

**AN IMMIGRANT BANK IN PHILADELPHIA
SERVING RUSSIAN JEWS: THE BLITZSTEIN
BANK (1891–1930)**

William Velvel Moskoff and Carol Gayle

Abstract: The Blitzstein Bank of Philadelphia, established in 1891 by Russian Jews to serve Russian Jewish immigrants, had two main functions: first, to sell steamship tickets to immigrants so that they could bring relatives and friends to the United States and, second, to serve as an intermediary in the transfer of dollar remittances to relatives in Russia and then the Soviet Union. The financial status of the bank was tied to economic conditions in the United States and those in Russia. When prosperity reigned in the United States, the bank sold many tickets. When conditions were especially harsh in Russia, the impulse to migrate to the United States was high and so were ticket sales. The bank's fortunes were also indirectly connected to legal barriers against Jewish emigration erected by both the fledgling Soviet Union and the draconian immigrant quotas imposed by the United States in the early 1920s. After initially surviving the first wave of bank closings at the beginning of the Great Depression, the bank finally succumbed and closed its doors in late December 1930.

*M*ass immigration to America ballooned as the nineteenth century progressed. In mid-century the Irish came in large numbers fleeing the potato famine, followed in subsequent decades by a flood of immigrants from Italy and eastern and southeastern Europe, including Russian Jews. Immigrants from all groups,

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finding themselves in an alien world, tended to gravitate to the neighborhoods of their fellow countrymen where neighbors spoke their language and customs were like those of the old country. The immigrants established institutions that could assist them, such as burial societies, mutual aid societies, and small informal banking institutions geared to the immigrant community, the so-called immigrant banks.

This article focuses on an immigrant bank in Philadelphia, the Blitzstein Bank, and examines the large role that it played in Russian Jewish immigration to the city. The bank was created in large measure to sell steamship tickets to Russian immigrants, and it prospered in this business from the 1890s into the 1920s, the era of the floodtide of mass immigration. When that flood ended because of changes in United States and Soviet policy and also larger economic and political global changes after World War I, the Blitzstein Bank's business contracted. Although the Bank made some efforts to develop new fields of business, it was killed off by the Great Depression.

Jews of the Russian empire formed a special group among late nineteenth-century immigrants. They came to the United States fleeing persecution as well as poverty. Jewish emigration grew in the 1870s, but the numbers leaving Russia exploded in the 1880s. This was partly the result of pogroms set off by the assassination of Tsar Alexander II in 1881 that swept through the area that was the Pale of Settlement, an area stretching across much of the western part of the Russian empire, where 94 percent of the 5 million Jews in the country lived.¹

But other factors contributed to the giant leap in emigration. One was the rapid growth of the population in the Russian empire, including Jews. The huge increase was especially onerous to the Jews as they were confined by law to the Pale of Settlement, which led to a situation where there were many mouths to feed and relatively few employment opportunities. As much as 70 percent of the Jewish labor force in the late nineteenth century could be classified as "working poor." Moreover, according to the 1897 census, the proportion of Jews who were gainfully employed was no more than 30 percent, probably half that of Christian Russians in the large cities of the empire.² Facing unrelenting economic despair in Russia, Jews had a strong economic incentive to emigrate.

Between 1881 and 1914, the peak period of Jewish immigration, 2,056,600 Jews arrived in the United States, about three-quarters of them from the Russian empire. Other Jews emigrated from Romania and the lands

of the Hapsburg monarchy in those same years. By 1920 nearly a quarter of the world's Jews lived in the United States.³ Generally, Jewish immigrants came as families intending to settle in the United States, and even those males who left their families back home entered the country with the intention of bringing their families over as soon as possible.⁴

Before the 1880s there were few Jews in Philadelphia, possibly 5,000 or so. In 1882, 225 Jews arrived by steamship in Philadelphia, the first to immigrate directly to the city.⁵ Thereafter, there was a steady influx of Jewish immigrants, more than 40,000 arriving by 1891. Whereas Jews comprised only 2.2 percent of the city's population in 1900, thirty years later their relative size had doubled to 4.5 percent of the 1930 population. Among the large number of newly arrived Jews in Philadelphia, most were from Russia and almost all stayed in the city.⁶

Beginning in the 1870s, the few Jewish settlers from the Russian empire who came to Philadelphia gravitated to the northeast part of the growing city near the shipyards. This Yiddish-speaking, Orthodox community settled along William Street, in the Port Richmond area. At the end of the 1870s Jewish immigrants from the Austro-Hungarian and Russian empires and from Romania began to cluster in South Philadelphia, a mixed area housing blacks and Irish immigrants, especially along Lombard Street, where some Dutch and German Jews had settled earlier. It was into this neighborhood, particularly between Second and Sixth streets and South Catherine Street, that Russian immigrants flooded after 1882.⁷ In a city whose economy was marked by its consistent diversity from 1880 to 1930, the dominant industries were textiles, apparel manufacture, printing, publishing, foundry work, and machine manufacture.⁸ As with other immigrant groups in Philadelphia, Russian Jews demonstrated preferences for certain jobs. They steered clear of construction work and at first often worked as "peddlers, hucksters, merchants, and shopkeepers." As time passed, most found jobs in the garment industry or the needle trades.⁹

Immigrant Banks

The first immigrant bank in the United States was the Emigrant Savings Bank, founded in New York in 1850 by members of the Irish Emigrant Society.¹⁰ In the late nineteenth century, as the number of immigrants increased exponentially, immigrant banks emerged in all the great port cities on the East Coast, including Boston and Philadelphia as well as

New York. Typically, these were not traditional banks and almost none of them were well capitalized.¹¹ They were mostly individual proprietorships and were not incorporated. Banking was usually not even their primary business, as the banks were often housed in other economic entities, such as groceries, saloons, bakeries, and even peddlers' carts. The businessmen-bankers helped immigrants do things they could not do for themselves, such as safeguarding savings, sending money to their families back in their native countries, writing letters for their clients or receiving their mail, serving as notaries public, and so on. With the rise of regular steamboat routes across the Atlantic, many immigrant banks sold steamship tickets to their customers who wanted to bring their families across the ocean to join them, as well as to those who wanted to make a visit back home. In the first decade of the twentieth century, 94 percent of businesses selling steamship tickets were involved in immigrant banking.¹²

Immigrant banking was widespread among the groups that came from southern and eastern Europe, such as the Italians and the Jews. Many immigrant banks were founded in these communities in the 1890s. They played a vital role in that decade and the early twentieth century, but they gradually declined in importance in the 1920s and then faded away. Partly this was because their customers began to assimilate into American society. Moreover, the streams of incoming migrants were significantly diminished by new American laws restricting immigration that were enacted in the early 1920s. These small community banks were hard hit by the Great Depression and many had to close their doors.

In their heyday, immigrant banks prospered for several reasons. The bankers had the trust of the people who came to them because they spoke their language and understood their culture. Many immigrants felt uncomfortable going into a regular bank, especially in their work clothes, or found the limited hours of business inconvenient. They turned to the immigrant banks, which maintained hours that were convenient for the laborers who were their customers—for example, having hours at night or, in the case of Jewish banks, being open on Sundays.¹³ For the first generation of immigrants, these casual banks were essential. The immigrant bank was a financial haven and guide in a strange world, and it was a bridge to family back home through steamship ticket sales and remittances. The banker often provided services that helped the uneducated or semi-literate navigate the world of officialdom, providing legal advice and related services.¹⁴ Jared Day, who has studied immigrant banks, goes so far as to describe immigrant bankers as the most important figures in the immigrant

community.¹⁵ In many ways, these banks were all things to a great many immigrants.¹⁶

One can gain a sense of the economic situation of those who used immigrant banks by the fact that most individual bank accounts were small. A congressional study of immigrant banks in the first decade of the twentieth century showed that few accounts grew to be larger than \$100, and for a group of more than 3,000 laborers the average amount in an account was \$65.45.¹⁷

Because these small banks generally were not regulated, they operated very loosely. Many failed. Immigrant money was seldom protected because there was no law obliging immigrant banks to maintain cash reserves.¹⁸ Most bankers had no financial training and some were simply incompetent. Others were crooked and absconded with their depositors' money.¹⁹ Most banks took advantage of the naiveté of the immigrants, most egregiously by not paying interest on deposits. The congressional study found that fewer than 30 percent of immigrant banks paid interest. On the other hand, many immigrants did not expect interest but found it sufficient that their bank would hold their money for safekeeping. The bankers often took advantage of this and deposited immigrant money in their own personal accounts in regular banks at rates of interest ranging from 2 to 4 percent.²⁰

In keeping with the pattern for other ethnic groups, a number of Jewish immigrant banks emerged to serve their communities. From the 1890s to as late as mid-1914, the sale of steamship tickets to transport people from Russia played a very big role in the business of many of these banks. Sales of such tickets were interrupted by World War I and never really revived. The Bolshevik Revolution and the subsequent Russian Civil War prevented emigration from Russia and then the new Soviet government adopted policies that made it very difficult for anyone living within its territory to emigrate.²¹ Also, the United States erected steep barriers against immigration, particularly of people from southern and eastern Europe.

In Philadelphia, which became a center of Jewish immigration in the 1890s, four major Jewish banks emerged: the Blitzstein Bank, the Lipshutz Bank, the Rosenbluth Bank, and the Rosenbaum Bank. All had similar patterns of development and activity. They were family enterprises generally founded during the 1890s, and they became prosperous in the first decade of the twentieth century. Three, the Rosenbluth, Lipshutz, and Rosenbaum banks, were founded by Jewish immigrants from the Austro-Hungarian empire. The Rosenbluth Bank (founded in 1892) survives. It always focused on selling steamship tickets for immigrants and since the era of the Depression

has devoted itself entirely to the travel business; today it is one of the world's leading travel firms.²² To a lesser extent, the Lipshutz Bank followed the same path, although it is no longer in business. The Rosenbaum Bank had been established at least as early 1890 and tended to serve Jews from the territory of the Austro-Hungarian empire. The bank became so successful that in 1907 it erected a handsome Beaux Art headquarters for itself at 603-605 South Third Street. The building survives and has been designated a Philadelphia landmark, although the bank failed in 1929.²³

The fourth Jewish bank in Philadelphia, the Blitzstein Bank, was founded by Jews from the Russian empire in 1891 and survived until 1930. It kept extensive, complete, and very legible records that provide substantial information on the Jewish immigrants from Russia and the pattern of the bank's steamship ticket business. These records, which cover the years 1900 to 1930, allow the family researcher to trace individual immigrants and the historian to study immigration patterns. Regrettably, records concerning the bank's loans and investments do not survive. The remainder of this article will focus on the Blitzstein Bank, its role in bringing Russian Jewish immigrants to Philadelphia, and how the pattern of Jewish emigration from Russia affected the bank's business.

The Blitzstein Bank

The Blitzstein Bank was established by Marcus (Moishe) and Anna (Hannah) Blitzstein, husband and wife from the cosmopolitan city of Odessa in the Russian empire, who brought their growing family to Philadelphia in 1889. They settled at 431 South Fourth Street, in the center of the Russian Jewish immigrant community in south Philadelphia.²⁴ Soon after arriving, the couple started a successful tobacco business. Friends who respected their business acumen asked Marcus and Anna to manage money for them and soon the Blitzsteins began to offer services more widely to their compatriots. About the same time, they also started to finance the sale of steamship tickets for immigrants. Their business flourished and they formally established a bank in January 1891. The enterprise, officially called M. L. Blitzstein & Co., but generally referred to as "the Blitzstein Bank," was set up in the family home. The Blitzsteins were especially well suited to help the Jewish Russian immigrants buy steamship tickets for relatives because they themselves had emigrated from Russia and they spoke both Russian and Yiddish.²⁵ The bank advertised itself as a steamship ticket order facility

"די עלטסטע אידישע באנק אין פילאדעלפיא"



ESTABLISHED 1889

M. L. BLITZSTEIN & CO.
BANKERS

FOURTH AND LOMBARD STREETS

COMMERCIAL ACCOUNTS	STEAMSHIP TICKETS
SAVINGS ACCOUNTS	FOREIGN EXCHANGE

WE PAY 2% on Check Accounts
4% on Savings Accounts

OFFICE HOURS:

Monday and Saturday, 9 a.m. to 9 p.m. Wednesday, 9 a.m. to 6 p.m.
Other Days, 9 a.m. to 4 p.m.

FIGURE 1: Advertisement for the Blitzstein Bank showing the founding date as 1889.
(Allen Myers, *Images of America*, p. 13.)

We Move To Our New Building This Saturday



For 31 years we have been serving an always-increasing clientele. We have been forced to take larger quarters. On Saturday, April 24, at 6 P. M., we start business in our own new Bank Building at 4th and Lombard, where we can better serve you. Banking in all its branches and Foreign Exchange. Our ability to serve you well in the past is our best promise to you for the future.

Established 1889

M. L. BLITZSTEIN & CO., Bankers
4TH AND LOMBARD STS. Opens From 9 A. M. to 6 P. M. Daily

FIGURE 2: Advertisement for the Blitzstein Bank. (*Philadelphia Inquirer*, April 20, 1920, p. 17.)

and an office for money exchange. (One of their early advertisements, which featured a steamship, said their business began in 1889 [see fig. 1], suggesting they sold steamship tickets even before formally setting up the bank.)²⁶

When Marcus Blitzstein died in 1897, Anna took over active leadership of the bank and expanded it into a full-fledged immigrant bank that also dealt in matters of foreign exchange while continuing its role as an agent



FIGURE 3: Advertisement for the Blitzstein Bank. (*Jewish Morning Journal*, October 13, 1913.)

for steamship passage. Anna Blitzstein was a strong-minded and resourceful woman, nicknamed “Babushka,” or Grandmother. Having obtained some education in Russia, she was literate when she arrived in the United States and so was better equipped for business management than most immigrant women. She is regarded by many as the first woman banker in Philadelphia.²⁷

Drawing her son Samuel and a son-in-law into the business, Anna expanded the Blitzstein Bank and ran it with a strong hand. Under her leadership the bank advertised widely, even in New York City. A 1913 advertisement for the Blitzstein Bank shows a picture of a steamship in the Yiddish newspaper *Der Morgen Zshurnal* (see fig. 3).²⁸ After World War I the bank frequently ran English-language advertisements directed at the general public in the *Philadelphia Inquirer*.²⁹ It sought to extend its services beyond the Russian community, for instance, by advertising in English that it would pay cash at market rates for World War I Liberty Bonds.³⁰ Unlike many immigrant banks, the Blitzstein Bank paid interest to its depositors, as was shown in a newspaper advertisement mostly in English, but with a few words in Yiddish, saying it offered 2 percent on checking accounts and 4 percent on savings accounts.³¹

Its Jewish roots notwithstanding, the Blitzstein Bank advertised that it was open every day from 9 a.m. to 6 p.m. (see fig. 2). That is, it was open on

Saturdays, the Jewish Sabbath, an act that would have been unthinkable in the orthodox Jewish world of the East European *shtetl* from which many of its customers came, but one in keeping with the fact that the Blitzsteins were decidedly assimilationist and nonreligious.³² In 1920, when the Blitzstein Bank moved to a new building, it did so on a Saturday, and said so in its advertisement announcing the move.³³ In the United States from 1900 to 1930, the standard six-day work week only allowed for Sunday off; the work week was about fifty-seven hours in 1900 and fell to about forty-eight hours in 1930.³⁴ Thus, many, if not all Jews, had to work on the Sabbath or not work at all. A second explanation for doing business on Saturdays was that this was the practice of the assimilated German Jews who had come to Philadelphia a half century earlier. In Germany most Jews had already moved away from Orthodox Judaism and this became even more pronounced once they arrived in the United States.³⁵ In Philadelphia, therefore, the model that Russian Jewish immigrants had was of German Jews who had embraced the American way of life. The rabbi, who had held sway in the *shtetls* of the Russian empire, was no longer the preeminent figure in their new lives in Philadelphia.³⁶

The Blitzstein Bank thrived, even during the 1920s when changes in immigration policy constricted steamship ticket sales. Then it put greater emphasis on its general banking activities and came to play a major role in the commerce of the South Philadelphia neighborhood where it was located. In 1920 it built a large new headquarters building at the corner of Fourth and Lombard Streets, still in the south Philadelphia neighborhood.³⁷ At that time the bank had about 6,000 depositors, many of them area merchants, and a staff of nineteen employees, a number of them members of the extended Blitzstein family.³⁸ As Anna began to withdraw from active management in the later 1920s (she died in 1929), her son Samuel Blitzstein (father of the composer Marc Blitzstein) and her son-in-law Constantine Voynow took over full leadership of the business.³⁹ Business remained good and the bank undertook to expand the size of its Lombard Street headquarters in 1929, despite the looming clouds of the Great Depression.⁴⁰

The Blitzstein Bank's Steamship Ticket Sales

The expansion in the sale of steamship tickets by the Blitzstein Bank for travel to Philadelphia was closely connected to the increase in immigration of Russian Jews into the city beginning in the 1890s and after. Philadelphia

THE BLITZSTEIN BANK (1891-1930)

TABLE 1. Blitzstein Bank Steamship Ticket Sales, 1900-1930

Year	Total Ticket Sales	Sales to Jews in Russian Empire/Soviet Union	Sales to Russian Jews (Percentage of Total)
1900	1,186	710	59.9
1901	1,133	751	66.3
1902	1,385	903	65.1
1903	1,824	1,190	65.2
1904	3,367	1,168	34.7
1905	2,899	2,083	71.9
1906	4,211	3,222	76.5
1907	2,238	1,487	66.4
1908	1,025	633	61.8
1909	1,665	1,306	78.4
1910	1,956	1,575	80.5
1911	1,710	1,304	76.3
1912	1,695	1,307	77.1
1913	2,789	2,204	79.0
1914	1,770	1,395 ^a	78.8
1915	34	0	-
1916	35	15	42.9
1917	10	0	-
1918	0	0	-
1919	24	0	-
1920	1,089	0	-
1921	765	73 ^b	9.5
1922	686	270	39.4
1923	773	298	38.6
1924	236	102	43.2
1925	60	13	21.7
1926	42	8	19.0
1927	54	6	11.1
1928	63	24	38.1
1929	123	48	39.0
1930	87	17	19.5

^aGermany officially declared war on Russia on August 1, 1914. The last ticket sold to a Russian Jew that year was on August 17.

^bTicket sales to bring Soviet citizens to Philadelphia resumed in late 1921.

became the terminus of several standard steamship itineraries, often sailing from Hamburg or Liverpool. Sales to Russian Jews accounted for the preponderance of the Blitzstein Bank's ticket business (see table 1). The bank began selling tickets in the early 1890s but the sales ledgers for those early years have not survived. However, we do have detailed records of the ticket sales of the Blitzstein Bank from 1900 through 1930 and these are preserved in the Philadelphia Jewish Archives at Temple University. The bank's careful and informative records show the place from which their clients departed, the number in their party, and the fare paid.⁴¹ The records end abruptly in late December 1930 when the Blitzstein bank had to close its doors.

The table provides an overview of the total number of tickets the Blitzstein Bank sold from 1900–1930 and the sales to Russian (and Soviet) Jews in both absolute numbers and as a percentage of total sales. Business was booming until the outbreak of World War I, with sales to Russian Jews after the first years generally ranging from two-thirds to three-quarters of the total. The fluctuation in total sales seems to have been influenced by economic and political events in Russia and abroad. More specifically, ticket sales shot up in 1905 and 1906, the economically unstable and politically violent years connected with the 1905 Russian Revolution. Sales fell off in 1907 and 1908, years of economic distress in both Russia and the United States. They rose sharply on the eve of World War I. In these years the Blitzstein Bank's sales to Russian Jews usually accounted for three-quarters to four-fifths of its total sales. After stopping almost entirely for six years, 1915–20, the period of the world war and the subsequent Russian Civil War, ticket sales resumed in 1921, but at a level substantially lower than before the war, reflecting the precipitous decline in the number of Jews emigrating from Russia. This falloff was a result of Soviet policies that restricted emigration and a major shift in US policy that sharply curtailed all immigration. Thus the fate of the bank's steamship ticket business was strongly influenced by forces totally outside of its control.

A more detailed analysis of the bank's ledgers allows us to make some further generalizations. First of all, when we look at tickets sold to citizens living in the Russian empire, we find that throughout the entire period 99 percent of the tickets the Blitzstein Bank sold to Russians were sold to Jews from the Pale of Settlement and of these, on average, more than 95 percent were sold to Jews who came from the fifteen Russian provinces in the eastern and southern part of the Pale, that is from the lands of Russia and Ukraine, as opposed to the so-called Polish provinces in the western part of the Pale.

A closer examination of the conditions in the Russian empire in the years around the 1905 Revolution may help us understand the high numbers of Jews emigrating in that period. There was a recession in the Russian empire from 1901 to 1903 and then another downturn in the economy during the revolutionary years of 1905-6. In addition, in these years of economic and political disorder an upsurge of anti-Jewish activity spread through the Pale. Particularly notable was the 1903 massacre of Jews in Kishinev, a city that was 46 percent Jewish in 1897. Following the deaths of a Christian child and the suicide of a Christian woman in the Jewish hospital, the charge of blood libel was leveled at the Jewish community and in the ensuing violence 49 Jews were killed and more than 500 injured.⁴² Even more destructive was the October 1905 pogrom in the heavily Jewish city of Odessa, in which about 400 Jews were killed, another 300 injured, and more than 1,600 Jewish homes and stores damaged.⁴³ There were many smaller pogroms as well. The fact that the Blitzstein Bank's 1906 ticket sales for emigrants from Russia increased by 55 percent over 1905 may reflect the intensification of anti-Jewish violence connected with the 1905 Revolution.

The number of tickets that the Blitzstein Bank sold for people living in Russia may not reflect the actual total of Russian Jews who bought their tickets through the bank because many sailed first to Great Britain before making their way across the Atlantic. The pattern of Jews stopping first in England is well documented. British immigration figures show that in 1902, 81,533 individuals described themselves as en route to other countries; in 1903 that number was 82,572.⁴⁴ This was especially true for Russian Jews in 1904. Although in that year the bank sold nearly twice the number of tickets as in previous years, only 35 percent of all tickets were sold to Jews coming directly from Russia, as opposed to roughly two-thirds in the previous three years. In 1904 the bank sold nearly 1,500 tickets to bring Jews from England, a number much higher than usual. (In 1905, it was only 312.) To be sure, it is not possible to tell from the bank's ledger entries whether any given Jew leaving England was originally from Russia, or instead was from Romania, Austria-Hungary, or Poland. But since about 75 percent of the Jews who came to the United States were from Russia, it is possible that the Blitzstein Bank brought more than 1,100 additional Russian Jews to Philadelphia in 1904 on tickets sold through the bank to individuals coming through Great Britain.⁴⁵

If Jews leaving Russia during the chaotic years of unrest around the 1905 Revolution had thought of settling in Britain, they would have faced

conditions there that were far from welcoming. First, there was a severe recession in England that would have made it difficult for Jews (or any immigrant) to find work.⁴⁶ Second, some British leaders used the Jews as scapegoats for the economic downturn, employing the argument that British workers were suffering because of Jewish competition. The British Home Secretary Aretas Akers-Douglas said that Jews were willing to work for starvation wages and live in conditions that no “decent British man” would tolerate and claimed that the “whole of the native English population was being pushed aside and turned out of dwellings.”⁴⁷ In reaction to concern about Jewish immigration to England, Parliament passed the Aliens Act of 1905, which for the first time imposed controls on immigration. Lloyd Gartner argues that one of its primary objectives was to inhibit the inflow of East European Jews.⁴⁸

The table also shows that in 1907, after a rise for several years, there was a 54 percent decline in ticket sales to Russian Jews by the Blitzstein Bank compared to 1906. This may have been because in addition to poor economic conditions in Russia there was a serious thirteen-month recession in the United States from May 1907 to June 1908. During that period business activity fell by 29.2 percent and unemployment rose from 2.8 percent to 8 percent. American immigrants would have had less money to spend on steamship tickets to bring over their relatives. Overall, immigration into the United States, which had risen to 1.2 million in 1907, fell to 750,000 by 1909, and did not reach the 1 million mark again until the following year.⁴⁹

The table shows that in 1913 the bank's ticket sales to Russian Jews were again robust, with the total at 2,204 tickets. In 1914 ticket sales were also strong for the first half of the year, but the total sold to Russian Jews for the entire year was only 1,395 because Germany declared war on Russia on August 1. After that the bank sold only three more tickets in 1914, none in 1915, and fifteen tickets in 1916. The outbreak of revolution in Russia, followed by civil war, prevented emigration from Russia: the bank sold no tickets to Russian Jews from 1917 to 1920.

After the Russian empire was replaced by Soviet Russia, while significant portions of the Jewish Pale were incorporated in the newly reestablished Poland, many Jews still remained within the boundaries of the new Soviet state. If the new Soviet government officially eschewed anti-Semitic policies, substantial popular anti-Semitism persisted and there was extensive violence against Jews during the Civil War. The Soviet campaign against all religions alienated many pious Jews. Moreover, life in the early years of

the Soviet Union was hard and it was made worse by a terrible famine in 1921-22. Even after the fall of the Tsarist empire, there were still good reasons for Jews to want to emigrate from Russia.

Emigration to the United States, however, did not recover. Soviet policy made leaving the country much harder. And with the 1922 creation of the Union of Soviet Socialist Republics, the two most populous republics, the Russian Soviet Federated Socialist Republic and the Ukrainian Soviet Republic, issued rules that made legal emigration virtually impossible.⁵⁰ On the American side, the laws of 1921 and 1924, respectively, restricted the number of immigrants per year to 3 and 2 percent of any nation's population in the country as of 1890. The people most severely affected were those of Eastern and southern Europe, who had comprised the bulk of the immigrants who had come after 1890.

Jewish immigration was especially curtailed. After the first quota law it went from 119,036 in 1920-21 to 53,524 in 1921-22.⁵¹ Whereas between 1881 and 1923 some 1.4 million Jews had arrived, from 1925 to 1930, only 23,829 Russians (Jews and non-Jews), an average of 4,000 a year, entered the country.⁵² Total Jewish immigration from Russia and Eastern Europe combined also declined, falling to a little more than 10,000 each year.⁵³ The proportion of Russian Jews in the total of Jewish immigration fell from over 80 percent in the period 1905-14 to less than 25 percent from 1915 to 1925.⁵⁴

The figures for the Blitzstein Bank's steamship ticket sales to Russian immigrants for 1922-25 clearly reflect this decline. Sales straggled along after 1925 and, although they were beginning to rise in 1928 and 1929, they were squelched by the Great Depression. So the Blitzstein Bank was forced to look elsewhere for business and as early as 1920 had begun to tap new markets. In that year, the bank sold nearly \$110,000 in tickets, virtually all of them to bring Jews from Romania (448 passages) and Poland (438). Nonetheless, it is clear that the sales of tickets to any Eastern European immigrants was a declining business.

Remittances

In addition to selling steamship tickets, the Blitzstein Bank helped Russian immigrants in Philadelphia send money to relatives back in the old country. Although the archives of the Blitzstein Bank do not contain records for monetary transfers abroad, we do know that this was a fundamental role of

immigrant banks. An analysis of the late nineteenth-century deposit records of Philadelphia's largest savings bank, the Philadelphia Savings Fund Society, shows that among all immigrant groups, savings were essentially transferred to families living abroad.⁵⁵ The total sum of immigrant remittances to Russia sent through all immigrant banks was large, amounting to \$15,241,482 in 1907, \$11,416,009 in 1908, and \$4,477,271 in the first half of 1909.⁵⁶ Moreover, banks were not the only vehicles for remittances. Immigrants also used international money orders issued in the United States and paid in the country where the recipient lived. While immigrant banks remained dominant, the use of international money orders rose steadily from 1900 to 1909. For example, in 1907, international money orders to Russia amounted to \$7,230,854 and in 1908 to \$7,898,484. For the first half of 1909, the figure was estimated to be \$3,226,123.⁵⁷ Conversely, as a proportion of all remittances to Russia, the amount sent through immigrant banks fell modestly, from 68 percent in 1907, to 59 percent in 1908, and to 58 percent in 1909.

The large size of the total of all remittances sent home by Russians who had migrated to the United States (a total of \$19,314,493 in 1908 alone), indicates great family cohesion on the part of the collective Russian immigrant community. At the same time, the average individual remittance was small, amounting to \$28.72,⁵⁸ which suggests that sending money abroad was spread widely among many immigrants, mostly workers with little money to spare.

Remittances continued to be sent through the Blitzstein Bank to the Soviet Union at least through 1929.⁵⁹ The illustrations below show postal receipts for money sent through the bank to Jews in the Soviet Union in the 1920s. None of the receipts we own indicates the name of the individual who sent the remittance. Figures 4a and 4b show an April 1923 registered receipt for a money transfer of \$10 sent to Abram Krasniansky, who lived in Soviet Ukraine, south of Kiev. When converted to rubles, the \$10 sent from Philadelphia gave Krasniansky the inflated sum of 400 rubles, with the low value of the ruble reflecting the lingering effects of the hyperinflation in Soviet Russia during 1921 and 1922.⁶⁰

Figure 5 is a registered postal receipt recording the money sent to a woman named Feiga Sokolinskaia, who also lived in Soviet Ukraine. The \$20 she was sent on June 30, 1925, reached Moscow three weeks later on July 21 and then was dispatched to Boguslav, a city about sixty miles south of Kiev, where it arrived three days later. Because she was illiterate, the money

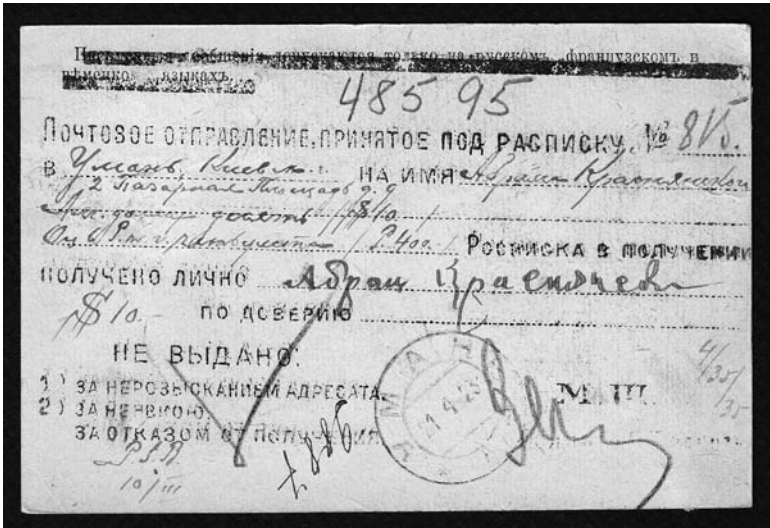


FIGURE 4: Remittance from the Blitzstein Bank to Abraham Krasniansky. Collection of William Velvel Moskoff.

was signed for by a relative, Basia. Feiga Sokolinskaia received 38 rubles in exchange for the dollars, a sign that the earlier inflation had largely been brought under control. At the bottom of the card, in addition to the date,

102522

Почтовое отправление, принятое под расписку № 4497
Варшава, Кув. 7. на имя Фейга Соколинская

Ам. Долл. двадцать "Восценное" в Руб. 38

Расписка в получении:
 получено лично Фейга Соколинская адрес
\$ 20. — по доверию бася
 Не выдано: — Соколинская

1) за неразъяснением адреса
 2) за неявкой
 3) за отказом от получения

Подпись чиновника
Воспитан и бухгалтер М. Л. Блицштейн

В печатном тексте почтовый чиновник начеркивает пером те указания (1, 2 и 3), которые окажутся ненужными.

Ф. № 371.

30 ЮН 1925 M. L. Blitzstein Co Philadelphia

FIGURE 5: Remittance to Feiga Sokolinskaia from the Blitzstein Bank. Collection of William Velvel Moskoff.

the words "M.L. Blitzstein Co. Philadelphia" are stamped. This is the only English writing on the receipt.

Relatively speaking, the money sent from America must have been a significant gift for the individual recipients in Soviet Russia. The average monthly wage of workers in 1924–25 was 25.18 rubles and in 1925–26 it was 28.57 rubles.⁶¹ The sum of 38 rubles received by Feiga Sokolinskaia amounted to nearly a month and a half's wages. At the same time, sending remittances must have represented a real sacrifice for the American immigrants in Philadelphia. Taking the average weekly earnings of production workers in manufacturing as a proxy for blue-collar wages, in 1923 average weekly earnings were \$23.56.⁶² Thus, the \$10 that was sent to Abram Krasniansky probably represented at least 40 percent of a week's pay to his American relative. In 1925, when the average weekly wage was \$24.11, the \$20 remittance sent to Feiga Sokolinskaia could have been more than 80 percent of her relative's weekly pay. These figures suggest that the money Russian Jews in the United States sent abroad constituted a significant portion of their earnings. The overall lesson is that great sacrifices in the United States yielded great benefits abroad.

The Demise of the Blitzstein Bank

The Blitzstein Bank, like many banks all over the country, was put under great pressure as the Great Depression wreaked havoc in the American economy. The bank managed to avoid insolvency for more than a year after the 1929 stock market crash, partly because of its steamship ticket business, diminished as it was. When several Philadelphia banks failed in 1930, the Blitzstein Bank held out for some weeks and its owners thought they could weather the storm. But its demise was made inevitable when a large Philadelphia bank, the Bankers Trust Company, with \$45 million in deposits, succumbed to a bank run on December 22, 1930. The next day, the Blitzstein Bank, with a mere \$1.25 million in deposits, was swamped by desperate depositors seeking to withdraw their money and the bank was forced to close in the early afternoon. It never reopened.

When the Blitzstein Bank had to close its doors on December 23, 1930, it was a shock to the family, who had thought their bank was strong enough to stay open. The crisis at the bank precipitated anguished family meetings, during which one of Anna Blitzstein's grandchildren heard family members saying, "Thank God, Babushka's dead."⁶³ Within days, the Blitzstein Bank declared bankruptcy.⁶⁴ Since the family's financial holdings were largely tied up in the bank, a number of members of the extended Blitzstein family instantly became impoverished.⁶⁵

The closing of the bank was also a shock to the many people who had placed their money and their trust in this neighborhood institution. Three days after the bank closed there was a large meeting of its customers in the Brith Sholom building on Pine Street on Philadelphia. Those attending selected a group of fifteen people to represent depositors in court.⁶⁶ After the bankruptcy, the creditors went to court and received a judgment that paid them one-third of their claims in cash. The remaining assets were placed in the hands of liquidating trustees who issued paper certificates for the remaining two-thirds of the creditors' claims. The depositors appealed the judgment, but nothing came of their suit, as the District Court ruled in 1938 that it lacked jurisdiction.⁶⁷ In the end, however, the Blitzstein family managed to pay off 52 percent of the depositors' claims by 1937.⁶⁸

After playing an important role in the life of the city for forty years the Blitzstein Bank became a part of Philadelphia's historical memory, albeit a significant one. It was created by Russian immigrants to serve Russian immigrants to Philadelphia, particularly Russian Jews. While the Great

Depression and the run on the banks in 1930 were the proximate causes of its demise, it is clear that in a larger sense the decline resulted from the end of the era of mass immigration during the 1920s and the accompanying business of selling tickets to immigrants.

NOTES

We thank Sarah Sherman, former archivist at the Philadelphia Jewish Archives at Temple University, who generously provided copies of the Blitzstein ledgers for our use. We also thank David Skipton for his assistance interpreting the Blitzstein remittance receipts, and Jonathan Levine, who helped us understand the implications of the Blitzstein bankruptcy court case.

1. There were twenty-five provinces (guberniia) in the Jewish Pale: fifteen in the Russian portion (Bessarabia, Chernigov, Ekaterinskaia, Grodno, Kherson, Kovno, Kiev, Minsk, Mogilev, Poldolsk, Poltava, Taurida, Vilna, Vitebsk, and Volin) and ten in the Polish part of the empire (Kalisz, Kielce, Lublin, Lomza, Petrikow, Plock, Radom, Siedlec, Suwalk, and Warsaw). Natan M. Meir, *Kiev, Jewish Metropolis: A History 1859–1914* (Bloomington: Indiana University Press, 2010), 55 and 102–5. The total Jewish population of the empire was 5,189,401 according to the 1897 census. N. A. Troynitsky, ed., *Pervaia vseobshchaia perepis' naseleniia Rossiiskoi Imperii* (St. Petersburg: Ministry of Internal Affairs, 1905).
2. Eli Lederhendler, *Jewish Immigrants and American Capitalism, 1880–1920* (Cambridge: Cambridge University Press, 2009), 3, 7.
3. Ibid.
4. Irving Howe, *World of Our Fathers* (New York: Schocken Books, 1989), 58.
5. Russell F. Weigley, ed. *Philadelphia: A 300–Year History* (New York: W. W. Norton, 1982), 489.
6. Theodore Hershberg et al., “A Tale of Three Cities: Blacks, Immigrants, and Opportunity in Philadelphia, 1850–1880, 1930, 1970,” in *Philadelphia: Work, Space, Family, and Group Experience in the Nineteenth Century*, ed. Hershberg (Oxford: Oxford University Press, 1981), 465.
7. Maxwell Whiteman, “Philadelphia’s Jewish Neighborhoods,” in *The Peoples of Philadelphia: A History of Ethnic Groups and Lower-Class Life, 1790–1940*, ed. Allen F. Davis and Mark H. Haller (Philadelphia: Temple University Press, 1973), 233–36, 237–39.
8. Hershberg et al., “A Tale of Three Cities,” 474.
9. Caroline Golab, “The Immigrant and the City: Poles, Italians, and Jews in Philadelphia, 1870–1920,” in *The Peoples of Philadelphia*, ed. Davis and Haller, 220.
10. Richard Salvato, *A User’s Guide to the Emigrant Savings Bank Records*, New York Public Library, 2, <http://www.nypl.org/research/chss/spe/rbk/faids/emigrant.pdf>.
11. The general description of immigrants’ banks is taken from an extensive congressional study carried out in 1909–10, *Reports of the Immigrant Commission*, 61st Cong., vol. 37 (Washington DC: Government Printing Office, 1911), and from Jared N. Day, *Urban Castles* (New York: Columbia University Press, 1999).
12. *Reports of the Immigrant Commission*, 37:212.
13. Day, *Urban Castles*, 36.

14. Frederick M. Binder and David Reimers, *All the Nations under Heaven: An Ethnic and Racial History of New York City* (New York: Columbia University Press, 1995), 156.
15. Day, *Urban Castles*, 36.
16. Jared N. Day, "Credit, Capital and Community: Informal Banking in Immigrant Communities in the United States, 1880–1924," *Financial History Review* 9 (2002): 65–78.
17. *Reports of the Immigrant Commission*, 37:239.
18. *Ibid.*, 247.
19. For efforts to regulate the immigrant banks to prevent taking advantage of immigrants, see Matthew Silver, *Louis Marshall and the Rise of Jewish Ethnicity in America* (Syracuse, NY: Syracuse University Press, 2013), 157–61.
20. *Reports of the Immigrant Commission*, 37:238, 243.
21. In this article we use the term "Soviet" for the Bolshevik government, and "Soviet Union" for the territory ruled by the Bolsheviks although the latter term was not actually in use until the early 1920s.
22. "Rosenbluth International Inc. History," <http://www.fundinguniverse.com/company-histories/rosenbluth-international-inc-history/>, accessed October 1, 2012.
23. Jorge M. Danta, "The History of the Rosenbaum Bank Building," Queens Village Neighborhood Association, 2011, <http://www.qvna/2011/08/rosenbaum-bank-building/>, accessed October 1, 2012.
24. Howard Pollack, *Marc Blitzstein: His Life, His Work, His World* (New York: Oxford University Press, 2011), 7–8.
25. Eric A. Gordon, *Mark the Music: The Life and Work of Marc Blitzstein* (New York: St. Martin's Press, 1989), 4.
26. Allan Meyers, *Images of America: The Jewish Community of South Philadelphia* (Charleston, SC: Arcadia Publishing, 1998), 13.
27. Harry D. Boonin, *The Jewish Quarter of Philadelphia: A History and Guide, 1881–1930* (Philadelphia: Jewish Walking Tours of Philadelphia, 1999), 32.
28. *Der Morgen Zsburnal*, October 13, 1913, 2.
29. See, e.g., its many small ads in the *Philadelphia Inquirer* during January 1919, e.g., January 19, 1919, 19, and January 25, 1919, 25.
30. *Philadelphia Inquirer*, January 19, 1920, 19.
31. Meyers, *Images of America*, 13.
32. Gordon, *Mark the Music*, 17.
33. *Philadelphia Inquirer*, April 20, 1920, 7.
34. Dora L. Costa, "The Wage and Length of the Work Day: From the 1890s to 1991," *Journal of Labor Economics* 18 (2000): 156–81; Guillaume Vandenbrouke, "Trends in Hours: The United States from 1900 to 1950," *Journal of Economic Dynamics and Control* 33 (2009): 237–49.
35. Arthur P. Dudden, "The City Embraces 'Normalcy' 1919–1929," in *Philadelphia*, ed. Weigley, 587–88.
36. Lederhendler, *Jewish Immigrants and American Capitalism*, 92. In 1919, when the rabbi of a prominent synagogue asked his wealthy congregants to consider moving to a five-day work week,

- they opposed his proposal, arguing that this would only embolden their own Jewish workers to ask for a reduction in the work day (62).
37. The architect for the Blitzstein Building was John Horace Frank (1873–1956). A Philadelphia-based architect during his entire career, he worked with a number of the city's senior architects. Her designed homes, especially in Germantown, and a number of stations for the Philadelphia Rapid Transit Co., <http://www.philadelphiabuildings.org>
 38. Boonin, *Jewish Quarter of Philadelphia*, 31, 33, and 155 n. 84.
 39. Gordon, *Mark the Music*, 8 and 155 n. 79. Marc Blitzstein (1905–64) wrote the English lyrics for Bertolt Brecht's *The Three Penny Opera* and the pro-union musical *The Cradle Will Rock*. See Leonard J. Lehrman, *Marc Blitzstein: A Bio-Bibliography* (Westport, CT: Praeger, 2005), 14, and *New York Times*, January 25, 1964, 1, 24, as well as the previously cited biographies of the composer by Pollack and Gordon.
 40. As late as 1929 the major banks in New York and a number of banks in Philadelphia were also expanding, both by increasing credit availability and through mergers and acquisitions of other banks. Tobias F. Rötheli, "Banking Principles, Bank Competition and the Credit Boom of the 1920s," Working Paper, 2009. Duke University, <http://www.econ.duke.edu>, 11, 18. See also *Philadelphia*, ed. Weigley, 600.
 41. Ledgers of the Blitzstein Bank, Philadelphia Jewish Archives, Special Collections Research Center, Temple University, Philadelphia.
 42. "Kishinev," *Encyclopedia Judaica*, 2nd ed. (Farmington Hills, MI: Thompson/Gale, 2007), 12:197–200.
 43. Robert Weinberg, "The Pogroms of 1905 in Odessa: A Case Study," in *Pogroms: Anti-Jewish Violence in Modern Russian History*, ed. John D. Klier and Shlomo Lambroza (Cambridge: Cambridge University Press, 1992), 248–89.
 44. *Jewish Chronicle* (London), January 15, 1904, 24. The continuation of the journey from Russia to the United States through England was assisted by a Jewish organization in London, the Emigration Society, which provided on average 3 pounds, 2 shillings, and 8 pence to the migrants. While most of the Jews they assisted went to New York, a number did go to Philadelphia. *Jewish Chronicle* (London), May 20, 1904, 15.
 45. Gerald Sorin, *A Time for Building: The Third Migration, 1880–1920* (Baltimore, MD: Johns Hopkins University Press, 1992), 42.
 46. Peter R. Shergold, *Working-Class Life: The "American Standard" in Comparative Perspective, 1899–1913* (Pittsburgh: University of Pittsburgh Press, 1982), 23.
 47. *Jewish Chronicle* (London), January 22, 1904, 16.
 48. Lloyd A. Gartner, *The Jewish Immigrant in England 1870–1914* (London: Simon Publications, 1960).
 49. Victor Zarnowitz, *Business Cycles: Theory, History, Indicators, and Forecasting* (Chicago: University of Chicago Press, 1992), 226; Robert F. Bruner and Sean D. Carr, *The Panic of 1907: Lessons Learned from the Market's Perfect Storm* (Hoboken, NJ: John Wiley and Sons, 2007), 142.
 50. Alan Dowty, *Closed Borders: The Contemporary Assault on Freedom of Movement* (New Haven, CT: Yale University Press, 1989), 69.
 51. Mark Wischnitzer, *Visas to Freedom: The History of HIAS* (Cleveland: World Publishing, 1956), 97–98.

THE BLITZSTEIN BANK (1891–1930)

52. *Abstract of the Fifteenth Census of the United States* (1930) (Washington, DC: Government Printing Office, 1933; reprint, New York: Arno Press, 1976), 174.
53. Simon Smith Kuznets, "Immigration of Russian Jews to the United States: Background and Structure," *Perspectives in American History* 9 (1975): 46; *Encyclopedia Judaica*, 2nd ed., 14:211. In part, the decline in Russian Jewish immigration is due to changes in the boundaries of the Russian empire after World War I, with much of the Pale of Settlement becoming part of Poland.
54. Kuznets, "Immigration of Russian Jews to the United States," 47.
55. Rohit Daniel Wadhvani, "Banking from the Bottom Up: The Case of Migrant Savers at the Philadelphia Savings Fund Society in the Late Nineteenth Century," *Financial History Review* 9 (2002): 41–63.
56. *Reports of the Immigrant Commission*, 37:274.
57. *Ibid.*, 261 and 274.
58. *Ibid.*, 278.
59. The year 1929 is the latest for which we have seen remittance receipts; remittances may have been sent through the bank until it closed in 1930.
60. The receipt is also of interest because the card was originally a postal card for World War I prisoners of war. A form for the receipt was simply stenciled or printed in the space on the postcard originally meant for the message.
61. Alec Nove, *An Economic History of the U.S.S.R.* (London: Allen Lane, 1972), 114.
62. George Thomas Kurian, ed., *Datapedia of the United States 1790–2005*, 2nd ed. (Lanham, MD: Bernan, 2001), 89.
63. Boonin, *Jewish Quarter of Philadelphia*, 33.
64. Pollack, *Marc Blitzstein*, 63.
65. Gordon, *Mark the Music*, 63. A description of the impact of the bankruptcy of the Bank of the United States, a New York City Jewish bank with sixty branches and 400,000 mostly Jewish depositors, can be found in Beth S. Wenger, *New York Jews and the Great Depression: Uncertain Promise* (New Haven, CT: Yale University Press, 1996), 10–14.
66. Gordon, *Mark the Music*, 63.
67. "In re M.L. Blitzstein & Co., 23 F.Supp. 210 (1938) No 13802. District Court, E.D. Pennsylvania. April 11, 1938," <http://www.leagle.com>, accessed September 1, 2012.
68. Pollack, *Marc Blitzstein*, 63. With \$1,250,000 in deposits and 6,000 depositors, on average, account holders had \$208 with the bank.