

Andrew W. Mellon

Treasury Secretary, ambassador (1855 – 1937)

Andrew William Mellon was a banker, industrialist, philanthropist, art collector and Secretary of the Treasury. Mellon was born in Pittsburgh, the son of a banker who had emigrated from Ireland, and was educated at the Western University of Pennsylvania (now the University of Pittsburgh), graduating in 1873.

Mellon demonstrated his financial ability early in life by starting a lumber business at the age of 17. He joined his father's banking firm two years later and had ownership of the bank transferred to him. He also branched into industrial activities: oil, steel, shipbuilding, and construction, and financed Charles Martin Hall, whose refinery grew into the Aluminum Company of America. Hall had invented the process of making cheap aluminium from bauxite. He partnered with Edward Goodrich Acheson in manufacturing silicon carbide, a revolutionary abrasive, in the Carborundum Company. Mellon created an entire industry through his help to Heinrich Koppers, inventor of coke ovens, which transformed industrial waste into usable products such as coal-gas, coal-tar, and sulfur.

Mellon was appointed Secretary of the Treasury by new President Warren G. Harding in 1921, and served for nearly 11 years, the third-longest tenure for that position. His service continued through the Coolidge administration and most of that of HERBERT HOOVER.

Mellon came into office with a goal of reducing the huge federal debt from World War I. To do this, he needed to increase federal revenue and cut spending. He believed that if the tax rates were too high, people would try to avoid paying them. By 1926, 65 percent of the income tax revenue came from incomes \$300,000 and higher, when five years prior, less than 20 percent did. During this same period, the overall tax burden on those that earned less than \$10,000 dropped from \$155 million to \$32.5 million. In 1929-31, he spent much of his time overseas, negotiating for repayment of European war debts from World War I. Not all his policies were greeted with enthusiasm.

In January 1932, Congressman Wright Patman and others introduced articles of impeachment against Mellon, with hearings before the House Judiciary Committee to commence at the end of that month. But Mellon resigned and was replaced by Undersecretary OGDEN L. MILLS. Mellon was appointed Ambassador to the Court of St. James, serving for one year.

Months before his death in 1937, he donated his substantial art collection, plus \$10 million, to establish the National Gallery of Art on the National Mall in Washington.

