Edmund B. Jermyn, son of the multimillionaire coal operator, “never missed a day’s [horse] racing at Honesdale or at Goshen, N.Y.” becomes understandable. The son grew up under different conditions with different options in life than were available to his rags-to-riches father.20

Parental supervision and direction surely must have been important in perpetuating economic leadership over generations. Yet, it is difficult to measure under any conditions and impossible to test without interviews. The Throop and Blair families may provide clues to one possible relationship between parental supervision and the breakdown of family economic leadership over time. On one hand, all of Benny Throop’s parents and grandparents died before he was eight years old, so he had no familial pressure to become a businessman and to pass on the family fortune. The four sons of James Blair, by contrast, had a long-lived father who personally directed many of his enterprises until his death at age ninety. The elder Blair outlived two of his sons and the other two had passed middle age by the time they were independent of paternal control. By living so long and holding on so tightly to his investments, Blair may have deprived his sons of a chance to exercise economic influence in Scranton. The role of varied parental supervision, lack of business talent, the quest for leisure, corporate mobility, and the problems of family continuity in general all seem to have combined to fragment the Scranton economic elite of 1880.21

Of course, not all of Scranton’s early industrialists had downwardly mobile sons. Nine of the forty top capitalists in the Scranton of 1880 passed the torch of leadership from father to son in 1920. In any randomly selected group of forty families, however, some will produce sons, or have sons-in-law, with a flair for business. Probably, though, nine of forty randomly chosen families would not have corporate officers as sons. This merely shows that industrial leaders are much more likely than other groups in the population to father


corporate officers. It does not show continuity of economic leadership because more than three-fourths of the industrial families of 1880 failed to continue a line of corporate succession in the following generation.

The conspicuous prominence of these nine second and third generation leaders in Scranton in 1920 creates a superficial impression of solid elite continuity over time. In that year Charles Weston, Paul Belin, and Worthington Scranton were presidents of the First National Bank, the Scranton Lace Mill, and the Scranton Gas and Water Company; just as their fathers had been thirty years earlier. A few of the sons and sons-in-law of John Jermyn and William Connell represented their families' prosperous coal and banking investments in 1920. As the president of two banks, a water company, and a newspaper, Louis A. Watres in 1920 had actually surpassed the economic influence of his father in Scranton. The visible success of these men almost hides the lesser achievements of scores of other leaders' sons in Scranton.

In short, the rare success of the sons of Scranton's 1880 gentry dotted a larger landscape of failure. For example, James Linen, a nephew of Thomas and George Dickson, married James Blair's daughter Anna in 1869. Blair and the two Dicksons held three of the five directorships of the First National Bank in 1880, and in 1891 Linen became president of the bank for a twenty-two-year stretch. To the casual observer, such an occurrence illustrates overpowering elite continuity. If one looks at all eight sons of Blair and the two Dicksons, however, a sharply etched picture of failure clearly emerges. Seven of their eight sons never darkened the door of a corporate boardroom. Under the eighth the Dickson Manufacturing Company tumbled into dissolution. Continuity from father to son may actually have been the undoing of the business. Furthermore, H. A. Coursen, like bank president James Linen, married a daughter of James Blair, yet Coursen remained a small retailer with no apparent economic influence. In the city of Scranton, at least, the scions of power were not the men their fathers were. Before historians can assert the continuity of economic leadership or family

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Benjamin Henry Throop. (Hitchcock, History of Scranton, 2:11)
wealth, they must study all the children of the rich and not just the conspicuous successes.\textsuperscript{24}

As this description of the fragmentation of Scranton's early industrial elite suggests, the executives who guided Scranton's economy in 1920 were largely a new group of leaders. The remnants of the first generation of the city's industrialists were only a small component in Scranton's economic elite of 1920. Two other elements included native newcomers from towns in Pennsylvania and New York, and numerous upwardly mobile first- and second-generation European immigrants. The arrivals from nearby towns included several from the Lackawanna Valley, such as Charles Welles from Dundaff, J. Benjamin Dimmick from Honesdale, the Pecks from Peckville, and the Dales from Daleville. The emergence of a more national economy by 1920 had broadened Scranton's recruiting base. Thus Charles Woolworth came to Scranton from Watertown, New York, to make his fortune in five and ten cent stores. Immigrants, too, shared in Scranton's prosperity. Ethnic leaders emerged who understood American customs and who started banks and other ventures in Scranton. The South Side Bank, for example, was dominated by Germans, the West Side Bank by Welsh, the Merchants and Mechanics Bank by Irish, and the Bosak State Bank by Czechs. In manufacturing, German-stock immigrants controlled the Scranton Nut and Bolt Company in 1920.\textsuperscript{25}

These ethnic leaders were often spurned by Scranton's early industrial families. The leaders of the Irish and the Czech communities in Scranton in 1920, for example, were Andrew J. Casey and Michael Bosak. Born in Ireland, Casey and his brother migrated to Scranton as young men in the 1860s. Unlike the Scranton industrial elite of the time, the Caseys were Catholics, Democrats, and partners in the liquor trade. Andrew Casey, in fact, spent much of his youth as a wholesale liquor dealer. In 1897, he became the first treasurer and later the president of the Penn Central Brewing Company, a consolidation of fourteen breweries in the state. In Casey's other activities, he operated banks in Scranton and Carbondale and, with his brother, he built a mammoth hotel in Scranton. His name graced the roster of the Chamber of Commerce and


\textsuperscript{25} Scranton City Directory, 1921.
he devoted time to various ethnic lodges and Catholic organizations. Teenager Michael Bosak came to America from Czechoslovakia in 1886, and began work as a breaker boy in a Hazleton coal field. After seven years he had saved enough to move to Olyphant as a merchant. Demonstrating talent and receiving family support, Bosak soon became president of two banks in Olyphant and moved to Scranton to start another. An aggressive entrepreneur, Bosak also founded the Bosak Realty Company, the Bosak Manufacturing Company, and a bank in Wilkes-Barre. Like Casey, Bosak was an active Catholic and Democrat—traits contrary to Scranton's WASP industrialists. Both Casey and Bosak had gone from rags to riches and both had easily surpassed the trifling accomplishments of most of the sons of the 1880 elite. Yet neither of these immigrants was welcome at the Scranton Club, the city's plush metropolitan club.26

The rise of ethnic leaders to displace the older fragmenting elite illustrates the churning mobility both upward and downward in the rapidly industrializing city of Scranton.

This fragmentation was probably no fluke because the city's founding fathers had experienced the same fate from 1840 to 1880. The eight interrelated founders (William Henry, Selden, George, Charles, and Joseph Scranton, Joseph Platt, Charles Mattes, and Sanford Grant) had comparable training, modest wealth, and clear ambition in the 1840s when they chartered an iron and coal company and created the city of Scranton. After several decades of frantic investment, and spiralling city growth, two of these entrepreneurs hit the jackpot, two died in poverty, and the rest fell somewhere in between. The big winner was Joseph Scranton, the long-time president of the Lackawanna Iron and Coal Company, who died a millionaire in 1872. Close behind was his brother-in-law, Joseph C. Platt, who held eight corporate and bank directorships in 1880, more than any other Scrantonian. Lesser but still notable success befell Platt's brother-in-law, Charles Mattes, the vice-president of the LI&C and a director of a small local bank.27

At the other end of the spectrum was ironmaster William Henry, the original leader of the group, who left the city in the 1840s after some bad investments. Henry had energy and vision but little ability to time the right investment; he died embittered and impoverished in 1878. Sanford Grant, the first owner of the company store, wilted when faced with business competition and industrial risk. Selling his stock, he departed for the safer investment climes of Belvidere, New Jersey, where he lived, without ulcers or wealth, until his death in the 1880s. Displaying greater fortitude than Grant, Selden Scranton became the first president of the LI&C; five years later, though, he and his brother Charles left town to operate a blast furnace in Oxford, New Jersey. Their ironmaking talents ultimately deserted them; Selden, in fact, declared bankruptcy in 1884 and died shortly thereafter. George Scranton, the early leader and driving force behind coal and railroad development, had shrewder business instincts than his brother Selden. George, however, still lost the bulk of his fortune during the Panic of 1857. Strapped for funds, he had to sell much of his stock in the D. L. & W. at reduced value. Plagued with health problems due to overwork during the rugged days of the 1840s, George died in 1861 at age forty-nine. After starting at a roughly equal position in the 1840s, then, the original industrialists varied widely in their achievements by 1880.  

The sons of these eight industrial pioneers matched their fathers in fragmentation. For example, George Scranton's sons, William H. and James S., lived in Scranton but exerted no economic influence and do not even seem to have been gainfully employed. William Henry's sons, William and Reuben, fared slightly better in their jobs as lesser officials with the D. L. & W. Selden Scranton was childless, which may have been fortunate in light of his bankruptcy. Of the four Scrantons, only Joseph Scranton produced even one heir who qualified as an economic leader. In 1880, this son, William W. Scranton was the general manager of the Lackawanna Iron and Coal Company, from which he would soon resign to establish the Scranton Steel Company. He was also president of two local gas

John Jermyn. (Hitchcock, History of Scranton, 2:277).
companies, and a director of both a manufacturing company and a street railway enterprise. Of the fourteen sons of the eight founding fathers, only William W. Scranton ever qualified as an economic leader in Scranton. The industrial founders of Scranton, like the city's economic leaders a generation later, usually could not preserve the exalted position of their families for even one generation.

This stratification of family fortunes over time happened not only to businessmen at the top (resulting in downward mobility), but also to unskilled workers at the bottom of the industrial ladder (allowing upward mobility). An excellent example of the latter can be found in Carbondale, a small coal town near Scranton. In the 1840s and 1850s, Carbondale had little wealth and less charm. Local businesses were few and of those that did exist, many were liquor shops. Rampaging fires sporadically leveled whole sections of the town. Mining accidents and regular exposure to death and injury were daily risks for the fluctuating population of Carbondale. Yet such uniform bleakness did not create uniform poverty. Some members of this heavily immigrant population moved up, and several of those who acquired skills and capital soon moved to Scranton. There they later became bankers, independent coal operators, stove manufacturers, and, for one, the president of the D & H, the New York coal and railroad company that earlier created the city of Carbondale. That mule drivers and other day laborers from Carbondale could rise to opulence in Scranton, while the heirs of the industrialists began their awkward descent, shows the volatility of American capitalism.

The fragmentation of Scranton's business elite from 1880 to 1920 illustrates a point rarely considered by historians: that the scions of the wealthy cannot easily maintain family leadership in a rapidly industrializing society. Although the sons of Scranton's patriciate were more successful than any randomly selected group, more than three-fourths of the families in Scranton's economic elite failed to


produce an heir who reached the rank of corporate officer. And the simultaneous upward mobility of impecunious immigrants suggests that Horatio Alger’s improbable vision of “plucky and lucky” immigrants triumphing over the sons of the corporate elite may contain at least a modicum of historical reality. As we learn more about the forces released by the industrial revolution we understand this: that not only did the poor not get poorer; most of the rich didn’t get richer either.