

## CHAPTER I

### HIS DIVERSIFIED LIFE

The Nashville, Tennessee home of Michael and Anna Pyle O'Shaughnessy was undoubtedly a joyous place when, on June 1st, 1873, Michael J. Jr. was welcomed into the world. The O'Shaughnessy family was to eventually number three boys, Michael James Jr., M. Conrad, and Marion Thomas, and one girl. Later the family moved to Huntsville, Alabama where the father of the household became President of the Alabama Cotton Oil Company. Two of the O'Shaughnessy brothers, Michael and Conrad, attended Mount Saint Mary's College in Emmitsburg, Maryland. Michael stayed for two years while Conrad graduated from the College in 1891. Further information on Michael's education and early activities is presently unknown.

Dominated by his mother, a woman who seems to have had an appreciation of business affairs in addition to being a Bible Presbyterian, Michael Jr. acquired much of her drive and religious spirit. Her insistence that he go into business, plus his father's contacts, do much to account for Michael's successive careers as president of a twine company, an associate in several speculative ventures, president of a foundry, and businessman in the oil industry -- all of which will be dealt with in greater

detail in subsequent sections.

From interviews and private correspondence with friends and family relations it is possible to sketch a picture of the man who was Michael James O'Shaughnessy. He always had a special respect for certain historical figures, among them Napoleon, Lincoln, and the two Roosevelts--first Theodore and later Franklin, and throughout his life attempted to imitate their strong leadership qualities. Another idol joined the fold with his marriage to Marie Calhoun Lane, a distant relative of the great Southern slave apologist, John C. Calhoun. Michael was intensely proud of his new relation -- as recorded in a letter from his daughter, now Mrs. Marie Hemphill, to this author.<sup>1</sup> She pointed out that her father was a great romantic -- possibly due to his idealist nature -- who could never comprehend how some people could express a preference for Charles Dickens over Sir Walter Scott.<sup>2</sup> Depicted as a very hospitable, handsome man possessing an uncommon ability to debate at great length without display of temper, he received the respect and admiration of

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<sup>1</sup>Mrs. Marie Hemphill to William Forster, February 18, 1965, in the Recipient's possession.

<sup>2</sup>Ibid.

those who knew him.<sup>3</sup> Also characteristic of him was an enormous sympathy for people, particularly the underdog -- which partially accounts for his later participation in the movement for social justice during the 1930's and 1940's. Thus, from his maternally-fostered success drive; his father's contacts -- one of whom was the family relative James O'Shaughnessy, a 19th century "laissez-faire" capitalist; his adulation for the strong leadership of his heroes; as well as his engaging personality, it is possible to comprehend why and how he ventured upon his career in the business world as president of a twine company.

Through the efforts of his Uncle James, the young O'Shaughnessy, then only twenty-two years old, was installed as President of the Wisconsin Grass Twine Company in Oshkosh, Wisconsin. The purpose of the organization was to adapt to practical application a wire grass (*Carex Vulpinoidia*) which, until the advent of the industrious O'Shaughnessys, was looked upon as only a nuisance and a waste product.<sup>4</sup> Through the implementation

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<sup>3</sup>Interview with George N. Shuster, May 31, 1965.

<sup>4</sup>Much of the information on O'Shaughnessy's activities in the grass twine venture comes from his two accounts, written about 1923, "Grass Twine" and "Crex." They are unpublished and are in the possession of John Hemphill Jr., Princeton, New Jersey.

of specially designed binding machinery, the coarse and fibrous wild grass was spun into twine, thereby making it suitable for commercial use. Among the more successful twine products were: binding cord; bottle covers -- "that packed the first ship load of beer to Manila after American occupation . . ."; and rugs and carpets which were marketed under the trade-name "Crex."<sup>5</sup>

The vast acreage of wire grass in North Dakota brought the enterprising young entrepreneur into contact with the renowned "Empire Builder," James J. Hill, who expressed an interest in the budding enterprise. In order to arouse Eastern financial support for the company, experimental runs were made on the Dalrymple Ranch at Casselton (then the largest in the world), the ranch of James Hill at Northcote near the Canadian border, and several others.<sup>6</sup> Let it suffice to say that these trips were successful and the capital so eagerly sought eventually materialized. Later commenting on his first interview with James J. Hill,

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<sup>5</sup>"Grass Twine," p. 3.

<sup>6</sup>Accounts of the Dalrymple ranch and Hill's influence in the region are given in Ray Allen Billington's Westward Expansion (New York: The Macmillan Company, 1949), pp. 713-714, in which the author notes that to Dalrymple is attributed the boom in "Bonanza farms" in the Red River Valley. By colonizing the land opened up by his railroad, Hill played a significant role in developing the plains of Northern Dakota.

O'Shaughnessy, in an indicative insight, described himself as, "the hero worshiper about to see one of his heroes in the flesh."<sup>7</sup> In reading "Grass Twine" and "Orex" -- autobiographical accounts of his early career -- one notices the powerful drive for success possessed by the young president, whose star was on the ascendancy. Throughout these monographs are scintillating accounts of the ruggedness of prairie life around the turn of the century and the high stakes inherent in establishing a new industry. Also found in these chronicles are the author's always interesting and sometimes amusing experiences with the outcasts of society -- complete with unintelligible faces, single word answers, and itchy trigger fingers.

Early success soon led to the evolution of the original company into the Minnesota Grass Twine Company now centered in Saint Paul. Experimentation with new uses for grass twine brought new products, such as "prairie chair furniture," and expansion into new areas as well. By the early 1900's, the company's grass twine products were even to be found in European homes and cottages, particularly in England. But along with expansion came distributing difficulties and, resultantly,

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<sup>7</sup>"Grass Twine," p.12.

the company decided to market some of its products through firms such as Marshall Field and Company in the West and the H. B. Claflin Company in the East.<sup>8</sup>

By the end of 1902, Eastern bankers had obtained company control and immediately proceeded to discontinue a lucrative advertising agency contract. Disgruntled over the sudden change in affairs, Michael O'Shaughnessy resigned as active head of the organization. He decided to stay with the company, however, in a largely subordinate capacity. Inflated stock issue and some unwise financial machinations, half-heartedly supported by O'Shaughnessy, eventually ruined the company. And with its demise, Michael and his Uncle James suffered financial embarrassment and much personal disgrace.

Frustrated in an attempt to become successful in business, O'Shaughnessy's attention was redirected to more venturesome and less reputable exploits. As communicated by the grandson of the former grass twine company president, a New York coterie consisting of Judge Henry Howland -- a former director of the Minnesota Grass Twine Company, a Mr. Warren, Michael Jr., his Uncle James, and other associates were involved in speculative operations

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<sup>8</sup>"Crex," p. 17.

following the 1907 Panic; although details are lacking most likely these dealings were concerned with western railroads, as well as other schemes.<sup>9</sup>

In 1917 and for a short interval thereafter, the inveterate experimenter tried his fortune as President of the Scanton Foundry and Engine Works; however, the pro-German activities of a principal backer, a Mr. Hans Schundler, harassed the operation of this business endeavor.<sup>10</sup> In 1924, or thereabouts, the two-time company president, by means of previous financial contacts, embarked on a career in the oil industry, staying active in this pursuit until his retirement in 1942.<sup>11</sup> The oilman's fortunes fluctuated wildly and he was penniless at least once. Concentrating on South American oil exploration and development, he was very assiduous in keeping abreast of the latest developments in the industry. In 1924, he journeyed to Venezuela and composed two pamphlets, Venezuelan Oil Handbook and Venezuelan Oil Fields.

<sup>9</sup>John Hemphill Jr. to William Forster, May 28, 1965, in the recipient's possession.

<sup>10</sup>Ibid.

<sup>11</sup>Although Edwin Liewen places his Venezuelan activities in the Maracaibo basin in Petroleum in Venezuela, A History (Berkeley: University of California Press, 1954), p. 149, his specific activities in the oil industry are not known.

From November of the same year until April two years thereafter, his Venezuelan Monthly News Letter was published. In 1926, the publication was expanded to cover world oil developments as they affected the South American oil fields and was renamed O'Shaughnessy's South American Oil Reports; four years later the monthly's masthead was again changed, this time to O'Shaughnessy's Oil Bulletin.<sup>12</sup> Besides the bulletin and the previously mentioned booklets, the oil journalist also published Oil Industry (1914) and Oil Tariff and World Zoning (1931). O'Shaughnessy, in later highlighting his service to the oil industry, recalled that the above tariff and zoning booklet was issued on the premise that it was needless waste of natural resources ". . . to put light American crude oil to the inferior use of burning it under boilers instead of imported fuel oil."<sup>13</sup>

As part of the fight to conserve natural resources by regulating over-production and destructive competition, he staunchly advocated the world-wide application of a "zoning principle." To this end his March 1929 Bulletin carried an "open letter" to the "World's Big Eight" oil

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<sup>12</sup>"Valedictory," O'Shaughnessy's Oil Bulletin, 166 (December 15, 1941), 1-2.

<sup>13</sup>Ibid., p. 3.

executives urging international cooperation.<sup>14</sup> The subsequent meeting in Houston and the later acceptance of the "zoning principle" was taken by the Bulletin editor as due in great part to the "open letter" and, furthermore, convinced him that cooperation in business for the common welfare was possible. That his service to the industry as publicist and commentator on oil affairs was recognized is documented by a letter of November, 1929, from Roy L. Wilbur, then Hoover's Secretary of the Interior, which read, "they [a series of letters sent by O'Shaughnessy] assist in giving us a more intelligent point of view of the various forces that are operating in the oil industry. I will be glad to talk to you further about your various proposals at some time when you are in Washington."<sup>15</sup>

In February, 1931, while the House Ways and Means Committee was conducting hearings on "Regulating Importation of Petroleum and Related Products," the business

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<sup>14</sup>These are: Sir H. W. A. Deterding, Mr. R. C. Holmes, Mr. K. R. Kingsbury, Mr. W. L. Mellon, Sir John Cadman, Mr. A. F. Corwin, Col. R. W. Stewart, and Mr. W. C. Teagle -- whose companies controlled about 40% of the world oil production and approximately 85% of the world's transportation and marketing facilities. Cited in Editorial, Ibid.

<sup>15</sup>Letter from Roy L. Wilbur, Secretary of the Interior, to Michael J. O'Shaughnessy, November 5, 1929, in possession of John Hemphill Jr.

journalist appeared, so he said, as an interested private citizen to inform the committee of facts it should know. During his anti-tariff testimony, several doubts were expressed on O'Shaughnessy's exact motives for testifying. This suspicion of his public spiritedness, joined with the secret activities of pressure groups and the general ineptitude of the Congressional committeemen, disillusioned him on the ability of Congress to legislate for the common good. In later books an account is given of this bitter experience.<sup>16</sup>

As in his business career, his family life was marked by changes in fortune. Having lost his first wife by tuberculosis, in 1917 he again married, this time to a Catholic convert from Unitarianism. Not very much is recorded on this marriage as information is non-existent or presently not available. It is known, however, that tragedy hit the family when one child contracted pneumonia. Eventually the sickness progressed into spinal meningitis and terminated in a youthful death. This calamity deeply moved O'Shaughnessy and it may have been a contributory factor to his taking a more intense interest in his Catholic religion -- an interest to bear reper-

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<sup>16</sup>In Peace and Reconstruction (1943) p. 42, he speaks of the role of lobbyists and in Economic Democracy and Private Enterprise (1945) pp. 40-44, reference is made to his anti-tariff battle.

cussions in his later activities in support of moral reform.

As he grew older, more attention was given to his residence in the Silvermine section of New Canaan, Connecticut, and from there originated much of his written material. The withdrawal became even more complete when he relocated his oil business from the New York City office to Silvermine. Formerly a Republican in politics, he became a Democrat with the ascendancy of Franklin D. Roosevelt. O'Shaughnessy was always interested in public affairs and movements for good government, which may account for his activity in the Catholic Club of New York City -- later called the "Center Club" -- during the late 1920's.<sup>17</sup>

The catastrophic effects of the 1929 debacle convinced the oil businessman that something positive must be undertaken to remedy the ubiquity of social injustice. Thus began a new career as a social and moral reformer for a new society. Economic planning would largely transform the secular sphere but a moral renovation called for a different approach. To assure the application of Christian principles in everyday life, he was instrumental in start-

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<sup>17</sup>Interview with Mrs. Marie Hemphill, March 26, 1965; Letter from Constantine E. McGuire to William Forster in recipient's possession.

ing a movement in 1932, the Catholic League for Social Justice, to foster and promulgate this ideal. Although remaining active in the oil business, until 1942, he now devoted much time to the League as editor of its Social Justice Bulletin.<sup>18</sup>

In October 1935 under the local government of George T. Smith, O'Shaughnessy was appointed a member of the New Canaan Board of Finance. As a member of the Town government he created quite a local controversy -- something fairly unknown to a very demure small town wherein the change to daylight saving time was front page news -- by publicly declaring his intention to resign from his appointed post unless the Town charter was changed. By his proposed amendment ownership of property would not be a requisite for board membership and members of the Board of Finance would be elected, not appointed. Furthermore, the charter was declared unconstitutional, being contrary to the Fourteenth Amendment. Although the town paper supported his crusade, the attempt to revise the Town charter met with determined local opposition and failed.<sup>19</sup> He was equally unsuccessful in his

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<sup>18</sup>For a detailed treatment of the League and his publications see Chapter II.

<sup>19</sup>The paper held, ". . .that there are none-property [sic] owners who are as well-equipped to serve the Town as though they owned property." New Canaan Advertiser, Editorial on "The Charter Resolution" April 29, 1937, p.6.

attempt, as chairman of a committee, to have \$6,000 appropriated, in April 1937, for a leisure time program. When these three measures were brought up again at a special town meeting on September 16th of that year -- this time for placement on the ballot of an upcoming town election, the first two were rejected as unfit for the ballot. The third proposal, the appropriation for leisure time, was eventually compromised by a substitute measure which recommended the Board of Finance act favorably on the bill. The session was remarkable for its lack of reserve and order. When O'Shaughnessy rose to speak in behalf of his measures he was greeted by a barrage of heckling and howls accompanied by a chorus of stamping feet. This traumatic encounter with some of the town's more barbarous council members ended his political career, for in the future he remained aloof from local civic and political affairs. Commenting on this special meeting, the town paper noted that it had been several years since so much personal interest and discussion was displayed over only a local matter.<sup>20</sup>

From his personal acquaintances in Silvermine and Emmitsburg it is possible to draw a rough character sketch of the oil businessman -- reformer during later life.

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<sup>20</sup>"Voters in Noisy Meeting Defeat Amendment Vote," New Canaan Advertiser, September 23, 1937, p. 12.

Clarence King and Donald Wood were two close friends and through a personal letter and enclosed map from the former, a daily custom of the economic planner was graphically depicted. Upon alighting from the train out of New York, he would leisurely walk "around the square" -- a journey of approximately two miles -- emanating health and joviality to all he met.<sup>21</sup> Two persons who knew him in Emmitsburg, where he spent his last five years, Clarence G. Frailey and David Beegle, both expressed admiration for his personality and upright character; Mr. Frailey recalled that when eating meals, the industrial publicist would stand as expiation for his past sins.<sup>22</sup> Depicted as one widely read, O'Shaughnessy's travels to Washington and his dinners with "high society" were also recalled by his acquaintances. Evidently he was an effective public speaker, able to hold an audience's attention by his facility for vivid and inspiring expression.<sup>23</sup> He kept in contact with some faculty members of Mount Saint Mary's College. But whether they, being in the strict conservative school, ever took the reformer seriously is subject to justifiable doubt.

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<sup>21</sup>Clarence King to William Forster, January 7, 1965, in the recipient's possession.

<sup>22</sup>Letters from Mrs. David Luther Beegle and Clarence G. Frailey to William Forster in recipient's possession.

<sup>23</sup>Founder of the League Addresses Meeting Here," New Canaan Advertiser, January 25, 1934, p. 1.

The years started to tell on the venerable campaigner. It is likely that the publisher's refusal of the manuscript for "Fourteen Years and Four Months," his planned third book, had an adverse effect upon him. In his "Journal," plans for 1946 were vague and without direction -- perhaps a social justice column in some paper, or the publication of any allied material.<sup>24</sup> He was unsure of where the world was headed; his writings repeatedly used the word "flux."<sup>25</sup> The awesome power of the atomic bomb; a rapidly changing world marked by shifting alignments and the decline of old powers; as well as the lack of concrete actions toward the achievement of a new social and moral order, for which he had been a leading advocate, probably were causal factors leading to a diminished idealism and dimmed faith in the future.

However much any faith in the future may have waned, his trust in his heroes remained steadfast. In "Fourteen

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<sup>24</sup>Although fragmentary his "Journal" is noteworthy for insights into his later life. It is in the possession of John Hemphill, Jr.

<sup>25</sup>In a letter concerning the rejection of "Fourteen Years and Four Months" he states, "there is a lot of good stuff [in the manuscript] . . . but it is not put together in a way to compel conviction and stimulate action. Perhaps it is impossible to do this in a world in a state of such violent flux." [*italics mine.*] Michael O'Shaughnessy to Ordway Tead, January 9, 1946 in the possession of John Hemphill, Jr.

Years and Four Months," he called Franklin Roosevelt, "the great white knight of social justice, who . . . gave his life as Lincoln and . . . others have . . . in the global struggle against poverty."<sup>26</sup>

On Thursday, February 14, 1946, at the Warner Hospital in Gettysburg, Pennsylvania, coronary occlusion ended the crusade for the unflinching proponent of social justice. He received the last rites of the church whose social principles were the matrix of much of his thought and later life's work and was laid to final rest in Lakeview Cemetery, New Canaan.

In retrospect, Michael O'Shaughnessy's business experience, especially his career in the international oil industry, was a vitalizing force on his reform philosophy. As will be discussed in greater detail in a later chapter, the businessman--reformer held a deep affection for the oil industry; and from this reserve of experience came many of his propositions for a reformed social order.

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<sup>26</sup>Page 1 of an unpublished manuscript in the possession of John Hemphill, Jr.