

# The Final Years

## The Story of Carry Nation

By HERBERT ASBURY

*The final years were not kind to the conqueror of Kansas. The flawed mind became more and more evident in speech and action, and she was becoming the butt of college humor. Her work was done, but it had been well done. The saloon was outlawed in the decade after her death in 1911*

CARRY NATION was much concerned about the morals of the boys in secular colleges and universities throughout the country, and frequently deplored the fact that they lacked the wise guidance and counsel of the preachers who were constantly on guard at the religious institutions, prepared to combat any tendencies toward worldly lusts and pleasures. She had already visited several mid-Western universities, and had been tremendously flattered and impressed by the enthusiastic receptions which had been accorded her and by the wild cheers that had greeted her rousing tirades against liquor. At the University of Missouri, at Columbia, she lectured in January, 1902, under the auspices of a group of students headed by W. B. Burrus, now a prominent business man in Kansas City, Missouri, but then significantly known as Bottle Bill. According to University tradition, Mr. Burrus and his enterprising associates spent their considerable profits for champagne, although Carry Nation had understood that they contemplated making a substantial donation to the W. C. T. U. The Woolley Club of the University of Michigan gave her a banquet at Ann Arbor, and the function was such a success that the members of the club became her especial pets. "It gave me new life," she wrote, "to look at such men of intellectual and moral force. Oh! For such men to be the fathers of the rising generation! One cannot help but compare the tobacco-smoking, dull-brained, sottish students with these giants of moral and physical manhood. These young men are the greatest argument for prohibition. God will bless the Woolley Club of Ann Arbor and their kind."

But she failed to find any other young men who measured up to the exacting standards set by the extraordinary Michigan students, and her anxiety for their welfare was greatly increased when she began to receive letters from college boys who implored her to visit various schools and rescue them from the morasses of debauchery into which they had unwittingly been plunged. They wrote that saloons operated

brazenly upon the very campuses, that intoxicating liquors were served in copious quantities upon their food, that professors not only urged them to smoke but even supplied tobacco, and that the curriculums were permeated with the insidious and demoralizing doctrines of Masonry. One boy at Yale, which Carry Nation always regarded with particular aversion, declared that the brandy poured upon his victuals in the college dining room was so strong that it made him dizzy, and accounted for his low class standing. Another complained that if he rejected such infernal fare, as he wished to do in memory of his mother, he would starve, as there was nothing else to eat. A third, who neglected to sign his name, wrote:

"Dear Mrs. Nation:—As an ardent prohibitionist and an enemy of the liquor traffic, I feel obliged to bring to your notice some of the things that are served to the young men at Yale Dining Hall by the college authorities. [Enclosed were several menus, on which were such items as Claret, Wine Punch, Cherry Wine Sauce, Apple Dimpling and Brandy Sauce, Roast Ham and Champagne Sauce and Wine Jelly.] You will see how many of these dishes are served with intoxicating liquors as sauces. Yale is supposed to be a Christian College, but to give these poisons by consent of the college authorities is nothing more or less than starting them on the road to hell! Please give this matter your earnest attention and see if you cannot stamp this serpent out."

Carry Nation journeyed forthwith to Yale, arriving at New Haven during the afternoon of September 29, 1902. She went directly to the office of Mayor Studley, where she found his secretary, C. E. Julin, himself a Yale graduate, smoking a cigarette. He had no inkling of her presence until she clapped him upon the shoulder and cried:

"Throw that nasty thing away!"

He stared at her in amazement, and she snatched the cigarette. He finally convinced her that the Mayor was powerless to save the Yale boys, and she hurried to the University campus, escorted by members

of an undergraduate club called The Jolly Eight, and followed by a throng of yelling students. She attempted to make a speech from the steps of Osborn Hall, but whenever she opened her mouth the boys burst into prolonged cheering, and when they tired of that they sang, impartially, drinking ballads and such temperance songs as "Good-bye Booze," and "Down With King Alcohol." Nothing that Carry Nation said could be heard above the uproar, and she finally turned angrily to a student and asked:

"What's the matter with these rummies? Don't they want to hear me?"

"They're drunk," he replied. "They had ham with champagne sauce for lunch, and they haven't got over it yet."

CARRY NATION rushed to the university offices seeking an interview with the President of Yale, Dr. Arthur T. Hadley. No record of this important conversation exists, but she wrote in her autobiography: "I asked him about these things, and he said he thought the intoxicants were 'fruit juices!' I spoke of the smoking. He said he used to think it was wrong, but when he went to Germany he saw they smoked there. He was taught it was wrong in America, but when he saw it in Germany he thought better of the vice and is now teaching it to our boys. What a shame to have professors in our schools aping the vices of foreigners. People ought to demand another faculty or refuse to patronize such a school. There should be an investigation, and that quick. Students are crying for it. At Yale students are pleading for a moral faculty. The distillers and brewers dominate the Republican party at Yale, and will desolate and enslave our darling boys."

The university authorities declined to revise the school's culinary system, and during the remainder of the afternoon

Carry Nation marched back and forth about the campus, followed by an enormous crowd of boys who cheered her so vociferously that, although she tried repeatedly, she was never able to deliver her message. The technique that had been so successful in burlesque theaters was useless at Yale. The Jolly Eight finally took her into Mori's Restaurant, a noted undergraduate resort, and induced her to pose for a photograph. She stood beside a table, with one hand outstretched and the other holding a large glass of water, while a dozen students were grouped behind her. Just before the shutter of the camera clicked the boys produced mugs and bottles, held them aloft and quietly assumed positions of drunken abandon. When the picture finally appeared on the campus the glass of water in Carry Nation's hand had been miraculously transformed into a beaker of foaming beer, and a cigarette dangled from her fingers, so that she appeared to have been participating in a drinking orgy of singular depravity. Copies of the photograph were in great demand, and although efforts were made to suppress them, a few survived. One is now a prized possession of the Yale Club in New York.

When Carry Nation returned to New York next day she declared that the Yale boys were "the toughest proposition I have ever met," and described the University as a "school of vice to a great extent." She feared that she had accomplished little by her trip to New Haven. About a month later, on November 14, she spent two hours at Harvard University, where she found boys quite as unregenerate as at Yale; for they were compelled to partake of the same sort of intoxicating provender, and were constantly under the influence of cigarette-smoking professors. A thousand undergraduates were at lunch at Memorial Hall when she appeared in the doorway, surrounded by a grinning committee, and shouted:

"Boys! Don't eat that infernal stuff! It's poison!"

THE STUDENTS promptly abandoned their food and escorted her in a body to Randall Hall, cheering madly and singing "Good Morning, Carrie," a popular song with which she was greeted throughout the East. During the noisy parade across the campus the boys crowded about her, pressing cigars and cigarettes into her hands and pretending great surprise when she wrathfully

flung them to the ground. Once inside the Hall she was urged to make a speech, but she had proceeded no farther than "I ask you, boys, ain't it a shame—" when the undergraduates began to sing:

"Ain't it a shame, a measly shame,  
To keep your baby out in the rain?"

They sang it over and over, and Carry Nation became so enraged that she ran about the room slapping faces and grabbing cigarettes and pipes, meanwhile crying that every one at Harvard was a hellion. She finally left Randall Hall, but the students surged about her and swept her downtown to the Sanders Theater. The doors were closed, but the boys smashed their way in and triumphantly bore Carry Nation to the stage. She again attempted to speak, but was continually interrupted by cheers and snatches of song. At length she quit in disgust and abandoned the Harvard boys to their fate, which she firmly believed would be quite as horrible as that to which the Yale lads were destined.

WHEN MCKINLEY died Carry Nation transferred her political hatreds to Theodore Roosevelt, and inveighed against the new President at every opportunity. She objected to his family coat of arms as "in violation of every principle of American citizenship;" she accused him of being a Mason, a Red Man, and a member of the Order of Eagles, "the strongest liquor organization in the United States;" at her lectures she invariably exhibited a whisky flask bearing his picture "in the most appropriate place I have ever seen it," and she denounced him as a friend and patron of the brewers and distillers. "I have it from three eye-witnesses that Roosevelt smokes and did smoke cigarettes," she wrote. "And when he came to Topeka, Kansas, he outraged every loyal citizen of the state by bringing into it a dive in his private car, and all who wished an intoxicating drink could get it by tipping the waiter. He ought to have been arrested as any other dive-keeper. I am so true a daughter of the Revolution that such a President as Theodore Roosevelt is an insult to my sires. Oh, shades of American heroes! Look down and condemn this outrage to your ashes!"

She went to Washington on November 19, 1903, with the avowed intention of inducing the President to mend

his ways, or at least to forswear cigarettes and resign from the fraternal orders. At the White House she was denied an audience, but she refused to leave, and for more than an hour moved restlessly about the ante-rooms, to the great annoyance of Mr. Roosevelt's secretary, William Loeb. Presently a delegation of pompous political personages emerged from the President's private offices and Carry Nation promptly accosted them.

"WILL YOU gentlemen tell me something?" she inquired.

"Certainly, Madam," replied one. "What can we do for you?"

"What is the difference between the Republican and Democratic parties?"

"Why—er—that is—ahem!" he cleared his throat and hesitated.

"Is it possible," asked Carry Nation, sternly, "that you do not know?"

But the politician "looked silly and said nothing." Finally Mr. Loeb came to his rescue and said:

"Madam, we do not wish any questions on that subject."

"It's a civil question," retorted Carry Nation. "It ought to have a civil answer."

The political gentlemen took advantage of the diversion to hasten away, and Carry Nation began yelling that they were rummies and scoundrels, whereupon Mr. Loeb summoned a White House policeman and ordered him to conduct the crusader to the nearest exit.

"If I was a brewer or a distiller I could have an interview with the President," she shouted. "As a representative mother I ought to be received."

When the policeman gently nudged her elbow she screamed:

"I am going to pray for a Prohibition president, young man, and we will have one. One who will represent the people and not the distillers and the brewers."

But Mr. Loeb was adamant, and she was "taken outside in a very orderly manner, something unusual, for I am hustled and dragged generally." She attempted several times to re-enter the White House, but was restrained, and finally went to the Capitol, where she came upon Francis M. Cockrell, United States Senator from Missouri, walking through a corridor. She stopped him and asked his views on the liquor question.

"I want no one to mention that subject to me!" he cried.

"It is strange to me," said Carry.

Nation, "that you do not want to converse on the greatest subject before the American people."

The Senator shouted at her, and she shouted at the Senator. Then the Senator became indignant and stamped his foot, and Carry Nation became even more indignant and stamped both feet. Senator Cockrell presently became aware that they were surrounded by laughing sight-seers, so he turned and fled down the hallway, while Carry Nation screamed after him:

"Down with your treason! Down with your saloons! You are sent here to represent the interests of the mothers and children, and you insult a representative mother because you are representing the interests of the brewers and distillers!"

She strode triumphantly through the corridors, followed by a curious crowd. But she found no more Senators, many of whom had locked themselves in their private offices when they learned that she was in the building. At length she wandered into the Senate Gallery. There she watched in silence for a few moments while the few members at their desks nodded and the clerk droned through a pension bill. Suddenly she jumped to her feet and shouted at the top of her voice:

"Anarchy! Conspiracy! Treason! Discuss those!"

The sleepy Senators blinked in amazement as she leaned over the gallery railing and shook her hatchet at them, but before she could say anything more guards hustled her into the street and sent her to a police station under arrest. She was asked her occupation, and replied loudly:

"Servant of God!"

**B**UT THE obtuse policeman wrote merely "servant," and refused to change it despite her vigorous protests. Thereafter, when she was asked the question, she refused to answer. She acted as her own lawyer in Police Court, contending that she had merely turned in a fire alarm, or at least that the principle was the same. The Judge said that he sympathized with her, but that he was nevertheless compelled to impose the maximum fine of twenty-five dollars, which she paid from a huge roll of bills that covered the bottom of her satchel. "I have had just such sympathy as this from all Republican judges," she said. "It's the kind of sympathy that a cat has for a mouse when she crushes its bones in her teeth."

A saloon-keeper named G. R. Neighbors broke a chair on Carry Nation's head on July 22, 1904, at Elizabethtown, Kentucky, and she was so severely cut and bruised that she was compelled to retire from public life for a period of recuperation. But she delayed her recovery by frequently getting out of bed and crawling about on her knees, "thanking God that I was counted worthy to suffer;" and she was still indisposed early in September, when she received the following remarkable letter from Mrs. Lucy Wilhoite, who had been such a tower of strength to her during the Wichita smashings of 1901:

**"D**URING a severe illness last July the Lord appeared to me and revealed many wonderful things concerning our work. . . . My life was despaired of by my friends, and I knew I was very near the borderland, and as I lay on my bed of suffering in the still hour of midnight, God showed me the awful desolation which our thirty-eight saloons and five wholesale liquor houses were making in the homes of Wichita and surrounding country. The sight so overwhelmed me, I cried unto the Lord and said, 'Oh my God! Have I done all I could during this life of mine to dam up this fearful tide? Show me, Lord, what this means.' Immediately a great cloud of human souls came rolling down a steep decline, and as my eyes followed them, I saw them rolling on and on until they finally fell into a pit from whence fire and smoke were ascending. Then my eyes were turned again up the ascent from whence the souls were coming. When lo! I saw the National Capitol, with its Senate and Congressmen. I saw the Legislative Halls and our Educational Institutions. I saw our churches with their educated ministry, and their secret societies, and our public libraries, and reading rooms, our National, State and Local W. C. T. U.'s, all of them right in the track of this awful tide of human souls, yet they still rolled on and on until they reached the pit. Then I cried again unto the Lord and said, 'Oh! Why do you show me these horrible things, when I am on the brink of the grave?' And still the picture or vision remained before me, growing more and more vivid until I struggled to my knees and said, 'O God, if I can do anything to dam up this fearful tide just heal this body, and let the healing be the seal that I can do something to help, and I shall do it if it costs my life.' Then a deep calm and soul

rest settled over me, and I sank into a deep sleep, and when I awoke I realized the pain was gone, and also the fever. I lay there, looking up to God, and I said, 'Now, Lord, show me what you want me to do.' Immediately like a great scroll reaching across the sky, these words appeared, written in letters of gold, 'Spill it out!' Then He showed me the very place I was to attack—Mahan's Wholesale Liquor House."

**M**RS. WILHOITE added that she proposed to carry out God's plan as soon as practicable, and urged Carry Nation to hasten to Wichita and lead the expedition against the brothers Mahan, who had already undergone severe punishment at the hands of the Kansas crusaders. For not only was their property, the Hotel Carey, the first to feel the weight of Carry Nation's anger when she arrived in Wichita from Medicine Lodge and Kiowa, but only a few weeks before Mrs. Wilhoite's vision, Mrs. Myra McHenry, the noted Elk County smasher, had made a successful foray against one of their saloons at Derbe, a few miles south of Wichita. One of the Mahans and Sam F. Amidon, the County Attorney, drove down to Derbe in the latter's new automobile to arrest the raiders, but the motor was soon chugging rapidly northward again, liberally bespattered with eggs hurled by infuriated women who had waylaid them at the outskirts of the village.

Carry Nation disliked to cancel her lecture engagements "because of disappointing the people and entailing a great financial sacrifice," but she was even less minded to disobey the clear command of the Lord. So she notified Mrs. Wilhoite that she was coming to do all she could "to smash the works of the devil, and if need be to die," and fixed September 28, 1904, as the date of the attack. As the fateful day approached she dispatched this stirring call to the *Topeka State Journal*:

I ask all women over the state and elsewhere to meet me at Wichita on September 28th. Bring your hatchets with you. I will pay the railroad fare of those not able. Now, this appeal is made to the gentle, loving, brave Christian women whose hearts are breaking with sympathy for the oppressed.

Carry Nation herself, however, did not arrive in Wichita until the afternoon of September 28th, and accordingly the raid was postponed for twenty-four hours. She was disappointed at not



finding the city filled with armed women from all parts of Kansas, but was pleased to learn that the state convention of the Women's Christian Temperance Union was in session. She fully expected to recruit from the ranks of the delegates as formidable an army as had followed her in Topeka, for she clung tenaciously to the belief that she was still regarded as the temperance Messiah. On the morning of September 29th she filled a large gunny sack with stones and sharp hatchets and went to the Methodist Episcopal Church, where she addressed the convention. The reception accorded her was an excellent indication of the extent to which her popularity had declined. The church auditorium was packed with women who listened politely and cheered her denunciatory references to the liquor traffic, but when she asked for volunteers to accompany her, only four stepped forward. And they were all battle-scarred veterans of the liquor wars—Mrs. Wilhoite, Mrs. McHenry, Miss Lydia Muntz, and Miss Blanche Boies, who, on March 24, 1902, had enhanced her renown by invading the private office of Mayor Parker, where she accused him of protecting the joints and lashed him several times with a horse-whip. Having rebuked the W.C.T.U. women for their indifference, Carry Nation distributed arms to her faithful followers, and they set forth, followed by a crowd that rapidly grew larger and noisier. When they reached the warehouse they found three armed men on guard, and Carry Nation greeted them pleasantly.

**"W**E ARE GOING to destroy this den of vice," she said, "but first we would like to go in peaceably and hold gospel services, so we can ask God to save your souls and give us strength to smash this soul-damning business. So please stand aside."

Strangely enough, the guards refused to do so, and Carry Nation cried: "Women, we will have to use our hatchets!"

She flung a stone through a window, and Mrs. Wilhoite smashed a panel of a door. The guards seized them, the crowd surged forward, and once more the streets of Wichita seethed with excitement. The women were severely cuffed and pummelled. Carry Nation was knocked down several times, and a man who ran from the crowd strove earnestly to dash Mrs. McHenry's brains out with a piece of gas pipe. But

whenever he swung his weapon she dodged, and finally he dropped the pipe and grabbed her by the shoulders, shaking her vigorously. She shouted:

"Help! I am being shook to pieces!"

**"B**ITE AND SCRATCH!" shrieked Carry Nation, and, following this sage counsel, Mrs. McHenry was soon free. But by this time the police had arrived, and Carry Nation, Mrs. Wilhoite, Mrs. McHenry and Miss Muntz were hustled into a patrol wagon. Miss Boies escaped, smashed two windows of the warehouse with her hatchet, and fled to Mrs. Wilhoite's home. "We were driven through the streets," wrote Carry Nation, "amid the yells, execrations and grimaces of the liquor element. I watched their faces, and could see that Satan was aroused in them beyond their control, making diabolical faces and sticking out their tongues! There never was such a sight. Angels wept and devils yelled with diabolical glee." They were locked up at Police Headquarters, and next day Miss Boies was arrested when she called to see them. They were not allowed to have visitors, and when a score of their friends gathered outside the building and began to sing hymns and pray, the police dispersed them by hurling buckets of water from upper windows. "It was so ordered," wrote Carry Nation, "that there was a Bible, and as we were not in stocks we had far more to rejoice over than Paul and Silas, holding a continuous praise and prayer service, reading and repeating the Word of God. Sunday morning we squeezed the juice out of some grapes some kind friends had sent us, and, reading for our lesson where Jesus washed the Disciples' feet partook of the sacrament. Sister McHenry sprang to her feet after partaking of the emblems, and said she saw the most beautiful cross on the wall, surrounded by a divine halo, and exclaiming, 'Now I know what it is to have a vision. I thought it might be imagination.'"

The crusaders were transferred to the Sedgwick County Jail on Monday, and on the following Wednesday, October 6th, they were taken before Judge Alexander in Police Court for a preliminary hearing, warrants having been sworn out charging them with malicious destruction of property. County Attorney Amidon appeared in person to prosecute them, while they acted as their own lawyers, with Carry Nation as senior counsel; and their ex-

traordinary interpretations for the law, their attempts to substitute the Bible for the Kansas statutes, their calm disregard of the court's rulings, and their hostility toward Mr. Amidon, which they concealed not at all, soon had the crowded court room in an uproar. Carry Nation refused to permit the County Attorney to examine his own witnesses, and when Judge Alexander suggested that she sit down and await her turn, she shouted:

"Young man, don't you dare tell me to sit down! I'm old enough to be your mother!"

And whenever Mr. Amidon attempted to enter an objection, which he did frequently because of the nature of the questions which Carry Nation asked on direct and cross examination, she shook a finger at him and cried:

**"H**OLD YOUR TONGUE! Hold your tongue!"

She went on the witness stand herself after a while, and was asked by Mrs. Wilhoite:

"Have you any malice toward Sam Amidon?"

"If it were possible," she said, pausing and clearly intimating that it was not, "I'd rescue Sam Amidon from the burning brands of hell!"

A few minutes later the crusaders were unable to find one of their documents, which they said was an important affidavit by a brewer. They pointed to the County Attorney and began shouting:

"He took it! He took it!"

"Now, ladies," admonished Judge Alexander. "Mr. Amidon wouldn't steal your papers."

"Ah," said Carry Nation, "You don't know him like we do."

When order had been restored Mrs. Wilhoite procured a Bible.

"Now," she said, "I'll read from Ecclesiastes."

"Is there anything in Ecclesiastes about this case?" asked Mr. Amidon.

"Shut your mouth, you perjurer!" cried Carry Nation. "We're trying this case by divine law, not by Kansas law!"

But Judge Alexander finally convinced her that he would be compelled to base his decision on Kansas law, and Ecclesiastes was reluctantly abandoned. Presently J. P. Mahan, president of the warehouse company, testified, and Carry Nation asked him who paid taxes on his building.

"I presume the owner does," he replied. "We only rent it."

"Oh, well," she said, "it doesn't matter. It's all a farce, anyhow."

"It's all bug-house!" shouted a man in the rear of the court-room, and the audience roared with laughter. Scandalized bailiffs ran wildly about trying to find the disturber, but he crawled along the floor and popped up far from his original seat, and watched innocently while the court attendants prowled suspiciously through the crowd. There were several more such interruptions, and Judge Alexander finally stopped the proceedings and held the smashers for trial in the District Court. They were tried and convicted on April 14, 1905. Carry Nation was fined two hundred and fifty dollars and sentenced to four months in jail; Mrs. McHenry received a prison term of two months and was fined one hundred and fifty dollars, and Mrs. Wilhoite was fined one hundred and fifty dollars and sentenced to twenty-five days. The jail sentences, however, were suspended during good behavior, and the crusaders were never imprisoned, for thereafter they let Wichita severely alone.

**T**HE SHEATH GOWN entered American fashions during the spring of 1908, and Carry Nation promptly added her voice to the storm of ministerial condemnation which greeted the bold pioneers who first slithered about the streets imprisoned in this extraordinary garment. She caused a flurry of apprehension among the society ladies of Washington, where she was living at the time, by publicly announcing that, "the first time I see a woman with one of those things on I'll tear it off her back," but there is no record that she ever did so; and she soon forgot the sheath gown in the excitement of the national convention of the Prohibition Party, at Columbus, Ohio, which she attended as a delegate from Washington. There she met Mr. E. Stryngeour, of Dundee, Scotland, who was in America studying the progress of anti-liquor movement. He suggested that she visit the British Isles, and she arranged to begin a campaign in Scotland in the following autumn under the banner of the Scottish temperance societies, agreeing to pay her own expenses and take two-thirds of the proceeds of her lectures and other public appearances. She sailed from New York on the steamship *Columbia* on November 22, 1908, accompanied by her niece, Miss Callie Moore of Kansas City, Missouri, who told reporters that

she was ambitious to follow in the footsteps of her illustrious aunt.

"I'm preparing," she said, "and as soon as I get a little more courage I hope to smash something in a saloon."

The crusader had a pleasant voyage, smashing a mirror in the bar and interfering considerably with the flow of intoxicants, but when the *Columbia* docked at Glasgow the ship's officers and the remainder of the passengers appeared to be unaccountably nervous and irritable.

**C**ARRY NATION's first platform lecture abroad was delivered in Glasgow before a large and enthusiastic audience, and on December 17th she was honored by forcible ejection from a Scottish barroom. After spending about a month in Scotland, during which she lectured at Edinburgh, Aberdeen, Dundee, Perth and other cities, Carry Nation crossed the border into England. She was arrested at Newcastle-on-Tyne for smashing the fixtures in a public house, but was released with a warning and went to Cambridge University, where she spoke to the students, bewildering them with her accent and her amazing vocabulary. Late in January, 1909, she invaded London, appearing at the Canterbury, Paragon and other music halls. Her audiences were large, but they were also very antagonistic, and she was frequently driven from the stage by showers of vegetables and rotten eggs. She was also arrested in London, when she borrowed an umbrella from a fellow-passenger in an underground train and broke the glass over a cigarette advertisement. For this she was fined five shillings and costs, which were thirty shillings more. Mobs hooted and jeered her in Dublin, and early in March she sailed for home on the steamship *Baltic*. There was much drinking on this vessel and when she found that many of the women passengers were imbibing freely she complained to the captain. "We had quite a little quarrel," she wrote. "The result was that there was no more carrying liquor by the stewards to the women." For a tip she gave her own steward a small hatchet encrusted with glass ornaments. She landed at New York on March 22, 1909, and in the newspapers announced several important discoveries relating to various phases of life in the British Isles:

Fogs are God's judgment on tobacco users.

Britain is cursed with the House of

Lords. To call it the House of Frauds would be more truthful.

It is universal in England that women black the men's boots and shoes.

I never saw such nervous women in my life as there are in Britain. Their conversation is affected; their voices are high and they use the rising inflection. I believe the reason of this is the tea drinking. Nearly every man, woman, and child is a tea fiend in Britain. It is nothing for them to drink three or four cups of tea at a meal.

There is one thing I wish America would imitate England in. People do not chew gum there.

Scotchmen appear so much more genuine than Englishmen; they are more respectful to their wives, and to women generally.

**S**EVERAL SMALL parcels of Oklahoma real estate, which Carry Nation owned, greatly increased in value during the period of development that followed the state's admission into the Union; and when she sold them, soon after her return to the United States, she had sufficient money to purchase a large tract of Ozark Mountain land in Boone County, northern Arkansas, a few miles from the village of Alpena Pass. In April, 1909, she began the construction of the modest cottage which was her home for the remainder of her life. "I have always desired a home in the country," she wrote, "where I could have the vegetables, flowers and animals that were the companions of my youth; and where I could look at the rocks and the trees and drink the water from the springs. The secular press is reporting the fact that I have gone into retirement to enjoy the money I have accumulated. This is a mis-statement, as I have a more active campaign for the summer (of 1909) than I ever had before. From the first of July to the last of August I have been secured for thirty Chautauqua lectures by S. M. Holloday, of the Midland Bureau of Des Moines, Iowa."

She delivered thirty lectures, most of them in mid-Western towns, but instead of going to Arkansas when her contract had expired, she turned her face once more, and for the last time, toward the Atlantic seaboard. She was in New York early in November, and on the 6th she was arrested and fined ten dollars for invading the Knickerbocker

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# ▶▶ Changing Investment Methods ◀◀

By THOMAS H. GAMMACK

*The basic facts and events which underlie the trend of business are presented in this weekly financial page. Mr. Gammack is one of the well-known younger men in Wall Street*

THE insatiable appetite of the public for securities of investment trusts, which has carried the total capitalization of these companies far over the three-billion mark, is illustrated strikingly by the success with which well sponsored corporations of this type have been creating new subsidiaries.

Dozens of instances may be found. Investment companies operating successfully only a few months, seeing the opportunity for investing additional funds, for one reason or another choose to organize new units rather than to expand the initial organization. The reasons for this practice vary. Some trusts find it advisable to secure greater latitude in their investments by setting up new indentures; others desire to create a specialized management company for investments in a special field; the difficulties of managing large sums of money in a single portfolio confront others; but probably the controlling factor is that the new enterprise will have a more popular appeal.

One of the outstanding examples of pyramided control and interlocking investments may be found in the group of companies formed under the auspices of Goldman, Sachs & Co. within the past nine months. Three units of more than \$100,000,000 each have been launched by them in that period. All three are selling at a market valuation of between \$200,000,000 and \$300,000,000 apiece today.

The Goldman Sachs Trading Corporation was the first, organized last December with initial capital of just over \$100,000,000. The market value of the shares more than doubled within two months. By merger with Financial & Industrial Securities Corporation, the company's assets were raised to \$235,000,000.

Harrison Williams, an outstanding figure in the public utility field, joined forces with the bankers in July in forming the Shenandoah Corporation, a subsidiary of Goldman Sachs Trading Corporation and the Central States Electric Corporation. Included in Shenandoah's initial assets of more than \$102,500,000 were 238,096 shares of Goldman Sachs Trading and 480,770 of Central States Electric, received in exchange for 2,000,000 shares of com-

mon stock to each of these companies. This represented 80 per cent of the new unit's common capitalization, received by the parent companies for the equivalent of about \$12 a share compared with the offering price of \$17.50 for the balance sold to the public.

Less than a month later, Shenandoah was inspired to organize its own subsidiary, the Blue Ridge Corporation, with initial assets of more than \$127,500,000. Shenandoah subscribed \$62,500,000 in return for 6,250,000 shares of Blue Ridge common at \$10 a share, compared with the public offering price of \$20 on the balance of 1,000,000 shares. Shenandoah in turn finances this purchase by selling additional common and preference stock of its own to Goldman Sachs Trading and Central States Electric somewhat below the current market price.

Out of these three flotations, then, we have this interlocking structure: Blue Ridge Corporation, with something over 1,000,000 shares of preference and 7,250,000 common; Shenandoah Corporation, owning at least 6,250,000 shares of Blue Ridge, warrants for additional shares, 238,096 shares of Goldman Sachs Trading and 480,770 of Central States Electric; Goldman Sachs Trading and Central States Electric each owning 375,000 out of 1,750,000 shares of Shenandoah preference and 2,375,000 out of 5,750,000 of Shenandoah common. Simply through the advantageous prices of inter-company purchases and the avidity with which the public picked up the offered shares, Shenandoah Corporation has a paper profit of better than \$100,000,000 on its Blue Ridge stocks, based on market prices, and Goldman Sachs Trading and Central States each have better than \$50,000,000 profit on their Shenandoah.

One notable contribution to investment company financing was evolved in building up this pyramid. It was a principle that has been applied commonly to holding companies but never, as far as public records show, to investment and trading companies. At the

time of its offering of stock, the Blue Ridge Corporation announced that it was prepared to receive tenders of stocks in a list of twenty-one corporations in exchange for its own preference and common stocks at a fixed ratio. For purposes of exchange Blue Ridge shares were taken at their offering price, or well below the open market price which the public was willing to pay. The equivalent cash prices on the list of shares were about at the market on the New York Stock Exchange.

By this method, the company proposed to build up its portfolio without going into the market in competition with other buyers, corporate or individual. The investments asked for included these recognized leaders: Allied Chemical & Dye, American Telephone, Santa Fe Railway, Bethlehem Steel, Consolidated Gas of New York, Detroit Edison, Eastman Kodak, General Electric, International Harvester, International Telephone, New York Central, Pacific Gas & Electric, Pacific Lighting, Pennsylvania Railroad, Southern California Edison, Standard Oil of New Jersey, Texas Corp., Union Carbide, Union Pacific, United States Steel, and Westinghouse Electric.

Only two days after the offering was opened the company suspended it without explanation. Reasons are not hard to find. The first news offered a temptation to arbitrageurs as well as to the permanent investors that Blue Ridge was seeking. By closing the offer suddenly, as well as by other safeguards, the company served notice that the arbitrageurs were not wanted. Further, the prices of the investment stocks in the list had advanced in most cases above the equivalent exchange level.

Termination of the plan did not mean final abandonment of the method. It is hinted, in fact, that investors in the select securities named might still tender their holdings to Blue Ridge Corporation subject to a private offering of exchange on a basis varying according to the market.

As companies of the investment trust type are being organized almost daily, while stock prices are reaching new records for all time, it appears certain that other organizations will follow the lead of Blue Ridge.