

Beverage
Spirits
in
America

—A Brief History

H. F. WILLKIE





"Were American Newcomen to do naught else, our work is well done if we succeed in sharing with America a strengthened inspiration to continue the struggle towards a nobler Civilization—through wider knowledge and understanding of the hopes, ambitions, and deeds of leaders in the past who have upheld Civilization's material progress. As we look backward, let us look forward."

—CHARLES PENROSE
*Senior Vice-President for North America
The Newcomen Society of England*



This statement, crystallizing a broad purpose of the Society, was first read at the Newcomen Meeting at New York World's Fair on August 5, 1939, when American Newcomen were guests of The British Government

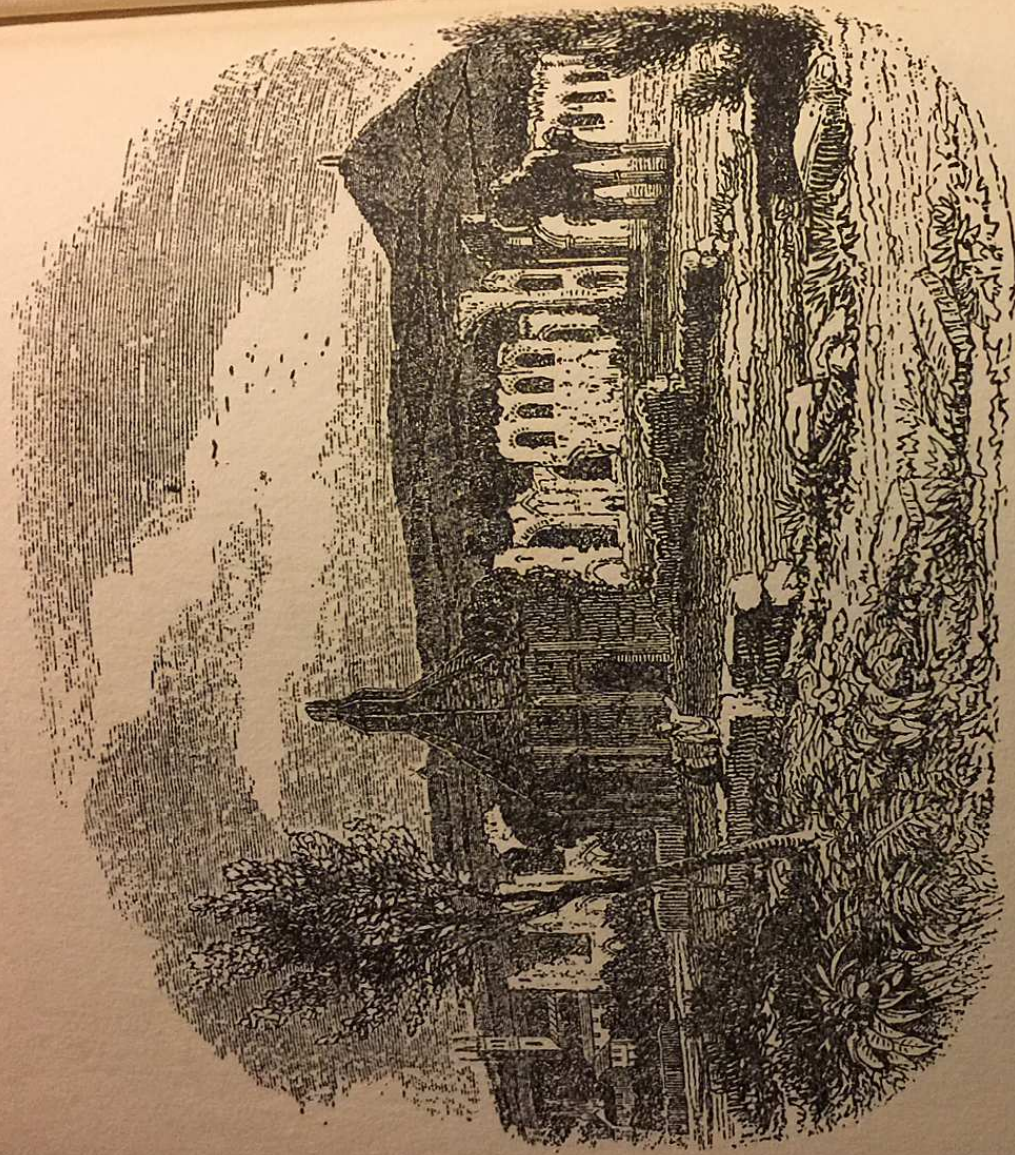
"Actorum Memores simul affectamus Agenda"

A Brief History



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—H. F. WILKIE



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Beverage Spirits *in* America

—*A Brief History*

H. F. WILLKIE

MEMBER OF THE NEWCOMEN SOCIETY
VICE-PRESIDENT IN CHARGE OF PRODUCTION

JOSEPH E. SEAGRAM & SONS, INC

LOUISVILLE

KENTUCKY



THE NEWCOMEN SOCIETY OF ENGLAND
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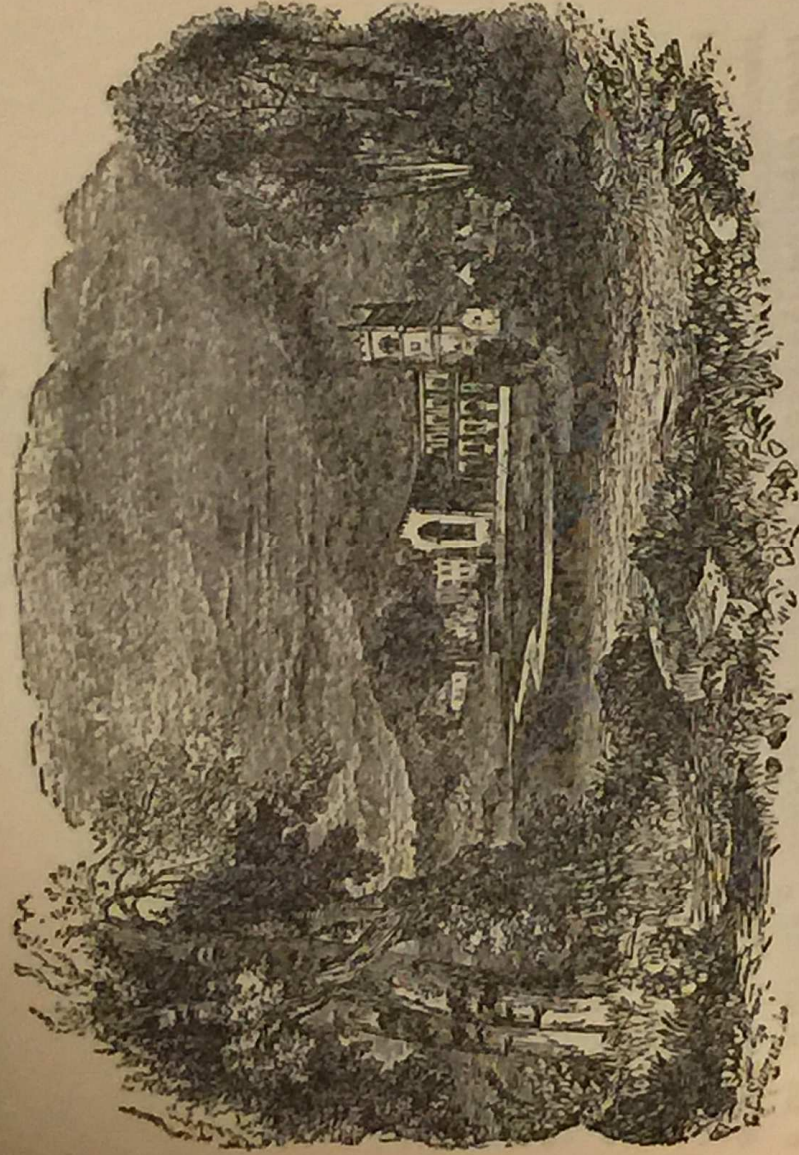


*This Newcomen Address was delivered during
a National Newcomen Luncheon of The New-
comen Society of England, at which Mr.
Willkie was guest of honor, held in Ballroom
of The Pierre at New York, N.Y.,
U.S.A., on October 3, 1947*



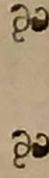
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“Throughout Europe before the 16th Century, distilled spirits (mainly a crude brandy) were used as medicine, and the secret of their manufacture was jealously guarded by the alchemists, many of whom were members of religious orders. Only in Ireland and Scotland were distillates generally accepted as beverages.”

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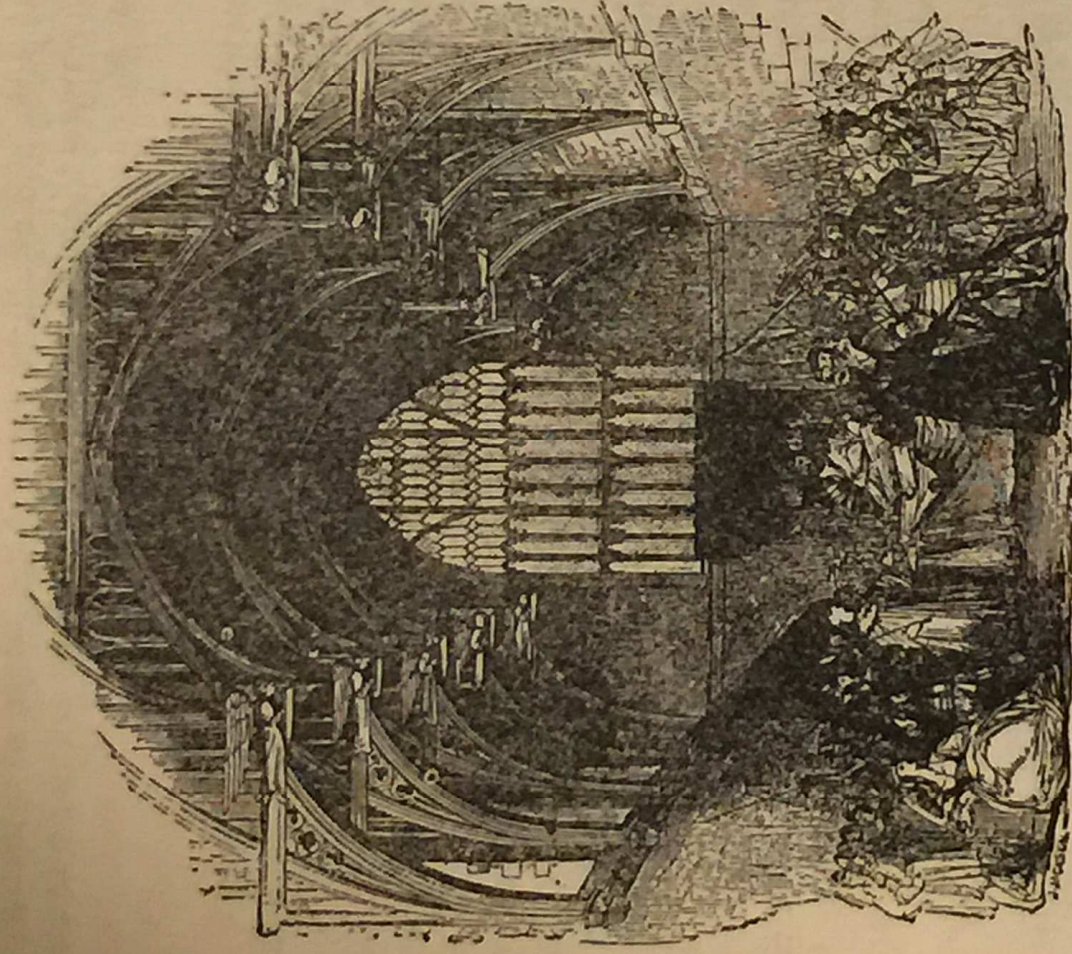


Biographical Sketch of The Author



How often, through review of historical fact and consequent influence, has America found benefit in recital of beginnings and growth of an institution or an industry. We escape the provincial when we examine facts and causes in their true perspective; we escape from prejudice; we get our mental balance; we begin to see clearly the justice in a case—the reasonableness of a sound judgment. How often is our vision widened by examining the progress of an art in countries outside of our own: what have been the techniques and contributions beyond our own shores. When, from beginning to end, a recital holds keen interested human attention and develops the several steps in such orderly array that the reader understandingly can follow each and weigh the merits of each, then the story takes on the stature of an epic exposition. Education, in a higher sense, seeks just these qualities for broad public benefit. The foregoing constitutes an attempt to appraise the scholarship, color, human interest, and historical worth of a brilliant Newcomen manuscript set forth in these following pages by H. F. WILLKIE of Louisville, Vice-President in Charge of Production, Joseph E. Seagram & Sons, Inc. Industrialist, author, inventor, research scientist, patron of the arts, good citizen, he is brother of the late Wendell Willkie. Internationally known, both for ability in design and operation in the fields of fermentation and distillation, recognized for his contributions in the fields of economics and industrial management, Mr. WILLKIE is President of The Louisville Philharmonic; is Director of Filson Historical Society; is Trustee of the University of Louisville and of Indiana University Foundation. Many-sided, versatile, he writes with a knowing pen. His "A Rebel Yells" attracted wide comment. Whatever he writes has every earmark of thoroughness, understanding, authority, and complete sincerity. The present manuscript is no exception. MR. WILLKIE is the Chairman of the Kentucky Committee, in The Newcomen Society of England.





My fellow members of Newcomen:

LONG BEFORE the beginnings of recorded history, Man discovered the natural wonder of fermentation. Without attempting to understand how the juice of fruits and berries could within a few hours take on life not present in the fresh juice, he gratefully ascribed the gift to one of his most attractive gods. For thousands of years a divine origin of alcohol was celebrated among civilized as well as primitive peoples. The Egyptians believed that *Osiris*, great god of the underworld and judge of the dead, was also the god of alcoholic beverages. There even is a legend that he taught the Egyptians the art of distillation. The Greeks worshipped *Dionysus*, the pleasant god of drama and of wine, and the Romans his counterpart *Bacchus*. In Hinduism,

Varuna is the god of all the arts and the patron of drinking. The law of fermentation, then, is one of the basic laws of human development.



Somewhere within comparatively recent times, a curious man (by means of a crude still or alembic) learned how to separate from the wine the magical substance which gave it life. No one knows who that man was or even in what country he lived. Some say that he was a Chinese, who lived hundreds of years before Christ; others that he lived in India and distilled alcohol from palm sap. Many authorities today believe that the Arabians were the first to know about distillation, between 700 and 1000 A.D. It seems likely, however, that the Arabians learned it from the Egyptians, who had been interested in alchemy since before the time of Christ. The only thing we know for certain about distillation is that it was not known in Europe until about the 13th Century. The first treatise on distillation was written by a French chemist, Arnold of Villanova, sometime before 1311. The book was printed in 1478 in Venice and was one of the very earliest printed books.



An interesting and romantic theory about the origin of distillation has been advanced by Neil Gunn, in his delightful book, *Whiskey and Scotland*, which he calls "A Practical and Spiritual Survey." With characteristic Scotch pride he points out that the word whiskey comes from the Gaelic word, *uisge-beatha*, meaning "the water of life." But he reverses the usual idea that uisge-beatha, or usquebaugh, as the Irish called it, was a translation of *aqua vitae*, the Latin phrase for "water of life," which was the usual early continental name for spirits. He believes that the Irish and Scotch learned how to distill whiskey long before the rest of Europe knew about it and that the early Celts had taught the secret to the Arabians, who later claimed credit for its discovery. There is, in fact, evidence of very early trade between the Orient and the British Isles, which could have brought the knowledge of a science that probably originated in China. In Ireland too is a legend that St. Patrick taught the Irish people how to make whiskey. St. Patrick lived during the 5th Century, a very early

time among the various conjectures of the first discovery of distillation. Mr. Gunn reminds us that St. Patrick, though he is the patron saint of Ireland, was born in Scotland, near Dumbarton on the Clyde.



Throughout Europe before the 16th Century, distilled spirits (mainly a crude brandy) were used as medicine, and the secret of their manufacture was jealously guarded by the alchemists, many of whom were members of religious orders. Only in Ireland and Scotland were distillates generally accepted as beverages. Irish and Scotch distillers, who made their spirits from malt, generally buried the harsh, raw taste and acrid smell under spices and sweetening. Usquebaugh, supposedly the Celtic form of whiskey, was actually a cordial, made with aniseed, cloves, nutmeg, ginger, caraway seeds, raisins, licorice, sugar, and saffron. The real whiskey of the Irish was called potheen. In its original state, fresh from the still, white, full of searing acids and fusels, it must have been a very formidable drink indeed.

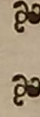


The rise in the popularity of spirits in Europe after the 16th Century may best be traced through court records. Some legislation regarding alcoholic beverages was intended to protect the consumer against inferior or spoiled materials and adulterated finished products, or to limit production in years of poor harvests, but, in the main, governments were interested in liquor only as a source of revenue. In 1556, the British Government imposed the penalty of death for all distillation in Ireland except by the nobility. The purpose of the law was to save grain for use as food. Its result, however, was to encourage illicit distilling, which began at that time and continued down to the present day. Ale had been taxed since the Anglo-Saxon period. But the first tax on distilled spirits was levied during the Great Rebellion, when the Parliamentary Government demanded eightpence a gallon for spirits made in England and Wales. On December 25, 1661, after the Restoration, a duty of fourpence was put on every gallon of *aqua vitae* distilled. Charles II, a few years later, lowered the tax to twopence per gallon on low wines. From that time to the present, with many fluctuations, the tax has been increased, both in Europe

and in America, until today the distillation industry pays a very considerable part of the public debt.



The history of liquor taxation is not a pleasant one. On the one hand, governments have laid an unduly heavy burden on the makers of alcoholic beverages simply because their products were immensely popular. On the other hand, dishonest men have evaded legal obligations and brought the industry into disrepute. Many honest men, too, have resisted what they believed to be unjust taxation, and bitter civil warfare has resulted from overly greedy levying of excise and license taxes. Moreover, in some instances dry interests have attempted to tax the liquor industry out of existence. Smuggling in the Scotch Highlands, moonshining in America, the Whiskey Rebellion, bribery of tax officials, political corruption, and, incidentally, improvement of equipment (so that it would produce more than the conventional capacity on which taxation was frequently based), were all part of the generally unhappy story of taxation. In England, by 1730, the laws had become so complicated and onerous that they all but destroyed the distillation industry, and Parliament, realizing that the higher the taxes, the less the income, completely revised regulations in 1743. Meanwhile, of course, and later again and again, when legislators forgot the law of diminishing returns, illicit distilling flourished, and even legal distillers did what they could to get around the laws.



In spite of clumsy attempts at control, the distillation industry prospered. As early as 1694, fewer than 6 million people in Great Britain consumed about 900,000 gallons of spirits. In 1743, 6,200,000 people consumed about 5 million gallons of spirits, almost a gallon per person. But the restrictions (including a law in England passed in 1736 that not less than two gallons of brandy, rum, usquebaugh, geneva, or *aqua vitae* be sold at once—a bad law that was repealed in 1743) had increased so greatly that illicit production was three to four times legal production. Between 1811 and 1813, nearly 20,000 illicit distilleries were destroyed in Great Britain. Many vigorous young distillers, finding that they could not make a living under British law, emigrated to America, where

they helped to establish the industry and where, after a time, they began again to quarrel over the excise laws of the new republic.



In America, the Indians may possibly have known about distillation without having learned it from Europeans. The son of Christopher Columbus, writing in 1571, said that his father had reported an Indian drink made from the marrow of maguey, which was boiled with water and spices. The fermented sap of maguey makes pulque; if the pulque is distilled, it becomes mescal. Whether or not Columbus tasted mescal is, of course, conjectural. The Aztecs and tribes from what is now southwestern United States seem to have known about distillation from a very early period. With the Spanish and Portuguese, of course, also came the still. All Indian tribes had fermented drinks, some from maple syrup, some from malted and fermented corn, some from ground acorns, chestnuts, and chinquapins.

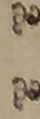


The first spirits made from grain in the United States of America were distilled on Staten Island in 1640 by Willem Kieft, then Director General of the Dutch Colony of New Netherland. The Kieft still, in charge of Wilhelm Hendricksen, made spirits from both corn and rye. Kieft, who must have been a very enterprising administrator, not only issued an ordinance forbidding the sale of wines and brandies except at the Dutch West India Company store, but established the first tavern on Manhattan in which the products of his distillery were served. The first liquor tax in this country was imposed by this same versatile governor: two guilders on each half vat of beer.

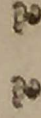


The early history of distillation in this country is as undocumented as that of its beginnings elsewhere. No one knows who made the first rum, which was the most important product of New England during colonial days; no one knows for certain when or where the first rye whiskey was made or even for sure who made the first Bourbon in Kentucky. We do know, however, that rum had a big place both in the economic and social development of the colonies, and in the shaping of the rebellion against England.

We are told that George Washington was not only the father of his country but of the rye whiskey industry as well. We also know that the farmer-distillers of Western Pennsylvania were instrumental in putting the federal power of the United States of America to its first test, and that from among them came some of the most ambitious and resourceful builders of the New West.

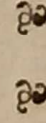


On the first ships to America were large supplies of beer and, as passengers, a number of men skilled in the art of brewing. During the early days of the new colonies, fermented drinks of all kinds were popular, including those made from pumpkins, maple sugar, parsnips, fruits, and nuts. They made peachy and perry from peaches and pears, grape, currant, and elderberry wine, and beer from persimmons and sassafras. The more aristocratic colonists preferred wines, which were imported. Shortly after the beginning of the 18th Century, however, a change came over colonial drinking customs: distilled drinks, particularly rum, were found to be more warming and comforting in the rigors of the American climate. Rum was easily made from molasses brought in from the West Indies, and New England distillers and shipowners quickly established a very profitable trade.



Rum has been made in Barbados as early as 1650, utilizing economically the luxuriant crops of sugar cane. The earliest American reference is in the records of the General Court of Massachusetts, in May, 1657. It was called rhum, kill-devil, rumbowling, and rumbullion. The Indians called it ocuby. Planters in the West Indies continued to make a high-quality rum, which commanded a small premium in the American colonies, but they found greater advantage in shipping the crude molasses for processing in American distilleries. The famous three-cornered trade was quickly established: New England ships picked up the molasses, carried it to American ports, and took aboard cargoes of rum, which they shipped to Africa. There they traded the rum for prime slaves, who were transported to the West Indies and exchanged for molasses. Thus the slaves worked in the sugar-cane plantations, preparing the molasses from which rum was made to buy more slaves.

Meanwhile, rum had become tremendously popular throughout the colonies. Twelve million gallons a year went into such concoctions as flip (made with beer, sugar, eggs, spices, and rum and heated with a red-hot loggerhead), toddy, punch, hot buttered rum. By 1750, when the rum trade was at its height, there were 63 distilleries in Massachusetts, and the city of Newport, Rhode Island, alone had 30 distilleries. 900 vessels traded in rum out of Boston. In 1783, 7,194,600 gallons of molasses were imported into the United States. Rum was regarded as "a source of courage for the soldier, endurance for the traveler, foresight for the statesman, and inspiration for the preacher." The "good creature," as it was called, was present at christenings, weddings, funerals, elections, and trials. One of the first acts of the Continental Congress was to establish a daily ration of rum for soldiers and sailors. Most important political decisions were made over mugs of clip or toddy. Rum, like whiskey in the West, was used as a medium of exchange. Most New Englanders went to their graves, "full of years, honor, simplicity, and rum." In short, much of the early history of this country is associated with the distilled product of fermented molasses.



In 1733, long before the much better known legislation that is supposed to have raised the cry of "Taxation without representation is tyranny" among American colonists, Parliament started the colonies on the road to independence by passing the first Molasses Act. Henceforth only expensive molasses from the British part of the West Indies could be imported tax-free. Dutch and French rum and molasses were forbidden except under a prohibitive tax of ninepence a gallon of rum and sixpence a gallon of molasses. If the Molasses Act had been enforced, it would have ruined the trade of the northern colonies. The merchants and shipowners, however, paid little attention to the new law, and went on buying their molasses where they pleased. The revenue from the Molasses Act, which should have been over £25,000, was actually only a few hundred pounds on rum, molasses, and sugar together. In 1763, after thirty years of token enforcement of the Molasses Act, Parliament passed the Sugar Act, reducing duties, but providing strict measures for enforcement. Revenue cutters patrolled American colonial harbors, trying to catch rum-smugglers, ships taking part

in the West Indian trade had to get clearance, and Writs of Assistance allowed King's men to search ships and warehouses.

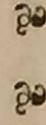


The outraged protests against interference with Private Enterprise were the first unified opposition to absentee rule in America. Out of them grew the organized defiance of the later Stamp Act and the Townshend Acts that led to the Revolution. Many of the most highly respected citizens, who became leaders in the Revolution, were associated with rum-smuggling, notably John Hancock, Samuel Adams, and Peter Faneuil. The first overt act of violence against the Dutch was the sinking of the revenue cutter, *Gaspée*, in Narragansett Bay, in 1772, by patriotic residents of Providence. This gesture of rebellion occurred eighteen months before the much more famous Boston Tea Party. Paul Revere's famous ride began as a warning to Hancock and Adams, whose revolutionary ideas as well as their successful rum-running had not endeared them to the British. On his way, he was pursued by two British troopers, and he took refuge in the home of Isaac Hall, Captain of the Medford Minute Men, who owned a rum distillery. After a few stirrup cups of old Medford rum which "would have made a rabbit bite a bulldog," he went on with his ride and this time spread the alarm through the entire countryside.

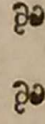


The rum industry slowly declined after slave-trading with Africa was abolished in 1808. Though American rum distillers continued to be protected by high tariffs on imported spirits and though prices were very low (from 25 to 50 cents a gallon until about 1800), the popularity of "the good creature" diminished, and whiskey gradually took its place in high favor. By 1888, the 22 rum distilleries that had operated in Boston in 1798, had shrunk to 3. Brandy, which had been manufactured in America as early as 1640, and gin, which had a mad rage among the poorer classes in 18th Century England, never had the popular appeal of rum in this country. Nevertheless, rum was not a native drink, since its raw material had to be imported. Whiskey, made from rye or corn, both abundant crops, though it started into popularity later than rum and cider, had a greater claim to be a national drink.

Since New England produced little grain, its alcoholic drinks were mainly from imported molasses or from fruit, particularly apples, which were introduced into America from English seed in 1632. Cider was a very common drink, five or six barrels of it being made from one apple tree. Most heads of families, including the ministers, put in an abundant supply of cider for the winter. The cider was sometimes purified by freezing, which separated the watery part from the alcohol. The spirit was put in a vessel and colored with Indian corn so that after three months it resembled Madeira wine. The first "applejack," which was distilled cider, was made in 1698 in Monmouth County in New Jersey. George Washington's diary for 1763 has an entry about sowing rye and "stilling Cyder."



As soon as settlers began to move away from the coastal colonies, to which ships easily brought rum and molasses, they had to find new material for fermentation. The Revolution, too, interrupted the trade with the West Indies. It was natural that they should turn to grain. Barley malt, from which the English, Irish, and Scotch immigrants had made beer and whiskey, was a scarce commodity in New England. But rye was a bumper crop in Pennsylvania and Maryland, and still farther West and South corn grew high.



Many of the Pennsylvania and Maryland settlers were Germans, who had known the virtues of rye in the making of spirits in the old country. They probably began to distill spirits as soon as they built their new homes. George Washington is said to have begun the production of rye whiskey in America at Mount Vernon. The last of his managers on the Mount Vernon plantation was a Scotsman named James Anderson, who knew how to make whiskey. He persuaded Washington to turn over one of his unprofitable small farms to the raising of rye for whiskey. In a short time, the distillery at Mount Vernon had acquired an excellent reputation for making good liquor. The historian Woodward says that in 1798 Washington's net profit was £83, with 155 gallons of whiskey still on hand. Washington also made a great deal of apple, peach, and persimmon brandy. After Washington's death in 1799,

Anderson moved to Maryland and established the rye whiskey industry there. A famous modern maker of rye whiskey, however, according to some authorities, says that his company's original distillery in Maryland began production in 1789.



After the Revolution, many adventurous farmers, some of whom had fought against the British and the Indians near what was to become Pittsburgh, moved westward and settled, particularly in the four counties of Westmoreland, Fayette, Washington, and Allegheny. By 1790, 70,000 people lived in this area, which was about as big as Scotland. Many Scotch-Irish immigrants were among the settlers, some of the same sturdy stock that moved into the Southern highlands at that time. (The biggest city was Pittsburgh, with 1200 residents.) There were no roads in the new territory, and most of the trade was by packhorse. It cost more to transport a barrel of flour made from the grain which was the principal product of that region, than the flour would have sold for on the eastern markets. If the farmer converted the grain into whiskey, a horse, which could carry only 4 bushels in solid form, could carry 24 bushels in liquid form. Practically every farmer, therefore, made whiskey. So universal was the practice that whiskey was the medium of exchange. It had the advantages of being easily divisible and of improving with age. Continental currency, which had collapsed in 1780, was worthless, and hard money was scarce. At 50 cents a gallon, then, whiskey met every conceivable need: it was said to be good for all kinds of ailments, including snake-bite; it was a protection against the cold; it was a vehicle of good-fellowship; it could be traded for such necessities as iron, at the rate of 15 cents a pound, and salt at \$5.00 a bushel.

In 1791, however, Alexander Hamilton, Washington's Secretary of the Treasury, perhaps to test the strength of the new federal government, imposed an excise tax of 54 cents a gallon of still capacity and 7 cents a gallon of production. The tax was to be collected in cash, and revenue officers were assigned to each district.



The reaction was violent, particularly in the western counties of Pennsylvania. There the idea of federal control was not popular.

Some of the inhabitants remembered that the government had done little to help them during the Revolution, when the British raided their country, and that they had been forced to send recruits to the armies in the East. Many of the western Pennsylvanians believed that they owed allegiance to Virginia, not to a central authority. Moreover, the Scotch-Irish had brought with them from their home countries a deep-seated prejudice against excise taxes. Their families had suffered indignities and violations of privacy and even bitter suffering at the hands of British tax-collectors. They had come to the new country to get away from just such tyrannical action on the part of government authorities. Previous colonial excises on spirits had been repealed as unsuccessful, first in 1756 and again in 1772. The Pennsylvania legislature itself voted a resolution opposing the new tax levy. For three years the farmer-distillers more or less actively combated the taxes. Revenue officers were tarred and feathered and their horses' ears cropped. The principal men of the region passed a resolution condemning those who accepted offices as collectors of duties. Those distillers who paid their taxes were considered traitors and threatening notices, signed "Tom the Tinker" were pinned to their doors. Meetings were held and liberty poles were raised, indicating that the people believed they were being unjustly taxed. "Why should we pay hard money, which we don't have, when the millers, who use the same grain, pay nothing? Why are we singled out for taxation on our only means of livelihood?" they demanded.



Among the leaders of the rebels were David Bradford, who formed the farmers into a kind of militia, Hugh Brackenridge, who counselled moderation, and Albert Gallatin, later to become Jefferson's Secretary of the Treasury. At Parkinson's Ferry, in 1794, delegates from five Pennsylvania counties and one Virginia county gathered to decide how they would act to oppose the law. Signs were raised: "Equal Taxation and no Excise; No Asylum for Traitors and Cowards." Bradford wanted an independent State; Gallatin and Brackenridge were against violence, advising compromise. Government commissioners met and demanded that the rebels submit to the law and explicitly declare that they would not "directly or indirectly oppose the acts for raising revenue on

distilled spirits and stills," promising amnesty. Most of the objectors by this time had had enough. They realized that they were being used by the radical believers in secession. Nevertheless, they were still aggrieved and refused to vote for submission.

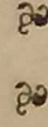
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Under General Henry Lee, Governor of Virginia, 15,000 militiamen marched from the nearby States to put down the revolution in Pennsylvania. Washington himself rode with the troops as far as Carlisle, and Hamilton went all the way. By the time they got to the rebellious counties, the insurrection had collapsed. More than a thousand of the rebels left the State. The rest were ready to accept the government's terms. Lee's huge army had nothing to do except round up 117 alleged insurgents, marching them to Philadelphia, where they were tried and all but two released. Those two were condemned to death, but were pardoned by Washington. The great Whiskey Rebellion had been put down at a cost of 1½ million dollars. Some of the militiamen settled in western Pennsylvania; all had money which they spent freely (much of it on the products of illicit stills). The prestige of the federal government was saved, and Hamilton had proved that a member State must submit to central authority. Nobody at that time commented on the absurdity of sending an army bigger than any Washington had ever commanded against the British to punish a few badly led rebels, who finally agreed without force that they would obey the law and went on evading it as often as they could.

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One result of the Whiskey Rebellion was the rise of Kentucky as the greatest whiskey-producing State in the Union. Many of the disgruntled Pennsylvania farmer-distillers, thinking that they would be free from government interference in the undeveloped territory along the Ohio, packed their stills and household goods on river rafts and went in search of independence. Kentucky, which had achieved statehood in 1792, already had over 70,000 inhabitants. Under the firm inspector of revenue, Colonel Thomas Marshall, father of the famous Chief Justice, it had only passively resisted the Hamilton spirits tax of 1791. Many of the Kentucky distillers refused to register their stills and did not pay the 7 cents

per gallon production tax; and several times they had angry meetings. But there never was open rebellion, and in time, as even the recalcitrants began to understand the inevitability of taxes, most of the principal citizens became law-abiding. Some illicit distilling continued, of course, and goes on to this day.

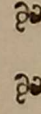


As many counties of Kentucky claim the first production of Bourbon as Greek cities quarrel over the birthplace of Homer. The people of Harrodsburg, in Mercer County, which was the first permanent settlement (1774), feel that though they have no definite records, their first farmers and millers would not have ignored the superb whiskey-making characteristics of Kentucky corn and water. Similar claims are made by Mason, Nelson, Scott, Logan, Jefferson, and Bourbon Counties. According to the early chroniclers of Kentucky history, the first whiskey was made in Louisville, Jefferson County, by Evan Williams, in 1783. But the first Bourbon whiskey, "genuine, old-fashioned, hand-made, sour-mash Bourbon," made from a mash containing at least fifty per-cent corn, is usually credited to a Baptist minister, The Reverend Elijah Craig, in 1789, at Georgetown, in Scott County. One Kentucky historian says that Craig accidentally discovered how to remove foreign particles, change the color, and mellow the sharp taste of conventional whiskey by aging it in charred barrels. Bourbon County itself champions Jacob Spears and Captain John Hamilton. But the earliest date for Spears is 1790, and Hamilton was one of the Pennsylvania insurgents who made a strategic retreat westward at the approach of Lee's army in 1794.



A history of Nelson County says that the first whiskey in Kentucky was made by Wattie Boone, a relative of Daniel, and by Stephen Ritchie, who settled on Cox's Creek in 1776 and began making whiskey about the same time, offering it for sale in 1789. If this record is correct, Boone and Ritchie were several years ahead of other claimants. An interesting addition to this story is that Thomas Lincoln, in 1814, father of Abraham, worked in the distillery established by Boone and Ritchie, then run by John Ritchie, and that Abe worked there during the year before the

Lincolns moved to Indiana. Boone is reported to have said of young Abe: "If that boy goes into the whiskey business, he'll make the best distiller in the country." Unfortunately for the whiskey business, however, there were no distilleries in Indiana at that time, and Abe had to learn a new trade.



Bourbon County, from which Kentucky's corn whiskey got its name, had been cut out of the northern part of Fayette County, which with Lincoln and Jefferson had been the original Virginia counties that made up the Kentucky territory. It was one of nine organized by the Virginia legislature before Kentucky was admitted to statehood, and, in 1786, it comprised more than twenty of the present counties in northern and eastern Kentucky. When Elijah Craig made his first whiskey, Scott County was part of Bourbon County. All the whiskey sent back East was called Kentucky Bourbon by dealers to distinguish it from Pennsylvania Rye.



The method of making whiskey in early Kentucky differed little, except in the preparation of malt, from that used in Scotland and Ireland for hundreds of years, and still used by small distillers today. Grain, perhaps 80 pounds of corn to 10 pounds of rye, was ground in a buhr mill (with carved grinding surfaces that had to be sharpened by hand). Sometimes the cob was ground into the mash. The meal was then scalded in tubs a little bigger than barrels and stirred or rowed with paddles. Sometimes hot, spent beer from a previous distillation was used to scald the meal, and the mixture left overnight to begin a slight sour fermentation. To the cooled cooked grain was added 10 pounds of malt, made from corn or barley that had been allowed to germinate and the germination halted by heat. As soon as the malt had converted starch to fermentable sugar, yeast was added, and the whole left to ferment from 72 to 96 hours. Next, the beer was poured into a copper still, shaped like a kettle with a single chamber, and boiled over a hickory fire. The product, when redistilled, was called "Double Distilled Fire Copper Sour Mash Bourbon." Sometimes it was "made in a log," an eight to ten foot poplar log, which was split, hollowed with an adze, and a copper pipe run from one end to the other.

The halves were joined, beer poured in at the top, steam sent through the pipe, and alcohol was taken off through another pipe. This first run always had to be redistilled in a small pot still. The early distilleries were small, producing only from 50 to 500 barrels of spirits a year. Up to 1865, few Kentucky distilleries produced more than a thousand barrels a year, though in 1816 an overly ambitious New England group set up the Hope Distillery in Louisville, investing \$100,000 in a hundred acres of ground and equipment to make 1200 or more gallons of whiskey a day. It was the most ambitious venture of its kind in America, but, unfortunately for the prosperity of the investors, most consumers preferred whiskey made in stills which could produce no more than a barrel a day. The Hope proved a vain one, and the Yankees went back home with a dim view of Southern Industry.



By 1810, distilleries had sprung up in many parts of Kentucky, and, by 1825, Lexington, Harrodsburg, Lawrenceburg, Frankfort, Bardstown, Louisville, and their surrounding areas had from one to ten plants each. In 1810, according to the incomplete tables compiled by the marshals of the federal districts, Massachusetts had 60 stills, producing over 3 million gallons of rum; Pennsylvania had 3,594 stills producing over 6½ million gallons of whiskey; Indiana had 28 stills, producing 22,000 gallons of whiskey; and Kentucky 2,000 stills producing well over 2 million gallons of whiskey. The total value of all distilled and fermented liquors in the United States at that time was \$16,528,207.



Kentucky whiskey soon became famous all over the country for its superior quality. Some enthusiasts gave credit to the "character and association of Kentucky yeast germs"; others thought that the limestone water had most to do with its excellence. One lyric admirer described the water as leaping from rock to rock, "laughing in its wild career, until it found its haven of rest in the bosom of a mash tub to come forth as pure nectar, in the shape of Bourbon Whiskey, a perfect distillation of nature's gifts—Kentucky sugar corn and Minnie-Ha-Ha spring water."

In 1819, New Orleans received over 200,000 gallons of whiskey per month from Kentucky. Peddlers picked it up in their travels through the State, trading goods for whiskey. By the time it had floated down the Ohio and Mississippi on flatboats, the hot sun and movement of the boats had "aged" it. Good Kentucky Bourbon never got special processing to raise its proof or remove the acids and essential oils, after its original redistillation. Before the Civil War, little attention had been paid to aging, though distillers had discovered that whiskey left in charred oak barrels lost some of its sharpness and took on mellowness along with a golden color. Ordinarily, it was either sold in its natural white state or artificially colored with caramel. Whiskey had originally been colored only to resemble the amber tint of brandy. Even today, of course, a certain amount of artificial coloring is added to whiskey. At first no one bothered with brand names. Whiskey was whiskey, as everybody knew, though some had more burnt taste or a higher percentage of fusels or more suspicion of bacterial invasion than others. But after the Civil War, when rising taxes made storage in bond desirable, brands became known. One of the earliest brand names was "Chicken Cock," made by J. A. Miller in Bourbon County.

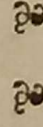


Family names had always been important in Kentucky. Now they began to be identified with distinctive whiskeys. James Crow, a Scotch surgeon, who started making whiskey in Kentucky about 1823, was the first to insist upon strict sanitation in his manufacture. Jim Crow Whiskey eventually became famous all over the world. Before his time, says one of the writers about Kentucky whiskey, "distilleries could have been found in Kentucky in which mouldy meal in the mash tubs, accumulated filth in the fermenting room, and a daily contest for supremacy between pigs, cattle, and yeast germs were the ordinary incidents of the business." Oscar Pepper, of the famous Pepper family, was Crow's partner on Glenn's Creek, in Franklin County, in 1850. Elijah Pepper, whose name appeared on labels as "born with the Republic," settled near Frankfort and began distilling shortly after the end of the century. W. and J. Taylor made Old Fire Copper Whiskey, which was locally famous. Names like Dant, Wathen, and Beam, and, after the Civil War, Atherton, Stitzel, Brown, Thompson, and Bern-

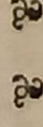
heim were associated with the excellent product that made Kentucky the world's leader in whiskey production.



During the Civil War, both Confederate and Union armies took grain from the storage rooms of Kentucky distilleries. In 1863, John Boyle ordered his distilleries in Bourbon and Harrison Counties to turn over all their grain to the Union Army and did not contract for more. At the close of the war, many distilleries changed hands, and new names came in to carry on the fame of Kentucky whiskey.



After the repeal of Hamilton's fiercely contested federal excise tax in 1800, under Jefferson, there was no further tax on domestic spirits (except between 1812 and 1817, as a war measure, when a tax of 9 cents a gallon and up to \$2.70 a gallon of still capacity was imposed) until 1862, when a tax of 20 cents a gallon was collected. Two years later, it was raised to 60 cents a gallon and yielded 28 million dollars in revenue. By the Summer of 1864, it was \$1.50 a gallon; and by December \$2.00. Since the revenue fell off under the high taxes and moonshining prospered, the Government lowered the tax to 50 cents, but gradually raised it again by 1894 to \$1.10 a gallon, collecting 100 million dollars that year. During the First World War the tax was \$2.30, which became \$6.40 just before Prohibition. In 1934, the tax was down to \$2.00 again; but has been steadily raised to its all-time present high of \$9.00 a gallon. This is a brief sketch of the stormy progress of liquor taxation in America.



From the earliest days the makers of liquor have had to pay a disproportionate share of the country's tax burden. From \$3 1/3 million in 1863, the federal excise tax collections on distilled spirits have increased to \$1 1/2 billion in 1945. While the population has quadrupled since 1863, tax revenue on spirits has multiplied *over 400 times*, though the consumption per person has dropped from 2.71 gallons per capita in 1864 to 1.22 in 1945. Today, the tax is principally on goods in process, though whiskey may be stored under bond (which provides that tax payment can be made on with-

drawal). The tax obligation, however, occurs as soon as the alcohol comes into being, and the distiller is responsible for any extraordinary loss.



In 1802, there were 22,000 distilleries in the United States; in 1810, 14,000. The number has steadily decreased until today only a few hundred distilleries are left. In Kentucky alone, which supplies almost half of the entire country's production, there are 60 distilleries, 1400 fewer than in 1810. No longer is it possible for the barrel-a-day distiller to make a living, unless he is careless about federal tax laws. With the coming of pure food laws and civilizing influences on drinking habits, the "Tiger Spit" and "Tarantula Juice," that had been acceptable among rugged pioneers, no longer had wide popular appeal. The hunter or river-man who lifted a jug of raw white moonshine to his lips was not particular about quality. He thought that such devices as leaching spirits through willow charcoal and aging were effeminate. The aristocratic Kentucky distillers produced premium whiskeys which had world-wide renown, but many of them depended upon family traditions and old superstitions; and many of them were profoundly ignorant even of basic principles of chemistry, bacteriology, and sanitation. The manufacture of spirits,—first a domestic handicraft like weaving, blacksmithing, tanning, and candle-making; then a small-scale vocation, usually associated with milling and farming; then a family profession, well supplied with secret formulas; then a large-scale business, shamelessly unconcerned about public interest and recklessly greedy; then a ghost, standing in pitiful obsolescence as Prohibition took its unhappy course,—has at last become a great, progressive, scientific industry.



Before the distilling industry matured, however, it occasionally surrendered to the many political and economic temptations which constantly surrounded it. During Grant's administration, for example, a Whiskey Ring, with powerful Washington connections, conspired to defraud the Government of taxes. President Grant's private secretary was deeply involved with dishonest distillers, though he escaped prosecution, and Grant himself and others in high office were accused of taking part of the profits. Towards the

end of the century, the whiskey monopolies which had developed engaged in bitter civil war. Two major opponents emerged, one a group of Kentucky distillers who tried to make straight whiskey the only standard, the other a much wealthier and more aggressive group which believed in the more uniform, lighter, more easily controlled product of blending. The Kentuckians, who called themselves The Whiskey Trust or the Distilling and Cattle Feeding Trust, denounced the whiskey made in any other way than by traditional pot-still methods, as lacking in character. Politically and financially they were opposed to the Whiskey Ring (not the same as the tax-evading organization uncovered in 1874), which blended straight whiskeys with spirits made in patent stills.



Speculation in whiskey had become a big business, and small distilleries were forced to surrender to the big combinations, because they could not afford to compete. The distillers themselves had at first kept aloof from the quarrels and venality of marketing their products by simply selling warehouse receipts to rectifiers, who did what they pleased with the unidentified whiskey. After the Civil War, they began to realize that they were losing profits and so became rectifiers and bottlers themselves. Profits were great, even with increased taxes. The monopolies, though their business methods were sometimes questionable, were strictly law-abiding (until the anti-trust laws interrupted their careers), and they were as outraged by illicit operations as the government officials were. In 1898, 2,391 illegal stills were seized, though at least ten escaped for every one that was caught. A government agent, writing about moonshiners in 1881, said the illicit production was about 8 million gallons of spirits a year, causing a tax loss of over 7 million dollars.



A legal decision made in 1909 removed some of the barriers of stubborn backwardness and lack of definite standards that had kept the industry speculative and in some ways disreputable. Under President Taft, an earlier Internal Revenue order, sponsored mainly by the Kentucky Bourbon interests, which permitted only straight whiskeys to be labeled as whiskey, all other kinds to be called imitation, was reversed. Whiskey was finally defined as any

volatile liquor distilled from grain, and standards of identity based upon current manufacturing processes for the various whiskey types—rye, bourbon, malt, etc.—were established. One indignant account of the struggle that had led up to the Taft decision about the meaning of the term “whiskey” was published in Canada under the title, “A Plot Against the People,” and was angrily subtitled “A history of the audacious attempt by certain Kentucky ‘Straight Whiskey’ interests to pervert the Pure Food Law in order to create a monopoly for their Fusel Oil Whiskies and outlaw all Refined Whiskies.”

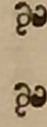


Before the Taft ruling, few brands were nationally known; because there was little incentive to advertise quality in a market which was open to flagrant exploitation. Labels could and did make fantastic claims, unchecked until the passage of the Pure Food and Drug Act of 1906. But, under the new regulations, labels had to tell both the process and materials of manufacture. Whiskey, which had been sold and dispensed in barrels, now began to appear under distinctive labels, competing with other brands on its own merits. The way was opened to national advertising. Between the Taft decision and 1920, when Prohibition began, blended whiskeys comprised about 70 percent of the whiskey market. By 1917, the distilled spirits industry produced nearly 300 million gallons, of which about 60 millions were whiskey. The 18th Amendment to the Constitution of the United States halted the growth of a powerful industry, which had never taken sufficient interest in its social responsibilities to eliminate the evils which it had consciously or unconsciously fostered.

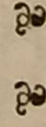


No industry has been taxed as heavily as the distillers, not alone in the United States, but throughout the world. No other industry has suffered so much prosecution and hatred because some consumers have made stupid use of its products. On the other hand, until Prohibition put a rude end to their prosperity, the makers of distilled spirits were unconcerned about their shady associates: gambling, crime, poverty, human degradation. It is quite true that the man who sells a bottle of whiskey cannot be held responsible if the purchaser is an alcoholic and, under its influence, commits

a crime. Nevertheless, there is a moral responsibility, which the honorable manufacturer willingly accepts. Prohibition brought with it evils that were greater than those it was designed to prevent, but it did give the distillers some years during which to examine the record of greed and political corruption and malpractice and vice with which certain elements of the industry had been associated in the past.



During Prohibition, in spite of all efforts to enforce the law, consumption of spirits increased from 140 million to 200 million gallons, almost 12 percent higher per capita. Much of the drinking, of course, was reckless and dangerous, and the graciousness and dignity of sensible social drinking were in large measure destroyed by the frantic defiance of a bad law. Taste for good liquor was seriously impaired. In 1930, the director of the Prohibition Enforcement Bureau estimated that the production of illicit distilleries was more than 800 million gallons a year, most of it going into the synthetic gins and semi-lethal cocktails that some of us still remember with a shudder.



After 1933, there were many changes. The great industry, which had been paralyzed by its years of inaction, slowly awoke to the new developments in chemistry, bacteriology, engineering, sanitation, general research, and other related activities. Instead of many independent distillers, rectifiers, and blenders, a smaller number of big corporations, which alone could meet the staggering economic and technical problems of reconversion, grew into power. Many of the smaller producers were absorbed by the major organizations, which sponsored research, provided capital for the necessary new equipment and the investment in inventory, and faced the rehabilitation of social drinking in the United States with a new respect for the responsibility to society of the industry. Today, the beverage distilling industry has *grown up*. Its plants are among the most modern in the world; its emphasis is in general on good industrial relations, rigid cleanliness, and model working conditions; its contributions to science, to industrial philosophy, to civic, state, and national welfare have been notable. The record of the beverage distillers during the Second World War will serve as an

illustration of the vast change from an industry notorious for non-cooperation to an industry which, before Pearl Harbor, saw what was coming and offered a plan for conversion to war effort, far in advance of other industries. In November, 1941, contracts were signed under which six of the major distillers agreed to produce 50 million gallons of alcohol for war use. Before the war was over, the plants whose normal production had been 75 million wine gallons of alcohol had stretched their facilities to make 240 million gallons for ammunition, synthetic rubber, chemicals, and many other materials needed in global warfare.



Today, we have resumed normal operations, still in many ways a young industry (though our product has been known for many centuries), since much of our progress, both mechanical and moral, has taken place since 1933. We have proved that we have an important place in industrial society, since, during the national emergency, we pulled more than our own weight. Thanks to our interest in research, we've learned much about the process of fermentation and distillation that our predecessors, who needlessly polluted streams, fought with each other over taxes, and disclaimed responsibility for the use to which their whiskey was put, never dreamed of. Not only do beverage distillers today produce spirits of higher uniform quality than any ever produced before, but they have taken tremendous interest in improving Agriculture, both as a source of raw materials and as a user of the nutritious stock-feeds which are an increasingly important by-product; they have pioneered in the development of agricultural alcohol for use *now* in countries with low liquid fuel supply and for *all* countries when present natural resources diminish; they have made significant advances in the production of human foods; they have become interested in such related manufactures as dry ice, butadiene for synthetic rubber, and penicillin.



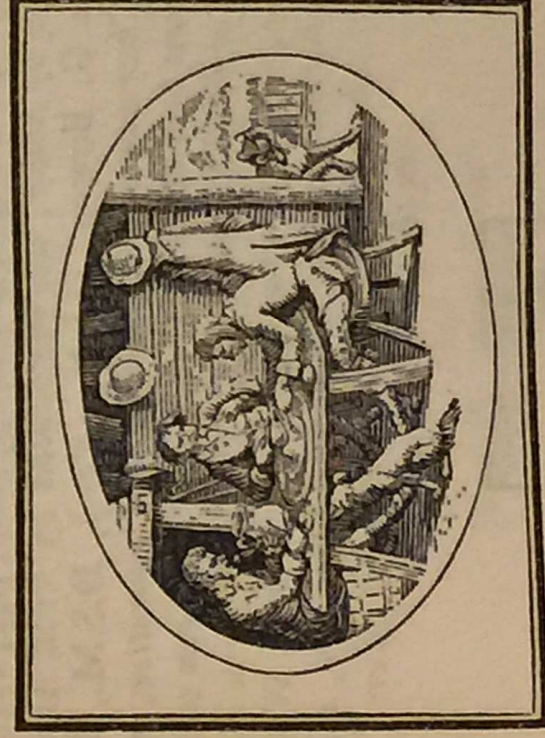
We hope in the future to demonstrate further our recognition of industry's—and in particular our own—obligation to society. We already fully realize our need for intelligent self-regulation so that there will be no threat of chaotic public regulation such as

we suffered during thirteen years. Our interest in technical progress is evident; we are constantly in search of improvement and new uses of our products and by-products. We are fully aware now that most of the abuses that have been associated with beverage alcohol present problems that we must attack, not ignore; that the intricate system of regulations that closes about us may some day strangle us; that we have more than earned our present position of vigorous power in progressive industry.

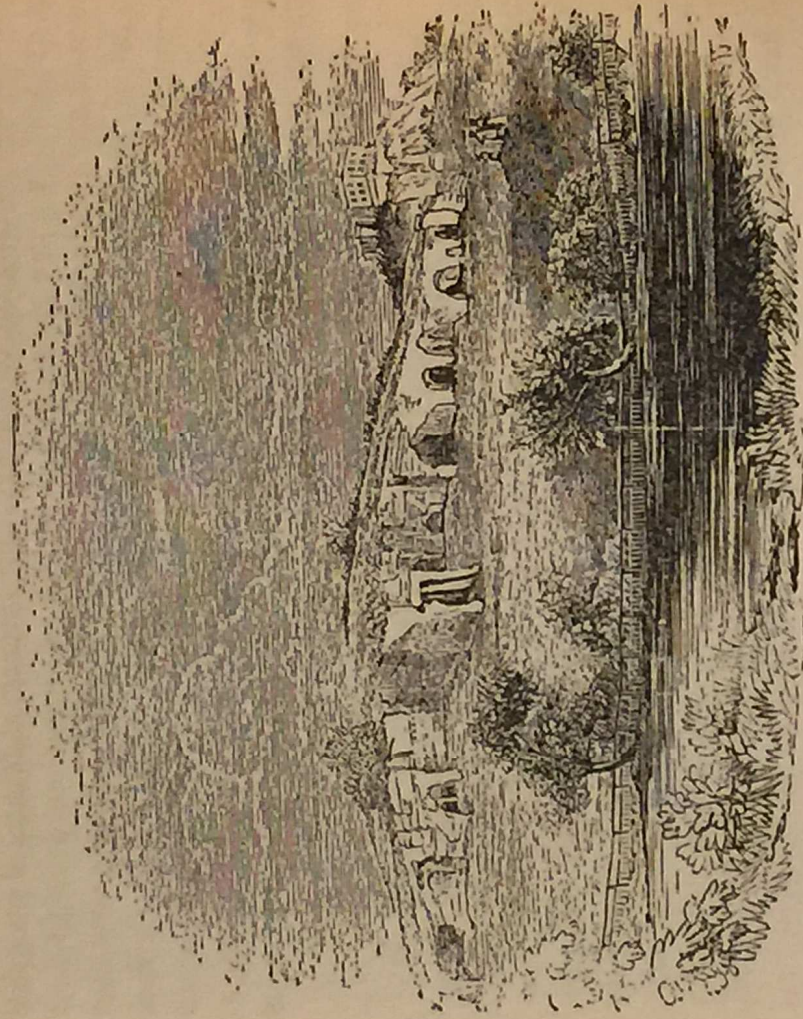


In conclusion, may I add that we of the beverage distillation industry in America recognize our real debt to the independent and resourceful men who first developed the art of making good whiskey in Scotland and Ireland. From them both directly, through their sons and grandsons who came to this country, and indirectly, through the example they set in upholding the standards of manufacture, we have profited in creating a strong, proud industry. Together, the distillers of Great Britain and America have helped to keep vital the spirit of kinship between the two countries.

THE END

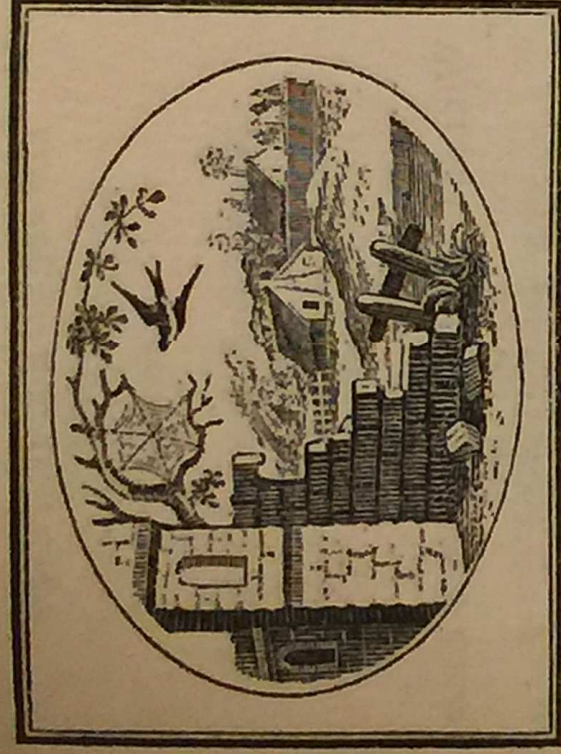


"Actorum Memores simul affectamus Agenda!"



THIS NEWCOMEN ADDRESS was delivered during a National Newcomen Luncheon of The Newcomen Society of England, held in Ballroom of The Pierre at New York, N.Y., U.S.A., on October 3, 1947. MR. WILLKIE, the guest of honor, was introduced by VICE ADMIRAL HAROLD G. BOWEN, U.S.N. (Ret.), D.S.M., M.A., D.Sc., Chairman of the Washington Committee, in The Newcomen Society of England. The luncheon was presided over by the SENIOR VICE-PRESIDENT FOR NORTH AMERICA, in this international Society. MR. WILLKIE is the Chairman of the Kentucky Committee, a roster of whose regional Office Bearers is given in the following pages:





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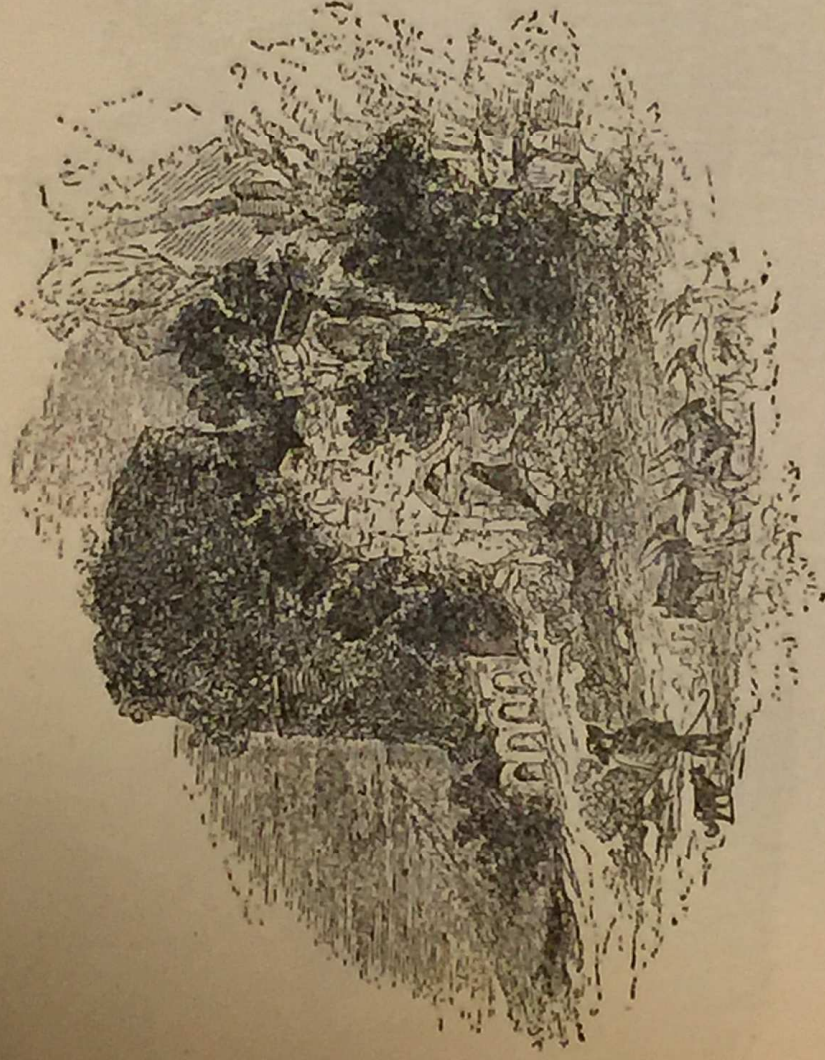
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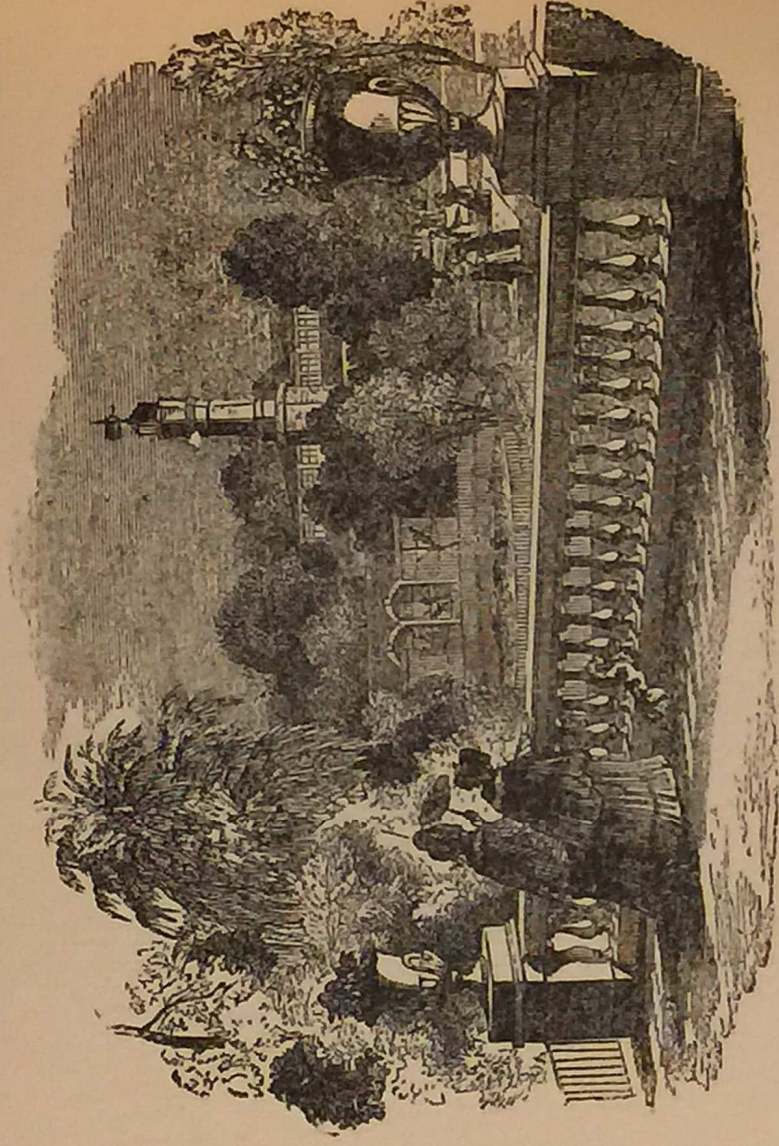
DR. JOSEPH W. ROE, *ex-officio*
Yale University
Chairman, Historical Advisory Committee
American Branch, The Newcomen Society





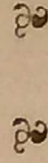
"The first spirits made from grain in the United States of America were distilled on Staten Island in 1640 by Willem Kieft, then Director General of the Dutch Colony of New Netherland. The Kieft still, in charge of Wilhelm Hendricksen, made spirits from both corn and rye. Kieft, who must have been a very enterprising administrator, not only issued an ordinance forbidding the sale of wines and brandies except at the Dutch West India Company store, but established the first tavern on Manhattan in which the products of his distillery were served. The first liquor tax in this country was imposed by this same versatile governor: two guilders on each half vat of beer."

—H. F. WILKIE



“We of the beverage distilling industry in America recognize our real debt to the independent and resourceful men who first developed the art of making good whiskey in Scotland and Ireland. From them both directly, through their sons and grandsons who came to this country, and indirectly, through the example they set in upholding the standards of manufacture, we have profited in creating a strong, proud industry.”

—H. F. WILLKIE





THE NEWCOMEN SOCIETY OF ENGLAND IN NORTH AMERICA

BROADLY, this British Society has as its purposes: to increase an appreciation of American-British traditions and ideals in the Arts and Sciences, especially in that bond of sympathy for the cultural and spiritual forces which are common to the two countries; and, secondly, to serve as another link in the intimately friendly relations existing between Great Britain and the United States of America.

The Newcomen Society centers its work in the history of Material Civilization, the history of: Industry, Invention, Engineering, Transportation, the Utilities, Communications, Mining, Agriculture, Finance, Banking, Economics, Education, and the Law—these and correlated historical fields. In short, the background of those factors which have contributed or are contributing to the progress of Mankind.

The best of British traditions, British scholarship, and British ideals stand back of this honorary society, whose headquarters are at London. Its name perpetuates the life and work of Thomas Newcomen (1663-1729), the British pioneer, whose valuable contributions in improvements to the newly invented Steam Engine brought him lasting fame in the field of the Mechanic Arts. The Newcomen Engines, whose period of use was from 1712 to 1775, paved a way for the Industrial Revolution. Newcomen's inventive genius preceded by more than 50 years the brilliant work in Steam by the world-famous James Watt.

❧

*"The roads you travel so briskly
lead out of dim antiquity,
and you study the past chiefly because
of its bearing on the living present
and its promise for the future."*

—LIEUTENANT GENERAL JAMES G. HARBORD,
K.C.M.G., D.S.M., LL.D., U.S. ARMY (RET.)

*American Member of Council at London,
The Newcomen Society of England*

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