In 1947, when director Frank Capra first released his Christmas classic, *It’s A Wonderful Life*, he impressed neither the film critics nor American audiences.¹ Hopelessly anachronistic from its cinematography to its subject, *It’s A Wonderful Life* seemed more a product of the 1920s than a new film for the postwar era. Indeed, as with another nostalgic classic, *The Wizard of Oz*, released only eight years earlier, viewers immediately recognized that the movie’s version of small-town America had already largely vanished. Although Capra’s sentimental message appeared painfully obvious, his audiences typically missed one of the subtexts of *It’s A Wonderful Life*. For just as the characters in *The Wizard of Oz* depicted an increasingly obscure allegory about bimetallism, Populism, and the 1896 presidential election, Capra wrapped his vision of all that might have gone wrong had George Bailey never been born around a visual recapitulation of Progressive-era arguments against the toleration of vice in American cities.² By self-consciously juxtaposing Bedford Falls and Pottersville, Capra made concrete the dire warnings of early twentieth-century anti-vice reformers as to what would happen if commercialized vice—the business of urban pleasure—went unchecked by the good people in the community. Although this context is now entirely forgotten, *It’s A Wonderful Life* demonstrates the lasting cultural impact of an important Progressive-era struggle to close tolerated red-light districts.
From the late 1890s through World War I, one of the central debates in American municipalities concerned the location and regulation of urban vice. Different factions within cities—machine politicians, upper-class reformers, settlement-house workers, vice proprietors, and participants in commercial nightlife—fought over the appropriate place of sex and saloons in urban America. For Capra, the answer was clear. The charming innocence of Bedford Falls far outweighed the worldly decadence of Pottersville. For a historian, however, his contrast provides an analytical starting point.

Capra showed George Bailey’s importance to Bedford Falls by contrasting small-town charm with big-city seediness. Without a Bailey to stand in his way, Henry F. Potter, the commercial banker who controlled most of the town, renamed the city after himself and turned its quiet main street into a thriving red-light district full of burlesque houses, strip clubs, disreputable bars, and pawnshops. Where the Bijou theatre in Bedford Falls played *The Bells of St. Mary’s*, in Pottersville the bright lights advertised “Girls—Girls—Girls” and “Georgia’s Strip-tease Dance.” A cacophony of jazz issuing from Pottersville’s competing dives supplanted the Italian folk ballads of Martini’s sedate watering hole in Bedford Falls. For George, and the audience, Pottersville represented a nightmare incarnate in which the powers of good have overturned the world in order to convince George of the value of his life. When the angels ultimately gave him back his life, George knew that everything was well again because the town’s taxi driver recognized him, his daughter’s rose petals were in his pocket, and his car was once again wound around a neighbor’s tree. The audience knew all was well when the gentle glow of Bedford Falls’ Christmas lights replaced the flashing neon signs of Pottersville.

Capra’s heavy-handed juxtaposition of respectable Bedford Falls with disreputable Pottersville exemplifies the dualism that successive generations of cultural commentators and present-day policymakers have imposed on the regulation of vice. Pottersville and Bedford Falls capture the binary extremes of expressive/repressive; wet/dry; pro/con; just-say-yes/just-say-no. In contrast, in the late nineteenth and early twentieth centuries, influential factions within American cities saw sex, drugs, alcohol, commercial leisure, and social order as multifaceted and interconnected problems for which no single, easy answer existed. Thus, even though Capra recapitulated the fears of Progressive reformers in his portrayal of Pottersville, his clear-cut values obscured the Progressives’ more nuanced approach to managing urban morality.

Anti-vice reformers at the turn of the century also wished to establish clear distinctions. They wanted to separate residence from commerce and respectable
from disreputable, but they never expected to eliminate completely one side of the divide. Instead, these moral reformers sought to reduce the worst effects of urban vice. Bedford Falls could have a movie theater, a drugstore with soda fountain, and even an Italian café, but no burlesque halls or pawn shops. Although these early twentieth-century reformers abhorred the “social evils,” especially prostitution and drinking, they eschewed a “Mosaic conception of law.” As quintessential Progressives, they dismissed the thou-shall-not extremes of prohibitory law as unrealistic and instead sought pragmatic solutions to complicated problems. Ultimately, the advocates of total suppression won—on prostitution and drugs, if not alcohol—but when present-day policymakers dismiss positions less extreme than “zero tolerance” because American morality would never allow such ethically ambiguous legislation, they misrepresent history and exclude a number of regulatory possibilities that politicians from both parties once considered viable options.

No panacea exists that solves the problems of prostitution, drinking, and drug-taking, but I chose to study the business and regulation of vice from the establishment of vice districts in the 1890s to the repeal of Prohibition in 1933, because during these years urban reformers explored a range of social-order policies, including licensing, geographic limitation, suppression, and incarceration. In particular, this book explores the consequences of “reputational segregation,” the geographic confinement of commercial vice to distinct city neighborhoods. Starting in the 1890s, elite reformers, who resembled Henry Potter in terms of class background if not social attitudes, fought to establish red-light districts as a way to manage urban immorality and limit the visibility of vice. Yet, contrary to the expectations of reputational segregation’s Gilded-Age advocates, these tolerated tenderloins encouraged the economic growth of disreputable leisure and the cultural efflorescence of the “sporting class,” as the participants in commercial vice called themselves.

As the 1900s progressed, a new generation of social reformers, who often came from the professional class and shared both the demographics and the values of George Bailey, sought to eliminate the “commercializers” of vice. The Progressives reviled the managers of disreputable leisure for exploiting humanity’s worst impulses in their endless quest for profit. During World War I, urban reformers succeeded in their quest to alter the business of vice and closed red-light districts in cities across the United States, and in so doing, they ended the era of controlled toleration. The elimination of the districts and the passage of Prohibition marked the start of a new regulatory regime.

But regulation represents only part of the story. While reformers implemented
their plans to improve urban morality, the participants in disreputable leisure adapted to changing social-order policies with resilience. As a result, this book looks beyond the passage of these repressive policies and continues into the 1920s in order to evaluate the impact that the closure of the districts and the passage of Prohibition had on the consumers and providers of commercial vice. Even when excluded from the respectable confines of regulatory politics, participants in disreputable leisure still managed to challenge government policies through their everyday practices and their use of city space. They too shaped urban society.

The sporting class played an important role in the development of the new popular culture that emerged at the turn of the century. In cities as diverse as Hartford, Connecticut, Butte, Montana, Macon, Georgia, and El Paso, Texas, vice districts formed an integral part of the city center. Situated near the commercial downtown and overlapping the “white-light district” of the theater area, red-light districts gained an implicit legitimacy that blurred the line between respectable and disreputable nightlife. Neither a wellspring of wickedness nor a site of complete liberatory license, the world of commercial leisure offered its own set of social codes for calculating class status. As such, the sporting class persistently challenged the moral precepts of mainstream society. But the transgressions of the sporting world should not lead us to romanticize red-light districts. The tenderloin encouraged cultural creativity—jazz originated in these disreputable turn-of-the-century venues—but it also produced grotesque brutality and unabated ugliness. Drunken bums wallowed in district gutters, pimps beat their prostitutes to death, johns waited in line for quick fifty-cent fucks, and angry whites attacked more successful blacks. However brightly the lights shone in Pottersville, even its most avid advocates recognized its ugly side.

Nevertheless, long after the closure of the districts, the manners and mores of the sporting world continued to influence the new popular culture of commercial recreation. Rejecting bourgeois restraints during their leisure hours, some urbanites participated in their city’s nightlife and embraced the sporting world’s expansive vision of gender, consumption, and having a good time. George Bailey and suburban audiences may have appreciated the quiet stability of Bedford Falls, but some city dwellers would always revel in the opportunities offered on Pottersville’s thriving strip.