

## Why Be Honest? The Scandals of the 1920s

*The Great Gatsby* is a book about disillusionment with the American dream of success as that dream is misunderstood by Jay Gatsby, who sees no difference between his success as a criminal and legitimate forms of achievement. Fitzgerald emphasizes this theme by alluding to corruption in professional sports and to underworld figures for whom many Americans were coming to have a misplaced admiration.

The American tendency not to respect the law, magnified many times over by Prohibition, made folk heroes of gangsters like Dutch Schultz and of nightclub hostesses like Texas Guinan. The mystery and glamor surrounding Gatsby and the hysterical wildness of his parties are a reflection of the underworld where these figures flourished. Gatsby's disillusionment and his fate show Fitzgerald's own disillusioned appraisal of that world.

Several events that affected Fitzgerald and the American public are discussed in this chapter, including the exposure of political corruption in the Harding administration and the shock the country felt when it learned of corruption in its most cherished sport, major league baseball. We will also look at some of the activities of organized crime.

Although organized crime—gambling, for instance—existed long before Gatsby's time, criminal activity increased greatly during

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were robbed and thrown out. If they did not get hopelessly drunk, they were accused of molesting hostesses or of refusing to pay for great quantities of liquor they had not ordered. They were threatened with beatings if they did not pay the money demanded, and if they resisted, they were usually beaten and robbed. When the police found a clip joint, they smashed everything in the place and beat up all the employees they could find. The lawbreakers were treated lawlessly.

Organized crime grew tremendously, and leading gangsters, like Wolfshiem and Gatsby in the novel, became wealthy. But their lives were in constant danger as they fought each other for territory and as they double-crossed each other. In addition to watching each other they had to watch out for law officers. On one hand, there seems to have been an unspoken understanding in some cases that when gangsters killed each other the police would not look too hard for the killers. On the other hand, when gangsters killed citizens who were not criminals themselves, the police would look hard for the killers, and when gangsters killed policemen the police would look very hard. Notice that in one important respect nightclub hostess Texas Guinan differs from most of the underworld figures discussed in this chapter. Unlike Herman Rosenthal, Arnold Rothstein, Larry Fay, Vincent Coll, and Dutch Schultz, she did not die a violent death. Another exception was Al Capone, whose mind was destroyed by syphilis while he was imprisoned in Alcatraz. Yet even Capone, possibly the most powerful man in Chicago, at times feared for his life.

The tense, ominous quality under the surface of *The Great Gatsby* reflects the danger of Gatsby's world. Notice the menacing touches to the descriptions of Gatsby and the nature of the rumors about him. Notice the descriptions of those who attend Gatsby's parties and the sense of doom in those descriptions. And notice too that in this novel corruption is everywhere and that men like Gatsby have great influence.

The corruption spread far beyond the world of the gangsters themselves, into sports, politics, and law enforcement. The death of Herman Rosenthal, a pre-Prohibition case discussed below, occurred because of the criminal involvement of New York police-cicero, Illinois, rather than in New York.

In 1924 Roger St. John, editor of the *Cicero Tribune*, ran articles

Prohibition. One of Gatsby's main criminal activities, of course, is bootlegging.

The Prohibition era began with the ratification of the Eighteenth Amendment to the Constitution in January 1919, which made it legal to forbid by law the selling of alcoholic drinks. With the passage of the Volstead Act in the same year, it became illegal to sell, manufacture, and transport alcohol. Prohibition ended in December 1933 with the passage of the Twenty-first Amendment to the Constitution, repealing the Eighteenth.

From the first, Prohibition was unenforceable. People tried almost everything to get alcohol. They made home brew and built their own stills. They smuggled liquor across United States borders. They obtained medical prescriptions for alcohol. But large-scale criminals became the most important suppliers. These "bootleggers" built breweries and brought in shiploads of liquor by sea and truckloads from Canada.

All over the United States speakeasies opened to supply illegal drinks to the public. (There are two common guesses about where this strange word comes from. First, a person would need to "speak easy"—rather than make a racket—so as not to call the attention of law enforcement officers to the place. Second, it may be related to the idea that it was quite "easy" to obtain illegal liquor—all one needed to do was "speak" at the door to get in. Another expression for a speakeasy was "blind pig," which dates back to the 1830s. To evade an earlier prohibition against selling liquor, men were invited to see a very unusual pig, a striped pig. When they got inside they found a model of a pig and a glass of hard liquor—the cost of this liquor was the cost of admission. The pig was a "blind pig" because the whole thing was secret, hidden.) In New York City alone hundreds of speakeasies appeared, most of them selling cheap and even dangerously contaminated liquor at high prices. The food served was usually bad, and the entertainment vulgar and of poor quality. Most of these places had under-standings with local law enforcement officers and were not raided, but they were in some danger of occasional raids by federal agents.

The worst of the speakeasies were in danger from all of the authorities, and for very good reasons. These places were called "clip joints." Customers were sent there thinking they would get good liquor and sometimes access to prostitutes. They were served raw bad liquor, and if they could be gotten drunk enough, they

### THE ROSENTHAL MURDER: NICK CARRAWAY MEETS MEYER WOLFSHEIM

In chapter 4 of *The Great Gatsby*, Meyer Wolfsheim describes the murder of Rosy Rosenthal, which took place in July 1912 and received wide publicity at the time. Fitzgerald's knowledge of the case was almost certainly very thorough because of his friendship with H. Bayard Swope, a reporter for the *New York World* who covered this case as well as many other criminal cases. If it had not been for Swope's persistence, and the publicity he created, the case might never have been solved.

Herman Rosenthal, like many other operators of New York gambling establishments, had been paying protection money to the police. He became an informer and was then shot to death in front of the Metropole Hotel. It was Swope, rather than the suspiciously incompetent police, who took the initiative in solving the case. He was making his usual rounds the night Rosenthal was murdered and hurried to the scene. The chief contribution of the police up to that point had been to arrest the man who had taken down the license number of the getaway car. Swope had already discussed Rosenthal's perilous situation as an informer with Charles Whitman, the district attorney. He now called Whitman and urged him to hurry to the police station. If Whitman had not beaten Lieutenant Charles Becker to the police station, hampering Becker's ability to cover up his own part in the crime, it is quite possible that the case might never have been solved. For it was Becker about whom Rosenthal had been informing, and it was Becker who was eventually executed for Rosenthal's murder, along with the four men who did the actual shooting.

According to Leo Katcher's biography of Rothstein, Rosenthal had at first thought he could topple Becker by testifying to the authorities and taking his story to Swope. Arnold Rothstein, the gambler on whom Meyer Wolfsheim is modeled, was delegated to give Rosenthal \$500 and convince him to leave town, but Rosenthal refused. Later, when Rosenthal became frightened, he asked Rothstein for the \$500, but Rothstein then refused. It was too late. On the night Becker was put to death, Rothstein and other New

about Capone's houses of prostitution. He was severely beaten by Capone's brother Ralph and by two other thugs while two policemen stood by and watched. When he left the hospital, he discovered that Capone had paid his bill. He then went to the police station to file charges, but found the police reluctant. They asked him to return. When he came back, he found Capone waiting for him. Capone tried his best to bribe St. John, but without success. Next, St. John found that Capone had bought a controlling interest in the *Cicero Tribune*, using one of his henchmen as a front man. Finally St. John gave up.

When the comedian Milton Berle performed in Chicago, Capone asked him to play at a Capone club. Berle at first refused, because of his commitment to perform elsewhere left him without the necessary time. But after he agreed he was carried at high speed in an armored car through all the traffic lights. Among other prominent guests at his show was Chicago mayor Big Bill Thompson. Capone, by the way, was a very heavy contributor to Thompson's campaign fund.

Incidents like these made the average person very cynical about politics, law enforcement, sports, and the business world. It would be a terrible injustice to many fine people to say that politics and law enforcement in the 1920s were entirely corrupt, but it is perfectly correct to say that there was enough corruption to make the ordinary citizen suspicious of the entire governmental process.

The atmosphere created by this kind of thinking is very much a part of *The Great Gatsby*. The newspapers are an excellent source for understanding the nature of the events that contributed to the disillusionment that underlies the novel. In the following pages we will look at a few major examples.

York gamblers stayed up until the sentence was executed, and then went out for their usual night's gambling.

Two newspaper accounts of Rosenthal's murder follow. The *New York Herald Tribune* article describes the murder and gives a brief history of the events leading up to it. As you read it, decide whether or not you think it is intended to be an accusation of Becker or of anyone else. While the *Herald Tribune* article treats the murder as part of a "gambler's war," the coverage in the *New York Times* suggests Becker's guilt much more strongly.

### THE MURDER OF ARNOLD ROTHSTEIN

Rothstein was still a fairly small operator at the time of Rosenthal's murder, but in the next few years he became the chief financier of crime in New York City. He was involved in gambling, bootlegging, labor racketeering, and crooked stock deals, among other things. Though he was often implicated and suborned, his guilt remained unproved. One of his major involvements was with E. M. Fuller and Company, which went bankrupt with no assets. Investors lost \$5 million. Although Rothstein was forced to appear before a grand jury and was even indicted for perjury and income tax evasion, he was never tried. The brief hints about bond swindles in *The Great Gatsby* probably have their origin in this case.

Rothstein, like Rosenthal, was eventually murdered. He was shot on November 4, 1928, and died two days later without saying who had killed him. His murder remains unsolved. George McManus, to whose hotel room Rothstein went on the night he was killed, was tried for the crime. The judge gave a directed verdict of innocent because he believed that there was not even enough evidence for the jury to consider. Rothstein probably was murdered because he had stalled on paying a gambling debt. On September 9, two months before he was killed, he had lost well over \$200,000 in a poker game. Although he dealt in much larger sums than this, he was often short of ready cash. He may have believed the game was crooked, and he may have thought that by stalling he could pick up his IOU's at a discount. Then, too, he felt that anyone as important as himself should pay when he felt like it. But this theory raises some difficulties. For one thing, as Nate Raymond, one of the creditors, said, to kill Rothstein was to lose all hope of collecting the money.

Rothstein's murder had staggering repercussions. Between his death in November 1928 and the acquittal of his alleged killer on December 6, 1929, approximately two hundred articles about the case appeared in the *New York Times* alone. (The following account of the crime and investigation relies heavily on Donald Clarke's *In the Reign of Rothstein* and Leo Katcher's *The Big Bankroll*.) The 40,000 papers Rothstein left behind showed connections to bond theft, insurance fraud, narcotics traffic, and varieties of

gambling as well as many other things. Among those who owed him money were gangsters, lawyers, clothing manufacturers, theater and restaurant owners, and private detectives. His papers pointed to many supposedly respectable citizens.

On the night of November 4, Rothstein had dinner with his girlfriend, Inez Norton. (He was separated from his wife, who was planning to divorce him.) Norton then went to a movie, and Rothstein went to Lindy's restaurant and club. He received a phone call at about 10:30 p.m. asking him to go to the hotel room of George McManus. The September game in which he had lost had been played in McManus' hotel room. Before going to the hotel room he left his pistol with a friend. At about 10:50 p.m. Rothstein was found leaning against a wall in the hotel room, saying that he had been shot and asking for an ambulance. He died about 10:20 a.m. on November 6. Although he was at times conscious, he would not name his killer.

The case had puzzling contradictions. McManus immediately went into hiding for three weeks with the Dutch Schultz gang and then turned himself in. This would seem to indicate gang involvement. But gangsters usually fill their victims with bullets. Rothstein was shot only once. Katcher relates a story common among gamblers—that Rothstein had been confronted by someone drunk and hysterical who had a gun. The gun had gone off when Rothstein had tried to take it away. But the bullet had entered Rothstein's body from behind. This makes the gambler's theory unlikely, but not entirely beyond the realm of possibility.

According to the gamblers' code, McManus, as host for the game, was responsible for making Rothstein pay. Twice McManus had sent men to collect, and twice Rothstein had brushed them off. McManus claimed not to have been in the room when Rothstein was shot. The gamblers to whom Rothstein owed money all had alibis. One witness, a hotel maid named Bridget Farry, placed McManus in the room with Rothstein. She was held as a material witness without bail until the trial. By then she would no longer identify McManus.

A further complication occurred when Fats Walsh, who had once been Rothstein's bodyguard, was murdered. Although he no longer worked for Rothstein, he was at Lindy's the night of November 4, and it was he who called Mrs. Rothstein to tell her that

her husband had been shot. The police saw no connection between the murder of Rothstein and that of his bodyguard. McManus remains the most likely suspect. But to kill Rothstein was to lose the money. Why did the Dutch Schultz gang hide McManus for three weeks? Why did he then turn himself in?

Leo Katcher believes that gang control had become so strong in New York and that Rothstein's affairs had become so involved that those in power did not want a real investigation. Mayor Jimmie Walker noisily insisted that the case was not being handled properly and fired Police Commissioner Joseph Warren. Warren's reluctant replacement, Grover Whalen, produced no new evidence and blamed the failure to solve the case on poor police work at the time of the murder. Because Bridget Farry, the only important witness against McManus, had changed her testimony, there was no way to place McManus in the room with Rothstein.

The following coverage from the *New York Times* gives an idea of how the trial of McManus went. Notice that Bridget Farry, who had originally identified McManus as the man in the room with Rothstein, has changed her story entirely. She is now hostile toward the prosecution and even accuses the prosecutors of trying to bribe her. (They had given her ten dollars for cab fare.) She is now very friendly toward McManus. Perhaps her change of attitude was the result of anger. She had been locked up for a year because she was a material witness, and no one would put up bail for her. If anything else had happened to change her mind—a bribe or a threat or both, perhaps—nothing was ever proven.

### THE 1919 WORLD SERIES SCANDAL

The World Series scandal was heart-breaking to the sports-minded American public. It is mentioned directly in *The Great Gatsby* when Gatsby tells Nick Carraway in chapter 4 that Meyer Wolfshheim is the man who fixed the World Series. The 1919 World Series actually *had* been fixed, probably by large-scale gambler Arnold Rothstein, who served as a model for Wolfshheim. Rothstein was publicly accused by American League president Ban Johnson of fixing the series. Rothstein appeared before the grand jury that indicted eight White Sox players and claimed he had been offered a chance to invest \$100,000 to pay for the fix but had refused the offer. He was not indicted. At this point the accounts become contradictory: Rothstein's biographer, Leo Katcher, believes Rothstein was telling the truth, but according to Donald Gropman, the biographer of accused ballplayer Joe Jackson, an examination of Rothstein's papers after his murder revealed that he spent \$80,000 arranging the fix. This was only one of several occasions when Rothstein appeared before grand juries. In most cases he avoided indictment. Guilty or not, he was fixed in the minds of the American public as the man who had corrupted its most loved sport at the highest level.

Fitzgerald skillfully gives the impression that Wolfshcim is a major figure in organized crime, as was Rothstein. Fitzgerald, who had met Rothstein, deliberately made Wolfshheim cruder and less attractive than his model. To someone of Fitzgerald's elite Princeton background, Rothstein may have seemed crude, but others have described him as graceful and as tastefully dressed.

It is hard for a reader today to comprehend what a blow this scandal was. Baseball was then the almost universally followed American sport. It would be years before football overshadowed it. The public, and especially children, idolized baseball players.

Eight Chicago White Sox players were indicted for taking bribes to lose the 1919 World Series to the Cincinnati Reds. Although most of them were probably guilty, all were finally acquitted. Nonetheless, the commissioner of baseball, Judge Kenesaw Mountain Landis, removed them from major league baseball before the trial, and they were never reinstated. Shameless Joe Jackson, the most

famous, admired, and colorful of the eight, was supposedly confronted by a small boy begging, "Say it ain't so, Joe!" Joe could not say it was not so.

Actually, there is considerable evidence that the illiterate Jackson was guilty of ignorance and-bumbling rather than of complete dishonesty. Jackson first heard of a fix and asked White Sox owner Charles Albert Comiskey to keep him out of the series, but Comiskey told him to play and ignore the rumors. Nothing in Jackson's performance suggested that he threw the games. Another player who had approached him earlier gave him \$5,000 after the series. To help disguise his client's previous knowledge, Alfred Austrian, Comiskey's lawyer, convinced Jackson that his only hope was to confess and beg for mercy. The testimony Jackson then gave the grand jury was muddled, and part of the grand jury records mysteriously disappeared before the trial. The players took the fifth Amendment (refusing to testify on the grounds that their answers might incriminate them), and Abe Attell, accused as an organizer and a go-between in arranging the bribery, went to Canada and refused to return to testify. Attell had once worked as Rothstein's bodyguard.

The following articles from the *Chicago Tribune* show how the various accusations and counteraccusations led to the grand jury investigations. The investigations may have been futile in the sense that no one was convicted, but the lives of the accused players were ruined, and the reputation of the nation's favorite sport was smeared.