

AUTHOR'S NOTES THE STORY BEHIND THE STORY

I have made an effort to remain true to the period in terms of the lifestyles, attitudes, events, and places in which the characters congregate. The music, books, magazines, movies, hotels, stores, clothes, automobiles, celebrities, artists, designers, and news discussed are authentic to the time. Although I am not a historian, the descriptions of events that occurred during the Stock Market Crash are based upon first-hand accounts and accredited histories.

For the sake of the story line, I marginally condensed the time period leading up to the Crash. While the book begins on the last day of summer, 1929, the high point of the Great Bull Market occurred slightly earlier on September 3rd. I also would like to note that the financier Clarence Hatry turned himself in on September 20th and Henry Ford's special commemoration of Edison's invention of the light bulb actually took place on October 21st. President Herbert Hoover, who did indeed speak at the commemoration event, did not have a booger hanging from his nose but did have his motorcade cheered by large crowds despite inclement weather.

It also should be noted that although psychologically much of America felt heartened by the election of Franklin Delano Roosevelt, unemployment remained an issue for several more years and many of the stocks of companies listed on the NYSE, in

1931, continued to slide until 1934. Some historians even assert that it was only World War II that fully ended the Great Depression and that the programs that President Hoover implemented in the last year of office started to work and were even incorporated into the much hailed New Deal.

In terms of the time frame, I have Josie listening to a prototype radio in her Bugati, in November 1929. This is possible although it was not until a few months later – in 1930, that the Galvin Manufacturing Company sold the first commercial car radios. Known as the Motorola model 5T71, the unit which could be installed in most popular automobiles, retailed between \$110-130 in the United States.

Please note: I also have condensed the time period with regard to the programs designed to stimulate the economy that were initiated by the Hoover administration during 1930-1933.

Josie, Charles, James, Rebecca, Geraldine, Catherine, Bentley, Graves, Garrett Goldman, Evelyn Maker, Henry Jay, Alex Carleton, Lydia Kohler, Bigford, Mrs. Whitney Straight, Warren Bates, Charles MacVeagh, Prince Mikhail Stravinsky, Michael Mansfield, Mary, Suzie, Michael, Dexter, Edwin Baruch, Peggy Mitchell, Edmund Tates, Alfredo, Mr. Hedley-Dent, Lily Vanderhorn, and their families and friends are fictional characters. Although the history and main events during the course of the novel are accurate, I have created all encounters described between these fictional characters and those who actually lived during this time period.

It is my hope that this work will inspire readers to find out more about this fascinating period in history and those who lived it. With this in mind, on the next few pages please find a few facts on some of the real people mentioned in this book.

Prescott Sheldon Bush – The successful investment banker served as a U.S. senator from Connecticut from 1952-1963. His

son, George Herbert Walker Bush became the 41st President of the United States and grandson, George Walker Bush served as the 43rd President.

Winston Churchill – The ex-Chancellor of the Exchequer and later famed Prime Minister of Britain – was an investor in the American market and really did witness part of the Crash. Undoubtedly considered one of the greatest public figures of the 20th century, the successful statesman was also an artist and acclaimed author. He passed away in 1965 at the age of 81.

Izzy Einstein and Moe Smith – Served as dry agents for five years before the government dismissed them due to their publicity, on November 13, 1925. Despite their unmatched record of arrests, convictions and seizures of bootleg booze, an official at the time of their firing claimed, “Izzy and Moe belong on the vaudeville stage.” Izzy later wrote a book about his experiences entitled: *Prohibition Agent Number 1*. Five hundred seventy five copies were sold. Both agents subsequently worked in the insurance business and did well. A movie was released in 1985 called *Izzy and Moe*, starring Jackie Gleason and Art Carney.

Texas Guinan – Born Mary Louise Cecilia in Waco, Texas in 1884 and educated in Catholic schools, “Texas Guinan” acted in 36 movies and on Broadway before getting her biggest role of all as the infamous night club hostess. She was so successful; she netted \$700,000 in one ten-month period – close to \$10 million in today’s money. Like most businesses, her speakeasies suffered during the Great Depression. In 1931, she took her troupe of dancing girls on the road. After performing in France, Canada and other countries, she suffered from an attack of ulcerated colitis from which she died at the age of 49. It was November 5, 1933. Prohibition actually was repealed one month after her passing. It should be noted that although Texas did have a night club on West 54th Street, the interior as described in this book is made up. Furthermore, although the famous patrons mentioned in this book really

did frequent Texas’ speakeasy, the table numbers allotted to them are fictitious.

Joseph Patrick Kennedy – Despite the public slight he suffered on Wall Street at the House of Morgan, Joe Kennedy had a lasting impact on America. The banker who made money selling bootleg liquor during Prohibition and was a short-seller in the market, also was a film producer and made a great deal of money in real estate. After serving as the Chairman of the S.E.C. from 1934-35, he headed the U.S. Maritime Commission from 1936-37 and served as the U.S. Ambassador to Great Britain from 1937-40. Patriarch of a political dynasty that includes a former President, several Congressmen and other government officials, the Kennedy legacy in the political, social and cultural realms remains alive in America today.

John Pierpoint Morgan Junior – Known to his father and friends as Jack, Morgan continued working and providing philanthropy through the desperate days of the Depression. New York particularly is richer for the vast amounts of art, literature and other donations bequeathed by the Morgan family. After the Senate investigative hearings in 1933, he retired from active business. Following a number of strokes, he passed away on March 12, 1943 at the age of seventy-five. Through his efforts, his sons and capable managers like Thomas Lamont, the successors to the family’s banking house, remain among the most powerful and esteemed in the world. Please note: in real life, Junius Morgan married but there is no reference in this novel to his actual wife.

Helena Rubinstein – Born in 1870 to middle-class Jewish parents in Krakow, Poland, Helena Rubinstein moved to Australia in 1902 where she started selling face cream based upon a secret family formula. After studying dermatology, she successfully opened salons in London (1908) and Paris (1912) before immigrating to the United States during World War I. In 1953, the “Empress of Beauty,” as Cocteau called her, used a great deal of her wealth to establish a non-profit foundation to benefit women and children.

At the time of her death in 1965, at the age of 94, her international beauty empire was worth hundreds of millions of dollars. Now owned by L’Oreal, Helena Rubinstein’s company continues to flourish in the billion-dollar beauty business. It should be noted that Helena Rubinstein really was a passenger on the *Berengaria* during the Crash and did lose a great deal of money on her stock investments during the trip. Davenport Pogue was her advisor but Lydia Kohler is a fictional character.

John D. Rockefeller III – After graduating from Princeton and taking a year to travel, the tall, apparently shy heir joined his father at their offices on 26 Broadway on December 2, 1929. On November 11, 1932, he married heiress Blanchette Ferry Hooker before 2,500 guests at Riverside Church. J.D. Rockefeller has been a most conscientious philanthropist behind numerous efforts including the Asia Society, Lincoln Center and Population Council as well as the Rockefeller Foundation. I would like to note that John’s uncle, Percy Rockefeller, actually hosted the dinner for Winston Churchill described in the book. Please also note: All interactions between J.D. and the character Rebecca Stanley are made up.

Jacqueline Lee Bouvier Kennedy Onassis – Born on July 28, 1929 to Jack (who worked on Wall Street) and Lee Bouvier, “Jackie” went on to become one of the most adored First Lady’s in history and an American icon.

Richard Whitney – Served as acting head of the New York Stock Exchange during the Great Crash. His actions then as well as during the Senate investigative hearings earned him respect on Wall Street. Unfortunately, while the Depression worsened, so did Richard Whitney’s own financial situation. His firm bankrupt, personal accounts drained and real estate mortgaged, he resorted to speculating with his client’s money. After his conviction, on April 11, 1938, he was sent to Sing-Sing to serve his sentence. Paroled in 1941, he lived for another twenty-seven years before he passed away at the age of 81.

Willy Messerschmitt – was a legendary German aircraft designer and manufacturer. His single most important design is most often considered the Messerschmitt Bf 109, which was designed in 1934 with the collaboration of Walter Rethel. The Bf 109 became the most important fighter plane for the German Luftwaffe as the country rearmed before World War II. This plane remains the most produced fighter in history, with some 35,000 built. Another later Messerschmitt aircraft broke the absolute world air speed record and held the world speed record for propeller-driven aircraft until 1969. The company Messerschmitt founded is also credited with producing the first jet-powered fighter to enter service. After World War II, Messerschmitt was tried by a de-Nazification court for using slave labor, and in 1948 was convicted of being a “fellow traveler.” Following two years in prison, he was released and resumed his position as the head of his company.

John Jacob Raskob – was the son of a successful New York cigar manufacturer, who rose through the executive ranks of DuPont. He became an early investor in General Motors (GM) and helped engineer DuPont’s 43% stake in GM, which was purchased from the financially strapped William C. Durant. Raskob held the top financial position both at GM and Dupont until 1928, when he resigned and sold his company stock due to a dispute with Alfred Sloan, the Chairman, arising out of Raskob’s being named Chairman of the Democratic National Party (DNC). Sloan was a supporter of Herbert Hoover and insisted that his underling choose between GM and the DNC. Raskob was very bullish about the market and in the 1920’s, did give an interview for *Ladies Home Journal* in which he suggested every American could become wealthy by investing \$15 per week in stocks. The piece came out mere months before the Stock Market Crash of 1929. The businessman used much of the proceeds from his GM stock sale to finance the building of the Empire State building. During the Great Depression, the public

was entertained by the development and rivalry over which building would be taller: the Empire State or Chrysler. Raskob had 13 children, donated a great deal to charities and was a vociferous opponent of the New Deal.

Bernard Baruch – was the son of a surgeon who pioneered physical therapy treatments. His mother’s family immigrated to New York City in the 1690’s and became successful in the shipping business. Before the age of 30, Baruch amassed a fortune through speculation. He was called the “Lone Wolf on Wall Street” because of his refusal to join other financial houses (he had his own seat on the New York Stock Exchange and was a partner in the firm of A. A. Houseman and Company). Baruch served as a Presidential Advisor to Wilson and FDR. During the First World War, he played an instrumental role in ramping up American industry in order for the country to reach full-scale war production. He also served as a member of FDR’s Brain Trust and helped the National Recovery Administration. During World War II, he was a consultant on economic matters and was the first to coin the phrase “Cold War”. He also supported numerous Democratic congressmen with donations.

Charles Schwab – was a self-made man who started out as a stake driver in Andrew Carnegie’s steelworks and in 1897, and by the age of 35, became president of the Carnegie Steel Company. He was instrumental in negotiating the secret sale of the company to a group of New York based financiers that were led by J. P. Morgan. After the buyout, Schwab became the first president of U.S. Steel, which was formed out of the former holdings. Later, the industrialist became the head of the Bethlehem Steel Corporation. Under his leadership, it became the largest independent steel producer in the world. Schwab made a vast fortune and lived large. He was known for his high stakes gambling (which included: “breaking the bank” in Monaco) and numerous extramarital affairs. He built tremendous private residences, most notably the 75 room

“Riverside” in Manhattan. Schwab traveled in a \$100,000 private rail car, in which Winston Churchill and his son really did ride. The industrialist businessman was a risk-taker who went bankrupt in the Stock Market Crash of 1929. When he died in 1939, his stakes in Bethlehem Steel were virtually worthless and he was in debt over \$300,000.

Herbert Hoover - Due to the bad luck of presiding over the country at the time of the Crash and Franklin Delano Roosevelt’s (FDR) negative Presidential campaign, Hoover has often been blamed for the Great Depression. Recent scholars have pointed out that a number of his policies started to work near the end of his term of office. Rexford Tugwell, New Dealer and member of FDR’s “Brain Trust,” even went so far as to claim, “Practically the whole New Deal was extrapolated from programs Hoover started.” Certainly whether the President’s actions helped or worsened the depression, his legacy in other areas is still impressive.

Orphaned at the age of nine, Hoover excelled through his own efforts. After graduating from Stanford, he traveled the world as a successful mining engineer and even co-founded his own company before working as a humanitarian in Europe. It is ironic that the man who helped organize the return of 120,000 Americans safely from Europe at the start of the First World War and then successfully administered the distribution of over 1 ½ million tons of food to 9 million war victims and provided food aid to post-war Germany and Russia, (despite opposition from his own party about feeding the starving people ruled by “Bolsheviks”), is often seen as uncaring about humanity due to the suffering during the Great Depression.

Hoover was the first and only President to date who rose directly from a full cabinet position (Secretary of Commerce). During his one term as President, a brief description of some of

his achievements include: setting aside 3 million acres of national parkland and 2.3 million acres as national forests, advocating tax reduction for low-income Americans, doubling the number of veteran hospital facilities, drafting a children's charter that advocated the protection of every child regardless of race or gender, starting the building of the San Francisco-Oakland Bay Bridge and the construction of the Hoover Dam, re-organizing the Bureau of Indian Affairs, creating an anti-trust division at the Justice Department and having the IRS and Justice Department go after gangsters. Hoover also took a goodwill tour of South America, withdrew troops from Nicaragua and Haiti and in response to the Japanese seizure of Manchuria, created a doctrine stating that the United States would not recognize territories gained by force.

Franklin Delano Roosevelt (FDR) – So much has been written about FDR, I will simply state a few basics as related to this novel and the recent financial downturn. Born in 1882 to a wealthy family with a political history (Amongst other notables, President Theodore Roosevelt was his cousin), FDR succeeded Herbert Hoover as the 32nd President of the United States. FDR's legacy includes the fact that many of the programs he initiated during the Depression such as the Federal Deposit Insurance Corporation (FDIC), Tennessee Valley Authority (TVA), and the United States Securities and Exchange Commission (SEC), continue to have fundamental roles in the United States economy.

In the 1932 election, Roosevelt won 57% of the vote and carried every state bar six. After the election, Roosevelt refused the outgoing President's requests for meetings to come up with a joint program to calm investors. His reason was that to do so "would tie his hands." Certainly this decision preserved FDR from being associated with any of the "failed" policies of the Hoover Administration. However, it may also have helped to contribute to the continuation of the economy's spiraling downward and a near col-

lapse of the banking system that resulted in a complete shutdown by the end of the Hoover administration.

When FDR was finally inaugurated (which in those days was not until March 4th – a full four months after the election), the country was unquestionably in the depths of the worst depression in its history. One quarter of the workforce was unemployed, 2 million were homeless and 32 of the 48 states and the District of Columbia had closed their banks. The New York Federal Reserve Bank failed to open the following day because of the amount withdrawn by panicky customers. FDR blamed the economic crisis on the bankers and financiers, "quest for profits and the self-interest basis of capitalism." To this end, he enacted a number of programs to redress these grievances, including the Glass Steagall Act which many financial experts believe helped build a more stable financial sector. It is interesting to note that many now blame the repeal of this in 1999, as a contributing factor to the Global Financial Crisis of 2008-2009. The repeal "allowed commercial lenders like Citigroup, to underwrite and trade instruments like mortgage-back securities and collateralized debt obligations and to establish structured investment vehicles (SIVs) that in turn bought those securities. It should be noted that while the year before the repeal sub-prime loans made up only 5% of all mortgage lending, by the time of the credit crisis of 2008, they were close to 30%."

In Presidential rankings, FDR is invariably ranked among the top 5. He is also the only President to have been elected to serve 4 consecutive terms.

The character Evelyn Maker was inspired in part by astrologist Evangeline Adams who was in fact called the Seer of Wall Street and did a great deal for the legitimization of her field of study. Evangeline Adams was married to a man but had no children. Amongst other predictions, she did in fact predict her own death (to the day) and she witnessed the flock of birds perish on Wall Street during the Crash.

The character Garrett Goldman was inspired in part by the famed securities speculator Jesse Livermore. Livermore made and lost several fortunes by short-selling during the stock market crashes of 1907 and 1929 and investing in the great World War I bull market.

While browsing in the beautiful main reading room of the Mount Holyoke College library late one night several years ago, I randomly came across the yearbook for the class of 1929. Within its spirited pages and several others from the 1920's, the smart set's Jazz Age came alive and I found the inspiration for a vivacious, amusing flapper named Josephine Baxter-Browne. I spent many hours writing her story in the former Duke Mansion, now New York University's Fine Art Institute on East 78th Street. Josie's parents' home is in part based upon this elegant mansion.

For more information on the period and real and fictional characters, please visit the novel's website: www.anupperclassaffair.com

I will be posting information on resources pertaining to the period, including a bibliography. I also welcome readers to post their own family's accounts of experiences during the roaring twenties, Stock Market Crash, Great Depression and subsequent market crashes. My hope is that this novel will provide some light entertainment and encourage the view that women of all ages can be attractive, smart, witty, and successful in their own rights as well as find love.

CREDITS AND ACKNOWLEDGEMENTS

I cannot thank enough Robert Hudovernik for his personal assistance and help as well as gratitude for his inspirational work: *JAZZ AGE BEAUTIES*. It was within the pages of his wonderful book, that I found the Alfred Cheney Johnson photograph of Dorothy Knapp which is on the cover of this novel. Additionally, I owe much to Nils Hanson and the Ziegfeld Club of New York for granting permission to use the photograph of Dorothy Knapp taken by Alfred Cheney Johnson. Many thanks to "Aaron1912," for his creative historical videos and help with research. I would also like to thank Diane Paradisco from the WPA Film Library, Matthew Giermala and John Leifert at Getty Images and all the staff at the Getty for preserving the image of the Wall Street sign used on the back cover. I appreciate the creative help offered by: Bruce Silversteen, Liyang Zhou and Andrew Harmon and all the edits by Margaret Rosalind Jones, Katy Kempf and Laurel Sharp as well as the read through by Cristina Spencer.

Finally, I would like to thank the following people for their support. In addition to my husband and parents, my sister Marianne, brothers: Michael, Mark, and Matthew, as well as Winberg, Henry and May-lee Chai, Arlinda Lam, Joy Madmai, Neil, Mary and Rod Clayton, Louise Bagshawe, Suzanne Messere, Desiree Mauer, Karen Nicholson, Ailinh Nguyen, M.H.T., G.E.R, Sandra R., J.N.R., Brigid, Rachel and George Hurn-Maloney, Mary and Philip McHale, Karen Holman, Shulamith Rubinfien, Naciba Balamane, Emily Margalit, Lena Miyamoto, Olga and Anna Gontar, Jessica

He, Carmen Hess, Karl Laughton, Jan Helbing, Nabil Balamane, Petro, Rosannah Harding, James Kyle, Katharine Manzini and every single person who reads this book.

For more information on the book and period, visit the website: www.1929anupperclassaffair.com

Cover photograph of Dorothy Knapp by Alfred Cheney Johnson, Courtesy of The Ziegfeld Club of New York, www.nationalziegfeldclubinc.com and www.alfredcheneyjohnson.com and with the assistance of Nils Hanson and the very talented Robert Hudovernik