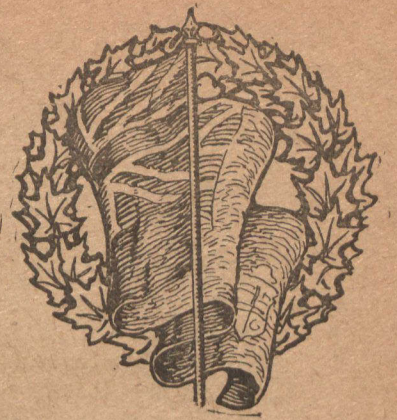




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THE BIG PRUSSIAN *on* THE PACIFIC

GUSTAV CONSTANTIN ALVO VON ALVENSLEBEN, protégé of the Kaiser and former lieutenant in the Prussian army, arrested and interned at Portland, Ore., on August 8, may lay claim to one of the most remarkable careers in the realms of international high finance.

The son of Count Werner Alvo von Alvensleben, former German Ambassador to the court of the Czar, and a leading Junker, Alvo was practically kicked out by his father and told to shift for himself after gambling away his allowance in a wild career at college.

Determined to rehabilitate himself in the eyes of his parents and of the Kaiser, an intimate friend of the family, who expressed strong disapproval of his youthful conduct, Alvo struck out for America and recommenced life as a hobo in Puget Sound country. In 1904 he drifted to British Columbia and within seven years was reputed to be a millionaire, having financed a dozen large companies with upwards of \$10,000,000, supplied by wealthy friends of his family and the Kaiser. Before the war broke out he became bankrupt, his visit to Germany, made just previous to the European outbreak, having failed to stave off the climax of his business career, owing to all his investments being made in enemy countries, or countries that Germany was soon to be at war with. This being one of the most striking evidences that Germany had planned this war in advance.

Nearly all of his companies collapsed. These included the Alvensleben Canadian Finance and General Investment Company, Standard Fish and Fertilizer Co., Vancouver Timber and Trading Co., Piercite Powder Co., Indian River Park Company, German-Canadian Trust Company. Also with these went several other of the Pacific Coast's largest financial and industrial concerns, which he had involved, including the Bank of Vancouver, the Issaquah and Superior Coal Mining Company of Seattle, and the Dominion Trust Company, whose failure, following the alleged suicide of its managing director, W. R. Arnold, was one of the greatest scandals in the history of the Dominion of Canada.

ONLY a few months ago two private banks of Seattle closed their doors as a result of their connection with the Issaquah and Superior Coal Company, another of the projects of the gambler-financier. The final liquidation of his original real estate and financial company in Vancouver disclosed liabilities of over one and a half millions, with assets of about \$3,000, insufficient to satisfy even salary claims or liquidator's fees.

At the height of his career, 1912-13, his clients included such well-known Germans as the ex-chancellor, Dr. von Bethman-Hollweg, who at one time owned the north-west corner of Fourth Avenue and Bayswater Street, in Vancouver; von Mackensen, conqueror of Roumania; von Roon, descendant of the famous Prussian statesman who helped to wrest Alsace-Lorraine from France; Emma v. Mumm, the champagne queen; Ledebur, von Brockhausen-Mittelfelde; Bertha Krupp, and many others of equal prominence in Germany.

His greatest client of all, however, was Kaiser

THIS inside story of the life of a man who turned British Columbia upside down was obtained by the writer in an exclusive interview with Alvo von Alvensleben's former confidential secretary, a man who for four years was most intimately associated with the Prussian financier, and was one of the few men who knew in detail the facts of the life of this remarkable modern buccaneer who wrecked the finances of one of Canada's richest Provinces.

By FRANCIS J. DICKIE

Wilhelm, for whom he made investments in British Columbia timber totalling two and a half million dollars.

Alvensleben is a perfect type of super-man. He is six feet two in height, 38 years of age, lean and muscular, with slightly slooping shoulders, and a typical fire-eating Prussian. An autocrat one moment, a democrat the next, but only assuming the latter attitude when it best suited his purposes. Possessed of unlimited imagination, fluent tongue, ambitious, tireless, impulsively generous, yet withal stubborn and unreasonable, violent tempered and a slave to the gambler's instinct, remarkably clever at figures—but never a business man!

When he first landed in Seattle he was practically dead broke. An employment office extracted from him the usual \$2 fee—all he had—and sent him to a job in a lumber mill some distance from the city. Alvo tramped many miles to the mill only to be refused employment upon his ticket. He could scarcely speak any English, but he knew how to use his fists. Walking all the way back to Seattle he, on arrival, proceeded to beat up the employment agent in thorough and picturesque fashion. Afterward he secured temporary rough work at various mills along Puget Sound.

His first job in British Columbia was the white washing of a salmon cannery at the little village of Ladner, near the mouth of the Fraser River. His wardrobe included overalls and a dozen dress shirts, the later relics of his grander days—but he had no socks. From wielding the white-wash brush to hauling the nets was the next step, and it was not long before the Prussian Junker's son was engaged in partnership with a rough-neck sockeye fisherman making nightly trips out into the Gulf of Georgia, and doing his share in one of the hardest and most dangerous callings in the world, that of a deep-sea salmon fisher.

In two months, with the money obtained from his salmon fishing, he was enabled to purchase an ancient mare and a light waggon. Over night he blossomed out as a produce dealer, buying poultry and dairy products from the farmers in the vicinity of Ladner. These he brought to the city of Vancouver and sold them from house to house in opposition to the Chinamen. Business increased, and the staid old Vancouver Club, a hoary and most exclusive institution, to which only the most elect held membership, became his best customer.

But Alvo did not stay long in the business; but

went up by leaps and bounds. Real estate clerk, then curb broken, then large, independent dealer, were some of the upward steps, until two years after he had sold his last load of produce to the Vancouver Club, he was himself a member. One of his first acts there was to entertain a visiting German Baron to dinner. Noticing the waiter eyeing him in an unusual manner, Alvensleben, with a wink at his guest, suddenly startled the waiter by remarking: "Yes, by jingo, I'm the man who used to deliver chickens at the back door. Now go on serving dinner, and stop staring so damn impolite!" The Baron was dumbfounded, but laughed heartily upon Alvensleben giving the story of his early struggles. Thus does royal blood graciously accept success!

When the real estate boom struck Vancouver, in 1905, Alvensleben was quick to see the opportunities in land. The old wild gambling spirit of his youthful days was still strong upon him. He was the man for the moment, reckless, willing to take chances, and a born mixer. He cabled relatives in Berlin, who had heard of his early successes, and induced them to invest large sums of money. His first investment yielded enormous and quick profit, and thus established his prestige in Germany, for he promptly repaid the investors with a thousand per cent. on their money. In the next three years he made several visits to Germany, brought men of royal blood to the Pacific Coast, and was given several audiences with the Kaiser, whose accredited representative he became. In all probability at a very conservative estimate, Alvensleben caused \$20,000,000 of German capital to be invested in British Columbia and Washington State.

IN 1908, after a very romantic courtship, he married Edith Mary Westcott, a popular Vancouver girl, daughter of one of the leading society matrons. Following the marriage the financier purchased the largest private estate in Vancouver's most select residential district, Point Grey, where he erected a magnificent home. His name, high foreign connections, and expenditure on entertainment that set a hitherto unknown high mark in the very British city of Vancouver, quickly brought him valuable social connections.

His business ventures broadened with astounding rapidity, but most of his purchases for himself and clients were made on "agreements," with the expectations of making big margins in the prevalent boom. A good salesman himself, he was also the easiest mark for wild cat schemes who ever came out of Europe, owing to his gambling mania. Soon his companies became loaded up with timber lands, bought at inflated prices, wild lands, doubtful mining leases, Alberta oil shares and other unproductive assets. Some of his wealthy clients wished their useless sons upon him, whom he was forced to maintain in his office at high salaries.

In 1912 the first trouble arose over dividends not being forthcoming from his investments. He was still strong in Berlin and went there and raised fresh capital with which he succeeded in placating some of his investors. Then he was attacked in a Vancouver German paper which charged him with unscrupulous methods in handling foreign capital.