

The First Fifty Years





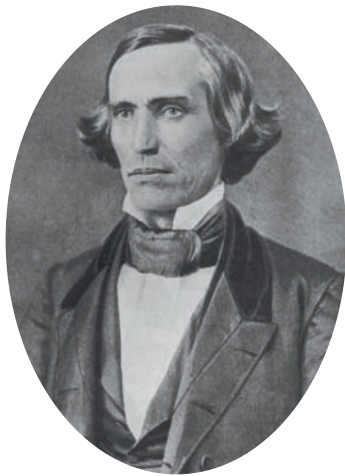
Andrew W. Mellon: Founder and Benefactor

PRINCE OF PITTSBURGH

Andrew W. Mellon's life spanned the abolition of slavery and invention of television, the building of the first bridge across the Mississippi and construction of Frank Lloyd Wright's Fallingwater, Walt Whitman's *Leaves of Grass* and Walt Disney's *Snow White*, the Dred Scott decision and the New Deal. Mellon was born the year the Paris Exposition exalted Delacroix and died the year Picasso painted *Guernica*. The man was as faceted as his era: an industrialist, a financial genius, and a philanthropist of gargantuan generosity. Born into prosperous circumstances, he launched several of America's most profitable corporations. A venture capitalist before the term entered the lexicon, he became one of the country's richest men. Yet his name was barely known outside his hometown of Pittsburgh until he became secretary of the treasury at an age when many men retire. A man of myriad accomplishments, he is remembered best for one: Mellon founded an art museum by making what was thought at the time to be the single largest gift by any individual to any nation. Few philanthropic acts of such generosity have been performed with his combination of vision, patriotism, and modesty. Fewer still bear anything but their donor's name. But Mellon stipulated that his museum be called the National Gallery of Art.

Mellon's grandfather and namesake was born in 1785 in County Tyrone, northern Ireland. He immigrated to the United States and reached a town called Poverty Point in western Pennsylvania in 1818 with his wife and five-year-old son, Thomas. The son grew up, read law, and married Sarah Jane Negley, whose ancestors had settled a place called Negleytown, later renamed East Liberty. He prospered as the region grew, becoming a judge of the local court in 1859 (the year the world's first

Secretary of the Treasury Andrew Mellon, always impeccably dressed, walked to and from his Washington office, less than a mile from his home in the McCormick Building near Dupont Circle.



Thomas Mellon (above) and his wife Sarah Negley had six sons, including the prodigy Andrew, who became managing partner of his father's private bank in 1882 at the age of twenty-seven.



oil well was drilled in nearby Titusville) and founding a private bank a decade later. Starting in 1844, he and Sarah had nine children, with six sons surviving to adulthood: Thomas Alexander, James Ross, Andrew William, Richard Beatty, George Negley, and Samuel Selwyn—all known by their initials. The two eldest, T.A. and J.R., amassed a net worth of \$100,000 by the end of the Civil War selling lumber and coal. According to David E. Koskoff's lucid history *The Mellons*, "By the mid-1860s [they] were pioneering in the vertical integration of the enterprises that would make [A.W. and R.B.]...two of America's richest men." T.A. and J.R. divided the Negley acreage into home sites, which they sold; then they sold lumber for home construction to the sites' proud owners, then sold coal to the new residents to heat their homes—all under the scowling eye of the patriarch. Humorless, bigoted, and eccentric, Thomas published a memoir late in life that preached: "The normal condition of man is hard work, self-denial, acquisition and accumulation."

A.W., born on March 24, 1855, was "a light-haired, blue-eyed boy, slight of figure and quiet," according to Burton J. Hendrick's authorized biography, which was never published but remained among the family papers. As a fifteen-year-old schoolboy, he wrote his earliest extant statement about art museums: "Art Galleries [*sic*] are exhibitions of sculpture and painting held for the purpose of gratifying and instructing the community, and sometimes of procuring purchasers for the works exhibited. They are generally productive of good influences, as they help to refine the minds and characters of men and divert them from selfish and sordid enjoyments."

Mellon went off to the Western University of Pennsylvania (now University of Pittsburgh), where he did well academically. But shortly before graduation, his father encouraged him to leave school and go to work for T. Mellon and Sons, the bank he had founded in 1870. Andrew excelled, and the bank expanded under his prudent management. A handsome man, he was the model of self-discipline, completely focused on business—save for a brief engagement to a girl who died young. Seeing that Andrew possessed special talents, his father made him his surrogate and the bank's sole managing partner in 1882 at the age of twenty-seven.

As a capitalist Andrew Mellon was an American original, a diversifier before his time. Unlike peers such as Andrew Carnegie, who cornered steel, or John D. Rockefeller, who dominated the oil business, Mellon did not concentrate on a single industry. Instead, he was an elemental banker, the man who put up the money to finance other men's risks. He loaned funds to found new companies or invent new processes and took repayment in the new company's stock. By learning to judge who did or did not have the character to succeed, and by choosing projects adroitly and backing practical ideas, he became a driving force in industries as diverse as oil, chemicals, metals, and transportation and a major player in U.S. commerce during a period of explosive expansion.

One of the first men he backed was Henry Clay Frick. Frick was the chief bookkeeper at his Grandfather Overholt's distillery in 1871, a concern in which he would eventually share ownership with Mellon, five years his junior. A farm boy whose formal education may have added up to thirty months, Frick saw promise in the new Bessemer steelmaking process, which would increase the demand for coke (coal dug from local mines that was processed and baked). Frick was determined to supply



it. When he sought a loan from T. Mellon and Sons, a lackey sent to check his bona fides reported that he was on the job all day and kept the books faithfully at night. He got the loan of \$10,000 for six months at ten-percent interest.

Frick and Mellon continued to do business together as long as they lived. In good times they prospered, putting aside enough to ride out the slumps. In bad times they bought properties from those who found themselves strapped for cash. Decades later Mellon prided himself on the fact that his bank, run judiciously so as always to meet its obligations, weathered economic storms without failing a single depositor. In the wild and woolly marketplace of these years the future secretary of the treasury learned that “a panic was not altogether a bad thing” (as he counseled a president during what both believed to be just another dip in the business cycle but which led to the stock market crash in 1929).

Frick and Mellon also became close friends, the latter remembered. Prospering together in kindred branches of commerce, Frick introduced Mellon to the delights of art, tutoring him in how to collect—so well that the student arguably surpassed the teacher. In 1880, “as neither of us had been abroad and the business horizon appeared clear,” Mellon wrote, they sailed for Europe with two associates to spend “a happy period” of five months on the grand tour. Landing in Ireland, they proceeded to Edinburgh, London, Paris, and Venice. Mellon shocked Pittsburgh society by bringing home a single painting for which he had paid \$1,000. It was probably a landscape of the Barbizon school, which was the rage at the time.

T. Mellon and Sons, the bank that Thomas founded in 1870, prospered in good times and bad thanks to conservative management. Its success, and the working capital it generated, enabled Andrew to become a venture capitalist before the term was coined.



Henry Clay Frick, a close friend and business partner of Andrew Mellon, created his own magnificent art collection, which became the public museum in New York that bears his name.

These princes of Pittsburgh took more trips to Europe, and after Frick married in 1881, they summered in Bar Harbor, Maine, where they recorded their diversions with the latest new gadget, the photographic camera. And they continued to thrive in business. Frick made his enormous fortune in coke and steel, becoming a symbol of his time—admired by the gentry and detested by the laboring class. He settled in New York, built a mansion on Fifth Avenue, and devoted himself to collecting the pictures and decorative arts that later became the Frick Collection. When he died, his friend A.W. Mellon became his executor.

Mellon remained mostly unknown outside Pittsburgh through his middle years, a banker at the right place and the right time to take advantage of profitable opportunities. Given the nature of his work, he was rarely in the public eye, but the Mellon name earned a reputation in business circles for acquisitiveness according to the brass-knuckle standards of the time. He invested so shrewdly, wrote David Cannadine in his definitive biography, *Mellon: An American Life*, that he “established himself by the mid-1900s as the single most significant individual in the economic life and progress of western Pennsylvania.”

It had happened very suddenly in the few years since 1898, and his newly established status was reflected in his directorships of forty-one companies.... His was an extraordinarily diversified portfolio: of banks and financial institutions; of property and real estate; of utilities and transportation; of nineteenth-century industries such as coal and steel; and of their twentieth-century successors such as oil and aluminum. Having made some notable strategic decisions during the great depression following 1893 that would accrue great long-term advantage, Mellon had ridden the boom years that followed with exceptional skill and flair.

According to an associate years later, Mellon ran his bank as “a sort of revolving fund for the promotion of enterprises,” including Alcoa, Gulf Oil, a web of Pennsylvania utilities, and more. His net worth was “probably beyond knowing,” according to historian Stewart H. Holbrook: in 1929 his industrial assets totaled \$1.9 billion, while banking and financial interests totaled \$500 million; banking alone paid \$3.8 million in dividends in 1929, while industrial investments earned \$91 million more. When Mellon entered government service and conflict-of-interest rules required him to relinquish other positions, he resigned from the boards of fifty-one corporations, most of which controlled other companies. He was also an officer of the Carnegie Library, Carnegie Institute of Technology, Mellon Institute, Pittsburgh Maternity Hospital, and University of Pittsburgh, and he supported local charities and needy individuals anonymously.

A LATE MARRIAGE AND FAMILY

Andrew Mellon devoted most of his attention to business well into his forties. He rose early, ate a farmer’s breakfast, worked through the day (taking time for an agreeable lunch at the Duquesne Club with a coterie of influential friends), and brought home quantities of work to study. According to Hendrick’s biography, “He read few books, spent little time in outdoor sport, saw few plays and heard almost no music;

business...formed the consuming passion of his life.” He was a workaholic before the word was coined. Yet he visited Europe almost every summer, often with Frick and his family, and aboard ship one year, they met a prosperous Briton and his wife who were bringing their only daughter home from the world tour intended to complete her finishing school education. Nora Mary McMullen was a fetching girl, willowy and vivacious. Andrew Mellon was captivated. He was forty-four; she was barely twenty.

Nora’s father, Alexander P. McMullen, was a businessman with breweries in northern Ireland, whence the first Mellons came to the United States. He had been mayor of his village and patronized local causes like the waterworks and art school. As a royal tenant, he held a ninety-nine-year lease on Hertford Castle, which dated back through Tudor times (three wives of Henry VIII lived there). His seven sons and daughter Nora, the baby, were a lively group, given to sports and affection the way Mellons were given to business and reserve. Nora spurned Andrew’s marriage proposal in 1899 but relented in 1900.

The September wedding in a fifteenth-century church in Hertford was a storybook event. Many Mellons voyaged from America, and the village turned out as if for the daughter of the lord of the manor. A surviving clipping reports that “flags were floating all day from numerous buildings in the town and from the Castle both the Union Jack and the American Flag.” The next day wedding guests, including about eighty of Mr. McMullen’s employees, gathered at the castle for a “substantial repast.” Activities included boating, pillow fighting, and a tug-of-war—a more spirited event than the groom and his family had likely seen before. After a honeymoon in Europe, the newlyweds returned to America and rode the Pennsylvania Railroad to the edge of sooty, booming, industrial Pittsburgh. Reaching their destination in East Liberty, Nora looked out the carriage window and asked, “We don’t get off here, do we? You don’t live here?” Indeed they were home.

Recovering her poise, Nora settled into domestic life. As Andrew recorded: “she did the marketing and managed everything beautifully. She had the English instinct of economy which appealed to my admiration but I made everything easy and smooth. She kept the accounts and paid the bills carefully. In the evening when not going out she would play or sing and sometimes read the papers to me. We were devoted to each other and it seemed to me to be a state of happiness seldom reached.” He called her “Norchen,” she called him “Andy.”

In June 1901 Nora bore a daughter and christened her Ailsa, the name of a British noble family and a remote, uninhabited island in Scotland’s Firth of Clyde. After spending the summer at Hertford Castle, the young family returned to Pittsburgh for the winter, and Andrew would write with nostalgia: “our life was all that could be wished.” Yet his bride found her new home “very dark,” and outside “Pittsburgh itself was very dark.”

Andrew began to buy more art at this time. Previously he had bought pictures as furnishings, which a later critic would say “have all mercifully disappeared.” But he became a regular at the Knoedler galleries in New York, Paris, and London. Witness in 1901 one partner, Charles S. Carstairs, writing Mellon politely to confirm the return of a Maris watercolor and the sale of four paintings for \$43,000, adding,



Barely out of finishing school, Nora McMullen met middle-aged Andrew Mellon on an ocean liner in 1899 and married him a year later. The expatriate society artist James J. Shannon painted this lush portrait of her in 1910.



Nora cherished “the green fields and the open sky” of her childhood home, Hertford Castle just north of London, in contrast to the booming, sooty, industrial town of Pittsburgh.

“I want you to understand that it is our desire to do anything in our power and trust you are satisfied.” Meanwhile the dealer sent for his consideration “the small Diaz belonging to Mr. Frick you admired so much.”

During the winter that Gulf Oil was being formed, Andrew spent more evenings in his study than in the parlor with Nora. During the day she loved to ride, but Andrew was awkward on horseback. She cut a fine figure as a skater; he did not. She liked the theater and parties, and while he occasionally joined her, he did not much like social outings—and the first families of Pittsburgh did not much like the foreign beauty who had snatched their city’s most eligible bachelor.

Still the Mellons seemed an enviable couple. They spent months in England every summer and considered buying an estate within easy reach of both Windsor and the country churchyard celebrated in Thomas Gray’s somber elegy, Andrew’s favorite poem. On frequent trips to London, he visited the National Gallery there and kept buying art, though Nora had no interest in pictures. In 1905 he purchased Aelbert Cuyp’s *Herdsmen Tending Cattle* and Thomas Gainsborough’s portrait of Mrs. John Taylor. In 1906 Carstairs, by now signing himself “Charlie,” sent the following:

My Dear Andy—I am writing...to send you a photograph of one of the most beautiful Romneys you have ever laid your eyes on, a charming little girl. I thought of you the moment I bought it as a picture that would go straight to your heart. The dress is white, the sash and ribbons a pretty pink and the sky a lovely blue and the whole picture is full of light. The big blue eyes look at you in a frank childish manner most fascinating—I am reserving the picture for you and I would like you to cable me *Knoedler London* “yes” or “no.” The price is \$50,000. It was painted just two years later than Mr. Frick’s “Lady Hamilton” and is of Romney’s first period. It is a portrait of “Miss Willoughby.”
... With love to Nora and dear little Ailsa.

On June 11, 1907, Nora bore a son whom Andrew named simply Paul, to avoid the Mellon family habit of saddling boys with initials (although, curiously, decades later Paul would be referred to almost reverently as “PM”). They returned to Hertford Castle with their infant son, as Nora “wanted to nurse to life in him my own love for the green fields and the open sky.” The family continued to travel widely and vacation regularly, but home was still Pittsburgh. Nora had seen herself as “the mistress of the manor who lightens the burden of the peasant” and as “a link between the old world and the new.” She envisioned herself going into her husband’s “American towns” and winning “the love and affections of his people.” She saw Paul as the “heir that I would bring up good and kind and generous, a master of his fortune, not its slave”—and in that, at least, she would succeed.

But her disillusionment grew, and by 1908 Nora lingered in England and wrote Andrew from a place called Sunninghill Park: “The thought of those long dreary lonesome days and those silent preoccupied evenings almost kills me....Why must that loathsome business take all the strength and vitality which you ought to give to me? Why should you only give me your tired evenings?” Then in April 1909 she confided in a couple whom both Mellons considered close friends, and Thomas L. Chadbourne carried the message to Andrew, who committed it to paper:



Knoedler galleries opened a Manhattan showroom in 1846 (shown c. 1925). Around the turn of the century two prized clients, Andrew Mellon and Henry Clay Frick, rode with Charles Knoedler in a horse-drawn carriage.



Nora and Andrew Mellon with Ailsa and infant Paul, 1907. Andrew, more than twice Nora's age and consumed by business interests, was stunned when she asked for a divorce in 1908. After lengthy negotiations, he gave her a substantial settlement—and collected art with new intensity. He is seen here at the fashionable Homestead resort.



Following a very public divorce in 1912, Andrew and Nora shared custody of their children, Ailsa and Paul, seen here with their father in 1914.

“I found him exceptionally silent. But from the way he looked at his paintings... I knew that he had a deep feeling for what he collected.”

“Chadbourne asked did I know Mrs. Mellon was unhappy. I asked what he meant. He replied ‘She tells me she wishes to leave you, that she has been unhappy for a long time and wants to be divorced.’ It was a bolt out of clear sky to me.”

Andrew handled the breakup as carefully as any business matter, and she as openly as tabloid news. Between them they created a spectacle. He retained the best lawyers in Pittsburgh—several of them—so Nora had to go to Philadelphia for attorneys. His counselors pushed a new divorce law through the legislature; hers had it gutted. He wanted no publicity, but she wanted all she could get—then regretted it when the detectives he hired uncovered her infidelities to delight the scandal-mongering press. In the battle for custody, it was the children who bore the brunt as they were shuttled about to be tended in strange houses by a foreign governess (in one instance Andrew’s men took young Ailsa from her mother’s arms). Eventually tempers cooled, and in 1912 the two came to terms: shared custody of the children and a substantial settlement for Nora, who left Pittsburgh for points east and for England, where the children would spend memorable holidays.

Andrew’s interest in pictures seems to have gained a new fervor following the breakup of his marriage. He moved to a grand brick mansion with tall ceilings, big bedrooms, large baths, a handsome library full of books, and a white dining room furnished in the eighteenth-century manner. As John Walker, a childhood friend of Paul and an eventual colleague, recalled many years later:

In the daytime the house on Woodland Road was as full of sunshine as the smoke of Pittsburgh’s blast furnaces and steel mills permitted; but at night one had a general sense of gloom, the darkness broken by patches of light where reflectors on paintings illumined the muted colors of English and Dutch portraits and landscapes. I remember on one occasion seeing emerge from the shadows a frail, fastidiously dressed man with high cheekbones, silver hair, and a carefully trimmed mustache. He was most impressive in an aristocratic, patrician way. I found him, however, exceptionally silent, as I tried my best to convey my admiration for his collection. He was inarticulate on the subject of art. Even the names of the artists whose works he owned occasionally escaped him. But from the way he looked at his paintings, from the sheer intensity of his scrutiny, I knew that he had a deep feeling for what he collected, a relationship to his pictures which I have rarely found in the many collectors I have known. . . . In Pittsburgh where day after day he faced the smoke and dirty fog which produced his wealth, he wished to dream of a pleasanter environment. His portraits of George IV and the Duchess of Devonshire by Gainsborough, of Miss Urquhart by Raeburn, of Lady Caroline Howard by Reynolds, offered imaginary companionship with people whose personalities did not jar and whose presence did not in any way affect his reticence.

The children’s bifurcated upbringing had public as well as private consequences. Particularly Paul’s character reflected the influence of both parents. Memories of his childhood included “a sunny and imperturbable English summer landscape.” As an adult he became the champion of the museum Andrew would found. He loved art as intuitively as his father had, but he acquired it more systematically and with



greater learning. He also manifested his mother's romantic nature—in a love of things British and the outdoors—and a friendly noblesse oblige.

Though Andrew and Nora's parting seemed absolute, they kept in touch after their divorce, at first because of their mutual interest in the children, then exchanging Christmas and birthday greetings. But in the spring of 1923 Nora announced her engagement to Harry A. Lee, a young Englishman who sold antiques on Lexington Avenue. The news startled Mellon enough for him to write her in no uncertain terms about reconciling. Nora answered, "If only you could have given me the faintest hope.... Still I am so grateful not to have died without telling you how much I have loved and missed you all these years." Nora's second marriage lasted only five years, and she took back the Mellon name in 1928 (friends never got used to calling her "Mrs. Lee," she said). Andrew augmented her trust funds substantially after her second divorce and gave her country houses in New York and Connecticut as well as a thoroughbred stable in Virginia, the four-hundred-acre Rokeby Farm. When

Andrew Mellon bought an imposing Tudor-style home on Woodland Road in Pittsburgh following his divorce and filled it with Dutch and British paintings.



Andrew Mellon's early collecting favored Dutch landscapes as well as grand English portraits such as Gainsborough's *Georgiana, Duchess of Devonshire*.

Mellon's neighbors in Washington included diplomats Sumner Welles and Robert Woods Bliss as well as oil heiress Perle Mesta whom Ethel Merman parodied in *Call Me Madam*.

Andrew died in 1937, Nora braved Pittsburgh society's snubs to attend his funeral. Four decades later she died at the age of ninety-four and was buried next to him in a quiet cemetery within fieldstone walls amid rolling Virginia farmland, a place as green as any in Hertfordshire.

CAPITALIST IN THE CABINET

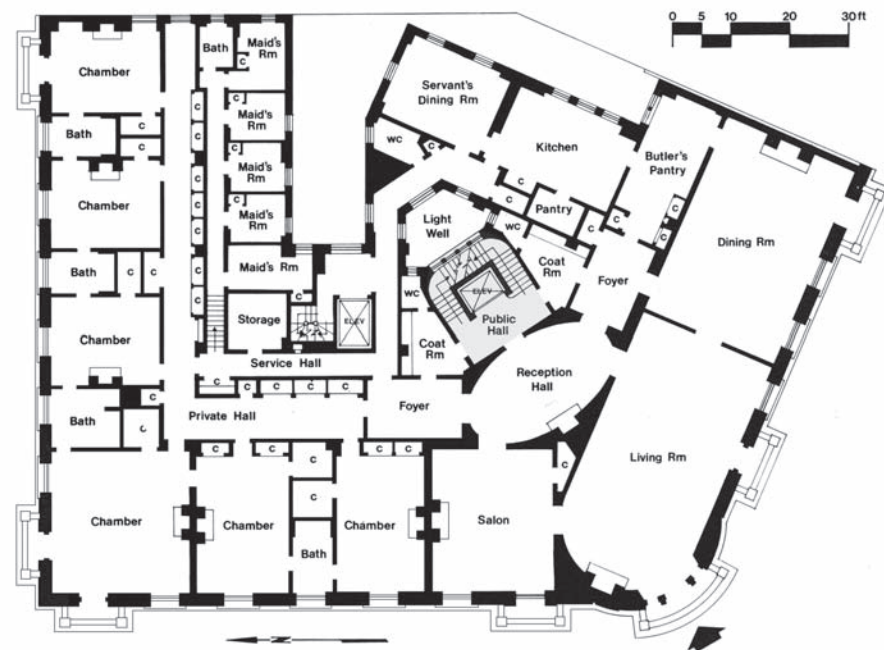
Andrew Mellon came to Washington as treasury secretary in Warren G. Harding's cabinet in 1921, when the capital city was small but increasingly cosmopolitan. The grand avenues stretched for more than half a mile between intersections, while choice precincts boasted clusters of mansions and townhouses designed by the likes of Charles McKim, Stanford White, and John Russell Pope.

One block east of Dupont Circle, on the corner of Massachusetts Avenue and Eighteenth Street, stood the new five-story McCormick, which the architectural historian James Goode has called "the finest apartment house erected in Washington." Richly detailed, superbly designed, and fastidiously constructed, this building's 11,000-square-foot apartments were the city's largest; at fourteen-and-a-half feet, its ceilings were the highest; and at \$600,000, its construction the costliest. The McCormick combined opulence with modern amenities. Each apartment had a laundry with gas-heated dryer, a walk-in refrigerator, and built-in telephone conduits.

In a building with one apartment per floor, Mellon took the uppermost—the one with a narrow balcony running below the twenty-two French windows fronting the streets. When Mellon's brother James asked about the rent, the \$12,000-a-year cabinet secretary said it was \$25,000; and James admonished him, "Remember Andy, Father always said we should live within our income." The neighbors included diplomats Sumner Welles and Robert Woods Bliss as well as oil heiress Perle Mesta, the celebrated hostess and later ambassador to Luxembourg whom Ethel Merman parodied in *Call Me Madam*.

Mellon came to live here in his accustomed manner. He rose early, ate substantially, and (in one departure from his Pittsburgh routine) embarked on foot for his office less than a mile away. He often walked home for lunch, though he kept a car, an aluminum behemoth said to have cost \$40,000. He continued to chain-smoke "rat-tail" cigars, wear magnificent clothes, and collect art with growing seriousness.

For forty years Mellon had bought pictures to decorate his homes. During his marriage he had spent some \$400,000 on paintings, not one of museum quality. But his choices began to display a developing taste for great English and Dutch masterpieces, such as Henry Raeburn's demure and sensuous *Miss Eleanor Urquhart* and Frans Hals's imposing *Portrait of an Elderly Lady*. El Greco's exotic *Saint Ildefonso* joined only a few Italian paintings: Filippino Lippi's *Portrait of a Youth*, Bernardino Luini's *Portrait of a Lady*, and a small Madonna by Titian. Mellon's bedroom shared John Trumbull's *Alexander Hamilton* with Gilbert Stuart's Vaughan portrait of George Washington. His piano held Johannes Vermeer's *Girl with the Red Hat*, while J.M.W. Turner's *Mortlake Terrace* hung over the mantel in the sitting room. His first major buys after coming to Washington included John Hoppner's *Frankland Sisters* and two Turner landscapes. For a time his drawing room boasted Raphael's *Giuliano de'Medici*, but Mellon felt the man had an evil face and returned the work to the



The handsome McCormick Building in Washington, where Andrew Mellon's elegant apartment occupied the entire top floor. It featured an oval reception hall with coatrooms and water closets, formal living and dining rooms, six bedrooms, four private baths, servants' quarters, and modern amenities such as built-in telephone conduits.

Andrew Mellon at home in Washington, 1930, with Meindert Hobbema's *View on a High Road* over the mantel (now in the Gallery's collection).



Ailsa Mellon and David K. E. Bruce arrive at the Pan American Union for their wedding reception, following services at the Washington National Cathedral in 1926. Below, Andrew welcomes Ailsa and Paul to Washington for Christmas 1930.

dealer for full credit; in exchange, he brought home Thomas Gainsborough's *Miss Catherine Tatton*, Hans Memling's *Madonna and Child with Angels*, and a presumed Vermeer, *Lacemaker*, that later proved to be a modern counterfeit.

After the workday, Mellon became a regular at White House poker games (where the rules of Prohibition were honored in the breach) and played the wallflower in Washington's social scene. He was popular at white-tie events not only for his eminence but for his quiet charm, gentle humor, and habit of paying back social debts with small dinner parties in his palatial apartment. As a cousin wrote, "A.W. delighted in the sensation that his pictures made. He was as happy when the pictures were being admired as he was unhappy when attention was focused on himself."

For decades Mellon bought art through M. Knoedler & Co., dealing first with Roland Knoedler, then in turn with Charles Carstairs, Charles Henschel, and Carman Messmore. It was Messmore who acquired a spectacular Rembrandt self-portrait that had been owned by a noble Scottish family for generations and offered it to Mellon for \$600,000. When asked what he had paid for it, Messmore answered frankly \$250,000. After weeks of hearing nothing, Messmore took the painting to Washington, presented himself at Mellon's apartment, and hung it in the dining room; Mellon returned home for lunch, bade his guest join him, and made no mention of the picture that looked down on them. Weeks later he advised the dealer: "I will buy the Rembrandt, but not at the price demanded. You will have to make a considerable reduction." The counteroffer allowed the buyer to save face more than cash, as he paid \$475,000 and returned a Pieter de Hooch he'd bought for \$65,000; in short he got the Rembrandt for ten percent off the asking price.

In 1931 Mellon bought a painting from a private owner, as he had rarely done before. The political climate in Spain was deteriorating, and the wife of a U.S. diplomat learned that Francisco de Goya's portrait of the Marquesa de Pontejos might be purchased from a descendant who was preparing to flee the country. Mellon's principal aide negotiated by transatlantic phone, but the Spanish government intervened, and Mellon had to pay Knoedler's to send a man from Paris to grease some palms, obtain an export license, and get the painting out of Spain before laws were enacted to prevent it.

NEW TIES AND ALLIANCES

Mellon's children came of age during his years at the Treasury. Paul was a schoolboy at Choate by 1921 and vacationed with his father in Washington. Ailsa, after graduating from Miss Porter's School, made her home with Andrew. She presided as hostess at his dinner parties, engaged in the social whirl, and dated European aristocrats and American socialites—accompanied by a chaperone. Known as "a great horsewoman," she had an English accent, an air of reserve, and was much sought after.

In the spring of 1926, Ailsa Mellon married David Kirkpatrick Este Bruce, scion of an old Baltimore family and son of a sitting U.S. senator. The wedding took place in a Gothic chapel of the unfinished National Cathedral, with the Episcopal bishop of Washington presiding and a guest list that included the president and vice president, ten cabinet secretaries and Supreme Court justices, sixteen members of Congress, thirteen ambassadors, and all their wives. The chapel's capacity limited

the number of guests to three hundred, but two thousand attended the reception at the Pan American Union. News stories reported not only the event but certain perks the treasury secretary allowed himself, such as “a veritable army of Secret Service men” to guard the wedding gifts.

The groom brought social and political pedigrees to the union, if not great wealth. He had dropped out of Princeton to serve in the artillery in World War I and won a battlefield commission. He studied law at both the University of Virginia and the University of Maryland and was elected to the Maryland legislature. Now he was a fledgling diplomat, and after the honeymoon he took his bride to Rome, where he was posted as a vice consul. Two years later, in part because Ailsa disliked Italy’s climate, he left diplomacy for Wall Street, first with Bankers Trust, then Harriman and Company.

When Andrew was dispatched to London as ambassador, the Bruces followed—Ailsa as his official hostess, David as a trusted friend. Over the next decade David became a gentleman farmer, served in the Virginia legislature, wrote a history of the presidency, dabbled in the parachute business, and ran a tobacco plant—all while assisting Mellon in many areas, especially when it came time to establish the National Gallery of Art. David was brilliant, energetic, and charming; Ailsa very reserved, shy, and chronically ill. As the world girded for war, in 1940 he returned to London alone, nominally to represent the American Red Cross, but within a year to organize the Office of Strategic Services (OSS). Soon he was the spymasters’ chief of European operations. But his marriage to Ailsa foundered, and they were divorced in 1945.

In addition to David Bruce, Mellon came to rely on a group of capable men at the Treasury, including Ogden Mills, his deputy and eventual successor; the professorial S. Parker Gilbert, an expert on war reparations whom he named undersecretary; and the polymath attorney Huntington Cairns, who served as the Customs Bureau’s censor of imported books and art. Finally there was David Edward Finley, a young lawyer who had served at the Federal Reserve. All but Mills would fill key roles at the National Gallery.

In Mellon’s early years at the Treasury Department, Finley became his confidential aide, executive assistant, ghostwriter, and all-around factotum. Whatever papers reached the secretary’s desk got there after Finley vetted them. Whatever left the desk was at least scanned by Finley’s eye if not written by his hand. Finley attended Mellon’s dinners, checked the seating for Ailsa’s wedding, and negotiated the Goya purchase. When Mellon went to London as ambassador, Finley accompanied him as an honorary counselor at a dollar a year. In short he became indispensable.

REMAKING WASHINGTON

Coming to head the U.S. Treasury like a savvy entrepreneur taking over a healthy company, Mellon invited incumbent division heads to stay on, then ran the department like a corporation and the economy like a cartel. He was soon called the greatest secretary of the treasury in history, and though few men in the street could name his predecessors, many believed he was responsible for the rising prosperity they enjoyed so exuberantly as the 1920s roared.



Mellon’s son-in-law David Bruce in 1926. Bruce later became ambassador to France, West Germany, and Great Britain under Presidents Truman, Eisenhower, and Kennedy, then envoy to China and NATO under Presidents Nixon and Ford.

The Federal Triangle

Conceived as the nation's capital in 1790, Washington, DC, was laid out according to a grand design by French-born engineer Pierre L'Enfant. He established a grid of streets crossed by diagonal avenues, along with parks including the National Mall. The first 130 government clerks arrived in 1800, one of many waves of newcomers who arrived randomly for a century. The McMillan Commission of 1901 sought to rescue the city's ceremonial core to reflect L'Enfant's original vision, but by the 1920s, 60,000 federal workers were quartered here and there



around town. President Calvin Coolidge, with the nationwide "city beautiful" movement encouraging the improvement of Washington, embraced an ambitious building project. The chairman of the new Commission of Fine Arts called it "the greatest group of public buildings ever constructed at one time." It was certainly the largest and most costly (some \$116,000,000), and the secretary of the treasury was deputized to oversee it.

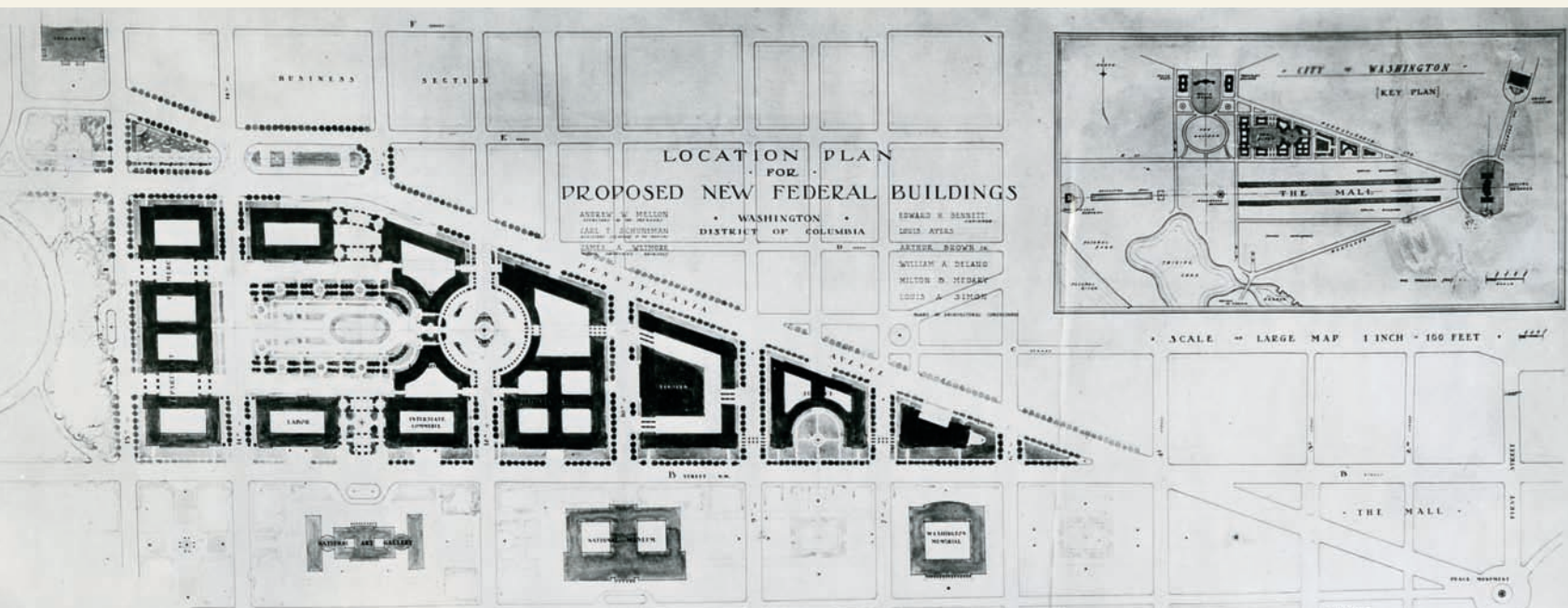
Andrew Mellon quoted Coolidge to promote the plan in a Pittsburgh speech: "If our country wishes to compete with others, let it not be in the support of armaments but in the making of a beautiful Capital City... a city of stately proportion." The project would house the Commerce and Labor Departments, IRS headquarters, National Archives, and other governmental bodies in a triangular area east of the Treasury Department and bounded by Fifteenth Street, Pennsylvania Avenue, and Constitution Avenue NW. This "Federal Triangle" was designed to consolidate operations and increase efficiency. It would pro-

vide a precinct for government offices, reaffirm the primacy of the city center, and allow the Mall to become a verdant expanse of open vistas and national monuments. Mellon supervised decisions ranging from architectural design to building placement and priorities. His goal was to give the capital city the beauty and dignity that would justify the faith George Washington "had from the beginning in the future greatness of America."

The Federal Triangle today covers seventy acres and contains ten enormous buildings. It created a government core as classically derived as any on earth — and perhaps as formidable. Au courant champions of the severely plain Bauhaus style criticized the Triangle's old-fashioned "façadism." But the Federal Triangle Plan bowed to tradition. The government (and Mellon) wanted a center designed to impress, not to seem of ordinary scale but to awe citizens and visitors. And given the pendulum swings of taste, the merits of neoclassical architecture became clear once again some seventy years later. In 1990 the *New York*



Times architecture critic praised Mellon's project: "Designed by several of the nation's best, if most conservative architects, the Federal Triangle is one of the great collaborations of the twentieth century... a true triumph of urbanism."



An aerial view of the Federal Triangle (top right) shows changes from initial plans and the model Andrew Mellon viewed in 1929.

At this post for eleven years (longer than all but one other treasury secretary), Mellon, uniquely, served under three presidents. He was blessed by circumstance, as he led the Treasury during boom times, when the economy responded to simple stimuli in classic ways. Classic principles applied, he believed, and as a healthy business could not long survive in the red, neither should a government tolerate a perennial deficit. Declaring war on the debt incurred during World War I, he cut it substantially by advocating lower taxes and thus freeing private capital for investment that enlarged the tax base (all according to conventional wisdom). The economic engines of the industrial world were geared up for expansion at breakneck speed, and the U.S. economy led the rest, with Mellon at the throttle.

For all his laissez-faire philosophy, Mellon was not averse to helping his own. The Treasury was empowered to grant tax exemptions, and on Mellon's watch these went to those who gave \$10,000 to Republican campaigns. Mellon profited from decisions he made in government and did things ordinary citizens could not. He solicited advice from the Internal Revenue Service director (his subordinate) on ways to reduce his personal tax bill. He also had an IRS agent assigned to prepare his returns, then hired the agent to join his personal staff.

During Mellon's tenure, the Treasury designed smaller, more durable, identically colored bills of every denomination and saved millions on printing currency, but if this was his most forgotten achievement, his most concrete was remaking downtown Washington. Mellon directed an Augustan building program, known as the Federal Triangle project, that transformed a city whose paved avenues did not yet reach its borders. Capitol Hill overlooked a sprawling railroad yard and the depot where President James A. Garfield had been shot in 1881. Westward lay a warren of temporary buildings thrown up as offices at various times, with pastures and swamp giving way to the Potomac River. Pennsylvania Avenue, planned in 1791 as a ceremonial boulevard, was a common commercial thoroughfare when Mellon came to Washington. At Seventh Street NW, then the capital's principal north-south artery, stood the city's largest market, with stalls for one thousand vendors and parking for three hundred wagons.

When Mellon contemplated the city at large and planned the construction of new government buildings to impose order on the chaos of this area, he likely also had in mind what he wanted to do personally for his country's capital—and exactly where he might do it. *Washington Post* reporter Edward T. Folliard wrote immediately after Mellon's death in 1937 that “he had begun to think of a national gallery in Washington [even] before President Harding summoned him there to be his Secretary of the Treasury in 1921.” Revealing an off-the-record interview conducted years earlier, the dean of White House correspondents reported that the nascent idea for the Gallery “took concrete shape” when Mellon was at the Treasury: “He used to stand at his office window on the second floor of the Treasury Building and look down toward Potomac Park and the Mall.”

But long before the Federal Triangle was finished, the stock market crashed and the economy that had been rising so traditionally began its sudden slide. Herbert Hoover was president, the third “to serve under Secretary Mellon,” as the saying went, and was inclined to accept Mellon's bitter prescription for recovery. A good



On the steps of the White House in 1928, Secretary Andrew Mellon is flanked by two of the presidents under whom he served, Calvin Coolidge and Herbert Hoover.

Long before the Federal Triangle was finished, the stock market crashed and the economy that had been rising so traditionally began its sudden slide.



A signed portrait of President Calvin Coolidge's cabinet outside the White House in 1925 shows Andrew Mellon seated next to the president (second and third from right). Standing, second from left, is Herbert Hoover, then secretary of commerce.

Mellon lays a wreath outside the Treasury Building before a statue of Alexander Hamilton, the nation's first secretary of the treasury, on January 11, 1929, the anniversary of Hamilton's birth.



old-fashioned panic, the secretary said, could “purge the rottenness out of the system”: “High costs of living and high living will come down. People will work harder, live a more moral life. Values will be adjusted, and enterprising people will pick up the wrecks from less competent people.” Of course, that did not sit well with many voters, whatever their competence. In memoirs published later, Hoover wrote of Mellon: “He was in every instinct a country banker. His idea and practice had been to build up men of character in his community and to participate in their prosperity. He had no use for certain varieties of New York banking, which he deemed were too often devoted to tearing men down and picking their bones.”

Anyone named the nation's chief financial officer by three Republican presidents during the boom years of the Roaring Twenties might have pursued the same hands-off policies, but Mellon became the scapegoat, blamed for causing the Depression. Voices on Capitol Hill accused him of misdeeds from war profiteering to winking at Prohibition, and a freshman congressman from Texas, Wright Patman, called for his impeachment. By the time the 1932 presidential election loomed, Hoover moved diplomatically to bring someone else to the Treasury and promoted the elder statesman to a higher office overseas. Mellon's move to London as ambassador to the Court of St. James's in 1932 was nearly a homecoming. He had spent holidays in England for fifty years and had friends and family there. To enhance his official residence, he took his best paintings that could travel safely. London's National Gallery inspired

and entertained him, and he visited whenever time allowed. “Everything there appealed to him: the size, the installation, the high level of quality,” David Finley wrote later.

Despite a fifty-year habit, Mellon forswore buying art: “Buying a good painting takes time...and I shall have no time to give to such matters.” Yet when David Bruce learned that a canvas of unique historical significance might be had, Mellon honored the letter if not the substance of his vow by writing a check to Finley, who purchased for him the Jacobean portrait of Pocahontas (now in the National Portrait Gallery) painted during her brief sojourn in London in 1616. In addition, Mellon was involved in other far-reaching, unfinished, clandestine business abroad.

BUYING RUSSIA’S TREASURES

By the time Mellon arrived in London, he was concluding a spectacular feat of international collecting that had been handled primarily by Knoedler’s, the firm with which he had done business for decades. It was a complex series of intercontinental transactions conducted in secret during his last years in government. After the Russian Revolution of 1917 and establishment of the Union of Soviet Socialist Republics (USSR) in 1922, the new Soviet government seized property that had been owned by the czars, the aristocracy, the merchant classes, and the Russian Orthodox Church. The commissars needed hard currency to buy foreign goods, machinery, and advice; and selling cultural assets—crown jewels, works of art, and church regalia—would produce cash and, in a stroke, rid the new USSR of many old trappings of Russian decadence.

The Hermitage Museum in Saint Petersburg (then Leningrad), founded by Empress Catherine in 1764, held priceless works by peerless old master artists. In *Catherine the Great*, Robert K. Massie writes: “Catherine’s collection expanded to almost four thousand paintings. She became the greatest collector and patron of art in the history of Europe.” Her successors enhanced the collection further, and Nicholas I opened the Hermitage to the public in 1852, with the complex continuing to grow through the efforts of generations of Romanovs. The raiding of private collections may have served the commissars’ political agenda, but an anthology of studies by post-Soviet Russian scholars declares that the nation suffered a “cultural catastrophe...[driven by] the Bolsheviks’ desperate desire to be rid of everything that symbolized the brilliance and magnificence of the old, deposed regime.”

In a series of blunders, Soviet functionaries decided to sell off precious objects piecemeal—but to do it secretly, both to keep prices high and to avoid public outrage. At first they chose goods poorly, and early sales were fiascos. But that was cool comfort to the head of the picture gallery at the Hermitage. On receiving a list of works to be “exchanged” (i.e., sold), he wrote that the loss of those works would destroy “the entire incomparable picture of the evolution of world art which is currently presented in the Hermitage...a mighty and important historical organism.” Though curators tried many ruses—from hiding the best paintings to swapping lesser works for those specified—the export agency’s officials seized many of the Hermitage’s masterworks. By 1928 dealers in Europe and America were hearing rumors that great art would be offered up, but the sellers wanted to avoid dealers,



When Andrew Mellon came to London as ambassador to Great Britain in 1932, he brought along his long-time aide David Finley (top) as honorary counselor and his daughter, Ailsa, as his official hostess.

advised another, “Mr. Mellon says go ahead and buy the picture as cheaply as you can and he will send the money to our account...in London.” According to a Finley associate, “A few days later in Berlin [the Soviet official] received his check and delivered the painting. Nothing from Russia was ever fully paid for until delivered.” If Mellon had not insisted on such liberal escape clauses, and had Knoedler’s not pressed the Soviets for the lowest possible prices, more pictures might have come to Washington. Mellon declined two works by Leonardo and one by Giorgione, for example, because he thought the prices too high. Yet he acquired an astonishingly fine group of old master paintings.

In all, the Hermitage lost 24,000 exceptional works of art during the purge. “Much that had been accumulated by Russia’s emperors and collectors and that had stood as the glory of the nation’s culture was lost,” wrote Elena Solomahka of the Hermitage in the 2013 anthology *Selling Russia’s Treasures*. “The systematic sales of 1928–1933 removed from the Hermitage a significant share of the masterpieces that had defined it as one of the greatest museums in the world.” Although still one of the greatest museums in the world, the Hermitage suffered shocking losses at the hands of the nascent Soviet government.

Mellon enjoyed the chase and what it implied for his imagined national gallery of art, as letters to Paul reveal. He was more expressive than one might expect from so formal and reserved a man, writing his son on November 2, 1930, and again in February 1931:

I have received two more of the Russian paintings, a Velasquez (*Pope Innocent X*) and a Rubens making twelve in all so far. Have not made up my mind whether I shall allow any of them to be [re]sold. The trouble is that they all seem to be of high quality and quite low in cost. While I can make good profit on any that I may let go to be sold I am reluctant to do so, notwithstanding the large cash investment which the purchases are requiring during these hard times. I am still expecting more of them to come as for some reason [the Soviet authorities] only decide to sell one or two at a time with long intervals between when nothing is doing. As ever, with love, Father.

...

I have lately acquired three more of the Russian paintings [probably by Raphael, Hals, and Chardin]. They are among the most important if not the most important of the Gallery.... They will not arrive for several weeks but I am not bringing them to Washington as for the present I do not want it to be known that I have them. If they do not come up to expectations when I see them I will have Knoedler dispose of them.

When he wrote to Paul at Cambridge in April 1931, his commitment to creating a national art museum in Washington was sufficiently familiar to both men that he could refer to the plan obliquely:

I hope you are having some time to spend at The National Gallery [London] as it will be useful to you to have some knowledge of the important pictures in the gallery in view of the contact you will have with works of a similar character in the near future. I have gone deeper into the Russian purchases — perhaps further than I should in



Jan van Eyck's jewel-like *Annunciation* of c. 1434/1436 was one of the paintings Mellon acquired from the Hermitage for his planned National Gallery of Art.



Also among Mellon's acquisitions from the Hermitage were two paintings by Raphael: the radiant *Alba Madonna* of c. 1510 and the small but powerful *Saint George and the Dragon* of c. 1506.



view of the hard times and shrinkage in values, but as such an opportunity is not likely to again occur and I feel so interested in the ultimate purpose I have made quite a large investment. However I have confined myself entirely to examples of ultra quality.

The whole affair is being conducted privately and it is important that this be kept confidential. . . .

In ones and twos, via Berlin or London, the Hermitage pictures reached Washington, where Mellon inspected them in the privacy of a storage crypt beneath the Corcoran Gallery of Art. He never availed himself of the no-questions-asked return agreement with Knoedler's; despite caveats expressed to Paul, he kept all the paintings he bought. And he visited the Corcoran storage room regularly in planning a national gallery conceived around what he would call the "nucleus" of pictures from Saint Petersburg.

Andrew Mellon ultimately purchased twenty-one masterpieces from the Hermitage, among them Botticelli's *Adoration of the Magi* and Raphael's *Alba Madonna*, the latter costing \$1,116,000, which made it the most expensive painting in the world at the time. A second Raphael of immaculate provenance in mint condition, *Saint George and the Dragon*, is a tour de force of action, elegance, and composition—and about the size of a standard sheet of typing paper.

As Robert Williams wrote, "Never again would the Russians sell art of such high quality and never again would there be an American so willing and able to buy. . . . In retrospect the total price of \$6,654,052.94 was probably a bargain," even for twenty-one old master paintings.

DUVEEN: REIGNING LORD OF DEALERS

Joseph J. Duveen, Lord Duveen of Millbank, who famously secured masterpieces cheap and sold them dear, reportedly said, "When you pay high for the priceless, you're getting it cheap." But he was not involved in the sale of the Russian imperial collection; the Soviets refused to do business with him. One of the liveliest opportunists of the era, Duveen was called a "loving buccaneer," "exalted middleman," "charlatan," and worse. Paul Mellon thought him "an impossibly bumptious and opinionated ass." He was a master in the commerce of art and numbered all of the major U.S. collectors among his clientele: Mellon, Frick, Carnegie, Samuel H. Kress, P.A.B. and Joseph Widener, Isabella Stewart Gardner, Marjorie Merriweather Post.

Duveen would do anything for his clients. According to Colin Simpson in *Artful Partners*: "Mellon spent over \$3 million at Duveen's. They invited each other to their daughters' weddings and Joe made many of the European arrangements for Ailsa Mellon Bruce's honeymoon. The relationship suffered a setback in 1927 when Mellon came to suspect that Joe had an 'inside' source of information about his affairs. He was correct. His valet, Flore, and butler, Tom Kerr, were both on [Duveen's majordomo] Bert Boggis' payroll." Reportedly, when Mellon served at Treasury the contents of his wastebasket would be known by Duveen's New York office in the time it took the secretary to walk home.

It is no mystery that Duveen would encourage Mellon's idea for a national gallery of art. When the two men visited the National Gallery on Trafalgar Square together in 1928, Duveen exclaimed that in time it would offer traveling shows, concerts, study collections, and other programs. "Mellon was entranced," wrote Simpson, and told Theodore Rousseau a few days later that Duveen showed him "what a government could do with a museum if it wished." Certainly Duveen stirred the pot. As late as 1936 he would ask Kenneth Clark for information about the London National Gallery's bylaws, organization, maintenance, and operations in order to pass it on to Mellon and help with the "contemplated new National Gallery, Washington."

But Mellon's dream was as much his own as a dream can be. As a boy he felt that art galleries help "refine the minds and characters of men." From his first visits to England, he haunted the National Gallery there. In Washington, when visiting foreign dignitaries had asked to see the nation's great art treasures, he was embarrassed by the city's paucity and took them to his own apartment. Moreover, he had supported the commissioning of architect Charles A. Platt to design an art gallery for the Smithsonian in 1923 and served on that institution's National Gallery of Art Commission throughout the 1920s; he also anonymously paid the salary of that gallery's director in 1930 before the museum had a home. By 1927 he told his children, Ailsa and Paul, about his idea of a gift to the nation. He mentioned it in the confidential interview with journalist Edward Folliard, and David Finley wrote that in 1927 Mellon persuaded him to turn down a job in New York and join his great adventure of building a national gallery of art in Washington. In sum, Mellon embraced the idea of a national art gallery long before he decided to create it himself.

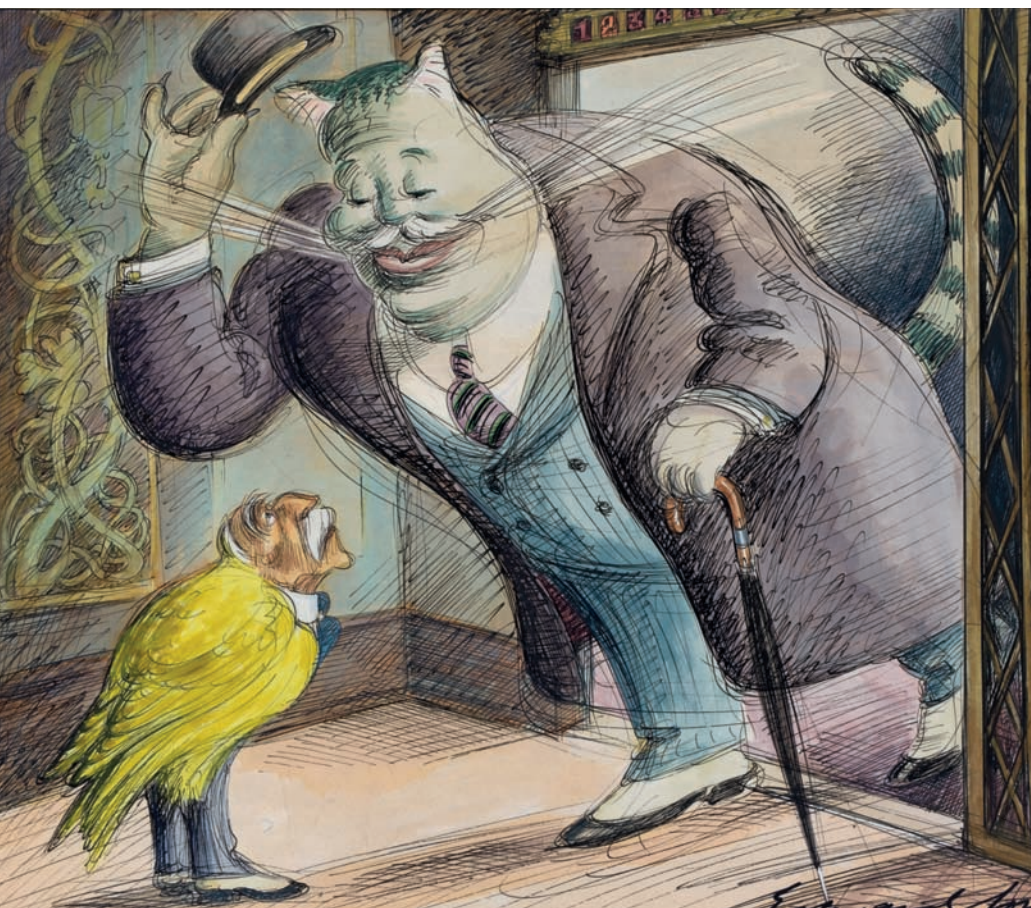
In 1928, before purchasing works from the Hermitage, Mellon made a major departure from his preference for grand portraits and landscapes when he bought Raphael's *Niccolini-Cowper Madonna* from Duveen. This was the kind of painting that a national art museum had to have—even one founded by a collector who had generally avoided religious subjects. Clearly Duveen was self-serving, vain, and clever. He kept vast inventories of pictures and objects, often needing to make labyrinthine financial arrangements just to stay solvent. His arrangement with Mellon—who liked to live with a painting before buying it and often kept consignments for many months before making a decision—gave Duveen ready credit in Mellon's banks. Thus he had the use of Mellon money, for which he paid going interest rates, while Mellon considered a work of art.

In the end Mellon bought many of the finest "Duveens" (as the dealer called any work that had passed through his hands), and his lordship made the grandest sale of a princely commercial career. As the winter of 1936 closed in, Duveen told Mellon: "I am going to retire from business. You are ready to give your collection for a national gallery. This is a combination of circumstances that can never happen again." Worn down by a lingering legal problem and distracted by the malaise of the Great Depression, the eighty-one-year-old Mellon had fallen ill and was unable to visit Duveen's Fifth Avenue showroom to examine the works being offered for sale. So he sent David Finley to New York with instructions to bring back "everything [Finley] thought good enough for the National Gallery."



Andrea del Verrocchio's *Putto Poised on a Globe* is a rare unfired clay model that has survived for more than five hundred years. Mellon purchased it from Duveen in 1930 for his future National Gallery of Art.

In Washington, when visiting foreign dignitaries had asked to see the nation's great art treasures, Mellon took them to his own apartment.



The ingratiating art dealer Joseph Duveen may have seemed predatory, but Andrew Mellon was not the helpless victim depicted here by cartoonist Edward Sorel in 1988.

Duveen sat for this 1923 portrait by his good friend, Swiss-born artist Adolfo Müller-Ury, whom he often recommended as a portraitist to socially prominent collectors.



Finley spent three days in a “velvet-hung room” at Duveen’s emporium while art handlers brought in objects for his consideration. He returned to Washington with thirty paintings and twenty-one sculptures, but when Mellon was too ill to travel the dozen blocks from his apartment to the Corcoran’s basement (where the Hermitage pictures reposed), Finley arranged for Duveen to rent a flat below Mellon’s at the McCormick and turn it into a private gallery. Installing the pictures and sculptures there, and posting an armed guard, Duveen gave his client a key so that he could visit at will. Mellon took advantage of the gracious access, even entertaining dinner guests in the suite and coming down alone late at night in dressing gown and slippers to enjoy the masterpieces.

When seller and buyer sat down to negotiate what was until then the largest single art transaction of its kind, Finley was the only witness. Watching the two principals “both enjoying the contest immensely,” he observed: “Lord Duveen asked astronomical prices. Mr. Mellon countered with lower ones. At one point Mr. Mellon said: ‘Well, Lord Duveen, I think you will have to take all these things back to New York,’ and Lord Duveen replied: ‘Mr. Mellon, I would give you these things for the National Gallery rather than take them away.’” Mellon bought twenty-four of the paintings—including Italian works, an area of previous weakness in Mellon’s collection—and eighteen of the sculptures, all for \$8 million.

A NEW ADMINISTRATION

Mellon's generosity to the nation seems all the more remarkable for occurring during an aggressive campaign against him by the new administration. He had personally surrendered his credentials as ambassador to Great Britain following Franklin D. Roosevelt's inauguration on March 4, 1933, and came away from the White House meeting warmed by the Roosevelt charm. But the mood changed when Pennsylvania congressman Louis T. McFadden raised questions about Mellon's tax returns for 1931, and the IRS opened an investigation on the basis of press reports. In a breach of legal protocol, Attorney General Homer Cummings told a press conference before bringing his accusation to a grand jury that Mellon was suspected of cheating on his taxes. Outraged, Mellon called it partisan persecution and challenged Cummings to prove his point or retract it.

The new administration wanted to set an example if not to sacrifice a lamb. Roosevelt's crusaders believed they had a mandate to steer a new course, as the nation (and world) slowly spiraled into an economic slump. According to John Morton Blum's definitive edition of the diaries of Roosevelt's treasury secretary and Hudson Valley crony, Henry A. Morgenthau Jr.: "The administration wanted to change the [tax] law precisely because, as it stood, it enabled these men to reduce their taxes." Morgenthau thought it immoral for wealthy taxpayers to continue "exploiting loopholes in federal revenue statutes and inventing tax-saving devices." He and his team objected that the rich, who could afford to pay more taxes, could also afford blue-ribbon legal advice to avoid them. In turn, Blum wrote, the targets of Morgenthau's wrath "felt that the Administration was persecuting them because they were rich and because they were, with few exceptions, Republicans."

"To plead the government's case before a federal grand jury in Pittsburgh," Blum wrote, "Morgenthau recruited Robert Jackson. 'You can't be too tough in this trial to suit me....I consider that Mr. Mellon is not on trial but Democracy and the privileged rich and I want to see who will win.'" In court, Mellon won. The grand jury, composed largely of blue-collar men, heard five witnesses, deliberated for five hours, and declared the evidence not sufficient for an indictment. Mellon, who had called the charges "impertinent, scandalous and improper," declared: "I am of course gratified. The fact that the grand jury reached a sound conclusion, notwithstanding the unusual methods pursued in my case, is proof of the good sense and fairness of the American people." Public opinion now seemed on his side, as editorials across the land applauded the jury's decision. The case was "the cheapest kind of political claptrap," one Wyoming paper opined.

Undeterred, the IRS accused Mellon of tax fraud, insisted that he had underpaid his taxes for 1931 by \$2,050,068, and assessed him for that amount plus penalties and interest for a total of \$3,075,103. When Mellon replied that he had actually overpaid and was owed a refund of \$139,034, the matter ended up before the Board of Tax Appeals, in what resembled—and is often called—a civil trial. Convinced he was innocent, Mellon took the stand, testified for days, and demonstrated a firm grasp of complex issues. One involved the A. W. Mellon Educational and Charitable Trust (E&C Trust). Incorporated on the last day of 1930, this legal entity received an initial gift of \$10,000 and some Hermitage pictures valued at \$3,241,250, which

The new administration wanted to set an example if not to sacrifice a lamb. Roosevelt's crusaders believed they had a mandate to steer a new course as the nation slowly spiraled into an economic slump.



Accused of tax evasion by the Roosevelt administration, Mellon fought the charges before the Board of Tax Appeals in 1935. Here prosecutor Robert Jackson (far right) questions him, while defense attorney Frank Hogan (left of center) listens attentively.

were deeded to the trust on June 5, 1931. Later the trust received paintings worth another \$25 million. All these assets were destined, according to a deed filed in October 1935, to benefit the “National Gallery of Art of the United States.” The IRS argued that Mellon had not relinquished control of the pictures and should not deserve tax deductions for giving them to a legal charity.

During the hearing, defense attorney Frank Hogan described the trust as the vehicle through which Mellon intended to found, build, and endow a national art museum that would coexist with the Smithsonian’s National Gallery. Duveen took the stand too, but his bombastic testimony for the defense did little besides provide comic relief—and confirm that Mellon had long intended to build a national gallery for his paintings. When the hearings ended in 1935, the Board of Tax Appeals

recessed, and Jackson declared ominously that the case was far from over—though no new charges were ever filed.

As for the merits of the Justice Department case, President Hoover would shed some light in memoirs published decades later:

While Mr. Mellon was in my Cabinet, the question of a certain site for a public building came up. After the Cabinet meeting he came to me and asked that particular site be kept vacant. He disclosed to me his purpose to build a great national art gallery in Washington.... I urged that he announce it at once, and have the pleasure of seeing it built in his lifetime. He was a shy and modest man.... Had he made this magnificent benefaction public at that time, public opinion would have protected him from the scandalous persecution under the New Deal.

The tax case figures in the history of the Gallery because of the canard it spawned—the story morphed into folklore that the gift of the National Gallery of Art was the price Mellon paid Roosevelt to forgive his tax bill. But in his minutely researched biography of Andrew Mellon, David Cannadine writes that, even after Mellon offered the gift, Roosevelt instructed Morgenthau that there should be “no change whatsoever” in prosecuting the tax case. In hindsight, it appears that Roosevelt’s administration was at best fired up by reformist zeal or at worst stooping to political bullying. Many years later David Burnham singled out the case as an unbridled abuse of executive power in his book *A Law Unto Itself: The IRS and the Abuse of Power*. In the end, Burnham continued, on December 7, 1937, the board ruled that Mellon owed \$485,809 while acknowledging that he “did not file a false and fraudulent return with the purpose of evading taxes.” The *Dictionary of American Biography* summed it up as “a complete vindication.” But Mellon had died on August 26 and could not savor the victory.

Despite the ordeal of the tax case, which might have humiliated or soured a lesser man, Mellon went ahead with his plan to found, fund, and build the National Gallery of Art. When asked his reason, he said simply, “Eventually the people now in power in Washington will be dead and I will be dead, but the National Gallery, I hope, will be there and that is something the country needs.” University of Pittsburgh chancellor John G. Bowman, an old friend of Mellon’s, asked a similar question: “He looked straight at me for a rather long pause. ‘Every man,’ he said slowly, ‘wants to connect his life with something that he thinks of as eternal.’”

TENDERING THE GIFT

With the help of his aide David Finley, his son-in-law David Bruce, and his attorney Donald D. Shepard, Mellon had probed many fronts before launching his campaign for the National Gallery. He considered several locations—including the Tidal Basin where the Jefferson Memorial now stands—before choosing a site at the foot of Capitol Hill. The team weighed the merits of several architects before selecting one, and they closely studied potential legal, civic, and governmental obstacles. Because federal legislation would be necessary, the first hurdle was the president’s approval, and getting that became a matter of exquisite tactics.



Eighty-year-old Andrew Mellon remained very engaged in his defense, demonstrating keen understanding of the issues and mastery of his affairs.



Johannes Vermeer's *Girl with the Red Hat* figured in Mellon's tax trial as one of the treasures he bought from the Hermitage and deeded to his Educational and Charitable Trust for eventual transfer to the Gallery.

In the fall of 1936 Frederic A. Delano, whom Mellon knew from the Federal Triangle project, was chairman of the National Capital Park and Planning Commission, which offered guidance related to plans for the National Mall in particular. He was also the president's uncle and would be having Christmas dinner at the White House. Asked to serve as intermediary, he was pleased to hand-deliver a letter from Mellon that began, "My Dear Mr. President: Over a period of many years I have been acquiring important and rare paintings and sculpture with the idea that ultimately they would become the property of the people of the United States and be made available to them in a national art gallery to be maintained in the City of Washington." Straightforward and precise, it was as carefully composed as any partnership Mellon ever made. Nearly a reprise of the plan announced publicly during the tax case, it made clear the gift to the nation would not be final until certain conditions were met to the donor's satisfaction.

Mellon explained that he had given works of art to his E&C Trust, which was empowered to deed its assets "to a national gallery if and when such an institution shall assume and be prepared to carry out the purposes intended." He also noted that he had given the E&C trustees "securities ample to erect a gallery building of sufficient size to house these works of art and to permit the indefinite growth of the collection." The museum would be for the benefit of the general public, and to encourage other citizens to "contribute works of art of the highest quality to form a great national collection," Mellon stipulated that "the intended gift" would not bear his name. Rather, if all these conditions were met, it would "be known as 'The National Art Gallery' or by such other name as may appropriately identify it as a gallery of art of the National Government." Then the E&C Trust would "erect or cause to be erected on public land a suitable building" designed by John Russell Pope, who "has [already] been employed as architect."

The letter specified a site on the Mall that would "not only be readily accessible...but with sufficient surrounding property under control of public authorities, to protect it from undesirable encroachments." Mellon's endowments would pay the salaries of the top administrative officers, exempting them from civil service rules, and pay for future art acquisitions, which would "be limited to objects of the highest standard of quality." But the building's maintenance, staff salaries, and "other administrative expenses and cost of operation" would be funded by Congress. Of prime importance, Mellon proposed to vest his museum's governance in "a competent and separate Board of Trustees." He would approve the first slate, and they would select their own successors; this self-perpetuating body of five private citizens would always outnumber the four ex-officio members (the chief justice of the United States, secretary of state, secretary of the treasury, and secretary of the Smithsonian). Mellon did not want his gift to be controlled by federal bureaucrats, presidential appointees, or politicians.

The letter's closing paragraph placed the ball in Roosevelt's court: "If this plan meets with your approval, I will submit a formal offer of gift stating specifically the terms thereof, and the erection of the building may proceed immediately upon the acceptance of such offer and the passage of necessary legislation by Congress. Appropriate instruments of conveyance and gift will then be executed."

Mellon's letter was eloquent in what it omitted, namely any reference to the tax case, which was still hanging fire. In light of that, his offered gift seems the height of graciousness. In any case, this letter opened a new chapter in which both Mellon and Roosevelt declined to let ongoing unpleasantness in another realm tarnish the opportunity at hand. The president replied the day after Christmas:

My Dear Mr. Mellon:

When my uncle handed me your letter of December twenty-second I was not only completely taken by surprise but was delighted by your very wonderful offer to the people of the United States.

This was especially so because for many years I have felt the need for a national gallery of art in the Capitol [sic]. Your proposed gift does more than furnish what you call a "nucleus" because I am confident that the collections you have been making are of the first importance and will place the nation well up in the first rank. . . .

Acknowledging the necessity of a formal request to Congress and congressional action, the president invited Mellon to the White House. Mellon's second and final meeting with Roosevelt took place days later, at teatime on New Year's Eve. As Finley reported it: "Mr. Mellon and I went to The White House at five o'clock. We found Mr. Roosevelt seated on a sofa in front of the fire. He motioned Mr. Mellon to sit beside him and I sat near Mr. Cummings. The President turned on his charm, and he and Mr. Mellon were deep in conversation for some time. At last Mr. Mellon pulled a letter out of his pocket; 'Here, Mr. President, is my offer. I hope it can be carried out.'" According to Finley, Roosevelt read the letter, then "tossed" it to the attorney general, who read it and reaffirmed his opinion that the government could meet its requirements. "'Then put it through,' said Mr. Roosevelt. . . . He added that it was a most generous offer and a wonderful thing for the country. At that point, Miss LeHand came in to pour tea, with some of the Roosevelt grandchildren to look on. We had a very pleasant time and finally Mr. Mellon arose to go. He thanked President Roosevelt for his help and we returned to Massachusetts Avenue."

How puzzling that Finley's account was the most complete published for decades. Here was a princely gift offered on Christmas Day, accepted before the New Year's holiday was over, then debated by Congress and chartered in March. The result changed the face of Washington, added a landmark in the cultural world, and has touched the lives of millions. Yet it gets less mention in Roosevelt histories than the president's dog Fala.

But another account of these meetings does exist. It is given in Homer Cummings's private diary, preserved with his papers at the University of Virginia. The day after Christmas, Cummings went to the White House for a two-hour meeting with the president—"one of the longest and most interesting conferences I have had with him." Roosevelt read him the letter he received on Christmas Day without disclosing who wrote it, though Cummings quickly guessed, "it is AWM" (revealing that Mellon was high enough in the administration's consciousness to be identified by his initials). They discussed the letter and "the possible effect of this gift on the pending litigation [i.e., the tax case, of which he says no more] and . . . the form of reply the



Gilbert Stuart's arresting portrait of Mrs. Richard Yates came to the Gallery in 1940, also through Mellon's charitable trust—the conduit for art as well as funds from the Gallery's founder.

"The President turned on his charm, and he and Mr. Mellon were deep in conversation for some time. At last Mr. Mellon pulled a letter out of his pocket; 'Here, Mr. President, is my offer. I hope it can be carried out.'"

In late June he agreed to go to Ailsa's summer home in Southampton. "As he drove to the Union Station he passed the site of the Gallery.... The excavation was fairly advanced, and that was all of the structure that Mellon's eyes ever rested upon."

President was to make." Cummings then noted "the magnificence of the offer" and added that it was "the sort of a gift that... would supply a need which has been felt for a long time by those who have thought about the subject at all."

Roosevelt evidently wrote his reply to Mellon that evening and mentioned the offer at a cabinet meeting December 29. On January 3 Sunday papers carried long accounts of the proposed gift—almost as a *fait accompli*—and quoted four letters between Mellon and Roosevelt. But when the subject of the proposed national gallery came up at the next cabinet meeting, Cummings raised concerns about Mellon's stipulation that the museum be governed by a self-perpetuating board of trustees.

By mid-January Cummings had sent Roosevelt a draft of a joint resolution along with a cover letter expressing the opinion that "the Congress, if it desires to do so, has full power to enact into law the provisions contained in the proposed draft." At the same time, in a separate memorandum marked "Personal and Confidential," he penned a different message to FDR, far less amiable. He told the president that particularly Mellon's principal lawyer, Donald Shepard, "assumed, and adhered to the position, that as Mr. Mellon was making the gift he was entitled to dictate the terms thereof." Cummings was most concerned about the apparent independence of the new museum, with "government property being managed by a private group." He also noted that the donor of the gift, sagely, was deemed to be the E&C Trust, not Mellon himself. It troubled Cummings that Mellon's attorney "quite likely had pending litigation in mind" when insisting on this form. Mellon maintained that he had already given the pictures to the trust—no matter how vehemently the government argued otherwise.

Among other objections Cummings mentioned, the National Gallery would appropriate the name of an existing bureau of the Smithsonian, whose leadership "did not like to surrender this title and suggested various alternatives... without avail." Further, the Gallery would technically be part of the Smithsonian but "that institution will have no control over it," which Cummings predicted could become a "source of friction." Finally, "the faith of the United States is pledged," Cummings wrote, quoting the draft bill: "A question of taste and propriety is raised by this phraseology, but it was a form insisted upon by Mr. Mellon's attorney." As Shepard negotiated the gift, the Gallery was established by the Congress yet governed by its own trustees. In short, Cummings identified features of the deal that would give the Gallery unique privileges and a singular character.

In important respects, the National Gallery of Art is unique, because of the singular charter that emerged from the rare circumstances of its creation, because of the sagacity of its creator in its conception, and because of the tenacity of the attorneys who represented him. The Gallery is officially sustained by the government, yet it does not answer to Congress or the executive branch with regard to its policies or its trust funds. Certainly it must account for the federal monies it receives, and it has from time to time asked Congress for special appropriations to address special needs—and Congress has honored its pledge. But as for the trust funds established by Mellon and augmented by later gifts—and as for the museum's art and activities—authority over these assets lay with the civilian majority of five private citizens on the board of trustees.

Although some political reaction was intensely ad hominem and negative, by the time Congress held hearings in February, witnesses testified that any outstanding problems had been resolved. After the House voted to accept the gift, the Senate debated the proposal for five hours on March 26, with Senator Tom Connally of Texas as the bill's champion. Fielding questions about Mellon's pending tax case, he challenged its relevance: "What does this bill have to do with tax questions? Does the Senator want to kick Mr. Mellon around?" Proposed amendments to the composition and powers of the board of trustees failed, and the bill passed on a voice vote. A final bill was enacted as Public Resolution 14 on March 24, 1937, Mellon's eighty-second birthday. Barely three months after his formal offer to the president, Mellon got a congressional charter for his museum on the Mall.

Mellon was feeling his age by this time, though he continued to take cogent interest in Gallery affairs, reviewing construction estimates and other materials. Yet early in the summer of 1937 "the family noticed a change," according to biographer Hendrick. Mellon admitted he did not feel well. Appearing weak and tired, he was less interested in business and more in his four-year-old granddaughter, Audrey Bruce. When "he gave up his walks, his appetite failed him and he even showed an aversion to smoking—neglecting the little 'rat-tails' that had been his constant solace all his life," Ailsa and David called in a specialist, who found a tumor. The doctor assured Mellon that it was not malignant, and "Mellon himself was not much concerned." But when Washington's summer began in earnest, Finley feared the worst and roused the Gallery's contractors away from lunch one day with the urgent need to air-condition Mellon's apartment. The workmen scared up some window units only to find the building's electrical wiring insufficient to run them. Mellon assured them he had not expected instant solutions, but crews from the Gallery construction job installed new wiring during the night, and the apartment was cool by noon the next day.

Mellon insisted on staying in Washington until the Commission of Fine Arts gave its blessing to Pope's design for the National Gallery and he had given his own to the Tennessee pink marble to be used in construction. In late June he agreed to go to Ailsa's summer home in Southampton. "As he drove to the Union Station he passed the site of the Gallery," Hendrick wrote: "The excavation was fairly advanced, and that was all of the structure that Mellon's eyes ever rested upon." A private railroad car was waiting; he had never hired one before. On Long Island the Gallery's progress held his interest through July. In August he was confined to bed, then pneumonia set in and he died peacefully on the evening of August 26, 1937. Another private railcar, the one the president had used the previous day, bore Mellon's body back to Pittsburgh.

Two thousand people attended his funeral. The Roosevelts sent a wreath. Newspapers and magazines across the country published his obituary. Virtually all mentioned Mellon's wealth, his success in business, and his years as treasury secretary. Most mentioned his ambassadorship, some the tax case. And all detailed his great gift to his country, posterity, and the world: the National Gallery of Art.



Andrew Mellon died at age eighty-two in August 1937—four months before exoneration by the U.S. Board of Tax Appeals, which deliberated for two years over politically inspired charges of tax fraud.

