Chapter 9

Post-Reconstruction Relations between an American and Europe

9.1. Smith and Hungary

With Jeremiah Smith, Jr.’s departure, the ties between the country and the man who had done so much for it were not broken. Although the actual work of financial reconstruction had been accomplished, Hungary was still very much interested in fostering good relations with the United States. This was a normal wish from both political and economical points of view. Hungary expected further American capital to come to the country, and the rapport between the two countries since 1920 had been excellent although not on a very high level. This good relationship was further enhanced by Smith’s two-year stay in Hungary and the positive result he and Hungary achieved. In addition, there was the Jeremiah Smith Scholarship Fund, which was to send two Hungarian students each year to the United States. Since the initiative was named after Smith, it was only natural that his affiliation to Hungary would be strengthened by the outcome of that program.

Smith, who many regarded as the savior of Hungary, after returning to his home in the United States, resumed his lawyer career in Herrick, Smith, Donald & Farley. Naturally, his sudden fame was a welcomed asset to the firm. Whether Smith thought that now his international career was over or he hoped that new challenges would come his way is unknown. Whatever Smith thought, it was evident that his quiet work in the law firm wasted his international expertise – and, from the Hungarian standpoint, his potential influence as an ally. They did not want to lose such a liaison, because they knew that even his informal connections and name alone could open new doors for Hungary in the New World.

Hungarian high-level state officials did everything in their capacity to strengthen the impression that Hungary was closely connected to Smith, which was true in many ways. In October, two instances of such character happened, when both Bethlen and Finance Minister Bud used an American media outlet to praise Smith’s services to Hungary. Bud even requested the reporter “to report Hungary’s gratitude to the American citizen who had shown this country the way to financial prosperity.” Being sure of Smith’s goodwill toward Hungary,

Bethlen had no qualms about asking him for information concerning a certain American financial group that showed some interest in the economic life of Hungary.\(^{893}\) Naturally, there was nothing immoral or illegal in these steps on part of the highest Hungarian political circle. It was rather a proof that the leadership of Hungary was well aware of how to maintain a crucial relationship. At the end of the year, Bethlen’s good wishes for the new year were another incentive for Smith to thank everyone in Hungary by reiterating that he was not going to forget Hungary.\(^{894}\) Hungary’s appreciation was also expressed in the beautiful set of Herend porcelain foreign minister Walkó sent to Smith for Christmas.\(^{895}\)

Smith indeed continued to be identified with Hungary after his departure, on account of his name. What is more, even before he left his post in Hungary, he had become the prominent sought after person for an organization. The American-Hungarian Society was formed in 1923 and the next year it was incorporated as the American-Hungarian Foundation in Michigan, Ill. Its main aims were to establish an agency for the interchange of knowledge, to establish an American-Hungarian institution in the University of Budapest, to establish a periodical for the education of Hungarian immigrants in America, and to publish American literature in Hungary and Hungarian literature in America.\(^{896}\) Széchenyi, the Hungarian minister in Washington, had started the preliminary work in May. He suggested Victor James Dowling, a long-time Justice in the 1\(^{st}\) District and of the Appellate Division of the New York Supreme Court, that he should compose a letter to Smith in which the history of the Society should be made familiar to the New Englander and his attention should be drawn to the fact that “he would be the best asset for the Society.”\(^{897}\) Dowling acted in this fashion and wrote to Smith, but the latter refused to be associated with the organization because he felt it might compromise the impartiality that he wanted to keep at all cost.\(^{898}\)

The idea of securing a household name in America stemmed from a pecuniary objective. Lacking financial support, the budget of the organization was basically empty; the American members were of the opinion that they would only be willing to give money if the American-Hungarians showed a larger interest and financial sacrifice.\(^{899}\) It was a scarcely hidden factor that with the name of Smith on the banner, the Foundation should have a much easier time finding more

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893 Bethlen to Smith, November 4, 1926, 7, 1922–1931 B/4. 706/926/27, K 468, Bethlen Papers, HNA.
894 Smith to Bethlen, January 4, 1927, 3, 1921–1928 B/2. Files relating to foreign policy. 148/927/28, K 468, Bethlen Papers, HNA.
895 Smith to Walkó, January 4, 1927, /23, Ibid.
896 89/94–95, K 106, Papers of the Washington Embassy, HNA.
897 Széchenyi to Dowling, May 12, 1926, 90/143–144, Ibid.
898 Pelényi to Deák, September 27, 1926, 89/64, Ibid.
899 Ballenbegger to Széchenyi, June 19, 1926, 89/30, Ibid.
money. Stephen P. Duggan, Director of the Institute of International Education, and the person who organized Apponyi’s lecture tour in the United States in 1923, thought that Smith becoming the President of the organization would smooth all such problems and traveling expenses of students coming from Budapest to American colleges would not be an obstacle.\footnote{Duggan to Deák, July 26, 1926, 89/73, Ibid.} So, on the very brink of Smith leaving Hungary, without his knowledge, he was already singled out for a new role.

Smith, who had his share of health problems during his extended stay in Hungary, chose a quiet place to rest after returning to the United States, and went to Canada for a vacation before resuming his active career as a lawyer. Since he was indeed a conscientious man, he wanted to follow the fate of the scholarship named after him. Already during his physical and mental recuperation in the north, he wrote that when he had come back to Cambridge, MA, he wanted to hear about the scholarships.\footnote{Deák to Pelényi, August 16, 1926, 89/70–71, Ibid.} In early October he met with an official from the Hungarian legation, and he was confronted again with the idea of becoming the main man of the society. Although he first seemed bent on not joining the organization, because it would take up a lot of time, toward the end of the conversation he became mollified and willing. He gave assurances in terms of his good will and said that “naturally, I shall always do my share whenever I could help Hungary.”\footnote{Deák to Pelényi, October 5, 1926, 89/59–60, Ibid.}

Smith, on his part, suggested a comprehensive reform of the society in order to make sure that it could function more efficiently. He also thought desirable that the Hungarian government should participate in the form of paying the expenses of the Hungarian professors that might come over to the United States.\footnote{Butterfield to Pelényi, October 23, 1926, 89/26, Ibid.}

On November 6th, a prominent group of people came together for tea in Boston to discuss the problems of the society. The illustrious gathering comprised Roscoe Pound, Dean of the Harvard Law School; Jeremiah Smith, Jr.; Professor James of International Law, a certain Professor Joseph Redlich, a historian from Vienna; Professor Gilbert Murray of Oxford University, who represented the League of Nations’ Committee of Intellectual Cooperation; Robert Dodge, director of the Massachusetts branch of the American Bar Association and member of the Massachusetts Judicial Council, and the younger brother of the king of Siam and heir apparent to the throne. The problems of the society were, however, not solved with Smith, especially with his health making it impossible for him to take on a new challenge in the winter of 1926. The next year, when he felt better again, he was already planning to come back to Europe for a more ambitious position.

\footnotesize{900 Duggan to Deák, July 26, 1926, 89/73, Ibid.}  
\footnotesize{901 Deák to Pelényi, August 16, 1926, 89/70–71, Ibid.}  
\footnotesize{902 Deák to Pelényi, October 5, 1926, 89/59–60, Ibid.}  
\footnotesize{903 Butterfield to Pelényi, October 23, 1926, 89/26, Ibid.}
In the meantime, there was the question of the scholarships. In 1925, an exchange program had already begun between the United States and Hungary, when six Hungarian students went to the United States on fellowship opportunities provided through the efforts of the Hungarian Ministry of Education in Budapest and the Institute of International Education in New York. The Jeremiah Smith Scholarship Fund was integrated into this already existing program. Although the program was soon full-fledged and every year a small number of Hungarians, typically three, were given the means to travel to the United States. However, by 1928 the program was plagued with financial problems. Upon the suggestion of the Finance Ministry, the program was launched with about 240,000 golden crowns ($48,000) in 1926 and was invested in bank stocks to guarantee some yield. With time though, the proper care needed was not taken and the amount was dwindling. The Hungarian government was neglectful of ensuring that the students, once in the United States, should get their money, and often they were left without any help. The money was to be delivered quarterly through the Hungarian legation in Washington, but the money did not always arrive, and the legation was not informed about the students’ arrival. Unfortunately, the situation did not improve much in the following years. The bulk of the scholarship money was paid to the students back in Budapest, but it was almost totally consumed by traveling expenses. Széchenyi regularly pleaded with the Foreign Ministry to pay more heed to this issue.

The students themselves were also responsible for the problems, although unintentionally. Since most of the applicants were coming from poor families, the Ministry of Religion and Education almost always paid their half-priced ship ticket and the expenses from Budapest to Fiume. The idea of giving $10 as pocket money to each student on a monthly basis did not appeal to the Ministry, but any such requirement that the students contribute with a smaller amount would have made the number of applicants shrink to basically zero. The situation was very awkward and the Institute of International Education was forced to ask for a refund of $500, which the Hungarian Relief Society paid.

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904 Pelényi to Palmer, November 1, 1928, 161/811, Ibid.
907 Széchenyi to Walkó, January 21, 25, 1932, 161/789–90, 792–93, Ibid.
908 Jánossy to Pelényi, April 8, 1929, /801, Ibid.
909 Ibid.
Such was the state of affairs of the Hungarian students going to study in the United States.

Sometimes the best intentions are not enough and the obviously positive initiative of the Jeremiah Smith Scholarship Fund kept losing much of its original momentum. In the fall of 1932, for example, it was possible for only one new student to commence her studies.911 The situation improved only a fraction when, on account of Széchenyi’s services coming to an end in Washington, Georgetown University paid him tribute in a generous fashion. They decided “that a Hungarian student of His Excellency’s choice be granted a tuition Scholarship for four years in either the College of Arts and Sciences, or the School of Law, or the Foreign Service School.”912 With this school added, an impressive list can be given of the various institutions where Hungarian students could spend some time in American educational environment. For example, they visited College of St. Catherine, Michigan College of Mining, City Hospital, Welfare Island, Harvard Law School, Clark University, Vassar College, Carleton College, Rollins College, Elmira College, New York, Eastman School of Music, University of Rochester, Cornell University, University of Pittsburgh, University of Chicago, Northwestern University, and Rutgers University.913

It can be concluded that the Hungarian government did not live up to its side of the bargain. The resolution to establish a foundation named after Smith had been born well before the $100,000 story started.914 The decision to use Smith’s money for this purpose was prudent, pleasing Smith as well. Although Smith tried to be involved somehow in further helping Hungary within the United States, he could not render as much service as Hungarian officials had hoped. The good relation nevertheless remained intact. In 1928, Széchenyi presented Smith with the embossed copy of the thanks passed by the Hungarian Assembly back in June 1926, at a dinner at the Ritz-Carlton Hotel.915 Smith’s reply of thanks to the National Assembly was read out in that body as well.916 A few weeks later Béla Alapi, Managing Director of the City Savings Bank Company, Ltd., went to New York to promote closer financial relations between the two countries. He praised Smith lavishly and said that there was one statue of an American, that of George Washington’s statue erected in 1906, but “if we put up another, it will be that of Jeremiah Smith’s.”917

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911 Douglass to Széchenyi, November 22, 1932, 162/25, Ibid.
912 Nevils to Széchenyi, February 21, 1933, /121, Ibid.
913 Archie Palmer to Pelenyi, November 19, 1928, 161/121, and Jessie Douglass to Szechenyi, November 22, 1932, 162/121, Ibid.
914 Brentano to Kellogg, April 22, 1926, 864.00/677, Roll 7, M. 708, NARA.
916 National Assembly Diary, 1927–1932, 11:137.
gave a dinner in honor of Lóránt Hegedűs, former finance minister of Hungary, at Waldorf Astoria, in March 1928. Among the roughly five hundred guests many represented the financial and commercial elite of New York, such as James Speyer or Marshall Brown, and a score of reporters, while President Coolidge and Vice President Dawes sent congratulating telegrams. The speakers emphasized the traditional friendship of Hungary and the United States, and urged closer ties along commercial and financial lines. When Hegedűs uttered Smith's name, those present commenced a stormy applause.\(^918\) When a few weeks later Hungarian pilgrims visited the United States, they wanted to pay respect to Smith in person. Unfortunately, Smith was outside the country, but in his letter sent to Zsigmond Perényi, he thanked for the pilgrims' intention and apologized that he could not meet them. He once again reiterated that he enjoyed his stay in Hungary and wished all the best for Hungary and Hungarians.\(^919\) Despite the rapport between the country and the man, by the turn of the decade, the momentum was gone and seemingly beyond repair.

9.2. Smith and the League of Nations

At the successful conclusion of his stay in Hungary as Commissioner-General of the League of Nations, Smith wanted nothing more than to go home to New England again. The extensive work, even if with interludes, had shaken his health and he knew he needed to retire for a period. In this semi-retirement, as was shown above, he did not lose contact with the outside world and tried to use his enhanced status as a possible tool for further help for Hungary. However, at the end of the year, his physical condition once again took the better of him, and he had to stay away from any challenge that might have gotten in the way of recovery. Smith's health and outlook in the United States were not only of concern to Hungary. The League of Nations was following its distinguished servant's future as well.\(^920\)

The League was grateful for Smith. In 1924, he quickly said yes when the organization offered him the job and thus the League, already with heavy time deficit on hand, was not forced to go courting another person. Naturally, the League found in Smith exactly what it had been looking for in the sense that the American was representing, even in a private capacity, his country under

\(^918\) Daily News, Daily Reports (1920-1944), March 19, 1928, K. 428. a, HNA.
\(^919\) May 12, 1928, Ibid.
the League banner. Moreover, he had excellent contacts in the banking world, although his Morgan card did not pay off concerning the American tranche. Besides, Smith was a Democrat believing in the League of Nations and he very much wanted the scheme to succeed. In this success he had a substantial part, because his manner, style, and convincing power made it possible that he and the Hungarian government managed to cooperate smoothly throughout the reconstruction period. Taking into account the load of problems Zimmerman caused and faced in Vienna, it is understandable why the League was thankful that in Hungary it was not subject to the same score of trouble.

Smith, for his part, based upon his experiences, became absolutely convinced that the League of Nations was not a mere paper dragon, but had the potential to become a really strong and well-organized body with an immense effect on the world. His international outlook, strongly meshed with his New England traditions, made him a firm believer of the League. The fame he achieved in Hungary made him an even more household name in the United States, not in the closed circles of law and finance alone, but nationwide. Already during his stay in Hungary, mainly on Lamont’s prodding, he accepted the position of President General Exeter Alumni Association from July 1926. Probably Lamont’s experience in the same position about “duties only nominal” and “even speechmaking unnecessary” must have been a winning point for Smith. As a sign of how well-known his name had become, it is enough to mention that he was a regular feature in intercollegiate events.

Smith was also elected to be successor of Dr. Henry Pickering Walcott as a member of the Harvard Corporation. His now clearly prominent status gave him the chance to try to make waves for his political belief in his own country.

The most spectacular moment of showing his faith in the League of Nations came at the dinner of the Phi Beta Kappa Society of Harvard University in the summer of 1927. To counter any possible future charges of his un-Americanism, he started off with the assertion, “I am neither a pacifist nor an internationalist.” In this speech, Smith gave a description of the international situation as he saw it and shared his view with the high-standing audience. He thought if things did not change, another war would be in store, and the only remedy against such a course would be public opinion. “There must be an international public opinion which will insist on higher standards of international morality in international dealings.” This is where the League came in the picture as

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921 Lamont to Smith, March 5, 1926, T. II. Incoming and outgoing telegrams, Sep 1924–June 1926, C. 120, Financial Reconstruction of Hungary, LNA.
924 Smith, The Preservation of the Peace, 1.
925 Ibid., 5.
the only international body significant and powerful enough to form such an opinion. "I am a strong believer in what the League of Nations is trying to do, provided it is done properly, that they confine themselves to public discussion of questions and do not undertake to coerce people." After gently criticizing the conduct of foreign affairs in the United States and in general, Smith gave a precise description of the present situation in America and a farsighted picture of the not-so-distant future:

All I hope to accomplish is to induce some of you to think on this question. It cannot be settled except by public opinion. It is not politically possible for the United States to do anything to-day in regard to entering into the League of Nations. Rightly or wrongly one of the great political parties succeeded in convincing the average man [...] that there is a sort of conspiracy on the part of old wicked Europe to get the United States involved in matters which are none of its affair. As long as that opinion continues it is politically impossible to do anything. [...] There must be a radical change in the method in which international affairs are conducted. If there is not, we shall all be back where we were in 1914, and the last state of this world will be worse than the first.927

Here was then a man, who had achieved quite some fame through diligent work both home and abroad, and who felt the time had come to presage a grim future and warn those who were willing to listen to try to make changes. He must not have had any illusions as to what such a speech could achieve, but his conscience would have plagued him had he not done what he could.

It is little wonder that the League of Nations felt positive about Smith. After fulfilling the job faithfully in Hungary, he kept advocating the League as the possible key to the future and preserving the peace. The League of Nations did still not give up on luring the United States into its ranks, and was of the opinion that the more Americans served in the organization, the better future chances there would be to achieve such a goal. This aim suffered a setback when the United States government decided not to continue the unofficial representative on the Reparation Commission, which took effect from 1927.928 In light of such events and hopes, it was natural that when there was an unfulfilled seat on the Financial Committee, the wheels were set in motion to secure an American citizen. Basically, it was an unsaid conclusion that the League wanted to enjoy Smith’s services again, now as a member of that Committee.

926 Ibid., 11.
927 Ibid., 14.
928 For the correspondence on this subject, see FRUS: 1926, 1:120–25.
Once again, the principal man overseas was Benjamin Strong. First and foremost, he was sought out to give advice on a possible candidate, and Salter wrote frankly what the League expected. “It is essential that the member should be someone enjoying the confidence both of the Federal Reserve and the principal private banks, and that we should have and continue to have the necessary backing from both.”929 The response arrived the very next day that Strong duly suggested Smith, and Owen Young agreed with that proposal.930 Strong had very positive opinions about Smith. “I have the utmost confidence in his judgment and good sense and in his general knowledge,” he said.931 On the European continent the usual suspects all welcomed the idea of Smith joining them.932 Montagu Norman was also joyful. As he wrote to Niemeyer, “I think J. S. would be a wonderfully good member, that you will be lucky if you can get him, and that Strong is a perfect conjuror.”933 Smith was willing to accept the honor, but there was some difficulty to straighten out. This was to do with another pleasant engagement.

Smith’s old friendship with Lamont meant another opportunity to get close to the thick of things, which he did not want to miss. In September, the two men traveled to Japan to prepare the ground for new American loans through J. P. Morgan & Co. Smith accompanied Lamont as his legal advisor. Since the American-Japanese relations were satisfactory at the time, Secretary of State Kellogg assured Lamont that the government would support their work, only to withdraw such support in the end.934 This was the reason why Smith had some reservation about the League appointment in September when he would not be on hand. In addition, Strong wanted a very quiet nomination, because he feared that there would be outcries due to Smith’s connections to the Federal Reserve Bank in New York.935

Smith was appointed as additional member to the Financial Committee as of September 1, 1927. The official reasoning of the League was that “the work of the Committee has arrived at a stage at which the presence of an American member would be of the greatest value, and the Committee has reason to believe that Mr. Smith’s appointment would be very acceptable to those concerned in America, and that he would be free to accept, if invited.”936 Thus Smith became a member of a small body that he had been officially connected to while he was in Hungary in 1924–26. The announcement was discreet just as Strong

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929 Salter to Young, July 20, 1927, OV9/257, BoE.
930 Young to Salter, July 21, 1927, Ibid.
931 Strong to Norman, September 23, 1927, G35/7, BoE.
932 Niemeyer to Salter, July 29, 1927, OV9/257, BoE.
933 Norman to Niemeyer, August 19, 1927, Ibid.
934 E. Lamont, The Ambassador from Wall Street, 231. In more detail about the trip, see Ibid., 231–37, and The New York Times, October 4, 9, 1927.
935 Strong to Norman, August 31, 1927, G35/7, BoE.
936 LNJ, 8th Year, No. 10, October 1927, 1101.
had hoped. The expectation was quite high, but Norman was confident that Smith’s presence would “mark a very important stage in the development of the Financial Committee and its work.”\footnote{Norman to Strong, September 14, 1927, G35/7, BoE.} In mid-November, Smith was one of the chief speakers at the annual dinner meeting of the Academy of Political Sciences at the Hotel Astor. Smith here emphasized anew that the League of Nations was the most effective agency to solve international problems and create peace.\footnote{The New York Times, November 18, 1927.} With being an official member of the organization, the assertion might have seemed a little bit strange, but Smith did not worry on that account because he had earlier already said the same thing. If anything, he felt more assured about his belief. The very day after the prestigious dinner, he sailed to Europe to start his tenure in the Financial Committee, and shortly after arriving in Geneva he took part in the deliberations of the Committee for the first time.

Smith’s work in the Financial Committee was not characterized by any large impact in the life of that body. In fact, Salter thought if an American was brought into the League, perhaps American banking would be more drawn into possible League loans.\footnote{Orde, British Policy and European Reconstruction, 313–14.} This wish was not fulfilled. It soon was clear that his post would not mean a deluge of further American loans. If anything, Smith tried to counter British efforts to further strengthen the gold-exchange standard.\footnote{Ibid., 314.} As had been the case earlier, Smith was doing his work out of the limelight. When his expertise and advice was sought, he was more than ready to provide it. His experience gave him the basis to draw up a plan concerning the control of an international loan that was issued on behalf of a country attacked or threatened with war. Perhaps the biggest news was when he, together with C. E. ter Meulen and Marcus Wallenberg, was appointed to the advisory committee on the investment of the League’s $1,000,000 library fund, which had been given by the Rockefeller Foundation.\footnote{The New York Times, January 26, 1930.} The stay in Europe did Smith good beyond doubt. When he visited the Tylers in France and spent a little time with his former deputy in Hungary, he made the following impression on Tyler’s wife:

> We have had Jeremiah Smith to stay here with us. He was more delightful than I could have believed he could be. Everything pleased and interested him. He was quite boyish and happy, and said his few days here had done him a world of good. There is a man whose European experiences have broadened and deepened, and who has become more conscious of his own great power and resources, by contact with the accumulated forces of centuries. He is so sensitive and so responsive, under his New England granite.\footnote{Elisina Tyler to Mildred Bliss, September 16, 1928, Box 2, Tyler Papers.}

937 Norman to Strong, September 14, 1927, G35/7, BoE.
940 Ibid., 314.
942 Elisina Tyler to Mildred Bliss, September 16, 1928, Box 2, Tyler Papers.
The only period when he was in the limelight to some degree was in the first half of 1929. His name appeared first on account of the Kellogg-Briand Pact, or officially, the Treaty for the Renunciation of War.\textsuperscript{943} When the treaty was under the ratification debate in the upper house of Congress, Smith’s letter to Massachusetts Senator Walsh was read out in the Senate as a positive argument for the ratification. In this letter he reiterated his belief about the importance of some kind of public opinion. He considered the treaty that was awaiting confirmation from the Senate was “one more step in building up an international public opinion of the right sort,” and “a very important instrument in maintaining the peace.”\textsuperscript{944} The treaty was ratified by the United States on January 15, 1929, and signed by the president two days later.\textsuperscript{945} Not much later Smith was chosen to be a member of the American delegation that was to serve on the international committee for revision of German reparations. He was in an elite group of compatriots in early 1929, such as Owen D. Young, after whom the comprehensive plan was named, J. P. Morgan, and Thomas Lamont.\textsuperscript{946} In preparing the Young Plan, Smith served in an advisory post to the “big guns,” with his usual modesty and useful expertise on Central European relations. Young, after returning from four months of negotiations in Europe concerning the plan for Germany, said that Smith and other assistant experts rendered “most helpful service.”\textsuperscript{947} The plan was hailed at the time as the remedy for the wrecked situation, so Smith was entitled to feel proud having taken part in the momentous undertaking.

Smith’s health, however, forced him once again to take a rest. This time, with the somewhat advanced age of over 60, he made the decision to retire from the Financial Committee. He was reluctant to take this step, but in early 1931 he finally resigned. Arthur Slater’s resignation as head of the Economic and Financial Section might have had something to do with his decision. In any case, the trend he had started continued and the Financial Committee invited another American, Norman Davies, to take his place.\textsuperscript{948} This was the end of Smith’s international career spanning 15 years and three continents.

\textsuperscript{943} The text of the Treaty and the list of the original fifteen signatories that signed it on August 27, 1928, can be read in FRUS: 1928, 1:153–56.
\textsuperscript{944} Congressional Record, 70\textsuperscript{th} Congress, 2\textsuperscript{nd} Session, 1568, January 11, 1929.
\textsuperscript{945} Congressional Record, 70\textsuperscript{th} Congress, 2\textsuperscript{nd} Session, 1731, January 15, 1929, and 1774, January 17, 1929.
\textsuperscript{946} The New York Times, February 2, 1929.
\textsuperscript{947} The New York Times, June 15, 1929.
\textsuperscript{948} The New York Times, July 23, 1931.
9.3. The Last Years

While a member of the Financial Committee, just like in the case of his Hungarian post, Smith often traveled home to the United States. Much as he was fascinated with the League of Nations and was very proud of having been an active member of it for years in different capacities, he was always yearning to spend the most time possible back at home. He needed good rest, because his health was never satisfactory for long cycles. When he was home, he usually spent his time with his sister, Elizabeth, or went fishing with his good friend Lamont, or visited his law firm.  

However, he was still active in other capacities. He was first sought out for legal help in the Sacco and Vanzetti case. This happened before he was selected as a member of the Financial Committee. Even before Governor Fuller asked Abbott Lawrence Lowell, President of Harvard University, to preside over the panel to decide over the case, Smith was asked to serve in that capacity. According to Charles E. Wyzanski, who was Senior District Judge of the U. S. District Court in Boston for 45 years, and was Harvard Law School professor and later Supreme Court Judge Felix Frankfurter’s student, “Jerry conducted his doctor who told him that he must not serve because at any moment he might die [...] he felt so badly at declining [...] that he privately undertook to read the entire record, and concluded that both Nicola Sacco and Bartolomeo Vanzetti were guilty and had not been denied a constitutionally adequate trial.” Therefore, it can be said that Smith applied his legal knowledge in a positive way, considering the fact that neither the guilt nor the innocence of the two men has ever been conclusively proven. Naturally, he might have been reluctant to serve in a case, even in an advisory capacity, which would have required much more energy that his health could have allowed. In less stressful options, he opted for service.

Aside from his long held trusteeship at Exeter, his home school, he filled other high posts. In the summer of 1928, for example, the Chairman of the American Telephone and Telegraph Company resigned. The post was discontinued, but a new director was needed to carry on the work of the ex-president. The board elected Smith to fill that post in August. Two years later, he was elected to the Board of Trustees of the Carnegie Endowment for International Peace. Also, he often appeared at distinguished events. After returning to the United States for good, he was a guest at various prestigious dinners. In addition to the principal speaker Lamont, Smith also spoke at the fiftieth annual dinner of the Academy

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949 E. Lamont, The Ambassador from Wall Street, 248.
of Political Sciences at the Hotel Astor. He remained faithful to the League of Nations and grabbed every opportunity to promote the possible cooperation between the organization and the United States. Smith was also among those 100 signatories that signed an open letter to President Hoover urging him to submit the protocols of the World Court to the Senate and calling for a prompt ratification. Other famous persons were John J. Pershing, Averell Harriman, Henry Morgenthau, Frances Perkins, Norman H. Davies, Roland Boyden, Thomas Lamont, Frank Polk, Paul Warburg, and Walter Lippmann.

The posts and rare activities did not demand a very large amount of time and energy, but unfortunately for Smith, these were the two things he had little of. His waning vigor was becoming a constant obstacle for him to act in any capacity. After resigning from the Financial Committee, he became nearly blind and doctors just could not find out the reason. Soon after, his sight got better, but only for short spells. Nonetheless, he carried on for some time with his posts in the United States, but before long he had to admit that even these were too much for him. Due to ill health, first he resigned from his post as director at AT&T in February 1932. Not even with reduced work was he able to compete and after a happy moment at the polls in November 1932, when Franklin Delano Roosevelt was elected president, Smith resigned from the Harvard Corporation after five years of service. The remaining time of his life was free of work or excitement, but that was a further problem. He had been a diligent man all his life devoted to his ideals, and, since not a man of many words, he had always been quick to step in and deliver. These opportunities had disappeared from his life by the early 1930s. Although there was a cause to fight for, he had no physical resources left to take part in any such fight. He was at peace with the world, and the more international approach emanating from the Roosevelt White House filled him with hope. In his last years, he was compelled to remain at home on account of “the advance of a mysterious malady” and he had to spend most of his time in bed. The fast waning light turned to darkness sooner than it should have and on March 12, 1935, Jeremiah Smith, Jr. passed away.

His death did not create any waves in the United States. The funeral was attended only by the family, which meant his sister and a few distant relatives. Smith never married and neither did his sister. An ancient line of New England Yankee family came to an end. Just as during his life he shunned publicity, he

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954 Tyler to Mildred Bliss, May 1, 1931, Box 3, Tyler Papers.
957 Beale, “Jeremiah Smith, Jr.,” 549.
would have been content to know that the news of his death was not a major heading in any newspapers. Naturally, papers reported his death in a few lines, but now the world was living the dangerous years of the mid-1930s and the 1920s already seemed a distant dream. The obituary of *The New York Times* falsely wrote that Smith had been offered the post of Secretary of Treasury; no documents support such a claim.\(^{959}\)

In understandable contrast, most of the Hungarian newspapers commemorated Smith’s death and recalled his work in Hungary. One editorial had the title, “A Good Friend of Ours Is Dead,” and emphasized Smith’s role in securing the league loan.\(^{960}\) Another paper claimed that the American had “wanted to help and help he did as far as his authority allowed,” and “the name of Jeremiah Smith had become indelibly the part of our nation’s history.”\(^{961}\) *Pesti Napló* recalled the story on how he had refused to accept his salary and said that Smith’s name “should be put on the pedestal of the anonym Hungarian taxpayer.”\(^{962}\) *Magyarország* reported that both Bud and Bethlen praised Smith and, allegedly, a movement was started by OMKE (Hungarian National Trade Association) to have a street named after Smith and a monument erected in his honor.\(^{963}\) This news echoed Béla Alapi’s earlier assertion that the next statue of an American would be that of Smith’s. In the end, the ambition to keep his memory alive did not bear fruit. The next statue in Budapest of an American was erected the following year, but it was not that of Smith’s but General Harry Hill Bandholtz’s, whose brave confrontation with the Romanian soldiers in 1919 led to saving the treasures of the National Museum. No matter how much Jeremiah Smith, Jr. deserves a prominent place in the twentieth century history of Hungary, by the end of the Second World War his name was largely forgotten and, for political reasons, left untouched. Not much difference took place in this after the change of the political system in Hungary, and in the new millennium, hardly anybody in Hungary knows who Jeremiah Smith, Jr. was.

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\(^{960}\) *Budapesti Hírlap*, March 14, 1935, LV/61.

\(^{961}\) *Pesti Hírlap*, March 14, 1935, LVII/61.

\(^{962}\) *Pesti Napló*, March 14, 1935, 86/61.

\(^{963}\) *Magyarország*, March 17, 1935, XLII/63.