

# **Oil Men Conspiring and Cats Making Love: The Manipulation of Anti-Monopoly Discourse for Competitive Advantage in the Domestic Petroleum Industry, 1870-1911**

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In a thoughtful essay published thirty-five years ago Arthur Johnson asserted that Standard Oil's competitors *tried* to use public policy to overcome competitive disadvantages [12, p. 48]. His suggestion, not developed subsequently by other historians, is true as far as it goes; it should actually have gone a good bit farther: Standard's competitors *succeeded* in exploiting both anti-monopoly discourse and political agencies to gain competitive advantages. In three instances, Standard's competitors and would-be competitors faced the same strategic problem: how to enter and survive in an industry dominated by one large firm. In response to their common problem, the competitors pursued the same general strategy and even cooperated with each other in the exploitation of anti-monopoly ideology and politics. They proved to be so adept that Standard reached informal and formal accommodations with them rather than continue to take rhetorical and legal beatings before the courts, the press and legislative bodies.

Standard encountered its first wily adversary when it attempted to "unify" refiners in the Marietta, Ohio-Parkersburg, West Virginia area, through acquisitions by Johnson Newlon Camden's Consolidated Oil Company. Camden, a long-time Democratic party leader, sold his properties to Standard in 1875, and with the company's capital, set out to buy up small refineries in the interest of eliminating excess capacity. He found the pickings poor and appetites large: "I am discouraged about this section," he wrote. "It is so full of *debris*, both of men and old refining traps that will be as hard to keep down as weeds in a garden. The object of the whole crew of broken oil men is to pension themselves upon us" [quoted in 25, p. 225]. Camden advised Rockefeller against an attempt to absorb all of competition in Ohio and West Virginia: "I have considered the matter carefully and am fully persuaded there is no use trying to buy it and provide for the horde here, as long as we are keeping up this margin" [quoted in 25, p. 183].

After a change of heart, Camden crossed the Ohio River to round up refiners in Marietta. With his quick acquisition of the most successful local company, Marietta Oil and Refining, his campaign began with a conspicuous victory [7, "Marietta Oil and Refining, v.193, p. 210]. "A vigorously blunt man," according

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to John D. Rockefeller's principal biographer, Camden then put additional pressure on the remaining Marietta refiners by offering higher short-term prices to their suppliers of crude, effectively choking off stubborn negotiators. As he wrote to Rockefeller, "We will either get them or starve them." Next, he applied another consistent element of his strategy, the attempt to secure competitive advantage by securing preferential freight rates from railroads, principally the Baltimore and Ohio, the main link for Marietta producers and refiners [16, pp. 220-7; 6, p. 189; 25, pp. 181-3].

This tactic should have ended the unequal struggle, and it might have done so had it not been for a determined hold-out, George Rice. Originally a New Yorker, Rice ventured into oil production in West Virginia after the Civil War and relocated to Marietta, Ohio in 1872. "A quick active man," according to a local credit reporter, Rice made his mark quickly by re-opening the Macksburg field with a series of four successful wells. At the end of one year, he had acquired properties and leases worth at least five thousand dollars, in addition to a three-quarters interest in the Lowell Oil Company. George Rice was a man on the make [17, March 1, 1905; 6, p. 189; 7, v. 193, pp. 53, 7B]. When Camden's acquisition campaign began in Marietta, George Rice was doing well in the oil business. His investment in tankage, oil, and refinery were deemed worth about twenty-five thousand dollars, with his leases worth two-to-four times that amount. He produced about half of the feedstock for his sixty-barrel refinery and sold his products to western distributors, as had Marietta refiners since the rise of the city as an oil town. According to the local credit reporter, Rice was "making money all the time" [7, "George Rice," v. 193, p. 716].

Camden's aggressive acquisition program and his successful negotiation for volume discounts with the railroads that served Marietta stirred Rice to action. In 1879, he prompted an investigation of railroad rates by the Ohio legislature and tried to interest Ohio Congressman James A. Garfield in launching a broader inquiry. This initiative died when Garfield, a dark horse candidate, received the Republican presidential nomination and won the election of 1880. Rice's presumed pleasure at having an acquaintance in the White House was short-lived, as Garfield was assassinated after only four months in office [16, v. II, p. 31]. But Rice renewed his public attacks on Standard in 1881, when John N. Camden forced a local railroad, the Marietta and Cincinnati, to grant Camden Consolidated a lower rebate on high-volume shipments. In any event, by the end of 1882, Rice had become one of the most visible opponents of Standard, a situation "which seriously imperils him if a fight were to commence" in the view of the R. G. Dun agency reporter. For the time being, however, Rice's credit and business were solid [9, p. 203; 16, v. II, p. 77; 7, "George Rice," v. 193, p. 716].

Nor did Camden's campaign, and his own diversion from business because of it, keep Rice from continuing to prosper on a modest scale. By 1881, he had increased the capacity of his refinery, added oil properties, and pursued a successful competitive strategy by developing direct sales to retailers of kerosene in some of the most remote parts of the country served by the railroads. With this approach, he met Standard head-on, entering markets by cutting prices, a tactic which was affordable because he served as his own traffic department and wholesaler. Rice thereafter carved out small but apparently profitable markets in Mississippi, Louisiana, and Iowa in competition with two Standard companies, Chess-Carley and Standard of Iowa [14, pp. 137-69]. He also succeeded in negotiating lower

railroad rates than Standard received to some points, by negotiating harder and taking advantage of his larger competitor's slower moving management. Thus, he invaded the territory of Chess and Carley, Standard's distributor in the South, through vigorous negotiation with the Louisville and Nashville Railroad. After nearly six months, Chess and Carley discovered Rice's achievement and urged the L & N to tighten-up their operations, to "turn another screw." [9, p. 203; 7, "George Rice," p. 716; 16, v. II, p. 635; 23, pp. 346-55].

After he learned of this instruction, George Rice added his considerable energy to the long-standing campaign of Pennsylvania Oil Region producers and refiners for control of railroad rates--actually for the preferential treatment of low-volume, short-haul shippers--through the creation of a federal commission. When the regulatory body--the Interstate Commerce Commission--was finally created in 1887, Ohio Senator John Sherman, a frequent recipient of letters and pamphlets from Rice, observed that the measure had "general support." Other legislators displayed more enthusiasm: Senator George F. Edmunds of Vermont saw the agency as finally limiting "the tyranny of this corporate management and corporate combination," referring in part to the widespread belief in Standard's anti-competitive preferential treatment. For Senator James F. Wilson of Iowa, passage represented a victory for "businessmen...farmers...and the people." Thus, the preliminary agitation and creation of the first federal regulatory agency pulled Standard squarely into the discourse surrounding anti-competitive practices, a major public policy topic, as the target of reform, a process that began with the Oil Wars of the 1870s and which George Rice sustained for several decades [15, pp. 181-90; 10, pp. 13-15].

Rice's second response to the turning of "another screw" by the Louisville and Nashville was publication of "Black Death," his bombastic attack on Chess-Carley, Standard, and the railroads, reiterating the charges of skullduggery that Pennsylvania independents had leveled at Standard a nearly decade earlier. He followed this salvo with "The Standard Oil Company: Its Dishonest Tricks Exposed," which Rice published in New York City to firm up his ties with Standard's New York opponents and to reach the sympathetic Manhattan press. Early in his crusade, Rice received warm support from the *Oil, Paint, and Drug Reporter*, which still spoke for independent oil jobbers and product wholesalers [20, January 18, 25, 1882]. Thereafter, Rice's publications appeared in a steady stream. "Railway Discrimination as Given to the Standard Oil Trust," which he wrote and published in 1888, was directed specifically at the preferential treatment of large producers and shippers--read "Standard Oil"--who used and supplied tank cars, over those who moved refined products in barrels, commonly in less than car-load lots. Like Rice's other publications, "Railway Discrimination" drew on the Hepburn Committee *Report* and incorporated the writings of New York allies, especially an article by Francis B. Thurber. It also argued for relatively lower rates for small producers to offset the advantages in capital enjoyed by Standard [24, pp. 13, 24-5].

Rice sidestepped the economic aspects of the rate issue by substituting ample doses of traditional anti-monopoly rhetoric to justify the preferential treatment of small producers:

The gross receipts of the railroads of this country, in round numbers, are eight hundred millions of dollars per annum, and I verily and

honestly believe that one hundred millions of dollars annually are taken out of the pockets of the people of this country by unjust railway discrimination, and turned over to this privileged class--and this is equal to a tax of two dollars per head paid by the people for the sake of building up the new aristocracy of wealth that in this free country arrogate to themselves the position of the nobility of the older countries. And who compose this privileged class and constitute this new order of nobility? Not men of intellect, or genius, or learning, or even of honest thrift, or patient industry? By no means! Cold, calculating men, who, by open bribery and naked rascality, secure the favor of railroad officials, until they wring one hundred millions of dollars annually from the mass of the people and the overburdened industry of the country. These are our privileged classes, these are the men whose patents of nobility are inscribed upon the records of a railroad company--attested by the broad seal of the corporation, and countersigned by a general freight agent--and when people from other lands visit this country and ask to see our great men, we do not say, this is a man of great intellect and genius and learning, or of long descent, or kindly character, and great charity; but we say, behold the new gods, whom we now worship! Behold him whom the railroads delight to honor, and the limits of whose wealth we are only permitted to conjecture!

Rice's pamphlet is a veritable cornucopia of late nineteenth-century moral discourse. The juxtaposition of "the mass of the people" and "the new aristocracy of wealth" reflected and amplified the recurrent concern of writers and politicians regarding the growing contrast between the new super-rich and "the other half," as Jacob Riis described the most needy families in New York City. He also presaged Ida M. Tarbell's characterization of John D. Rockefeller, in his reference to "cold and calculating men," the ungentlemanly and hence immoral industrialists of the new age. Finally, he appealed to the increasingly widespread belief--promoted aggressively by Rice and other competitors of Standard--that big business had corrupted politicians, a dubious if commonplace belief throughout the Gilded Age and well into the Progressive era. In short, Rice's literary efforts were highly-charged moral defenses of the perspectives and interests of small producers in an industry dominated by one large producer, which he and other critics of Standard established as the prototype of ruthlessly competitive gouger of consumers advanced by proponents of anti-trust legislation. Rice made no bones about seeking political action to improve his competitive position, by exploiting the moral preference accorded small producers in traditional republican discourse.

Many of Rice's later publications, such as *The Standard Oil Company, 1872-1892*, published in Marietta in 1892, were clumsily cobbled together from pleadings Rice made before courts and regulatory agencies, but he ensured widespread notice by opinion and policy makers by supplying copies of them to numerous writers and public officials. Over the years, Congressmen and U. S. Senators from Ohio, Pennsylvania, and New York received multiple mailings from Rice as did writers and intellectuals, like Henry Demarest Lloyd [13, Rice to Henry Demarest Lloyd, February 18, March 10, 1882]. Rice was a man with a mission.

In this regard, he shared ground with Progressive economists and religious reformers and--above all--with the new titans of print media, who created what Thomas L. Haskell has aptly described as "new ways to institutionalize sound opinion" [Haskell, p. vi]. With regard to the oil industry, sound opinion held that it had emerged as a major offender against common morality. The major culprit was still Standard Oil, a focus sustained by the continuing publicity of George Rice [11, Vols.1-4, 6-8].

Beyond his role as purveyor of information for other opponents of Standard, Rice emerged as the principal complainant before the new Interstate Commerce Commission when oil-related issues were raised. In all, Rice filed or participated in more than two dozen cases, with favorable decisions in about half that number; the other cases were either withdrawn or dismissed. Many of Rice's complaints related to either long-haul short-haul discrimination or protested lower rates for volume or tank-car shipments. His victories, thus, were often achieved when one ruling, Number 51, was applied to other Rice cases [11, 1887+, Cases 51-60, 81, 90-92, 163, 184-85, 194, 218, 247, 314, and 324].

Rice's most significant action with the ICC, however, came when he participated in a complaint that originated in the Oil Region of Pennsylvania, filed by William C. Scofield, Daniel Shurmer, John Teagle and others. This case went a long distance to deprive Standard of the advantages of capital and volume. The Commission ruled that the railroads were obliged to furnish tank cars for all shippers if they could not afford to buy them, that the roads must rent Standard's tank cars for a reasonable fee and not discount charges, that these cars must be available to all shippers, and that in the absence of a sufficient number of cars, shippers who sent barrels in box cars could not be charged more than Standard when it shipped in tank cars [11, 1888, p. 119].

In the Scofield case and Rice's other filings, the intent of Rice and of the Commission was clearly to aid small producers who could not afford the "considerable expense" of competing with Standard for economies in transportation, as the regulatory body put it in *Rice v. Louisville and Nashville* [11, 1888, p. 119; 1890, pp. 99-100; 1892, p. 102]. Rice also advocated expansion of ICC investigative power to compel testimony and the disclosure of proprietary information from both railroads and Standard Oil [11, Case 1, 1889]. Through his repeated appearances before the ICC, Rice made himself the most conspicuous competitor of Standard.

His major victories were in the realm of public discourse. Thus, in November, 1887, the *New York World* reported his claim that Standard monopolized the industry and sought to destroy all opposition and condemned the company on its editorial pages, identifying dislike for Standard as the single most important force behind the creation of the ICC. The *World* also followed the line of Rice and other independents on the relation of Standard's success and the railroads: "That company, through special rates of transportation from railroads, has been able to drive almost every competitor from the field. If they are placed on the same basis as other shippers, the backbone of the monopoly will be broken" [18, November 23, 1887].

The next year the *World* reported favorably on Rice's suit against the Louisville and Nashville Railroad and, on its editorial page, denounced the attempts of "the Octopus and its tank cars" to sustain a ruthless monopoly. According to the *World*, Rice's cases offered "a chance for individual operators to live" [18, February

24, 1888]. Rice's cases, and more especially the favorable and widespread reporting of them, advertised him as the prototypical small businessman battling sinister power, and carried forward the press campaign of Rice and other independents to diminish the competitive advantages of Standard through the regulatory powers of government. Above all, in newspapers and journals, by 1880s Standard was depicted as the definitional American monopoly. As had been true during the Oil Wars of the early 1870s, the major battles were being fought in print, in court, and in the hearings of regulatory bodies; manipulation of public discourse to influence public policy had emerged as the independents' most effective competitive tactic in coping with the operational and financial strength of the Standard Oil Company. Moreover, the industry had become a moral battleground, in which industrial economics was irrelevant and right action was paramount. These perspectives would dominate regulatory policy with respect to the petroleum industry for decades thereafter--in conservation, discourse, and policy.

Though Rice's energy was largely expended in the public arena, he remained active in the oil industry. By 1888, Rice had reincorporated Globe Oil in West Virginia, increased its capital to \$1.5 million in paid-up stock, and brought his own worth to about one-quarter of a million dollars. R. G. Dun's reporter deemed Globe "a good concern and safe for wants" [7, v. 194, p. 443; 17, March 1, 1905; 18, March 2, 1905]. Thereafter, however, Rice encountered problems that tangling with Standard could not resolve. His reliance on West Virginia crude proved to be a miscalculation, for production in the area declined, necessitating shipment of crude from the Bradford field in Pennsylvania. That development left him without low-cost crude to offset the distance of his refinery in West Virginia from markets for his products. Rice was caught squarely by the economics of site placement, this time to his permanent disadvantage; he closed his plant in 1894 and moved to New York City.

He did not, however, give up on Standard. Like the giant company's other competitors, he filed federal suits, carried on additional propagandistic activity to enhance their creditability, and worked to generate supportive public records. In 1898, he appeared before the Ohio Senate, as its second witness during an investigation of trusts. Reverting to a favorite theme, Rice claimed that he had been destroyed by "discriminating freight rates" [19, p. 10]. He also read numerous pages of his earlier testimony to a congressional committee into the Ohio record, without challenge, and summarized his cases, successful and unsuccessful--though they were not so identified--before the Interstate Commerce Commission, into the Ohio record as well. By this time, attacking Standard had become a family activity; after Rice testified, he was followed by Mrs. G. C. Butts, his adoptive daughter, who with her husband had managed Rice's various works. She reiterated Rice's essential argument: "All of us worked hard and would have built up a large and successful industry as we are right in the producing fields and well located as to rail and river shipping but for this conspiracy between the Standard and the railroads." [19, p. 379].

While he hounded Standard at state level, Rice continued to bombard federal officials with anti-Standard correspondence, urging U. S. Attorney General John W. Grube to bring suit in 1898 against "the most gigantic and unlawful combination the world has known." He followed up with a sixteen-page reminder and a twenty-page complaint of inactivity. Thereafter, he sent seven more letters to federal officials during the McKinley administration, including one to the president. After

Theodore Roosevelt became President, Rice kept up his production, eight missives going to the President during three months of 1902 [3, pp. 127-8].

Like his efforts to galvanize federal officials, Rice's litigation against Standard did not get him everything he sought. Though unsuccessful, Rice used the suits to sustain his campaign in the newspapers. He died shortly after his personal injury suit against Standard went against him in 1905. As the *New York World* reported, "Worn in mind and body, his end was hastened by an adverse decision in a suit for \$3,000,000 against the Trust." The *New York Times* gauged his significance accurately: "He was known the country over for his fight against the Standard Oil Company for the last twenty-five years." This was a suitable epitaph [17, March 2, 1905; 18, March 1, 1905].

It has been easy to dismiss Rice as "a professional litigant", as did Ralph and Muriel Hidy, or to treat him as a gadfly, in Allan Nevins's manner, but there was a great deal more to Rice's dogged pursuit of Standard than mere spite or vengeance [9, p. 204; 16, v. II, pp. 127, 141, 224, 238, 334, 341-2]. Minimization of Rice's role in the subsequent limitation of Standard's operations misses the point: he, like other defenders of small producers and local interests, succeeded in using highly publicized opposition to an industrial giant to become too prominent for the company to swallow in competition, had it wished to do so. In response to Camden and Standard, Rice developed a three-part strategy for holding off the industrial giant. He cooperated with independents in other regions, joining the independent producers and refiners in Pennsylvania and Ohio as a litigant and the independent marketers in New York City and Philadelphia as a propagandist. During the next forty years, he also filed dozens of suits against Standard in state and federal courts, and before regulatory bodies. Most of all, Rice became increasingly active politically, his major competitive tactic in dealing with Standard. Far from making himself more vulnerable, these activities protected him from retaliation; in effect, Rice imitated the spiny blow fish: his growing celebrity made him an unappealing meal for Standard.

By the time George Rice died, Standard Oil had been identified as "the mother of all trusts" by Henry Demarest Lloyd and other critics. Standard's competitors and opponents pursued a strategy based on manipulation of public discourse and ideology and political bodies so often that they established the categorical guilt of the company. Thus, when Texas emerged as a major oil-producing state, the same strategies were applied there, in part because the oil men who moved to Texas from other producing states had learned how effective such techniques were, and in part because the ground was ready in Texas [22, pp. 39-40]. The Lone Star State, like many others, was already protecting local business interests against out-of-state competition. Texas law barred pooling, refusal to do business, sale below costs, giveaways, rebates, territorial marketing, exclusive dealing, and vertical integration. (Exemptions were extended to agricultural producers, labor unions, doctors, lawyers, and operators of mortuaries and dance studios [1, pp. 217-19, 222, 237, 263, 308].) More directly, while George Rice was still in his prime, he passed the torch by writing to the Texas Attorney General, urging him to undertake action against Waters-Pierce, Incorporated, a Missouri marketing company in which Standard owned a half-interest. The result was a highly publicized trial that Waters-Pierce lost, on appeal to the United States Supreme Court. A few years later, Texas ejected another Standard company after *quo warranto* proceedings. Thus, Standard had a losing legal record in Texas, even

before oil was discovered at Spindletop in 1901. Thereafter, it would do even worse [3, pp. 43-48].

In large part, the company's initial failure to thrive in Texas stemmed from the superior propagandistic and political skills of its opposition. In particular, it was bettered by a political circle loosely organized around James Stephen Hogg, in 1901 former attorney general and erstwhile governor, but still a major power in state politics because of the relative cohesiveness of his organization in East Texas. When a large independent from Pennsylvania arrived to do business, he courted Hogg's support and brought him into a highly successful lease trade. As he put it, "Governor Hogg was a power down there and I wanted him on my side" [quoted in 4, p. 526]. Nor did that oil man exaggerate. Hogg's law partner, operating out of offices in the state capitol, was a former district attorney and sat in the legislature. Hogg's partners in the Hogg-Swain Syndicate, in 1901, included State Representative James Swayne, a major power in the legislature; Robert E. Brooks, a district judge, A. S. Fisher, a banker and lawyer, and William T. Campbell, a member of the powerful Hogg faction in East Texas.

Loosely allied with the Hogg-Swain Syndicate were Thomas Campbell, also from East Texas and elected governor in 1906 with the support of Hogg's circle, and O. B. Colquitt, a member of the Texas Railroad Commission from 1903 to 1911 and governor from 1911 to 1915, with whom Hogg did business [4, pp. 443, 522-3, 579]. Other business allies included the Mellons of Pittsburgh, and oilmen Guffey and Galey-- in short, most of the Gulf Oil crowd--as well as the Pearson interests in Mexico [17, August 5, 1909]. Business connections extended to Pure Oil, which had a pooling scheme with Gulf, while Gulf Pipeline and the Texas Company also did business together regularly [17, August 5, 1909; 30 p. 342].

Following the national example of the Standard Oil Company, Texas oilmen built integrated oil operations [4, pp. 526, 543, 547]. After 1901, the predecessor companies of Gulf and the Texas Company bought leases, produced oil, operated pipelines and refineries, and built docks to export products. This action was illegal in Texas at the time, but enforcement of the law was loose at best, as Joe Pratt observed in 1980 [22, pp. 819-21]. More accurately, as far as the oil industry was concerned, only Standard-affiliated companies were held to the letter of the law consistently.

In 1907, as low oil prices made all of the non-Standard companies in Texas vulnerable to failure and take-over, Texas politicians and publicists launched a public relations blitz against Standard. In a "Special to the New York Times" story, the newspaper claimed that Standard planned to spend \$1,000,000 or more to drive the Oil and Gas Well Workers Union out of the state. The story continued: "It is an open secret in oil circles that the Standard controls, if not actually owns, the pipe lines and a majority of the producing wells" [17, May 1, 1907]. The *Times* also carried allegations by a Texas independent oil man to the effect that his failure was the result of Standard's secret attempt to lower prices and buy up failed companies to establish a monopoly in Texas [17, October 11, 1907]. These planted stories were patently untrue and prompted largely by Standard's attempt to secure permission to build a pipeline from Oklahoma to its Security Oil refinery. That might have meant catastrophic losses to Gulf, the Texas Company, and other Gulf Coast producers and refiners. Had Standard's move succeeded, it would have brought cheaper and higher quality crude to the Security Oil refinery, thus depressing the already low price of the lower grade crude oil produced along the



Texas coast. But by 1907, Standard's competitors knew well where to go for help; it was time for the state of Texas to intervene and enforce the rarely invoked anti-trust law.

In October, Texas brought suit against three Standard companies. At the end of proceedings, Security Oil, mainly a refining facility, and Navarro Refining of Corsicana, were placed in receivership and ordered sold at auction. In a separate action, Waters-Pierce was fined \$1.6 million for affiliating with Standard, and its facilities were also auctioned off [9, p. 688]. Governor Campbell, exploiting the anti-Standard animus, charged that Standard had tried to bribe him, a charge that was never proven and which finally died for lack of public interest [17, November 7, 1907].

As luck would have it, the Waters-Pierce properties were purchased by S. W. Fordyce, a business associate of Pierce in St. Louis. The Security Oil Company was obtained by John Sealy, a politically connected banker from Galveston, for only \$85,000. Two years later, he organized the Magnolia Petroleum Company, with several Standard Directors, and his refinery was valued at more than two million dollars when he placed it in the new company. Once again, Standard paid tribute to the Texans, who, like the company's competitors elsewhere, used control of discourse and political influence to offset Standard's advantages in capital and organization [17, December 8, 1909].

The third example of the use of discourse and ideology in business strategy shows how it could enhance competition in international trade. The directors and founders of the Pure Oil Company were adept at exploiting ideology even before they founded their corporation in 1895. Lewis Emery, Jr. and his attorney, Roger Sherman, had led anti-Standard forces in Pennsylvania since 1874. As a state senator, Emery had instigated investigations of the Cleveland company; J. W. Lee, also a director of Pure did the same when he succeeded Emery in the Pennsylvania Senate. A third director, Thomas W. Phillips promoted an aggressive anti-Standard campaign as a member of Congress and later as Vice Chairman of the federal Industrial Commission. Finally, Pure Oil's Will Tarbell was a son of a veteran Standard fighter and brother and supporter of his soon-to-be famous sister, Ida.

The year before Pure Oil was organized, Independents in Pennsylvania found themselves strapped by weak markets; larger independents like Emery had invested in modern plants and pipelines only to see the prices of refined products decline. As a group, the independents feared that Standard would acquire their properties at hardship prices, as it had been doing for twenty years during depressions, so they fell back on their own habitual exploitation of discourse and ideology to secure their positions. At a protest rally in Titusville, objecting to the rumored cut in Standard's posted prices, Emery and his associates launched a movement to secure criminal anti-trust prosecutions of Standard. They also used the occasion to raise capital for their projected company and to pull the larger refiners and pipeline operators into the new Pure Oil venture [5, pp. 269, 276].

The company was organized formally in 1895. The following year, in continuing exploitation of the monopoly issue, the directors voted to pay William Jennings Bryan to publicize their antitrust arguments. In America, they advertised Pure Oil as "the test case for the people against the trusts" [28, June 16, 1894]. The new company would, according to the *Titusville Morning Herald*, "complete the chain of independents between the producer and the consumer" [27, February 9, 1895]. All the while, during the latter part of the decade, Pure built and

expanded a European marketing organization in Hamburg, Berlin, Amsterdam, and Rotterdam, where it judged Standard's political and marketing position weakest [9, p. 751, n.1; 5, pp. 278-9].

While John G. Lamont created Pure's European marketing organization, the directors continued to keep the heat on Standard. They prompted an investigation by the Ohio State Senate in 1898, advancing George Rice as their principal witness, and encouraged a similar scrutiny in New York in the same year [19, pp. 8-19]. Shortly after the Ohio investigation, competitors subjected Standard to another, this one conducted by the United States Industrial Commission, a mix of congressmen, academic experts, and members of the public. Again, the hearings were dominated by the Pure Oil crowd. Indeed, the committee's vice chairman, Pure Oil director Thomas W. Phillips, controlled proceedings during the sustained absence of the chairman. The main witnesses before the Commission included Lewis Emery, Jr., J. W. Lee and George Rice. When witnesses read unsupported allegations against Standard into the record, Phillips consistently over-ruled the objectors. Lee and Emery also read portions of earlier investigations--provided by them originally--into the record and arranged the appearance of Henry Demarest Lloyd, who read sections of *Wealth Against Commonwealth* into the record as well. It should be noted that Lloyd's interest in Pure went beyond reform and ideology: he invested in the company in 1896 [29, v. I, pp. 368-83 384-403, 602-71; 5, p. 275].

By keeping anti-trust ideology alive, the directors of Pure acquired time to develop European markets. In 1900, they exported one million barrels of products to the continent [30, p. 251]. In that same year, they raised the capitalization of Pure tenfold and geared up for future expansion [9, p.751, n. 1]. They also began to provide research materials for Ida Tarbell, whose exposes of Standard began to appear in *McClure's Magazine* in 1902, finally appearing in 1904 as the famous book, in which a full chapter, "A Modern War for Independence," was given over to Pure Oil's fight against Standard [2, pp. 22, 45, 88; 26, Chapters 11 and 12]. Then, after they had turned up the heat on Standard one more time, the directors of Pure negotiated a European export pool with it [5, p. 280]. Once again, one of Standard's competitors solved the problem of entering a market dominated by the company by creating a stir in public discourse and in Congress.

By 1909, however Pure found the expense of its European marketing system unaffordable, so it went back to the press and to the courts--at the same time that it conducted market-sharing negotiations with Standard. Thus, in the dissolution suit that originated in the Western Judicial District of Missouri, Lewis Emery, Jr., appeared along with James Lee and Will Tarbell, and Emery read extensive items into the record from his historical scrapbook. Not coincidentally, shortly before dissolution, negotiations between the two companies concluded: Pure sold its European marketing organization to Standard, with the stipulation that Standard would purchase Pure's kerosene for sale in Europe [9, p. 571].

Since it had done so well at Standard baiting one could ask why Pure sold out in 1909. It is possible that its directors realized by 1909 that its exploitation of ideology would not continue to be profitable. Not only was some legal curtailment of Standard prospective, but, more important, Pure was also up against increasingly aggressive non-Standard companies, who introduced cheap Texas crude into the European markets and were every bit as adept at manipulating discourse [9, p. 526]. The Sun Oil Company of Philadelphia, for one, had learned well from Pure. In 1907, it launched its first tanker into foreign markets, heralding it as an "anti-trust

oil ship" [21, September 6, 1907]. Pure could hardly use the anti-monopoly cry against Gulf, the Texas Company, and Shell, other non-Standard companies. Seeing the end of its most useful competitive strategy, Pure Oil signed off as leader of the anti-monopoly squad and joined its traditional enemy. But for over a decade, exploiting anti-monopoly discourse allowed it to prosper in an arena dominated by a much larger adversary.

As for the title our my paper: The story is told of two friends who met on the front porch of the Crosby House in Beaumont, Texas in 1901. The hotel lobby was a major site for oil lease trading. After a few minutes, their conversation was interrupted by the noise of a vigorous altercation and the accompanying din. One man looked at the other and asked the likely cause of the torrent of noise; the friend responded, "That's either oil men agreeing or cats making love." The basis of the joke, in that place and time, was that oil men have rarely reached agreement easily or quietly and that noisy contention has been the norm. They were also been highly adept at taking their rivalries into the public arena, commonly exploiting American anti-trust ideology and politics to solve the problem of entering and surviving in an industry that was dominated by a highly capitalized and well managed firm. Indeed, in the petroleum industry, rhetoric and political activity were often the major and most effective elements of the competitive strategies of Standard's rivals.

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