

"SILENT" BAKER, MONEY MACHINE OF WALL STREET, TURNS LOOSE GOLDEN STREAM FOR HUMANITY

Eighty-two-Year-Old Sphinx of Financial World Has at Last Discovered That It Is More Blessed to Give Than Receive; Happier Today Than Ever Before in His Life

WEARER OF MORGAN CROWN DIVERTS MILLIONS FROM OWN COFFERS TO CHARITY

Business Career Started as Clerk in New York Bank: As Cashier He Made Costly Error, but Instead of Ruin It Was Stepping Stone to Success

"SILENT" BAKER has loosened up. For nearly eighty-two years this man has lived, and now, in the dusk of his career, he has found that "it is more blessed to give than to receive."

There are those who say that George F. Baker, of New York, is happier today than he has ever been before in his long and eventful life. He has gathered together and he has kept more than \$300,000,000. Much more! How much more probably no man but himself knows. He controls billions.

He has now begun to give away his wealth by the million. In this he was preceded by Andrew Carnegie and by John D. Rockefeller. Each turned loose a golden stream for the benefit and advancement of humanity. They began this years ago.

Baker is late. But it is never too late to mend. Perhaps Baker, the "Sphinx of Wall Street," cried out in the loneliness of his heart and in despair at his very success at his chosen calling, even as old King Midas, whose touch turned everything to gold.

Old King Midas of Phrygia, founder of the House of Croesus, washed away at last this "golden touch" in the waters of the River Pactolus. And the sands of that stream, legend tells us, became impregnated with gold to the enrichment of the kingdom.

"Silent" Baker has undergone a similar transformation, and he has diverted a river of gold from his own coffers in an effort to add to the health, the comfort and the happiness of his fellow men.

The man who succeeded J. Pierpont Morgan as "the king of American finance" was known to have made a minor gift or two, in years gone by, but it is only within the last year or so that he has started giving in earnest.

He has contributed \$700,000 to Columbia University for the purchase of a stadium site. This was last January. By this gift Columbia was enabled to acquire the Dyckman tract of twenty-six acres for athletic fields, a stadium, boathouse, clubhouse and related purposes.

In making this gift Mr. Baker said it was his desire to contribute in this way, through Columbia University, to the "distinction and satisfaction of the City of New York," where for so many years his active business career had been carried on.

Dr. Nicholas Murray Butler, president of the university, voiced the sentiments of the faculty and student body and the people of New York when he said: "Mr. Baker's munificence assures to the City of New York facilities for national intercollegiate contests and public events on a scale rivaling the greater outdoor centers of the world.

"Coming at the eleventh hour, when alumni and friends of the university were doubtful of the issue, the gift heartened the university's alumni and students as no event has done in a long time. It is difficult to exaggerate what possession of this property would mean to the health and enjoyment of generations of Columbia University's students and alumni. When developed as we plan to develop it, it will be as notable an addition to the resources of New York as a metropolitan city as has been made in many a day."

Warm Response of People to Financier Is Immediate

There you have it: the warm response of the people to the financier was immediate. His friends now wonder if it came too late. They recall that back in 1909 or 1910 Mr. Baker gave \$50,000 to a college. The sequel in a touching one. It was remarked to Mr. Baker by a friend how gratifying it must have been to him to see how well the public responded to his kindly act.

With a sad shake of the head, Mr. Baker said: "It comes too late." His eyes had a far-away look.

The friend realized that something was on his mind, so he bided his time. Then Mr. Baker recalled an incident that had occurred several years before, which the friend had witnessed. It was just after the panic of 1907. The panic had been brought under control at last. Mr. Baker arrived slightly late at a largely attended meeting at the Union League Club. In inner circles it was well known just how much Mr. Baker had been responsible for the quelling of the storm, and his appearance was greeted with applause that swelled into resounding volume as he walked to his seat.

"I could not get home quick enough that night to tell her about it," Mr. Baker said, very sadly.

His wife had died in the interval. The gift to Columbia last January was followed in quick succession by gifts to other institutions. One day this month Robert W. De Forest, president of the Metropolitan Museum of Art, of New York, received the following letter from Mr. Baker:

It is generally understood that the gift which United Cornell University and the New York Hospital was at least \$2,000,000.

Very little indeed is known about the early life of Mr. Baker, even by his most intimate friends, or members of his own family. He has always remained a man of mystery. He never talks for publication at all, and his remarks to his friends have usually been confined to monosyllables, a "yes," or "no," or just a shake of the head.

One of the leading bankers in this country once described Baker as "The man with the hardest shell and the softest heart in America." His shell is indeed impenetrable. He affects absolute indifference to the opinions of his fellow men. He once declared, "It is none of the public's business what I do," yet he and his associates, J. P. Morgan and James Stillman, between them controlled \$22,000,000,000, most of it the money of those very people whose opinions he scorned concerning his use of it.

Mr. Baker was born in Troy, N. Y.,

identified since 1874, when as cashier an error in judgment on the part of his assistant and himself led to his taking over control of the entire institution.

Baker Made His Error Stepping Stone to Success

The same sort of a mistake would have led downward instead of upward for the average bank official, but Mr. Baker made it a stepping-stone to success. The error consisted in the purchase of a large amount of foreign exchange from Juy Cooke & Co., at the time supposed to be perfectly solvent. Three days later the failure of the House of Cooke shocked the business world.

Mr. Baker went to John Thompson, the president of the bank, and offered to buy control, taking a six months' option on his stock, with Harry Fehnestock, a friend, Mr. Baker had a little money of his own, but he was able to interest moneyed men in the deal, and



First National Bank Building, N. Y., in which "Silent" Baker's offices are located

things forbidden by the National Bank act, by means of a separate enterprise, owned by holders of the bank's stock, each share of the bank carrying with it a share in the other enterprise.

The bank has paid more than 18.550 per cent in dividends on the original \$200,000 capital, not counting the millions paid out by its alter ego, the security company. One dividend of 1900 per cent was paid at one clip. It was in 1901 that this special dividend of \$9,500,000 was declared for the purpose of raising the capital to \$10,000,000. Of the total 100,000 shares at that time Mr. Baker owned 20,000, his son 5050 and Morgan & Co. 4500. These 20,000 shares in the First National Bank are said to be worth at least \$20,000,000.

When exercising his power to the utmost, before he started resigning from many of his directorates, Mr. Baker was a director or officer in fifty-eight corporations of the first magnitude. In fact, it was found by the Pujo committee that the members of J. P. Morgan & Co. and the directors of their controlled trust companies and of the First National and National City Banks together held:

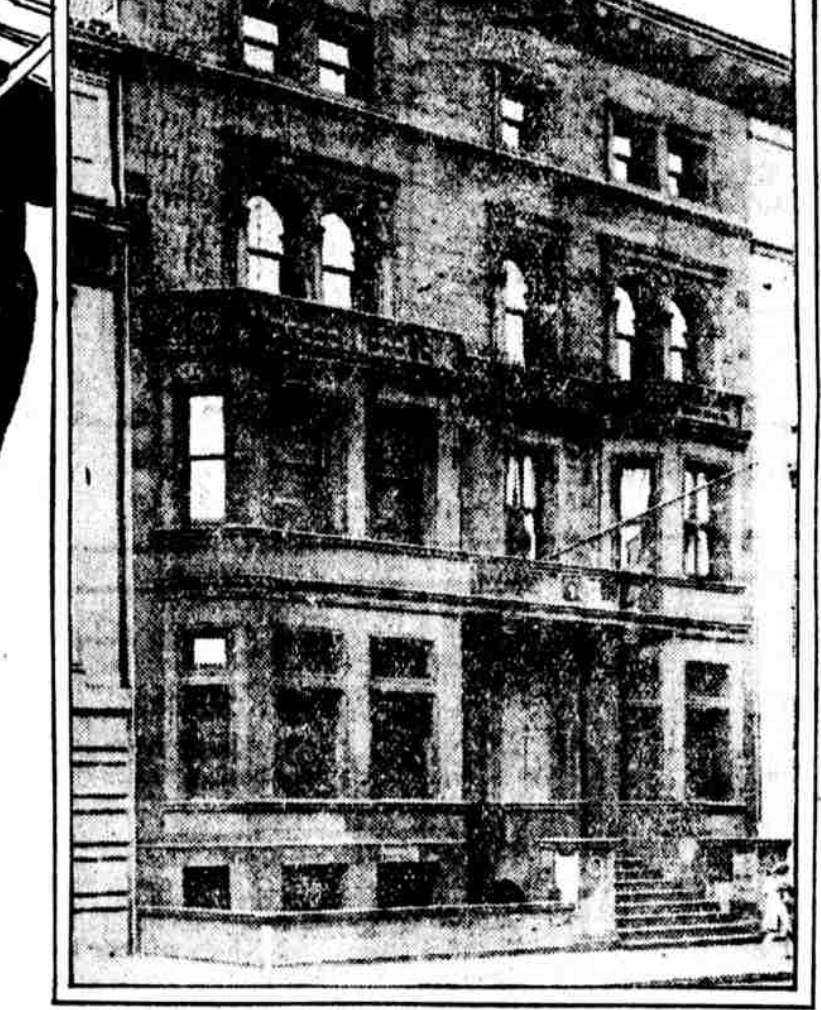
One hundred and eighteen directorships in thirty-four banks and trust companies, having total resources of \$2,470,000,000 and total deposits of \$1,983,000,000.

Thirty directorships in ten insurance companies, having total assets of \$2,292,000,000.

One hundred and five directorships in thirty-two transportation systems, having a total capitalization of \$11,784,000,000 and a total mileage (excluding express companies and steamship lines) of 150,200.

When Morgan Died Baker Inherited Crown

"Sixty-three directorships in twenty-four producing and trading corporations having a total capitalization of \$3,339,000,000.



Town house of George F. Baker

the first years of business, the results of which amply rewarded the management for their confidence in the credit of the Government.

"The bank from the start took a leading position among dealers in United States securities, for itself and as a representative of the several re-

Baker's financial genius, according to financiers, made his bank a gold mine. One banker remarked: "The profits of Baker's bank make the rest of us look like amateurs."

Mr. Baker was the first New York banker to conceive the idea of doing

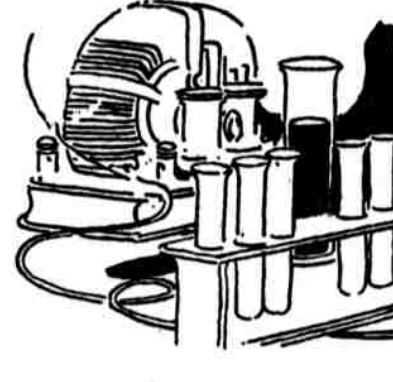
constitute an endowment fund, the principal of which is to be kept intact, the income to be used for its corporate purposes.

"I beg to hand you herewith \$1,000,000 United States Victory Loan 3% per cent bonds. Yours very truly, GEORGE F. BAKER."

This was the second donation of \$1,000,000 in cash value the museum has so far received from living persons. The first was from Mrs. Anna M. Harkness last year. There have been donations to the museum that were valued at more than \$1,000,000, but these were in the form of bequests of objects of art, notably the Altman and Morgan collections.

Presented "Salome" to Metropolitan Museum

Another of Mr. Baker's gifts to the Metropolitan Museum of Art was the famous painting "Salome," by Henri Regnault, which once sold at the sensational price of \$105,000. In May of this year, also, he presented to the American Museum of Natural History a rare collection of acms and minerals



Painting "Salome" which Mr. Baker presented to the Metropolitan Museum

as a memorial to his friend, J. Pierpont Morgan. This collection was placed in the Hall of Minerals.

Within recent memory he gave Cornell University \$1,850,000 for new dormitories and a new chemistry building. During the war he donated \$2,000,000 to the American Red Cross. Another recent announcement is the gift of \$500,000 in United States Victory Bonds to the Society of the New York Hospital. The society, gratefully accepting, established the George E. Baker Endowment Fund of \$750,000, adding to the present donation \$20,000 given some time ago. Mr. Baker has been a governor of the society since 1890.

George F. Baker



Andrew Carnegie



John D. Rockefeller

before the option expired he had raised money enough to gain control.

Through Baker's guidance the First National developed in a marvelous manner. Four years after he entered the bank's employ he was its president. It is said that young Baker plucked the United States war bonds, loading the bank up to the limit with them. His nerve won the admiration of Secretary Chase, then head of the United States Treasury, and he saw to it that the First National Bank received every possible Government favor. It grew and grew and grew.

Upon the fortieth anniversary of the founding of the bank the following folder was sent to the bank's stockholders. It is illuminating:

Matter of Mere \$800,000 Overlooked by Baker

The total original capital was \$200,000. How small a matter a few hundred thousand dollars became to Mr. Baker may be gathered from the fact that when asked by the Pujo committee, which in 1913 investigated the "money trust," if he held any interest in the Guaranty Trust Company, Mr. Baker said he did not think he had, or if he had any, it was so small that he did not remember anything about it. His "mum," holding, it developed later, was worth abs. \$800,000. Another item in his fortune, \$500,000, he forgot entirely, so small was it in his

"Silent" Baker Is Following Lead Taken by Rockefeller and Carnegie

"SILENT" BAKER	JOHN D. ROCKEFELLER	ANDREW CARNEGIE
has started giving away some of the vast fortune of \$300,000,000 he has accumulated during his career as a New York banker. He is eighty-two years old and is chairman of the board of the First National Bank of New York.	the world's richest man, has given away much more than \$250,000,000. Rockefeller Foundation.	who retired with about \$500,000,000, was credited with total benefactions of \$175,000,000.
Columbia University, for stadium site..... \$700,000	University of Chicago..... 25,300,000	For establishment and maintenance of charities, income on..... \$10,000,000
Metropolitan Museum of Art of New York..... 1,000,000	Rush Medical College..... 6,000,000	Toward advancement of universal peace..... 10,000,000
Society of the New York Hospital..... 750,000	Churches, etc..... 5,400,000	Carnegie Institute..... 10,000,000
American Red Cross..... 2,000,000	Baptist Foreign Missionary Fund..... 2,000,000	Scottish universities..... 10,000,000
Cornell University..... 3,850,000	Rockefeller Institute for Medical Research..... 4,300,000	Fund for benefit employes, Carnegie Steel Company..... 5,000,000
American Museum of National History, a rare collection of gems.	Barnard College..... 1,375,000	Carnegie Hero Fund..... 5,000,000
All these donations are taken to indicate the entrance in earnest into the field of philanthropy of another of the world's richest men, and Mr. Baker is expected to make some startling announcements from time to time concerning the disposal of his surplus millions.	Southern Education Fund..... 1,125,000	Public library buildings 50,000,000
Just what form any later gifts may take is not yet clear, even to his intimates. He may establish a "foundation" like that of Mr. Rockefeller, or he may give a huge sum for the advancement of some personal hobby, such as Mr. Carnegie's fund "toward the advancement of universal peace."	Union Theological Seminary..... 1,100,000	College Pension Fund, United States, Canada and Newfoundland... 15,000,000
	Harvard University..... 1,000,000	Mr. Carnegie made a tremendous number of donations in every direction, many of them never recorded publicly. It was his libraries, however, that attracted widespread attention to his philanthropies. He would buy land and erect a magnificent library building, large or small as the size of the community warranted. These were always known as "Carnegie Libraries." He never supplied any of the books to go upon the shelves, however, and always stipulated that the upkeep of the building be shouldered by the town or city accepting it.
	Baptist Education Society..... 1,000,000	
	Juvenile reformatories..... 1,000,000	
	Cleveland City Park..... 1,000,000	
	Ten Young Men's Christian Associations... 1,145,000	