Etceteras . . .

Who Was Edward M. House?

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Edward M. House, a man now almost completely forgotten, was one of the most important Americans of the twentieth century. Given the sorry state of historical knowledge in the United States (most high school seniors do not know that the War Between the States was fought sometime between 1850 and 1900 [Long 2008]), we cannot reasonably expect many people today to identify House, much less to know anything about him. I suspect that scarcely anyone except a smattering of history teachers and a few history mavens can accurately state why he was an important figure in U.S. history. Yet he arguably had a greater impact on the past century than all but a handful of other actors.

Political history tends to be written primarily with reference to formal state leaders—pharaohs, Caesars, kings, prime ministers, presidents, and their most notable civilian and military officers. Probably at all times and places, however, much less prominent individuals have exerted potent influence out of the limelight or completely behind the scenes. I have long been interested in what we might call the general theory of gray eminence and in leading specimens of the genus. The typical American at present knows little or nothing, for example, about Eliju Root, Bernard M. Baruch, John J. McCloy, Clark Clifford, and David Rockefeller, although each of these men played a powerful role in shaping the world in which we now live. I do not mean to suggest that all such unofficial movers and shakers are rich and use their wealth as the key that admits them to the inner sanctums of official power. Some, such as House, were not outrageously rich, and some who were, such as Baruch, had great influence not simply because of their wealth, although having great gobs of money at one's disposal certainly never hurts when one sets out to cultivate so-called statesmen.

Edward Mandell House (1858–1938) grew up in Houston, Texas. His father, Thomas William House, an English immigrant who had made a fortune as a blockade runner during the War Between the States, died the third-richest man in the state in

The Independent Review, v. 13, n. 3, Winter 2009, ISSN 1086–1653, Copyright © 2009, pp. 455–462.

1880, leaving to his children an estate valued at $500,000. Edward managed his share of the inheritance astutely, even though he spent much of his time engaged in politics—never running for an elective office or seeking an appointive one, but helping other men to gain office and make policy. Though a sickly man and certainly not a flamboyant one, he had a flair for making friends who appreciated his discretion, respected his views, and valued his counsel. This talent for winning friends and influencing people would remain the basis of his remarkable achievements in politics throughout his life. He was, in today's lingo, a very smooth operator, appreciated all the more because he clearly had no desire to displace the king he had just helped to place on the throne. The power he sought was the power behind the throne.[1]

In the first decade of the twentieth century, House was seeking a new, wider stage for his political activities. He had played an important part in getting four governors elected in Texas and in guiding their policies in office—the first of them, Jim Hogg, had given him the entirely honorific title of "colonel," by which he was known thereafter—but he was losing interest in the local scene.

Since 1886, House had maintained a capacious residence in Austin, where he wined and dined local politicos, but in 1902 he added an apartment in New York City, where he had many friends and contacts. He also spent a great deal of time in the summers at a rented house on the shore near Boston and in Europe. Wherever he went, doors were opened to him, and he and his wife, Loulie, entertained actively in return. The range of his friendships, acquaintances, and social connections was extraordinary. His recent biographer, Godfrey Hodgson, reports: "His diary records meals with Henry James, Edith Wharton, and Rudyard Kipling, as well as with the virtuoso pianist Ignazy Jan Paderewski, who became president of Poland. He mingled with politicians, generals, bankers, academics, journalists, and society hostesses in New York, Paris, and London. He knew J. P. Morgan Jr. well enough to call him 'Jack,' and he dined with Henry Clay Frick in the house that became his great art museum" (2006, 9).[2] Not a bad showing for a man who had left Cornell before graduating and whose annual income ranged only from $20,000 to $25,000 (approximately $450,000 to $560,000 in today's dollars).

In 1911, he spied what he took to be a potentially rising star to which he might hitch his idle political wagon, a man with no prior experience as a politician until his election as governor of New Jersey in November 1910. Woodrow Wilson (1856–1924) had been a lifelong academic, except for a brief stint as a fledgling lawyer; he had spent his life prior to 1910 as a student, professor, and university administrator, serving from 1902 to 1910 as president of Princeton University, an office in which he gained a well-deserved reputation for self-righteous unwillingness to compromise.

1. Murray Rothbard refers to the soft-spoken Texan as "the mysterious House" and describes him as President Wilson's "foreign policy Svengali" (1995, 15, 18).

2. Henceforth, all parenthetical page numbers not otherwise identified by author and date may be assumed to come from this source.

After his election as governor, a number of Democrats began to tout him as the party's next candidate for the presidency, and in the winter of 1910–11 House decided to join this movement, "to do what I could to further Governor Wilson's fortunes" (56).

House played an important role as campaign strategist and intraparty peacemaker in 1911 and 1912, and he deserves part of the credit for getting Wilson first the nomination and then the presidency. Of course, the principal person responsible for Wilson's election was Theodore Roosevelt, whose insatiable craving for power had led him to bolt the Republican Party and run as a Progressive Party (Bull Moose) candidate, thereby splitting the opposition to Wilson and ensuring a Democratic victory. House played an even more important role after Wilson's election because the president-elect had little interest in the nuts and bolts of party politics, including the distribution of patronage and the selection of men for cabinet and other high-level positions, and he left these decisions largely in House's hands. Wilson offered House himself any cabinet position he wanted, except secretary of state, which had been reserved for William Jennings Bryan, but House declined, preferring to work in the shadows as the president's most trusted advisor.

In this capacity, House quickly developed an extraordinarily intimate relationship with the president as his political advisor, personal confidant, and frequent social companion. He engaged actively in the extended politicking that ultimately led to passage of the Federal Reserve Act and in the ticklish conduct of U.S. relations with Mexico, which was then in the throes of violent revolution. As war clouds began to gather over Europe, House, with Wilson's approval, undertook to head off hostilities by bringing about an understanding among the United States, Great Britain, and Germany, making them jointly the guarantors of world peace. He met with Kaiser Wilhelm II and separately with British foreign secretary Sir Edward Grey, among others, to work up interest in the plan, but this attempt at preemptive reconciliation obviously never came to fruition.

During the war, House actively engaged in efforts to bring the fighting to an end. He shared Wilson's view that the most desirable outcome would be one that left the postwar world drastically reshaped in a way that eliminated or greatly diminished militarism, promoted national self-determination, spread democracy, left the United States standing astride the international political system, and brought about the recognition of Wilson as the world's savior. In short, House shared Wilson's peculiar megalomania and undertook to make its main objective a reality. At the same time, House, ever the practical deal maker and compromiser, understood that the United States could not simply impose its will on the world and that the Americans would have to yield to other powerful nations, especially Great Britain and France, some of the prizes they sought to gain from the war. As Hodgson writes, both "Wilson and House were willing to bargain territories and populations for the particular peace they wanted," even if they had to sacrifice "national self-determination" (106) along the way.

After the war began in 1914, Wilson proclaimed that the United States would

remain neutral in word and deed, but Wilson and House's natural inclination was to favor the British, and as various provocations by both sides ensued, the president and his right-hand man dealt with them in a fashion that tilted the United States increasingly toward frank support of the Allies and opposition to the Central Powers. As early as the *Lusitania*'s sinking in May 1915, House advised Wilson that Americans could "no longer remain neutral spectators" (109), but Wilson moved toward war more hesitantly.

When Secretary of State Bryan refused to abandon honest neutrality, sensibly holding the British starvation blockade of Germany to be as reprehensible as the German torpedoing of (arms-carrying) passenger liners, he was pushed out of the government and replaced by Robert Lansing. From the outset, however, Lansing was allowed little real discretion, and House acted as the de facto foreign minister. A joke went around in Washington:

> Question: How do you spell Lansing?
> Answer: H-O-U-S-E.

House began to preach "preparedness," which meant building up a great U.S. army and navy. Hodgson writes: "While the president dreamed of saving the world, House was beginning to contemplate the implications for the American state of being a world power. In this activity between 1915 and 1917 it is not fanciful to see a first, sketchy draft of what would become the national security state" (113). Although House continued his efforts to bring the warring parties to a truce, he admitted early in 1916 that "in spite of all he was doing, a break with Germany could not be averted but only deferred" (115). According to French foreign minister Jules Cambon, House told him in February 1916 that U.S. entry into the war on the Allied side was inevitable and awaited only a serviceable incident that would cause the American people to rally behind the president's call for war (116). Needless to say, a peacemaker who is already resigned to war is unlikely to bring about peace, and, indeed, House's efforts failed to halt the massive, pointless bloodletting in Europe.

When Wilson ran for reelection in 1916, House played a much greater role than he had played in the campaign in 1912. He had "no official role in the campaign, yet he planned its structure; set its tone; guided its finance; chose speakers, tactics, and strategy; and, not least, handled the campaign's greatest asset and greatest potential liability: its brilliant but temperamental candidate" (126). After campaigning with the slogan "He kept us out of war," Wilson narrowly won the election, garnering 277 electoral votes to Charles Evans Hughes's 254.

Shortly after beginning his second term, however, Wilson asked Congress for a declaration of war.[3] We may properly attribute a substantial share of the credit (or

3. In Rothbard's estimation, "Woodrow Wilson's decision to enter the war may have been the single most fateful action of the 20th century, causing untold and unending misery and destruction" (1995, 21).

blame) for this action to House's subtle and persistent efforts to move the president toward it during the preceding two years (besides Hodgson 2006, see Rothbard 1995, 18–19). As House confided to his diary, he had worked from the start of his relationship with Wilson to influence him in a certain direction: "I began with him before he became President and I have never relaxed my efforts. At every turn, I have stirred his ambition to become the great liberal leader of the world" (139). In Wilson, a man whose grotesquely swollen conception of his own importance had few equals, House's guidance had encountered a highly receptive pupil.

Once the United States became a declared belligerent, the prospect of an Allied victory increased greatly, and House occupied himself actively not only in engineering a vehicle to end the fighting, but also in planning the contours of the postwar world. Like Wilson, House "believed that the war had been imposed on the peoples of Europe by the monarchies and their aristocracies" (150), and therefore both men maintained that a postwar settlement should include, among other things, the destruction of the German and Austro-Hungarian empires and the creation of a number of new, democratic states in central Europe. To fill in the details of this vision, Wilson accepted House's proposal to assemble a group of experts (Council on Foreign Relations n.d.). The resulting project was known as "the Inquiry," and the plan it created became the basis for Wilson's Fourteen Points and for his principal proposals at the Versailles conference. The Inquiry ultimately included 126 scholars on its payroll. Although each of them had substantial credentials, hardly any of them had expertise on European politics—a shortcoming that helped to doom the president's dealings with the likes of David Lloyd George and Georges Clemenceau at Versailles. Indeed, as one ponders this big committee's hubristic attempt to redraw the map of much of Europe and other parts of the world, such as the Middle East, F. A. Hayek's (1978) idea of the "pretense of knowledge" springs to mind: "Few [members of the Inquiry]," Hodgson points out, "had any detailed knowledge of, for example, the disputed frontiers of Romania, Hungary, or Bulgaria, still less of the history and ethnography of Poland or the Ottoman Empire. One who was assigned to work on Italy confessed later that he was 'handicapped by a lack of knowledge of Italian.' . . . [W]hen it came to what we would now call the Middle East, the Inquiry more or less gave up" (160). Is it any wonder, then, that the arrangements made at Versailles for the Middle East proved to be the source of what has aptly been called "a peace to end all peace" (Fromkin 1989) and that almost a century later the world continues to pay a horrible price for the statesmen's bungling in 1919?[4]

House contributed probably more than anyone else to the formulation of

4. After the Treaty of Versailles was signed, the Inquiry quickly transformed itself, with funding from leading figures in American business and banking, into the Council on Foreign Relations (CFR), officially established in 1921 (Council on Foreign Relations n.d.). The CFR has arguably been the most influential private group in the foreign-policy realm since its inception—and thus another of House's significant enduring legacies.

Wilson's Fourteen Points, which served as the Germans' understanding of how they would be treated when they silenced their guns in November 1918. On the night of January 5, 1918, Wilson and House had sat down together at 10:30 to sketch out a major speech by Wilson on his vision for a postwar settlement. Two hours later, they had, as House wrote in his diary, "finished remaking the map of the world" (165). When Wilson delivered his speech, however, he "conspicuously ignored complexities the Inquiry had recognized" (167). (Of course, politicians always ignore complexities; if they don't, they won't last long as politicians.) Later, after the Treaty of Versailles had been hammered out—and Wilson's amateurish attempt at direct diplomacy was hammered pretty severely in the process—the Germans justly complained that they had been hoodwinked into the armistice by Wilson's promise to make the Fourteen Points the basis of a postwar settlement. As English diplomat and author Harold Nicolson, a member of the British delegation, wrote, "It is difficult to resist the impression that the Enemy Powers accepted the Fourteen Points as they stood; whereas the Allied Powers accepted them only as interpreted by Colonel House. . . . Somewhere, amid the hurried and anxious imprecisions of those October [1918] days, lurks the explanation of the fundamental misunderstanding which has since arisen" (190). And what a momentous misunderstanding it was! Even James Brown Scott, a legal expert in the U.S. delegation, said of the ultimate treaty that "the statesmen have . . . made a peace that renders another war inevitable" (243). In light of this history, we might credit House with having made an important contribution to ending the fighting in 1918—but also to establishing the preconditions for its resumption in 1939.

House and three others joined Wilson himself to compose the five-man American delegation to the high-level negotiations at Versailles that began in December 1918. House shared Wilson's vision of a League of Nations, and at the conference he did as much as anyone to make this vision a reality, albeit one born with a congenital defect owing to the Senate's ultimate rejection of U.S. membership. Twenty-six years later, the creation of the United Nations, a second attempt to establish an effective international peacekeeping league, may therefore be traced in part to back to House's efforts.

When Wilson departed France in mid-February 1919, he left House at the conference "to act in his place and with his full confidence" (215). In the president's absence, House proceeded to do what he had been doing successfully for decades: he made deals, compromising where necessary to gain the other parties' agreement and creating the best possible arrangements he could make in an extremely complex and challenging situation. Although he kept Wilson informed as he went along, the president seems not to have comprehended fully the agreements that House was making in France. When Wilson returned to Versailles in mid-March and absorbed the details, he reacted with dismay, if not with horror, to what he viewed as the betrayal of his high ideals for the settlement.

Although House continued to negotiate specific matters at Versailles, he never

again acted as the chief U.S. delegate, and the intimate relationship between House and Wilson quickly dissolved: "their friendship never recovered from the events of February and March 1919. It ended in bitterness and mutual incomprehension, with grave consequences for both of them and ultimately—it really is no exaggeration to say—for the peace of the world" (217). After the Germans signed the treaty in June, House saw the president off for his return voyage to the United States. Their conversation on that occasion was the last they would ever have.

"Wilson's entourage [consisting of his wife, Edith; his personal physician, Admiral Cary T. Grayson; his press secretary, Ray Stannard Baker; and that grayest of gray eminences, Bernard Baruch], then and for the rest of their lives, interpreted House's entirely intelligible and honorable diplomatic maneuvers as the blackest treason" (225). Edith Wilson, whom the widowed president had married in 1915, had disliked House from the beginning. She evidently resented him because of his intimacy with her new husband. After the president became incapacitated by a major stroke in September 1919, Edith, besides acting as de facto president of the United States for much of the remainder of his term, made sure that no communication from House reached the bedridden Wilson. For years, the two men had been so close that Wilson trusted House to speak for him, confident that his own thoughts would be expressed precisely. "Mr. House," the president had once said, "is my second personality. He is my independent self. His thoughts and mine are one" (6). But now House found himself completely cut off. It is a dangerous thing to disappoint a vainglorious and vindictive man, but no less dangerous to vex his ruthless, scheming wife.

House lived another twenty years after the war. He continued to move in the highest circles in Europe and in the United States, especially among the ringmasters of the Democratic Party, but he never again exercised the kind of influence he had exercised from 1912 to 1919 by virtue of his close association with Woodrow Wilson. He went to considerable lengths to tell his side of the story and to vindicate his actions, even while Edith Wilson and the other members of Wilson's entourage continued to demonize the erstwhile gray eminence and to blame him for the president's postwar failures. House still traveled in style and socialized with European aristocrats and American plutocrats. He was, in Hodgson's expression, "a grandee on a world scale" (263). He never publicly criticized Woodrow Wilson, and even in private, where he did criticize, he always professed loyalty. When Wilson died in 1924, House wished to attend the funeral, but Baruch told him that he would not be admitted. After advising Franklin D. Roosevelt in the 1920s and early 1930s, House became a peripheral figure in the Brains Trust in 1932 and 1933 and contributed to bringing about Roosevelt's election as president. Only in his final few years did he finally withdraw into his own private affairs.

He never became bitter. In old age, he developed greater infirmities and grew tired of living, but he was satisfied that he had played a significant role in great events.

As he said, “My hand has been on things” (272). Indeed, it had been—to a degree that in our day very few Americans appreciate.

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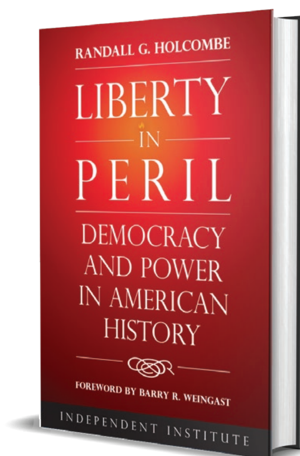

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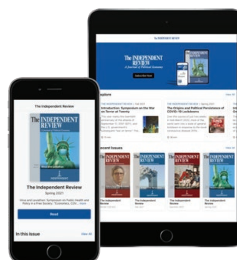

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