

# NATIONAL AFFAIRS

### PENNSYLVANIA

## Mr. Mellon's Patch

(See Cover)

Five of the windows in the office of T. Mellon & Sons are made of opaque, leaded glass which shuts out the contradictions of Pittsburgh's ugly business district. But a sixth window of clear glass opens like an eye in the blackened granite face of the old Union Trust Co. building on Grant Street, from which the Mellons run their family interests. In this window, at odd moments over the past fortnight, appeared an erect, grey-haired man in a well-tailored suit. Richard King Mellon was looking down into a large hole between Fifth Avenue and Oliver Avenue, where power shovels dug into Pittsburgh's dirt and a pile driver hammered away at a row of steel pilings.

From early morning until midnight the pile driver banged, ringing in the heads of downtown office workers, rattling the windows in Kaufmann's department store, keeping guests awake in the William Penn Hotel, echoing through the narrow canyons of Pittsburgh's Golden Triangle. Blasting intermittently shook the slabside Mellon National Bank and Trust Co. which had hardly trembled through the depression of the '305.

depression of the '30s. Vision of a City. As far as the man in the window was concerned, these were minor irritations. Out of the excavation on Oliver Avenue would rise a 39-story skyscraper, the Mellon-U.S. Steel building, a \$28 million token of faith in Pittsburgh's future. In R. K. Mellon's mind's eye was the vision of a whole new city—a second skyscraper, the \$10 million, 30-story Alcoa building rising beside a new \$4,000,000 green park, other new office buildings rising on the Triangle's point. It was a vision of a city cleared of drab relics of half a century, cured of its traffic congestions, freed of the pollution of its rivers and the poison of its soot-heavy air, a city better housed. The hammering of the pile driver was the nervous pulse of a run-down old Pittsburgh acquiring a new life.

Countywide projects costing millions were already started: a new airport, new buildings, new highways, new bridges, new dams along the tributaries of the Allegheny and the Monongahela Rivers. R. K. Mellon himself had helped start them. Even facing the possibility of a paralyzing steel strike last week, Pittsburgh was a city of new hope. Pittsburgh was being rebuilt, restored, rejuvenated for a new day.

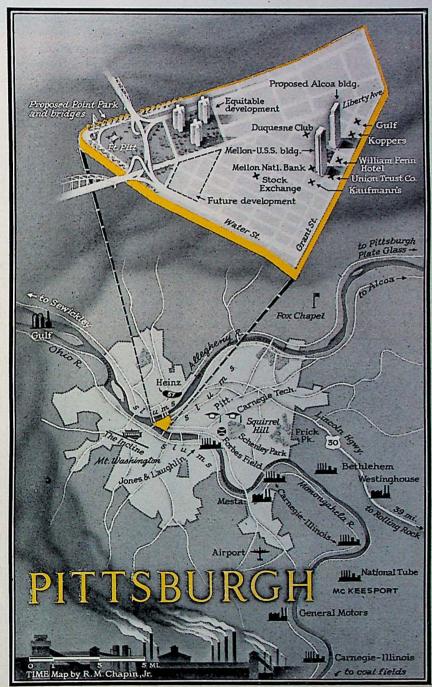
Aside from the ringing in its head, the city's reaction was: "It's time. God knows there's enough wrong with the town."

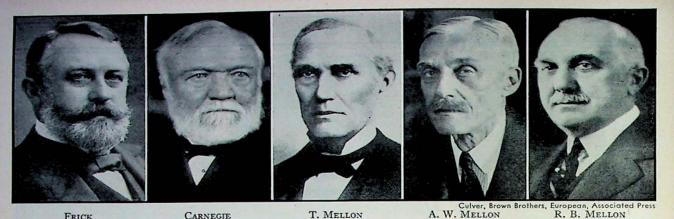
there's enough wrong with the town." World of Margarac & Mestrovic. In Pennsylvania's steel country, men tell of Hungarian Joe Margarac, who could lift a locomotive with his finger, and his rival, the Slav Steve Mestrovic, who could twist 500-lb. bars of iron with his bare hands; they boiled their eggs in a Bessemer converter and combed their hair with traveling cranes. Margarac and Mestrovic belonged to legend, to Pittsburgh and to an industrial development that had its counterparts but never its equal anywhere in the world.

It had forged the weapons and the axles and the cooking pots which had opened western America. It had made the steel girders of history's greatest surge of industrialism and the tools of a nation's factorics. It boasted that it was the world's No. 1 producer of aluminum, tinplate, refractories, plumbing fixtures, lifting jacks, air brakes. It had armed a nation in two world wars.

It had also produced a rigidly stratified society, filthy air, bloody strikes. It had allowed itself to be flooded regularly by the rivers that lap its sides. Pittsburgh in the 20th Century was a

Pittsburgh in the 20th Century was a noisy, grimy giant sprawled across a coal seam, gobbling up ore from Mesabi and spewing out molten steel. It squatted, black and ugly, on the hills between the Allegheny and the Monongahela, trailing mill towns up & down its river valleys. It





FRICK

CARNEGIE

#### T. MELLON From underground, destiny.

dug the coal and fed it into fiery furnaces, and strewed the mountainous offal of its furnaces across its landscape.

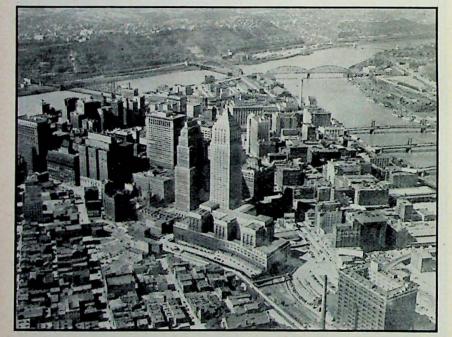
Smoke from its stacks and its chimney pots, ash from its blast furnaces hung over its head in a never-dissipated cloud. Smoke curled even from the gashes in its hillsides, where fire burned internally along the coal seams.

It was a city better seen at night. Then it had mystery, beauty and grandeur-a mammoth black patchwork, spotted with the pink blossoms of the Bessemers, hung with lights stretching out between the pale river highways, the Ohio, the Allegheny and the Monongahela. In the daytime it emerged in all its sprawling ugliness.

To the genteel 18th Century into which it was born, Pittsburgh was the essence of a frontier culture, which it has never quite managed to shake. In recent years it has been jeeringly called an esthetic abortion, a municipal hovel, a mining town on a vast scale. It gobbled up people the way it gobbled up iron ore-people with the names of Scotland, Ireland, Germany, Poland, Italy, Hungary, Yugoslavia. Some 1,000,000 of them lived and worked in the city's whole industrial complex, some 700,000 lived within the city's limits.

They rode up & down the cliff in ancient funiculars (the "Inclines"), jammed the buses and trolley cars which filled the cobblestone, alley-like streets. The luckier and better-paid lived in nearby suburbs. Most of the wealthy had fled to the distant suburbs of Sewickley Heights, Fox Chapel, or to Rolling Rock, 50 miles to the east in the mountains near the Pennsylvania Turnpike.

World of Frick & Mellon. In the 20th Century as in the 19th, Pittsburgh was ruled by money and steel, and by people bearing the names of Frick, Carnegie, Mellon. These were men who had made the city great-and who had left behind the ugly, lordly buildings in the business sec-



GOLDEN TRIANGLE To boil eggs, a Bessemer converter.

tion, their monuments to Coal, Coke, Iron, Steel, Aluminum, who had left behind their Duquesne Club squatting beside Gimbel's department store, their mansions of monstrous Victorian architecture.

They had also left the city their monuments to culture. There stood Andrew Carnegie's blackened sandstone museum, whose bilious, soot-streaked walls were hung with a weird jumble of oil paintings, whose cavernous halls housed *Diplodocus* carnegiei ("Dippy," the dinosaur) brought from a Wyoming fossil dump. Beside a ravine which belched forth the smoke of locomotives perched the Carnegie Institute. Soaring into the city's grey sky was the University of Pittsburgh's Cathedral of Learning-42 stories of classrooms and offices piled one on top of another.

In the midst of the Golden Triangle the Smithfield Evangelical Church raised a finger to God-a spire constructed of wrought iron. But Frick, Carnegie and the Mellons had left a city which was closer to man-a city in which was concentrated all the evils and ailments and shocks and problems of the nation's industrial age.

The Golden Strand. That destiny had been fixed since the day a British soldier from Fort Pitt loaded a canoe with black coal from Mt. Washington and paddled off happily to build a fire in his barracks. The fort became a village and a forge, a town of sawmills, tan yards, lime kilns, brick kilns. Coal brought iron, and Pitts-burgh opened its first blast furnace in 1790. It supplied shot and shell for Jackson's cannon at New Orleans and iron for the Civil War.

By 1870 railroads had threaded through its gullies, Henry Bessemer's newfangled converters were vomiting out molten steel. The city's face was already black with its industry-the grime from which it has never since been free.

But grime meant money. Men's ingenuity knew no limits, and the supply of fresh laborers from the villages of Europe was seemingly as inexhaustible as the great coal fields under the Alleghenies. Pittsburgh grew and kept on growing.

And through all of that growth and most of the city's history, like a golden strand, ran the name of Mellon.



LAWRENCE

FAIRLESS

#### KAUFMANN From desperation, enterprise.

The strand began in the middle of the 19th Century when Thomas Mellon left his father's farm at nearby Poverty Point and on Smithfield Street hung out his shingle as a lawyer. He knew all the laws on foreclosures and he traded in other men's recklessness. In 1870 he had founded T. Mellon & Sons and had gone into private banking. Into this enterprise went two of his shrewdest sons-Andrew William and Richard Beatty.

The time was ripe for shrewd men.

The Moneymakers. Henry Clay Frick came to T. Mellon & Sons for a loan one day. Thomas' son Andrew eyed him up & down. That day began an association which was to last for 42 years. Nothing and no one was too big for H. C. Frick. He armed his agents with coke forks, kitchen knives and flintlocks and subdued his rebellious labor. He turned on the great Andrew Carnegie himself and fought a battle for power which ended in the mergers that became U.S. Steel Corp.

The Mellons fought the battle from their bank. The Mellons were never engineers, chemists, inventors, or even builders. They were moneymen. They manipulated the wealth required for the projection of other men's ambitions and dreams. They bought up real estate, financed railroads. They underwrote the development of the miraculous new light and silvery aluminum. With nephew William Larimer, son of Thomas' second son James, Andy and "R.B." financed the gigantic Spindletop gusher in Texas.

Thomas Mellon faded into senility and Andy and R.B. ran the show. Andy-shy, diffident, frail, and pale-eyed, fingering his thin cigars; R.B.-hearty, affable, horsy, married to Jennie King, a lively lady who wore a red wig-two brothers quite unlike in most respects but exactly alike in their acquisitiveness and the accuracy of their financial calculations.

They formed the Union Transfer and Trust Co. in order to integrate their expanding corporate interests (coal, aluminum, steel, glass, insurance, realty, street railways). Out of the Union Trust grew the Mellon National Bank. And out of it all came the wealth of the Mellons. In 1933, the affable R.B. died; in 1937, Andy.

King Enthroned. The heir apparent was Richard King Mellon, nephew of Andrew, son of R.B., who was born in his grandfather's turreted mansion in 1899. He grew up with an interest in electric trains and went to school with the medium rich at Pittsburgh's Shadyside Academy.

He went to Princeton for a year, spent World War I as a private of infantry in a training camp, returned briefly to Princeton and then took a business course at Carnegie Tech. He was not keen about business. He preferred fishing, yachting, hunting and riding to hounds on his father's estate at Rolling Rock. But his father, R.B., had other ideas. Young R. K. Mellon started as a bank messenger. At 28 he became vice president of Mellon National Bank.

Andrew Mellon's son Paul, to his father's bitter disappointment, had declined the career of a financial tycoon. Paul chose to go to Virginia, raise horses, read books

Associated Press, Newspictures, Harris & Ewing HUNT HEINZ

and administer philanthropies. In 1934, with a strong sense of duty, R. K. Mellon took over the family throne. "They Must Get Done." A friendly,

subdued man, who nevertheless seemed to take his power and authority for granted, R. K. Mellon settled down conscientiously to a business routine-not letting it interfere too much, however, with his hunting, fishing and riding. A determined bachelor until he was 36, he met his wife-to-be at a horse show.

She was New York Banker Seward Prosser's daughter, Constance, sportswoman and horsewoman. After a fashionable wedding in St. Paul's Episcopal Church in Englewood, N. J., they went to live in his medium-size, sandstone house (including a large trophy room) at Rolling Rock. They adopted four children: Richard, now 10; Cassandra, 9; Constance, 8; Seward Prosser, 7. Mellon sat at the head of the family

STEEL MILLS To comb hair, a traveling crane.

James Sawders-Combine

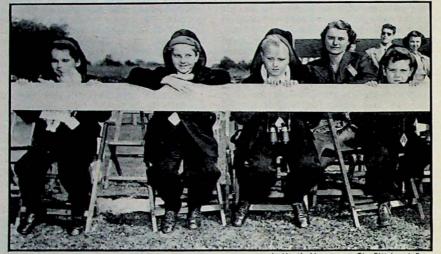
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board,\* which could measure its wealth by the wealth of top U.S. industries: Gulf Oil, Koppers, Aluminum Co. of America, the Mellon Bank and the General Reinsurance Co., which have total assets of more than \$3.3 billion, and in which the Mellons have absolute or dominant control; First Boston Corp., Pittsburgh Consolidation Coal Co., Westinghouse Air Brake Co., Pennsylvania Railroad, Pittsburgh Plate Glass Co., in all of which the Mellons have large interests.

But Mellon also had time to think about what was happening to the city which his family had helped to build.

He served in World War II at a desk job in Washington. Home again as a brigadier general in the Army Reserve, Mellon took off his uniform and thought even harder. On the night he and Mrs. Mellon returned to Pittsburgh the city was leagues around the Duquesne Club: such men as Pickleman H. J. ("Jack") Heinz II, Edgar Kaufmann of Kaufmann Department Store, U.S. Steel's Ben Fairless, Alcoa's Roy Hunt. Some of them products of a new age, all of them had a conception of the responsibilities of wealth that was far different from the views of the old masters of Pittsburgh. And all of them were conscious of the city's needs.

Not only was Pittsburgh becoming the most unlivable city in the U.S.; Pittsburgh's domination of the steel world was literally at stake. Markets for steel had moved westward. The Supreme Court's decision outlawing the basing-point system (by which Pittsburgh steel plants had absorbed freight costs to distant markets) had caused consternation among steelmen. Pittsburgh, with much of its equipment overworked and worn out by



A. Martin Herrmann-The Pittsburgh Press CONSTANCE MELLON & CHILDREN Some never came back.

engulfed in black smog so thick that from the William Penn Hotel they could not see the lights of the Mellon National Bank, half a block away.

"I had almost forgotten how bad it is," said Constance Mellon. "Now I understand why a lot of people leave it and why a lot of people will never come back to it."

"We must come back here," he said.

"Well, you have a lot of ideas about it. Will they ever get done?"

"They must get done."

Good Politics, Good Business. Pittsburgh, like every other city, had a list of hopeful plans waiting; some of them dated as far back as 1910. But in Pittsburgh a "must" from a Mellon list gets done, especially when the Mellon himself gets busy and sees that it is done. R. K. Mellon took up his ideas with his col-

\* The other members: his sister Mrs. Alan Scaife; cousin Paul and Paul's sister, Mrs. Ailsa Bruce; and their elderly cousin, William Larimer Mellon. the war, was faced with determined competition from other steel centers; Chicago, with less steelmaking capacity, had actually outproduced it in 1949.

"We Expedite." R. K. Mellon and his associates formed the Allegheny Conference on Community Development, a sort of umbrella organization to throw over the civic enterprises already in existence, and added new plans of their own. Then they enlisted David Lawrence, Pittsburgh's Democratic mayor, as a bridge to the Democrats and to Pittsburgh labor. "We expedite. We get things into motion," was R. K. Mellon's description of the Allegheny Conference.

Civic enterprise was a desperate necessity and almost a religion. Mellon told his friends: "Don't let business interfere with your civic enterprise."

Through the state legislature, Mellon, Lawrence & friends jammed a parcel of bills for countywide smoke control, sewage disposal, better highways, higher taxes. Pittsburgh only gradually became aware of what was happening. But in three years, much did.

No Floods, No Smog. The air had been fairly well cleared of smoke—Pittsburghers were sharply aware of that. There was 39% more sunlight: a white shirt could be worn decently a whole day. Locomotives were allowed by law to give off nothing worse than No. 2 smoke (not as white as No. 1, but not nearly as black as No. 4). Householders were forced to burn smokeless fuel. When fog settled over Pittsburgh, it was no longer smog; it was fog.

The town's traffic problem was slowly being untangled. Two weeks ago Governor Jim Duff presided over the dynamitingthrough of a  $\frac{3}{4}$ -mile-long tunnel under Squirrel Hill, part of a highway which will carry traffic from the Pennsylvania Turnpike through the city and across the Monongahela towards the west.

Last week officials triumphantly announced that the Equitable Life Assurance Society had agreed to take on the financing of a spectacular \$50 million project to clear 23 acres of the Triangle's point, convert it into a park and construct three modern office buildings.

Not Much Housing. While such strides were being made, culture was getting its attention, too. R. K. Mellon was having Carnegie Museum scrubbed and painted and re-arranged. Mellon and his friends had contributed a total of some \$28 million for artistic and educational projects.

Only in housing were the planners not moving as fast as some people thought they should. The federal housing bill would help, but estimates were that 60,ooo Pittsburghers needed low-rent housing. The best Pittsburgh could hope for was adequate housing by 1970. R. K. Mellon, Davy Lawrence and the others maintained that first things came first. Industrial Pittsburgh had to be rescued first; that was the foundation of the whole town's economy.

But probably the most significant project under way was the hole outside of R. K. Mellon's office. On the first eight floors of the 39-story skyscraper the Mellon National Bank will have its quarters. On the next 30 floors will be offices for U.S. Steel. On the 39th floor will be the offices of Big Steel's President Ben Fairless —and R. K. Mellon. Probably no single office floor in the U.S. would support such a weight of industrial power and influence.

From the open eye in the wall of the Union Trust, R. K. Mellon could look out on this reassuring vision. Here in \$38 million of new buildings, Pittsburgh was asserting its iron-jawed belief in itself, and its iron-jawed confidence that it could set things right. The Allegheny Conference was an experiment in a new and wiser capitalism—working to repair the damage done by the purposeful haste and thoughtlessness of the old empire builders. If capitalism couldn't do it, the men of Pittsburgh were convinced, no one else could.