

PREFACE

THIS book is an attempt to tell the story of the immense financial and corporate expansion which took place in the United States between the depression of the eightennineties and the crisis of the nineteen-thirties; to show how profoundly it altered the circumstances and quality of American life, why and how it ended in collapse, and what the collapse meant to all of us.

One reason why I decided to make this attempt was that the theme seemed to me to be vitally important. One need not accept *in toto* the economic theory of history to recognize that in our recent American history the economic thread has become a rope to which almost everything else in our lives appears to be attached. I do not believe that anybody can understand how the United States reached its present predicament without some sort of understanding of the economic processes, and particularly the almost revolutionary financial processes, which were at work during the great age of financial expansion. In a very real sense, this story is the story of forces which dictated the terms of American life yesterday and today. The theme is important also because of the pervasive social influence—in the broadest sense—of the financial and industrial leaders; for they largely constituted our American upper class, and their standards and ideas tended to permeate the whole population.

Another reason why I decided to make the attempt was that although thousands of volumes had been written upon one phase of this subject or another, nobody else had told this story as a whole, with an eye not merely to the economic facts and figures, but also to their dramatic and human interest and their social significance.

There seemed to me to be room for a volume which would be true to the facts, in so far as they could be determined; which would survey the whole subject and yet enliven it by recounting in detail certain characteristic and exciting episodes; which would give some impression of the conflict and suspense of the market place, the personal quality of the people involved, and

the influence which they exercised; and which would be as impartial as a writer not immune to prejudices and misconceptions could make it.

A very large order, I am afraid; in the two years during which I have been engaged in trying to fill it I have been constantly aware of its size. Research upon such a topic could be endless; almost every chapter of this book has been the subject of previous books, articles, reports, to the point not merely of fatigue but of dismay to the historian who is trying to piece together the connected story without spending several lifetimes upon it. A great deal of essential material is missing; some, of course, has been diligently concealed. Of the material which is available, much is so biased, either for or against the financiers, that a writer who tries to umpire the disputed points has many opportunities to go astray. For possible errors or lapses of understanding I can only plead these difficulties as a partial excuse.

Yet I might add that I have found the task continuously and absorbingly interesting. I should be very glad if I were able to communicate some of this interest to at least some readers.

My principal sources and obligations are set forth in the Appendix.

F. L. A.