



*Panic of 1907*

*Federal Reserve Bank of Boston*

# Crash Crash Crash"

*Boston Post - October 18, 1907*

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**A**lthough the headline referred to events in New York, *Boston Post* readers knew exactly what it meant. Effects of the financial crisis were certain to reach beyond Wall Street. ¶ Financial panics and bank runs were all too common during the 19th and early 20th centuries. Some were more severe than others, but most followed the same general pattern. The misfortunes of a prominent speculator would undermine public confidence in the financial system. Panic-stricken investors would then scramble to cut their losses. And because it wasn't uncommon for speculators to double as bank officials, worried depositors would rush to withdraw their money from any bank associated with a troubled speculator. If a beleaguered bank couldn't meet its depositors' demands for cash, panic would quickly spread to other banks. (Remember! There was no federal deposit insurance until 1933. If a bank failed, depositors had little hope of ever seeing their money again.) ¶ With far less government regulation of the financial system than there is today and with no government welfare "safety net," many Americans suffered sudden and dramatic reversals of fortune when a panic struck. Even in a relatively mild panic, fortunes evaporated and lives ended in ruin. ¶ The following pamphlet recaps the chain of events that came to be known as The Bank Panic of 1907. By most measures, it was not the worst panic in U.S. history. But in retrospect, it was a watershed event that had a lasting impact on the financial system.

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# *The Panic of 1907*

## PART I

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*In Which the Downfall of a Prominent Speculator Rocks  
the Financial System, and a Prominent Millionaire  
Saves the Day*

### COPPER BREAKS HEINZE

WATERLOO COMES TO YOUNG NAPOLEON AND BANKS TOTTER  
Headline, *Boston Post* – October 17, 1907

**O**n October 14, 1907, the stock of United Copper Company soared past \$62 a share. Two days later it closed at \$15, and one F. Augustus Heinze was well on his way to financial ruin.

The rise and fall of F.A. Heinze had been nothing less than spectacular. Only 18 months earlier, the onetime owner of a Montana copper mine had ridden into New York with \$25 million in cash and stocks garnered in an out-of-court legal settlement with a rival mining company. He soon attracted notice by aggressively purchasing interests in several New York banks and engaging in speculative activities.

As is so often the case when things are going well, Heinze seemed incapable of making a bad business deal. His downfall took everyone by surprise.

The financial empire of F. Augustus Heinze began to unravel in October 1907 when he overreached himself in an effort to corner the stock of United Copper Company. (An investor who tries to "corner the market" on a commodity or a stock is attempting to gain control in order to fix the price.) In less than 24 hours, he dropped \$50 million, and the financial markets went haywire. According to an article in the October 18, 1907 edition of the *Boston Post*:

*Sensations followed each other in rapid succession in the financial district today as the result of the collapse of the projected corner in United Copper and the suspension of a prominent brokerage firm yesterday. As a result of these sensations the stock market was halting and irregular, but there was an apparent feeling that the break of the attempted corner in United Copper had cleared the atmosphere somewhat, and the market rallied before the close.*

(The "prominent brokerage firm" mentioned in the article was Otto Heinze & Co., which was run by the brother of F. Augustus Heinze and was heavily involved in the disastrous attempt to corner United Copper. In addition, F.A. Heinze's Butte (Montana) Savings Bank failed on October 17, 1907.)

Predictions that the atmosphere had cleared proved far too optimistic. The worst was yet to come.

Had F. Augustus Heinze been a mere copper speculator, the financial markets might have been able to shake off the news of his collapse. Unfortunately, he was also deeply involved in banking, and his financial reversal had a far-reaching effect.

Shortly after midnight on October 17, Heinze announced his intention to resign as president of Mercantile National Bank. He was not a banker by training nor by temperament, a fact noted in a front-page story in the *New York Times* (October 17, 1907):

*Friends of Mr. Heinze have said regarding his assumption of the Presidency of the Mercantile that he did not pretend to knowledge of the banking business and that he meant rather to learn the business as President of the Mercantile than personally to direct its operations.*

In his effort to "learn the business," Heinze had formed relationships with bankers at a number of institu-

tions. Their association with him proved to be their undoing.

The first high-profile New York banker to experience difficulty because of his association with Heinze was C.W. Morse of Mercantile National Bank. Morse's involvement in the United Copper debacle had undermined confidence in Mercantile National, so on October 19, he resigned his seat on the bank's board of directors and severed all official ties with more than half a dozen other banks and trust companies.

Most of the pressure for Morse to leave banking had come from the New York Clearing House Committee. In generic terms, a clearinghouse is an association in which member banks agree to exchange and process checks for one another. But the New York Clearing House Committee, which counted some of the city's most respected and influential bankers among its members, also assumed many of the responsibilities now performed by government regulators.

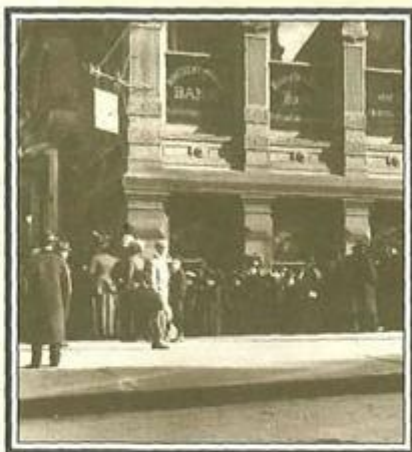
When the presence of Heinze and Morse threatened to erode confidence in New York's banks, the Clearing House Committee pressured them to leave banking. It then assigned a task force to determine whether or not Mercantile National and other troubled banks were solvent and worthy of Clearing House support.



Ultimately, the Committee pledged to stand behind Mercantile National and extend whatever aid was necessary to meet the demands of the bank's depositors. In other words, banks that were members of the Clearing House would contribute funds to help cover the withdrawals by Mercantile National's depositors.

The front page of the *New York Times* (October 21) prominently featured statements by leading bankers lauding the Clearing House Committee's decisive action. James Speyer, head of Speyer & Co., was of the opinion that, "Everyone will be impressed by the prompt action and by this new proof that the men at the head of the important banks stand together solidly, thereby accomplishing necessary reforms and preventing injury to depositors and shareholders." He also called for "every one to keep cool and show common sense."

Noted financier Jacob H. Schiff told the *Times* that, "The Clearing House Committee is so able and so conservative that they deserve the full confidence of the community," and added that, "So far as my own knowledge of the situation goes, I believe it to be entirely sound."



Unfortunately, these statements proved to be little more than "whistling past the graveyard." Things had yet to hit bottom.

Back on October 18, depositors of New York's

Knickerbocker Trust Company started a run after they learned that Knickerbocker's president, Charles T. Barney, was a business associate of F.A. Heinze and C.W. Morse. Later that day, the situation worsened when the National Bank of Commerce announced it would no longer act as Knickerbocker's Clearing House agent. (As a trust company, Knickerbocker was not eligible for membership in the Clearing House and, therefore, needed an agent to process its checks. In the event that Knickerbocker failed, National Bank of Commerce didn't want to be stuck with a lot of Knickerbocker checks that wouldn't be honored.)

On October 21, with the situation continuing to deteriorate, Charles Barney stepped down as Knickerbocker's president. By October 22, Knickerbocker's depositors were so desperate to withdraw their money that its teller's paid out more than \$8 million during a three-hour run, and



the beleaguered trust company closed its doors shortly after noon.

### PANIC WAS SPREADING. ENTER J.P. MORGAN.

J. Pierpont Morgan had an almost legendary capacity to control the outcome of a situation through sheer force of will. Even at age 70, he was still the dominant figure in American finance.

When the financial situation in New York continued to deteriorate, Morgan decided to take charge. He was neither elected nor appointed to the task. He simply decided that the time had come for him to take action.

He started by designating a committee of bankers to audit the books of Charles Barney's troubled Knickerbocker Trust. (One of the bankers, Benjamin Strong, would one day head the Federal Reserve Bank of New York.) Morgan's committee began its work on October 22, as Knickerbocker's frenzied depositors were lining up to withdraw \$8 million in little more than three hours.

The *New York Times* headline on October 22 had declared that, "Knickerbocker Will Be Aided — J.P. Morgan & Co. Help." But no aid was forthcoming. On the basis of his committee's report, Morgan had decided not to bail out Knickerbocker Trust.

"Knickerbocker Will Not Open — Conference of Bankers Deems It Unwise to Aid the Trust Company Further To-day," read the *Times* headline on October 23. Instead, Morgan had decided to aid another institution, the Trust Company of America, which was considered to be in much better condition than Knickerbocker.

According to the *Times*, "The reason the Knickerbocker Trust was not aided by the Clearing House Association and Mr. Morgan and his associates was that the company's capital and surplus were impaired, and that Mr. Morgan did not care to assume the responsibilities of previous poor management."

Trust Company of America was another case altogether. It was a basically sound institution hurt by widespread reports suggesting that it had lent heavily to C.W. Morse and Charles T. Barney. The reports ultimately proved to be exaggerated, but the damage had been done. The *Times'* front page article on October 23, stating that Morgan had pledged to help Trust Company of America, probably added to the anxiety of the trust company's depositors.

Morgan's decision to aid Trust Company of America was announced after a meeting with U.S. Treasury Secretary George Cortelyou, who had traveled to New York to help manage the crisis. (Note how things have



changed since 1907. The Treasury Secretary traveled to New York. Morgan did not travel to Washington.)



Shortly after 1 a.m. on October 24, Secretary

Cortelyou emerged from a meeting with Morgan to announce that \$25 million in U.S. government funds would be deposited in New York City's banks to meet any further emergencies that might arise. "If the press of this city will continue its cooperation, and if the public, on its part, will reflect upon the real strength of our banking institutions," read Cortelyou's official statement, "there will be a prompt return of the confidence which their condition warrants. As evidence of the Treasury's disposition, I have directed deposits in this city to the extent of \$25 million." (Twenty-five million dollars may not sound like much to present-day Americans, but in 1907 the government's action and the sum of money involved were nothing short of extraordinary.)

Also pitching in to do his part was John D. Rockefeller, who pledged to deposit \$10 million of his own money in New York's financial institutions. "The existing alarm among investors is not warranted," declared the oil tycoon in a statement to the Associated Press,

"and I hope the good common sense of our American people will control the situation. ... Everyone having the good of his country at heart should by word and deed lend a hand now to re-establish confidence;

and I hope to do my part to the full extent of my resources."

Nevertheless, depositors continued to line up outside banks in hope of withdrawing their cash. Not that they were less patriotic than John D. They simply preferred not to risk losing money that may have taken them a lifetime to save.

And as always, certain people managed to find opportunity in adversity. Some earned as much as \$10 a day by holding places in line for weary depositors.

Others seized the moment in different ways. Mitchell the Tailor placed an ad in the *Boston Post* to announce "Panic Prices." According to the ad, "One of Boston's prominent merchants finding himself hopelessly involved in the stock market crash this week closed out to me at private sale for cash."

One person who didn't seek advantage in the crisis was William Jennings Bryan, the Democrats' perennial presidential candidate. In an impromptu speech to the



assembled crowd at the Binghamton, New York train station, he came to the defense of President Theodore Roosevelt, a Republican. "I notice," said Bryan, "that one of the officers of the bank that just closed its doors yesterday attributed it to President Roosevelt. That is not the reason. Don't blame the Sheriff, but the horse thief. Don't blame the officials who make and enforce the laws, but blame the criminals who make necessary such laws. Blame the unscrupulous financiers who have piled up predatory wealth and who exploit a whole nation as high finance."

The first tentative improvement in the crisis came on October 24 when the Trust Company of America survived a run and the stock market narrowly averted disaster. The headline of a front page article in the *New York Times* (October 25) announced that, "Trust Company of America Keeps Open Its Doors and Pays All Who Come." The article's lead sentence reported that, "The power of millions poured into the banks by the Government, into the Trust Company of America by the powerful group of bankers which is standing by that institution, and into the Stock Exchange by a \$25,000,000 money pool conducted by J.P. Morgan & Co., brought the financial community through another day of stress yesterday." (Such was Morgan's influence that he required only 15

minutes to pressure bankers into coming up with \$25 million.)

According to the *Times*, "The Stock Exchange had a brief quarter of an hour when utter demoralization seemed a question of each passing second, but the throwing into the Exchange of the Morgan pool's \$25,000,000 of call money changed all this." The influx of funds made it possible for brokers to borrow and remain solvent.

But the relief was only temporary. The next day, October 25, brokers again had difficulty borrowing money, even at usurious rates, and many faced the prospect of failure.

Morgan again took charge by marching down to the New York Clearing House and prevailing upon the bankers to issue Clearing House certificates (scrip) intended to function as a temporary substitute for scarce cash. When they processed checks, Clearing House banks used the certificates in place of cash to settle accounts with one another. They were thus better able to meet the demands of anxious depositors who were demanding to withdraw their cash. The certificates also freed up more cash for loans to cash-strapped stockbrokers.

Later in the week, Morgan tried to bolster public confidence by employing a less conventional measure. He exhorted the city's clergy to preach sermons urging calm and forbearance. "From



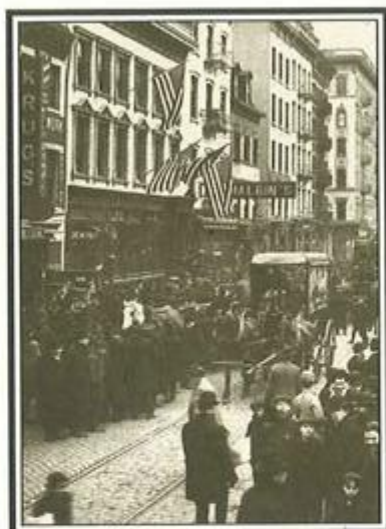
pulpits throughout the city," reported the *Times* (October 28), "words of advice were delivered, and calmness and confidence urged upon all."

Even before Morgan's call to prayer, the crisis showed signs of easing. On October

26 the *Times* headline read, "Bankers Calm; Sky Clearing." The next day's headline was equally optimistic, "Banks Leaving Trouble Behind."

But the trouble wasn't over yet. Just as things seemed to be improving for banks and the stock market, New York City's finances took a turn for the worse. Skittish European investors were reluctant to buy the city's bonds, so the mayor called upon Morgan for help, which he agreed to provide after extracting a number of protective measures, including a bankers' committee to oversee the city's accounting practices.

As the crisis wound down, there were a few issues that needed to be addressed. Trust companies, including Trust Company of America, required further assistance, and several brokerage houses still faced an uncertain future, most notably the firm of Moore & Schley, which was \$25 million in debt. Once again, Morgan devised a



remedy, which centered on efforts to form a \$25 million pool of funds to rescue the ailing trusts. During an all night bargaining session at his library, Morgan managed to browbeat the assembled collection of bankers and trust company presidents into putting up

money to rescue the weaker trusts. (According to some accounts, he actually kept them locked in a room until they saw things his way.)

As part of the trust company bailout, Morgan also won acceptance of a plan to rescue Moore & Schley; a plan that advanced his own interests as well by enabling his bank to orchestrate U.S. Steel's acquisition of a competing company. (U.S. Steel had very close ties to Morgan's bank.)

By mid-November, the panic had subsided. But there was to be one last casualty. On the afternoon of Thursday, November 13, Charles T. Barney, former president of the failed Knickerbocker Trust Company, died at his home on East 38th Street from a self-inflicted gunshot. Reportedly, he was despondent over J.P. Morgan's refusal to meet with him.

But Morgan and others were being showered with accolades for their handling of the situation. The New







York Clearing House passed a resolution thanking Morgan "for the promptness with which he had come to the aid of the situation." President Theodore Roosevelt commended Treasury Secretary Cortelyou "upon the admirable way in which you have handled the present crisis." And although he didn't mention Morgan by name, Roosevelt also congratulated "those conservative and substantial business men in this crisis who have acted with such wisdom and public spirit." Lord Rothschild, of the renowned European banking family, praised Morgan as "worthy of his reputation as a great financier and a man of wonderful resources. His latest action fills one with admiration and respect for him."

A New Yorker by the name of McLandburgh Wilson went so far as to compose an ode to Morgan, which the *Times* ran in its Sunday edition on October 27:

*A millionaire is wicked, quite;  
His doom should quick be knelled;  
He should not be allowed to grow,  
If grown he should be felled,  
But when a city's bonds fall flat,  
And no one cares for them,  
Who is the man who saves the day?  
It's J.P.M.*

*When banks and trusts go crashing down  
From credit's sullied name,  
While Speechifying Greatness adds  
More fuel to the flame,  
When Titan Strength is needed sore  
Black ruin's tide to stem,  
Who is the man who does the job?  
It's J.P.M.*

Yet even amidst the continuing praise there were indications that the prominent bankers and great financiers had reached the pinnacle of their power and influence. The calls for major changes in the financial system were growing louder and stronger.

Senator Nelson Aldrich of Rhode Island summed up the general feeling. "Something has got to be done," he declared; "We may not always have Pierpont Morgan with us to meet a banking crisis."

And eventually something was done. In 1910, Senator Aldrich introduced legislation for a U.S. central bank. His bill failed to gain passage, but several of its provisions were ultimately incorporated in the Federal Reserve Act (1913). Increased government oversight of the financial system was in the offing.

On December 23, 1913, just over six years after the Panic of 1907, President Woodrow Wilson signed the Federal Reserve Act. It provided for "the establishment of federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes."

J.P. Morgan, who during the Panic of 1907, had performed many of the functions of a central bank, died in Rome on March 31, 1913.



# *Chronology*

## PART II

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### *Panic of 1907 Movers and Shakers*

MONDAY

OCTOBER 14:

The stock of United Copper Company soars past \$62 a share.

WEDNESDAY

OCTOBER 16:

United Copper closes at \$15 a share after bank owner/speculator F.A. Heinze fails in his attempt to corner the company's shares.

THURSDAY

OCTOBER 17:

Shortly after midnight, Heinze resigns as president of Mercantile National Bank. Later that morning, prompted by the fear that Heinze's stock market losses might affect the bank, Mercantile National's depositors scramble to withdraw their money.

During the day, Heinze's Butte (Montana) Savings Bank fails as does the brokerage firm of Otto Heinze & Co., which is owned by the brother of F.A. Heinze.

That night, the New York Clearing House Committee declares that Mercantile National is "perfectly solvent and able to meet all its indebtedness." The Committee's

acting chairman also announces that the Clearing House will stand by the bank in the event of a run by depositors.

FRIDAY

OCTOBER 18:

Nine banks form an emergency pool of funds to aid Mercantile National. But depositors at Knickerbocker Trust Company begin to withdraw their money. They are concerned because Knickerbocker's president, Charles T. Barney, is an associate of F.A. Heinze.

SATURDAY

OCTOBER 19:

Charles W. Morse, a banker and speculator who was involved with Heinze in the disastrous copper corner, announces he will resign official positions at nine banks and trust companies.

MONDAY

OCTOBER 21:

Charles T. Barney resigns as president of Knickerbocker Trust Company. Depositors withdraw \$8 million in less than four hours before Knickerbocker suspends operations.



TUESDAY  
OCTOBER 22:

J.P. Morgan refuses to aid Knickerbocker Trust, which does not reopen for business.

A headline in the *New York Times* announces that Morgan will organize support for Trust Company of America, which is deemed to be in much better condition than Knickerbocker.

WEDNESDAY  
OCTOBER 23:

Treasury Secretary George Cortelyou travels to New York to meet with Morgan and other financiers.

THURSDAY  
OCTOBER 24:

At 1 a.m., Cortelyou announces that the U.S. Treasury will deposit \$25 million in several New York City banks.

Later in the day, oil tycoon John D. Rockefeller commits \$10 million of his own money to stabilizing the financial situation.

FRIDAY  
OCTOBER 25:

Under heavy pressure from J.P. Morgan, New York bankers contribute to a \$25 million rescue pool for cash-strapped stockbrokers, who have been unable to borrow and are facing ruin.

SATURDAY  
OCTOBER 26:

The crisis takes its toll on J.P. Morgan. Under the headline "J.P. Morgan Has a Cold," the *New York Times* reports, "J. Pierpont Morgan has a slight cold resulting from exposure to the night air. In the last week Mr. Morgan has attended many night conferences dealing with the banking situation. In doing so he was obliged on several occasions to ride about in his cab late at night, and in some instances in the early morning. The result was that he contracted a cold which gave him some trouble yesterday. When he left his office late yesterday afternoon he wore a handkerchief about his neck."

SUNDAY  
OCTOBER 27:

At the behest of J.P. Morgan, New York City's clergy preach sermons urging "calmness and confidence."

WEDNESDAY  
OCTOBER 30:

In response to a plea from New York's Mayor, a Morgan-led syndicate bails out the city by agreeing to place \$30 million worth of its revenue bonds with investors.

The night before, Morgan had pressured trust company presidents into putting up funds to support the still ailing Trust Company of America and Lincoln Trust Company. Morgan and his associates also devise a plan to save the brokerage firm of Moore & Schley from failure.







# Parallel History

## PART III

### Everyday People

The Panic of 1907 proved to be a defining moment in U.S. financial history; a major event that prompted widespread calls for reform. It was also a front page story played out by larger-than-life characters. But amidst the financial upheaval, newspapers continued to report on the ebb and flow of daily life — a daily life that greatly differed from our own in certain respects yet was remarkably similar in others.

What follows is a “parallel history” that offers a glimpse into the everyday triumphs, tragedies, follies, and frailties of ordinary people as reported by the *New York Times* and the *Boston Post* during the last two weeks of October 1907.

#### THE POMPADOUR VINDICATED

Women clerks in Pittsburgh department stores, who were warned that they would not be permitted to wear high pompadours while at work, have won their fight against the managers of the stores, and in future they will wear their hair *a la pompadour* or any other old way they see fit.

Front page story  
*New York Times*

Wednesday, October 16, 1907

#### CUBS WORLD CHAMPIONS

Plunged in deepest gloom is Detroit tonight, and celebrations that might have been tendered to Jennings' heroes have been stricken from the schedule, for the world's

championship has passed from the American to the National league, and Chance's Cubs have come into their own. For the fourth successive time Chicago today showed the anguish stricken fans of Tigerville just why Chicago made a runaway match of the National league race, and three-fingered Mordecai Brown proved that American league sluggers were no more to be feared than the boasted batsmen of a rival organization.

Front page story  
*Boston Post*

Sunday, October 13, 1907

#### BEER NEEDS NO FOAM ON TOP

Judge Kimball in the Police Court today was called upon to decide

whether a customer is entitled to beer with much or little foam on it. He decided against the foam.

*Boston Post*

Monday, October 14, 1907

#### CASHIER FOUND GUILTY

Paul R. Holland, formerly cashier of the First National Bank of Turtle Creek, was found guilty in court this afternoon on four counts of embezzlement, and four counts of misappropriating funds of the bank. His peculations amounted to \$19,000.

Front Page Story

*New York Times*

Saturday, October 26, 1907

#### BURGLARS IN WESTCHESTER

Robberies along the Hudson River are become almost nightly occurrences in this vicinity. The burglars leave no clue behind and the police are baffled.

Front Page Story

*Boston Post*

Sunday, October 27, 1907

#### CHILD STOLEN FROM CONVENT

From the midst of her playmates in the yard of St. Joseph's Convent at McSherrystown, Penn., Evelyn O'Drain, 8 years old, of Philadelphia, was carried off this afternoon

by two well-dressed women. ... The little girl was placed in the convent a year ago when her father and mother separated. Her mother agreed to her being in the convent, but later wanted to take charge of her and applied to the courts for the child's custody. Judge Wiltbank decided that the child was better off to stay in the convent. The mother was much disappointed, and her husband thinks she has taken this means of getting the girl in her possession.

Front Page Story

*New York Times*

Tuesday, October 22, 1907

#### ARE NEW YORK'S PUBLIC MANNERS REALLY GOING FROM BAD TO WORSE?

Observations in the Opera, the Theatre, the Fashionable Restaurants, and the Swell Cafes All Seem to Answer the Question in the Affirmative!

Headline of a Feature Story

*New York Times*

Sunday, October 13, 1907

#### BEATEN CLOSE TO HIS HOME

Four men left Frank Gill of 441 West Seventeenth Street unconscious on the sidewalk last night at about 8 o'clock after brutally beating him because he refused to give them a match when they accosted



him at the corner of Seventeenth Street and Ninth Avenue. They also robbed him of his gold watch and about \$5 in cash.

*New York Times*  
Monday, October 14, 1907

#### FINED FOR SON'S DEATH

Edwin M. Watson and wife, the Moodstown Christian Scientists recently convicted of manslaughter for allowing their seven-year-old son, Granville, to die without medical attendance, were sentenced here to-day to pay a fine of \$100 each.

Front Page Story  
*New York Times*  
Thursday, October 24, 1907

#### PUT CHORUS GIRL IN JAIL

Miss Cecilia V. Clark of New York, a chorus girl, formerly with Rogers Brothers in Ireland, was held in \$500 bond to-day on the charge of vagrancy. ... It is charged that she has threatened to kill two prominent men of Atlanta, and that last night she told a well-known young man that she intended to throw carbolic acid in his face. In the woman's room were found a 38-calibre hammerless revolver and a bottle of carbolic acid.

Front Page Story  
*New York Times*  
Sunday, October 20, 1907

#### CRUELTY TO HORSES

During my travels in this country for the past seven weeks I have spent a great deal of my time in the Western states, and now on my departure to England I wish to say that I have never seen such cruelty to horses as I have seen in New York City during the past week. The manner of beating the poor beasts and the heavy loads which they are compelled to haul is something disgraceful. I have been told at my hotel that you have a humane society. If you have, I think it is a disgrace to civilization.

An English Tourist  
To the Editor of the  
*New York Times*  
Sunday, October 27, 1907

#### MAN MARRIES WOMAN FOR THIRD TIME

Ashley Brigham, now in the 71st year of his life, has just married the same woman for the third time — the sweetheart of a childhood romance. ... "Yes we are married again," she said. "Why?" There was a silvery laugh. "Why, because I yearned for the old love. I wanted to spend my declining years with my 'own,' and now we are going to begin all over again just as we did that beautiful June morning so many years ago."

*Boston Post*  
Sunday, October 27, 1907

WEDDED AFTER  
23 YEARS,  
STATEN ISLAND  
COUPLE POSTPONED  
MARRIAGE WHILE  
PARENTS NEEDED CARE

Miss Margaret Pfaff and John Beaver, both of Richmond, S.I., were married at St. Patrick's Catholic Church there last evening after a courtship of twenty-three years. They were born in Richmond, went to school together, and became engaged when nearing their majority. Each had a father who needed care and attention, and they decided to postpone their marriage indefinitely.

Front Page Story  
*New York Times*  
Monday, October 28, 1907

VILLANOVA WAS RUDE  
WITH YALE PLAYERS,  
WILL BE DROPPED FROM  
ELI SCHEDULE

Villanova's football tactics were so aggressive against Yale yesterday that her eleven will not be chosen to fill a date on the Yale schedule next fall. In at least two instances the visitors used foul tactics and were hissed by the crowd. Villanova will be dropped, as Penn State was a year ago and as Columbia was two seasons ago.

*Boston Post*  
Monday, October 28, 1907

PRICK OF THE  
HAND FATAL

Dr. Charles Eugene Monks, 38 years old, a dentist, died to-day from blood poisoning contracted in relieving a patient's suffering. The man suffered from a badly diseased tooth and before the dentist could sterilize his instruments he plunged the point of one into the palm of his hand. Blood poisoning immediately developed and death followed after three days of intense suffering.

Front Page Story  
*New York Times*  
Tuesday, October 29, 1907

MISER DIES IN RAGS

William Henry Jay, known as the Hermit Miser, died yesterday. He was apparently destitute, and was clothed in rags, but it is reported that he was worth from \$12,000 to \$15,000. He lived in a little house on the plains on the old Cherry Valley Road, between Garden City and Munson, and was rarely seen except when he went to a grocery for provisions. He is said to have made his living from a strawberry patch which was patronized by wealthy residents of Garden City.

Front Page Story  
*New York Times*  
Wednesday, October 31, 1907



PHOTOS COURTESY OF THE BOSTONIAN SOCIETY AND  
BROWN BROTHERS

MOST OF THE FACTUAL INFORMATION IN THIS ARTICLE  
WAS DRAWN FROM THE FOLLOWING SOURCES:

"Lessons From the Panic of 1907," Ellis W. Tallman, Jon Moen, *Economic Review*, Federal Reserve Bank of Atlanta, May 1990.

*The House of Morgan*, Ron Chernow, Atlantic Monthly Press,  
New York, 1990.

*New York Times* – September, October, November 1907.

*Boston Post* – September, October, November 1907.

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