
Introduction

History's Witnesses

How can anyone hope to describe the nature of an organization that has been meeting regularly since 1927, hundreds upon hundreds of dinners, laden tables surrounded by captains of Chicago commerce and their guests? It would be unfair to think of this group as little more than a club for the elite, collections of men and later women who over time enjoyed the privilege of their place in Chicago's robust economic community. That might well be the surface assessment.

These excerpts tell a different story.

The Economic Club of Chicago was founded for one important reason in 1927. Those who had already succeeded, who had their names carved deeply into the cornerstones of their own empires, wanted to create a forum for the people who would follow them into business. This club was born so young men just getting their start (and in the beginning, it certainly was all about men) could find a portal into the community of power, not necessarily for their own advancement so much as to share with their mentors and with an astoundingly well-selected series of speakers voicing "social and economic questions pressing for solution."

The word that Chicago would be home to another club came in the fall of 1927 in an announcement by Lucius Teter, president of the Chicago Trust Company. In the staid and formal language of the era, the club's purpose was to "aid in the creation and expression of an enlightened public opinion on the economic and social issues of the day." The plan was to invite 800 rising young executives into a club that would also include some 200 of Chicago's premier business leaders. They would invite for comment the foremost economic, business and world leaders of the day.

All organizations create statements of purpose that suggest an external focus on noble deeds and perpetual improvement, as though they had flowed from God, handed down on a mountaintop. Then many of them fail, either in execution or in determination. These excerpts are presented, in part, as evidence that The Economic Club of Chicago has been achieving its mission from its inception.

They form the record compiled by witnesses present at the most important moments of the 20th century.

What have the club's members witnessed over 75 years?

The Great Depression era debates over the rights of capital and of labor, the emerging concerns about America's role in an increasingly complicated and dangerous world, the persistent and growing threat of the Soviet Union before World War II, as the Cold War was born, and as the Cold War matured and finally collapsed, along with the collapse of Communism, were all themes of The Economic Club of Chicago's quarterly dinners.

Who brought these messages?

Sears Roebuck and Co. chairman and CEO Gen. Robert Wood, the logistical genius behind the Panama Canal and the man who recognized first that America was on the move and the days of the catalog empire were ending, predicted in the coldest days of the Cold War that communism would indeed fail in Russia, that the seeds of its destruction were already apparent.

Samuel Insull, former assistant to Thomas Alva Edison and chairman of Commonwealth Edison and paterfamilias of a vast utility empire, came to the club as a proud and mighty captain of industry just as the Depression was deepening. Insull optimistically predicted the nation would survive the economic cataclysm that would eventually wreck his own fortunes, see him face three sets of criminal charges and ultimately force him into exile in Paris, where he died of a heart attack in a subway, his wallet missing and just 85 cents in his pocket.

In the darkest days of the late 1930s, Herbert Hoover came to Chicago at the club's behest to tell its young men how to work their way out of the Depression (and to take a few sharp jabs at Franklin D. Roosevelt and his growing government at the same time). Future Supreme Court Justice William O. Douglas, young and freshly named to the Securities and Exchange Commission, came to explain its mission.

As the nation marched off to World War II, Alfred Sloan visited the club to talk about wartime production. Nelson and David Rockefeller visited for addresses on the economic importance of Latin America. William Benton left his office at Encyclopedia Britannica to warn Economic Club members of the nature of Soviet economic growth. Katherine Graham talked about Watergate and the responsibilities of a free press. Lee Iacocca told his Chrysler story. Ronald Reagan brought his second presidential campaign to the club's members. In the first visit of a sitting British Prime Minister to Chicago, Tony Blair told the Economic Club of Chicago why NATO and the United States had embraced human rights as a cause for war in the Balkans, and begged the U.S. not to return to its isolationist ways. Jack Welch came to talk about growth and General Electric. Alan Greenspan came twice, delivering addresses on the economy and energy that were so clear they required no media interpretation of the cautiously encrypted phraseology that has always been his signature. The latest big-name arrival to Chicago, Boeing chairman Phil Condit, told the club's members about the future of transportation and how technology would transform his business.

If you read these excerpts closely, you can hear the voices and the debates as they played out, to the background music of clinking silverware, shifting chairs and the endless cups of coffee and glasses of water that fueled events that have always been barren of even an unassuming, mundane table wine. And they were indeed debates. The club was diligent in trying to present all sides of an argument.

National Steel Corporation's chairman Ernest T. Weir decried conflict with labor and worries about workers' demands for shorter days and better benefits, while Paul Douglas, the future U.S. Senator, told the club he was not surprised that workers were turning to unions for protection, given work conditions and salaries.

Over time, a rifle squad of Cold Warriors visited The Economic Club of Chicago, all of them with dire predictions of a Soviet future in which Moscow, with its gold-backed rubles, would pound the dollar into submission, all the while winning the hearts and minds of nations we were ignoring. Years after he had been forced to resign the presidency, a tarnished but semi-rehabilitated Richard M. Nixon visited to tell why Mikhail Gorbachev was to be closely watched, a brilliant Communist with world domination in his heart and an iron lock on his own power. No one would be pushing Gorbachev off

Mission

The Economic Club of Chicago was organized in 1927 "to aid in the creation and expression of an enlightened public opinion on the important economic and social questions of the day." Equally important, through its membership policies, the Club works to identify upcoming young leaders and to insure a continuum of knowledge and traditions within Chicago's civic and business community as the torch of leadership passes from one generation to the next. While the Economic Club does not take an activist role on issues, by providing a forum for discussion and debate, the Club fosters development of civic-minded executives who understand their broader role in building a better society.

the stage, Nixon argued, pointing to the exile of the exuberant, vodka-fueled Boris Yeltsyn as evidence of the ruthless nature of Soviet politics. That was temporary, of course.

Nixon's misreading of the situation seems overwhelmingly ironic now. He could hardly have been more wrong. At the time, it was viewed as one of the former president's best presentations on the subject.

Industrialists, capitalists, economists and politicians all came to speak to the club, with members always attending in formal dress.

They were getting history lessons from the

people who created it. That is the legacy of all of those dinners.

No one could buy a better education, attend a better university or sit before a more fascinating collection of professors than those who showed up for the club's dinners and seminars.

Everyone who was anyone in Chicago business and economics was here at one point or another, but that is a quantitative assessment that doesn't explain much. To find out what the institution was all about takes some digging in the records. To its credit, The Economic Club of Chicago seems to have kept just about everything. Down in those dusty, yellowing piles of newspaper clippings, old speech texts, crumbling pictures of tuxedoed gents with cigars and ladies in their pearls, letters of praise, resignations and agreements to membership, sat what may be the best example of what the club has represented since its inception.

Judging an organization like this one during flush times, when everyone was doing not only good, but also well, is misleading.

Hard times are the testing ground of character, and for The Economic Club of Chicago, there was no harder time than the fall of 1937, when the nation was grinding through a long, painful depression. President Roosevelt, champion of the working man, was no champion of the businessman. The club's members, particularly its younger members, were deeply worried about their prospects, their pensions, their declining fortunes and the futures of their families. William J. Kelly, the president at the time, sent a plea to former President Hoover. In summary, he was asking, "Give us some hope." It tells more about the club in a few sentences than a writer could tell in a hundred pages.

"In the main, we are a group of young men representative of countless counterparts of the economic middle class Americans. Our future and the country's future are bound together. We were born without golden spoons. We cannot retire. We haven't the means. Nor does our vitality afford any inclination to do so. We have young and growing families, and these ultimate responsibilities are sacred to us... We want to achieve and we want conscientiously to serve the nation. We do not resent any efficiently organized effort to protect and secure the less fortunate. We are willing to sacrifice for it. We do not resent any honest effort to cure abuses in the economic system. We want it done. But we are harassed and nervous lest the uncertainties and direction in our economic life will place an unbearable load upon our ability to plan ahead. We are deeply concerned not alone for ourselves, but for the welfare of those who employ us, those with whom we work, those we employ and the children who will come after us, for whom we hold a personal responsibility... We need leadership in sound economic and social philosophy

far deeper than partisanship...Can you not find the time to accept this hearty and cordial invitation to come at an early date to speak particularly to the men I have described, and for the general good of the nation?"

It took Hoover less than a month to travel to Chicago and deliver a speech that was his own searing indictment of what he viewed as the excesses of the Roosevelt administration, along with his own lengthy plan for reviving the nation. Undoubtedly, it was the passion of the letter that pulled him from New York to Chicago. He made note of that in his address. "Your letter," the former president said, "echoes the anxiety of millions of Americans for the security of their jobs, their savings, the opportunity to better themselves and their children. They are thinking of the long years before they are entitled to an old age pension. I approach that summons with great humility. These questions range far above partisanship."

Always proper and meticulous as a speaker, Hoover's eloquence in his address to the club was not a rarity.

What impresses most about the excerpts is the level of thought they reflect and the clarity of presentation. They are a reminder that long before the language of business was clipped, snipped and boiled down to depressingly unsatisfying PowerPoint presentations based on an assumption of minimal literacy, there was an agreement that business people were intelligent, had senses of humor and could grasp genuinely challenging concepts.

Of course, it wasn't always serious.

The inimitable Ted Turner, sailor, CNN founder and multi-billionaire philanthropist, for example, winged it, as he generally does. Dating experiences, hitchhiking across the country, how he founded CNN, what's wrong with network news and the need to support the United Nations. Somehow, it was all there.

Sony President Akio Morita mixed a strong measure of humor into a serious address about the differences between Japanese and American business style. Francis Collins, chief of the federal Genome project, brought along a science project complete with slides and a most engaging romp across the complexities of molecular biology.

John Kennedy, then a Senator and hop-scotching all over the nation to become better known, was at his brilliant, engaging best, following his father Joseph to the Economic Club podium by a few years.

None of them may have realized at the time that they were adding to a rich, entertaining and informative record of what was important to the people who were most important to Chicago's fortunes and future. The record is here, as ancient as the club's earliest days, and as fresh as its most recent guests are.

It is no small honor to join in this long march.

Those who witness history also help create it.

Charles M. Madigan