



Citation for this collection:

MSS 179 Robert H. Richards, Jr., Delaware oral history collection, Special Collections, University of Delaware Library, Newark, Delaware

Contact:

Special Collections, University of Delaware Library
181 South College Avenue
Newark, DE 19717-5267
302.831.2229 / 302.831.1046 (fax)
<http://www.lib.udel.edu/ud/spec>
askspecref@winsor.lib.udel.edu

Terms governing use and reproduction:

Use of materials from this collection beyond the exceptions provided for in the Fair Use and Educational Use clauses of the U.S. Copyright Law may violate federal law.

Permission to publish or reproduce is required from the copyright holder. Please contact Special Collections, University of Delaware Library, for questions. askspecref@winsor.lib.udel.edu

A note about transcriptions:

Of the original 252 audio-recordings in this collection, 212 of these tapes were transcribed around the time of the original recordings (between 1966 and 1978). In 2012, Cabbage Tree Solutions was contracted to create transcriptions for the remaining tapes. Corrections to and clarifications for all transcriptions are welcome, especially for names and places. Please contact Special Collections, University of Delaware Library, for questions. askspecref@winsor.lib.udel.edu

Interview with Mr. Alfred E. Bissell at his office in Wilmington, Delaware, July 31, 1972, by Myron Blackman. Project: Delaware and the Depression.

Q Mr. Bissell, do you recall the stock market crash of 1929?

A I remember it very well because I was married June the first, 1929, and on January the first, 1930, I was made a partner of Laird, Bissell and Meeds. And we had a very bad crack in October, 1929, then the market rallied and then it started to go down and it kept going down, as I recall, until 1932 or 1933, even. During that time I was a partner of the firm. We were in a--not in a [inaudible] in the slightest because we were very fortunate in having plenty of capital, but I can recall very well working here during the day, putting in thousands of shares to buy and sell, and then spending a good part of the night in here working with the margin department, which of course was very important because if you didn't keep margins up, the firm would have failed like so many firms did fail. I also recall one rather amusing thing. We learned a good lesson--it cost us \$100,000, that is Laird, Bissell, Meeds, because we sold some people out, having sent them letters saying that unless they put up a certain amount of margin by the following day they would be sold out. They never got the letters until two days later. By that time the market had begun to go up again and we had to reinstate all their accounts, which cost \$150,000. I remember it very well.

Q Was the business community in and around Wilmington particularly hard hit by the crash?

A It wasn't as hard hit as many other places because the DuPont Company kept on making a certain amount of money, as did I think General Motors, and those were the two stocks that are held most widely here. As a matter of fact, when Roosevelt closed the banks, I think that was 1932 or maybe in 1933, the banks here did not want to go along. They were in perfect shape. They were all up to date, and they did go along because all the banks were closed, but I think the Wilmington Trust and the Delaware Trust and the rest of them were among the last to close, and they really didn't have to close--that is, they were not broke.

Q Was there any particular part of the population that you think was harder hit than others?

A Well, I would say that industrial workers were--firm like the ^{Worth}~~Werk~~ Steel Company up here at Claymont had to let a great many people go. I think the Pennsylvania Railroad had some shops out here called the Pullman Shops and they were badly hit. I think Electric Hose and Rubber . . . the Wilson Steamboat Line. The Depression started a great many companies off in--I mean they became in pretty bad shape financially. Another one was the Joseph Bancroft and Son, who made textiles, and they were badly hurt. But practically--in most cases, they survived. One bank here did not; the Industrial Trust Company was taken over by the Wilmington Trust Company. It wasn't taken over during that time, but we had to--Laird, Bissell, Meeds--and the other banks had to put up probably about \$500,000 to keep the Industrial Trust Company afloat. And that was the only bank that was in trouble. They eventually combined with the Wilmington Trust Company.

Q You mentioned that during the Depression you didn't personally feel it . . .

A I personally felt it. I had a margin account and I had to put a mortgage on my home in Westover Hills. It's the only time I have borrowed money, but I wanted to be completely cleared of debit, shall we say, in this margin account, which I had with two other men. But Laird, Bissell, Meeds made money every year during the Depression. I had a small income from a trust fund. Things were very cheap. In fact, as a matter of fact, in 1933, I guess near the bottom of the Depression, I took my Packard car, had it shipped abroad and spent two or three months driving around Europe. Again, I found things very cheap. I went to the Pamplona festival and all around France and Italy and Spain. And I never was in want, shall we say--I'll touch wood three times--and I have never been in want since, and Laird, Bissell, Meeds, to my great surprise, has always made enough money to pay interest on capital, salaries, and have a small amount left over.

Q Do you think--just out of curiosity, is the rumor true at all the people committed suicide?

A Very definitely. I actually did not know a person that did here in Wilmington, but I know they did it in Wall Street, and I do know that here in Wilmington a great many of my friends--customers and people that I knew--were practically cleaned out and in some cases were cleaned out. That is, they had bought a stock in the Twenties that they bought we'll say for \$100 and during the Depression it went to zero. They went bankrupt.

Q From what I've been reading, the people that were hurt the most were the small stockholders, the people on . . .

A Well, let's put it this way. There was a man I know that was worth about \$20,000,000 in 1929, he was practically bankrupt by 1933. On the other hand, I agree with you, a great many small stockholders were wrecked. But here we fortunately had a family of the DuPonts--called the DuPonts, who had been careful in not having margin accounts. They saw their DuPont common go from \$200 down to \$25; they saw their General Motors go from \$100 down to \$4 or \$5; and they had control of a company called U. S. Rubber Company, now called Uniroyal, and that stock fell as low as \$1. But they didn't have to sell the stock. They had no reason to sell it, and then 10, 20 years hence they all came back very, very nicely. So I would say that all finances were hurt, but it goes without saying that a great many more small people were hurt than--there are a great many more small people.

Q I'd heard from various people that the DuPont family was quite helpful to many people.

A They were very helpful. I can't tell you the number of accounts that I personally knew of here at Laird, Bissell, Meeds where the so-called buying was guaranteed by Pierre DuPont, ^{Lanmot} ~~Lanott~~, or Irene. Those were the three stalwarts, and they took care of a great many of their friends. They had cash because they were immensely wealthy, and as I say, during the Depression, General Motors and DuPont kept on paying dividends, although they were much smaller. They kept on paying dividends, so that Wilmington as a whole, I would say, was less hurt than most financial centers.

- Q I think Delaware in general, from what I'm finding out, was less hurt than any of the states.
- A Well, I wouldn't be surprised. Of course, downstate is more of a farming community, and how the chicken farmers fared I do not recall. But I know that--I had been a director of the Farmer's Bank for 37 years until my retirement; I was chairman of the board of the Delaware Trust Company for seven or eight years, and I've always been mixed up with Laird, Bissell, Meeds as a partner since 1930, and I know that the loans that we had--had at that time or since that time with chicken farmers have always been pretty good. And I would say that some people were hurt, of course. But I think that the farmers probably survived here better than they did in most places.
- Q **A** book that I have read entitled the first chapter "The Gloomy Depression of Herbert Hoover," and the second chapter "The Exhilarating Depression of Franklin Roosevelt."
- A That's true. People were down in the dumps when Hoover was President--at the end of his time, that is, and when Roosevelt came in, although I didn't vote for him, being a staunch Republican and a conservative, people were exhilarated. I think they felt that what they called the New Deal--it was very aptly named. It was the beginning of socialism, which I abhor and detest. It was the beginning of more recognition, shall we say, of the dole or welfare payments. They had a thing called the C.C.C. at that time, and it was the beginning of our present socialist state. That I don't approve of, but the majority does approve of it, so what can I do in a democracy except roll with the punch.
- Q Do you think that had Mr. Hoover continued in office that possibly we would have come out of it anyway?
- A That's a question I've often asked myself, because it's possible that if he had continued there would have been a revolution. That sounds off, but I think that Roosevelt probably was the safer man to have in there, but I think that since that time we've gone entirely too far. But I think something had to be done, speaking as a stockbroker. There were a lot of irregularities going on in the stock market and in Wall Street, and as much as I detest the present S.E.C., I was very much in favor of it when it started because I thought that it would weed out the crooks. But in place of that, it's become a tremendous bureaucracy, and now you have to file not in triplicate but in 40 different reports of the same report because they're so damn many agencies that are mixed up with the S.E.C. and the I.R.S.
- Q It's interesting, it seems to me, that you favored--at first, you favored some kind of change and then you know, gradually--a lot of people, speaking to them, had the same feeling.
- A Oh, really.
- Q And that the New Deal started this great bureaucracy that we've got now.
- A I think it did. It made the federal--it centralized control in the federal

government, which I do not approve of, because in my estimation it leads to either Hitlerism or communism. I doubt very much if--well, when you once get started, it just keeps on going like a snowball. And even Eisenhower and even Nixon, I've been very disappointed in that they haven't tried to decentralize to some extent, giving the states a chance. I mean, you know yourself, the hospitals which were all--here in Wilmington were privately owned. Now we're rather in desperate shape and have to look to the government for help.

Q Did you have any connection with the economic policies involving the government, either the state government or . . .

A No. No, I never have been in public life at all. I've been asked by some of the governors here or the senators what I thought about certain things, but just in a sampling of my class. I think I'm pretty much of an economic [sounds like hide-bound] in regards to not wanting too much change. Of course at 70 that goes without saying, you see, because age gets very--I think when you get old you get very static. And I have 15 grandchildren and I must say--the eldest one will be 21 next month and I get along with the long hair and I get along with their policies, shall we say, of sex and things of that character, but I still highly disapprove.

Q Did you also agree with the policies like the W.P.A., the Works Progress Administration?

A I think I probably did, looking back on it, and I know I agreed with the C.C.C. I know that. I was very much in favor of that. And the W.P.A. is like the S.B.C. now, the Small Business Corporations, and they come to a bank, these banks I've been mixed up with, and the government guarantees 3/4 of the loan; the bank just takes 1/4. I don't approve of that. But the W.P.A. I think probably was necessary at that specific time, because I really, Mr. Blackman, was not nervous about a revolution, but there could have been one, if there hadn't been a change of some sort.

Q That's been a question that's sort of puzzled historians, whether there would have been a revolution.

A Well, we will never know.

Q Yeah, that's true.

A But I think myself that there might have been, because there were so many people that were terribly hard hit, so many, and when a person that is hard hit loses his last cow, shall we say, or his mortgage foreclosed and he's thrown out of his house, he's gonna take it out on the government. Now, we fortunately did it by vote. I can't imagine armed insurrection, but it was conceivable.

Q A few members of--well, a few wealthy people in this area, and in other areas, agreed somewhat with Roosevelt's policies and then after a while violently disagreed, and the Liberty League was one of the . . .

A Ireneé DuPont was the president of that, and my father was on the board

of the Liberty League and he sat up there on the platform. But at the beginning, don't forget that Pierre DuPont, who was the--Pierre DuPont and John Raskob, who were two very wealthy men here and very well respected, I think they voted for Roosevelt, too--I think both of them did, but I really can't remember for sure. But I'm sure that in four or eight years after they did not vote for Roosevelt.

Q It looks like there are pictures of Alfred E. Smith on your wall--is that . . .

A Alfred Smith is up there. Al Smith gave to my aunt--my aunt started a thing called the Christmas Seals, you know what I mean by the Christmas Seals? Well, she started it, and I think he was a governor, then, Gov. Smith of New York came down and gave her a citation award. She started the Christmas Seals in 1907 and it's of course raised a heck of a lot of money for fighting tuberculosis, and now that that's licked, I think it's gone into arthritis, hasn't it? I think so, but I'm not quite sure. But Al Smith was a great friend of John Raskob and of course he was a Catholic, as was John, and John got Pierre DuPont to back Al Smith, and also they were all against prohibition. I think that was one of the main things.

Q Was Smith a member of the Liberty League?

A I don't know. I somehow would doubt very much. I don't really know, but I would doubt it.

Q Did you--one of the things about the 1930's that people remember a great deal of was the radio. Did you own a radio in the '30s? Did you listen to the radio?

A Oh, I must have owned one. I don't remember it, though. I'm sure I did, but if radios were in supply at that time, I'm sure I owned it, 'cause I've owned 'em--well, since they started. But I have never been much of a person for television or radio. Before I went blind, my Bible, shall we say, was the New York Times. I don't say that I approve of them now, because they've turned to me quite pinkish. But in the time of Ochs, Adolph Ochs--he, I think, ran it around that time, it was a conservative paper, damn well put out, and I was considerably more influenced by its pages than I would have been by listening on the radio. But I know that when Roosevelt in 1932--I'm quite sure he talked a lot on the radio--so I must have had one.

Q Well, did you attend the movies or possibly the theater at all?

A No.

Q You said you went to Europe, you were in Europe . . .

A In 1933.

Q A lot of people--a lot of people, working class people, don't recall very much what was going on in Europe, or in Asia, for that matter, the beginning of the war. . . . Did you follow this . . .

A Oh, yes. I went around the world in 1925 and 6, after I got through Yale. I had been going to Europe every year or every two years since I was 12 or

13 years old, either alone or with my mother and father. And I was married in 1929, I went abroad then. I didn't go again until 1933 and I found that everybody there seemed to be perfectly normal. I guess there were a lot of people out of work, because there was a big worldwide depression, but it didn't bother me any because the dollar was strong, I could get a great number of francs or pesetas for my currency, and as I said before, prices were very cheap so I could--my wife and myself stayed three months there and it cost us probably two or three thousand dollars whereas now it would cost you \$15,00, staying at the same type of hotels.

Q Were you aware--about 1933, Hitler was on the rise.

A I was never--I don't remember very much about him until about 1937 or 8. I think the first time I became acutely aware of him was the time when Chamberlain went over to Potsdam and said--"peace in our time," I think was the expression he used. Before that, I really hadn't paid very much attention to it.

Q Was there much concern among your associates or . . .

A No, I never heard it really brought up at all, because I didn't--you see, when the First World War ended I was 15 years old, I was born in 1903. And I had always felt that we were in a position where that was the last war of our times, the League of Nations would take care of life in the future and I had no feeling one way or the other about Jews. I had no antipathy for them at all, or colored people, for that matter. I mean, I thought we were all just one great big happy family. But then somewhere probably the Chamberlain episode, I probably began to get a bit fearful, but I never could have imagined a Second World War the way it turned out.

Q During the latter part of the '30s, it seems that--well, what I've learned, the histories of the kinds of feelings, was isolationism . . .

A Very definitely. That is we--I was brought up in that way. That is, my father believed that anybody who sent an American troop outside of North America should be shot, that is he felt that we should be isolationists, that we shouldn't take on the British Empire. As a matter of fact, my father hated the British. He just couldn't stand them. And he was very annoyed about the Roosevelt administration, the destroyer deal, I remember, we lent them 50 destroyers and I remember he used to be absolutely wild about it. I mean that he thought that they should be allowed to stew in their own juice, shall we say.

Q This didn't include the Western--Latin America, did it?

A Well, to me, what I'm talking about really is Mexico, United States and Canada. I think that the Central American Republics, they change their president each year or two and you get into South America and I always had the feeling that they were a little bit the same type as Central America. But that's just my own personal feeling.

Q Did you ever come into contact with any people who were very hard hit by the Depression?

- A Yeah, definitely. I can remember--I won't mention names, but I can remember at least [interrupted by phone call]. . . . Now, what was the question?
- Q Some people who were hard hit . . .
- A Yes, there were a lot of people, a lot of my mother's and father's friends who had been used to, shall we say, two servants, they were doing their own housework for a few years. Some of them had to sell their cars, some of them just disappeared from the group that we were in; where they went to, I have no idea. But there were lots of people of my--I consider myself of the middle [inaudible] . . . I think there are names for groups, but not the middle income, but higher middle income, you might say. I mean, I'm not of the rich group like Pierre DuPont, but the--this group got hit, the group that I was mixed up with, and some boys I know had planned to go to college who couldn't go. And things like that. But I don't remember a single, solitary suicide in Wilmington because of the Depression.
- Q Were the offices of Laird, Bissell and Meeds in this building then, also?
- A Yes. We used to have offices where J. A. Montgomery and Francis I. DuPont are now. Before that, that was the old Y.M.C.A. and we were next door to that. We were where Mansure and Prettyman had--but we have always been over here after they gave up the bar. The office of Laird, Bissell, Meeds was the big thing was the hotel bar, in 1919 we took it over. That used to be the bar in 1919 and we took it over. And we had one department here and one department over on Market Street. Now we have this department here, but we have most of our offices there in the new Bank of Delaware Building. We have the whole eighth floor and have a good big office down on the ground floor.
- Q Well, I was wondering if perhaps while you were coming to work, there was any--you noticed in the streets at all any signs of want, any sign of the Depression.
- A No, I frankly didn't. I can remember there were quite a few for sale signs outside of buildings, but there were no apple vendors, shall we say, you know, "5¢ an apple," beggars were nonexistent, as far as I know. I know that we all got together a certain amount of money each year, or each month, or each week, to take care of certain families that needed coal, shall we say, or things of that character, but to be very frank, I was as I said before very fortunate because during the entire Depression I had a cook and a gardener and at least one maid if not two.
- Q Was this out of the ordinary to have people working for you?
- A I would say somewhat out of the ordinary, of my group, the upper middle class group, you might say. But my wife had a small amount of money in a trust; I had some money in a trust, and the income of Laird, Bissell, Meeds stayed on just as well. And as I said before, you could buy things very cheaply. With that amount of money nowadays, you could have been in real trouble.
- Q Do you think--this is sort of a speculative question, do you think that we might ever have another depression such as the one . . .

- A No. No, I think it would be absolutely impossible because we've got a built-in set of rules now of what they call the welfare state, which is what we are. I think that the thing that could happen to us, very easily, is you'd have tremendous inflation. I myself at the moment do not see how Wilmington or Philadelphia or New York can pay off the bonds that they have issued, or pay off their debt except in what we call cheap money, which is inflation. And I think you're gonna see a continued inflationary curve, I think that in 10 or 15 years hence, the same amount of money that can buy you a pair of shoes will purchase just one shoe.
- Q That would be quite hard for people on smaller incomes.
- A It would be very hard on people with pensions, retired people. It would be very hard on the rich, who have tax-exempt bonds. But of course what's happened is that you read in the paper that Barbara Hutton has a \$2,000,000 income from tax-exempt bonds. That would be hurt. But don't forget she owns a hell of a lot of General Foods stock, which would be going up all the time. And I mean, the rich make their money out of stocks. I've seen it happen time and time again.
- Q You said that you felt that the country needed a change from Hoover to Roosevelt in '32, '33, around then. But did Roosevelt actually bring the country out of the Depression?
- A I think some of his policies did. I think his--or the people that advised him, I think one fellow named Hopkins, I remember, Harry Hopkins, and some other people, Frankfurter, we'll say, and so forth, and I think they advised him to set up these necessary things like the C.C.C.--I keep coming back to [it]. But there was the N.R.A. as I remember, the National Recovery Act, and the Reconstruction Finance Company Corporation, and they all would--they tried to save some of these companies that were in trouble and put 'em back on their feet, and by god, I think they did. Because if it hadn't been for some of those--this change in policy, you might say, I think a lot more companies would have gone bankrupt, people would have been thrown out of work, and if you got enough people out of work, you'd have had a plot for revolution. So I do think that there was--it was necessary to change from Hoover, and I'm not saying that you should have changed from Hoover instead the policies should have been changed. And Roosevelt changed the policies, but Hoover might not have.
- Q It's interesting that recent of Hoover's administration have shown that Hoover himself was changing the policies towards Roosevelt's policies.
- A That was read to me recently, and I think it's very conceivable. Of course, I don't recall that exactly. I think he might have changed, but he might have changed too slowly. But Roosevelt came in and then a dramatic--made some dramatic moves which got the attention of the country and I think that the Depression kept on until 1933. I think in March of '33 was when he closed the banks for a week or two. And I think it was probably a necessity, because so damn many banks had failed, and so many more might have failed.
- Q A lot of people today--I keep saying a lot of people, but many of the people that I've been interviewing have varying degrees of faith in the youth of today as compared to the youth of the '30s. If there would be another de-

pression, let's say, do you think the youth of today would fare better or fare worse than the youth of the '30s did?

A That is a very hard question. I don't believe the youth of today have the same feeling that the youth of 1930 or '31 did. They thought in the old days that whatever they got, they had earned. I think nowadays people, which includes the youth, feel that they should be taken care of from cradle to the grave, and that they should be given handouts by their parents or the government, and I just don't think that they would have the solid feet on the ground that the youth of that age had.

Q Do you think that the Depression has taught this country a lesson at all?

A Well, that's a stumbler. As I said before, I don't think there will ever be another one like it. I think that it taught the country a lesson insofar that all people have to have enough to eat, heat, and so forth and so on. They are, shall we say, wards of the state, which of course is communism. But, now, you ask the question, I'll say I think it has. I think it did teach the country a lesson.

Q And that lesson is that we can't have another one?

A Well, and I left it that if we had another one like that, it means that I would say there'd be definitely a revolution of some sort, an armed revolution. Because, well, the thinking has changed. That is, we are now a welfare state, and I can't imagine there are people down--well, people around here not having enough to eat or heat or so forth.

Q And the final question would be, is this trend toward socialism irreversible? Can it be stemmed . . .

A Mr. Blackman, I hope to god it can be. I hope it can be. But I frankly doubt it very much. I'm very much of a pessimist as to what is going to happen in this country. As I said before, I think inflation is our greatest foe. [Inaudible] gets a certain amount of money a month; I get a certain amount. Each year I find that my income does not go up as fast as expenses go up. The government takes a larger share in taxes, the state takes a share, the county, right down the line. I think that the real answer to it is what this next generation, how they are gonna turn out. I said before, I've got these children, grandchildren, who are 20, 19, 18. If they turn out well, that is if they'll not believe in handouts from Grandpa or something like that, if they believe they have to work for a living, and work hard at it, the way I have, I think the country--I think that socialism could be reversed. But I'm pessimistic about it.

Q Does that mean that you feel that work breeds character?

A I think that work breeds character. I think that you--in my own estimation, I think that you appreciate more what you've earned yourself than what is given to you. Now, that's just my own personal feeling. That is, if I had handouts, if I knew that if I didn't work, I would still live comfortably, I probably wouldn't work. And I think that's what these young kids feel. Now, I may be entirely wrong. I've got a granddaughter who is 20,

will just be 21, she spent all of last year working in Boston, she took a year off from college, working in Boston for mentally retarded black children. I think that's damn good. I was very much impressed with that. But on the opposite side, she is living now--she transferred to Penn, she's living in a house with a married couple, four medical interns and one other girl. What's going on there I have no idea. But I have a lurid imagination, shall we say. So it's very hard to answer, but I hope it can be reversed, because I think if it keeps on this way, in the long run, we're all gonna be in trouble, you and me and everybody else.

Q I know, I just went shopping today and it took a big bite.

A Well, it does, it does. And I mean, in the old days I was shocked and horrified, I bought six lobsters, for a party, I paid \$38.00 for them. They were good lobsters, understand, out here at the White Barn. But 38 bucks back in 1932 or 3 could have bought you a hundred lobsters and not six.

Q We're finding that--it's easy to make questions for people who had trouble during the Depression and it's difficult to find ones for people who . . .

A Well, I was very, very fortunate, as I said. It didn't affect me at all, because--and it didn't affect Wilmington very much, because of DuPont and General Motors. General Motors, as I recall, paid \$1.00 dividend each year through the whole Depression. Since that time it's probably ten for one or something. And even though it went down to seven or eight, it still paid a dollar a share. And if you had--I think I had a thousand shares of it, well that's \$1,000.00, and that helps a heck of a lot because prices were a lot lower. A lot lower.

Q Well, thank you very much.

A I thank you, sir.

[END OF INTERVIEW]