

Providence Institution
for Savings

Established 1819

A Mutual Savings Bank

where interest is allowed
from day of Deposit to
day of Withdrawal

MAIN OFFICE
86 South Main Street

OLNEYVILLE BRANCH
1917-21 Westminster Street
Olneyville Square

EMPIRE-ABORN BRANCH
Between Westminster and Washington Sts.

Open all business days and Tuesday evenings
5 to 8:30. Olneyville Branch open
Saturday evenings also.

“The Old Stone Bank”

P 77/
#1
Aaron Lopez



Presented by

“The Old Stone Bank”

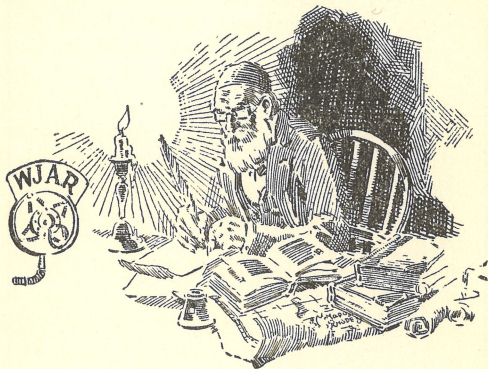
Providence, R. I.

December 12, 1932

Aaron Lopez

OF the early citizens of Rhode Island, none were more highly prized for their integrity and enterprise, than the prominent Jews of Newport. In the earlier part of the eighteenth century there were about sixty families of Jews living in Newport, the leading ones being those of the names of Lopez and Touro. In 1762, they built a synagogue which was dedicated, with great pomp and magnificence, to the God of Abraham, and today this ancient house of worship is regarded as a gem of Colonial architecture, one of the outstanding sights of the delightful seaport city where Nature has been extremely lavish with her gifts. Too little has been written about these Jewish settlers who made great contributions to the early development of industry and commerce in the Colony—their careers offer the contemporary biographer endless subjects for life narratives, non-fiction that would make good reading for modern merchants and manufacturers who believe that their staggering business problems cannot be solved.

Prominent among the members of the Jewish group in Colonial Newport



was Jacob Rodriguez Rivera who introduced the manufacture of spermaceti, of which Newport held the monopoly during the days preceding the War for Independence. Moses Lopez secured a patent from the Colonial Assembly for an improved method of making potash, and Joseph Lopez was one of the few, if not the only one of his race, who returned to resume business activities in Newport after the war. Abraham Touro, the son of Isaac, left a goodly sum in his will for the support and upkeep of the synagogue, cemetery and Touro Street; and his brother Judah was regarded as an honored philanthropist and staunch patriot. Judah served as a volunteer at the Battle of New Orleans and was wounded; he contributed to many Christian church projects and he gave the sum of \$10,000 towards the erection of the Bunker Hill Monument. Despite the failure of older historians to appreciate the importance of Jewish contributions to Rhode Island history, modern annalists are beginning to tap the rich supply of historical data that pertains to those wealthy and energetic emigrants, and the splendid results of their research are occasionally appearing in print. For example, Dr. Bruce M. Bigelow of Brown University, has

recently published a valuable account of the life of one of the more prominent Newport Jews, under the title of "Aaron Lopez, Colonial Merchant of Newport", and this contribution to Rhode Island historical records is a fine sample of what can also be written about many other figures in that interesting group, in those eventful days. Many will be interested to learn that Dr. Bigelow is now preparing matter to be published that concerns the complete story of Colonial commerce in Rhode Island, and very likely, his publication will contain much valuable information about the Jewish merchants of Newport.

Driven from Portugal by the inhuman persecutions of the Jews and others under the Inquisition, three members of the Jewish family of Lopez came to Newport, their steps directed to these shores by somewhat the same urge that guided Roger Williams to a place where men asked not of another his religion, nor demanded that he worship any particular God in any one prescribed manner. Moses, an elder half-brother, had come to Newport by way of England and New York, in the middle forties, and Aaron with his younger brother David arrived in the autumn of 1752. Fortunately for Aaron, Moses

was well established as a merchant when the former began his adventure on this side of the Atlantic, and, doubtless, the older member of the family devoted a considerable amount of his time to teaching his brother the ways of New England business.

Dr. Bigelow observes that "(Aaron) Lopez started, as did many other merchants of the day, by buying, selling and exchanging in Newport and Providence alone." Later, his chief interest was in the spermaceti candle business, and he employed a Henry Lloyd of Boston to act as a middleman between the whalers of Nantucket and himself in Newport. He kept away from the West Indian trade as long as he judged such ventures hazardous; and when there came an opportunity for expansion of his business he began to look for a market in Europe rather than in southern waters. His first gamble with the highly-desired European trade turned out to be a financial failure. During the year 1765 he dispatched five vessels to Bristol, England, hoping that the cargoes and the ships themselves would bring high prices and that his credit would secure goods in Bristol at much lower prices than those prevailing in London. The ships all met an extremely poor market and Aaron's

English correspondent suggested that it might be more profitable to seek markets for goods in the West Indies, whereupon, Aaron was finally convinced that an extensive trade with Bristol did not have the possibilities that he had anticipated.

Following several ventures to the "Slave Coast" of Africa, and three to Bristol again in 1766, Aaron Lopez sent four vessels to the West Indies—and this marked the start of a new business. Northern merchants had always experienced many difficulties in their dealings with the West Indian planters, therefore, Aaron conceived a new plan whereby he would maintain a special agent on the spot to make acquaintances among the leading planters and merchants, sell the cargoes of livestock, provisions, and lumber direct, and handle all transactions pertaining to the return cargoes of sugar, molasses and other native products. The idea was excellent in theory, but the selection of an immediate member of his family for the post in a tropical clime turned out to be just another case of "White Cargo". Abraham Mendes, Aaron's son-in-law made little profit in Jamaica, he paid little attention to business, much less to his wife.

Discouragement after discouragement failed to dampen the enthusiasm of this plucky Newport merchant—yet yet had he profited from his many ambitious expeditions. However, conditions did improve when he substituted a Captain Benjamin Wright for his inefficient son-in-law as the Caribbean trading agent. Captain Wright knew ships and he knew the trading business. Also, he sensed the ambition and persistence of Lopez, and he was aware of the fact that his employer had debts to pay and would go to any limits in order to liquidate his obligations. This new combination of persistent merchant and wise factor soon brought about the long-looked-for results, and by 1769, quoting Dr. Bigelow, "the clouds began to break; golden days were soon to shine on the house of Lopez."

Wright seemed to know what the West Indian planters would pay high for in return for their products. His letters of instruction to his employers are masterpieces of Yankee wit; he demanded a great deal on this end to facilitate good bargaining in the field, and many times Lopez was hard put to supply the articles required for shipment to the southern ports. Quality was emphatically demanded by Wright,

and in order to provide it, Lopez inspected hundreds of barrels of shad and mackerel, thousands of feet of lumber, and horses, turkeys, geese and hogs, all consigned to his agent. And, Wright lost no time dispatching the ships north that were loaded with sugar, molasses and rum to be sold by Lopez in American markets. Lopez gradually increased his organization hiring many ship masters and traders that could transport, protect and dispose of cargoes at a handsome profit for the owner. Trading points were increased in number, and markets were expanded.

Lopez continued to push his trading interests in Europe; he paid off his debt to his patient creditor in Bristol, England; and by 1774, his vessels were scattered over the high seas following scores of voyages. Just before the outbreak of the War for Independence, Lopez held part interest or owned outright more than thirty vessels. But the war brought an end to his rise as a world-known merchant. Newport began to decline as a commercial center—a great many of the old established merchant houses disappeared. When the war was brought home to Newport, the Lopez, Rivera and Mendes families moved away and Aaron es-

"THE OLD STONE BANK"

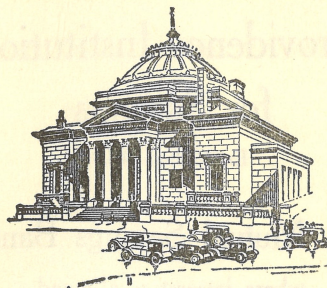
tablished himself in a modest home in Leicester, Massachusetts. His ships were all seized by the warring nations, his business was ruined, and his accounts were all in a hopeless chaos. He was accidentally drowned in Scott's Pond, not far from Providence, when he was journeying to Rhode Island with his wife and family on May 28, 1782. This tragedy was a loss to many—his family, his fellow-citizens, and to hundreds of associates and acquaintances throughout the business world.

Additional Copies of this Booklet sent
upon request

ADDRESS

"THE OLD STONE BANK"

86 South Main Street
Providence



THE PROVIDENCE INSTITUTION FOR SAVINGS, familiarly known as "The Old Stone Bank," is in its own right a historic institution of Rhode Island. Founded in 1819 as one of the first mutual savings banks in the country, it has since contributed vitally to the development and life of this community.

Proud of its own historical significance, "The Old Stone Bank" has adopted this method of educational advertising to bring to light much that is of value and significance in the colorful annals of Rhode Island and national history.

The sketches and vignettes of old-time Rhode Island and Rhode Islanders that are broadcast weekly and then printed in this form are selected from local historical records which are full of the picturesque, romantic, and adventurous. In the hope that these glimpses into the lives, customs, and environment of our progenitors may be both revealing and inspirational to young and old, this booklet is presented with the compliments of

"THE OLD STONE BANK"