

## A NEW YORK BUSINESSMAN SETTLES AN OLD SCORE (AND HIS CONSCIENCE) BY PAYING A 1966 DEBT TO 80 FARMERS

**A**t first glance William P. Carey looks pretty insulated from the plight of the family farmer. A Baltimore-bred product of Princeton and the Wharton business school, Carey, 56, spends his days in the spacious Fifth Avenue offices of his investment banking firm, W. P. Carey & Co., negotiating the leveraged lease-back of commercial property. He goes home each evening to an apartment on nearby Park Avenue, so that entire

days can go by with out his feet ever touching bare earth.

His colleagues, therefore, were stunned last year when Carey suddenly confessed a debt to farmers in southeastern Colorado and western Kansas — and began mailing out checks to people he'd never met for services rendered more than 20 years ago. In the '40s and '50s, every one of those farmers had supplied either

beets or manpower—often both—to the National Sugar Manufacturing Company refinery in Sugar City, Colo. Carey's grandmother had given Sugar City an Episcopal church (although, unfortunately the town had no Episcopalians), and the family had held stock in National Sugar ever since Bill's grandfather, a lawyer, accepted it as payment of a legal fee around 1900. By the '60s global price wars had put Na-

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**“Drop by if you're in the neighborhood,” one grateful farmer urged Carey and his right-hand researcher, Gina Maré.**



tional Sugar in financial trouble, and in 1966 it fell to Bill Carey, a 37-percent shareholder who'd never lived in Sugar City, to preside over the liquidation of the town's sole industry.

As bankruptcies go, the folding of National Sugar was routine. Yet it had always offended Carey that in the process "the more professional creditors like banks and insurance companies knew how to protect their interests" while the poorer farmers had to absorb their losses. Most of National Sugar's commercial creditors recouped every penny they were owed, but some \$250,000 due to 80 beet growers went unpaid — until late last year, when Bill Carey finally settled up.

As a minority shareholder, Carey was not legally responsible for those debts, and he will get no breaks from the IRS as either a businessman or a philanthropist: A strapped farmer is not considered a legitimate charity. Nevertheless, listening to radio reports of foreclosures and suicides in farm country on his way to work one morning last March, Carey realized that extra cash might be especially helpful now. "I have long felt badly about the nonpayment," he would write in a letter to the beet growers. "While I was not in a position to do anything about this at the time of the bankruptcy because of my own limited resources, I now am." Unwilling to explain all that to the accountants at his firm, Carey told his office manager, Gina Maré, simply to pay the beet contracts out of his personal checking account.

But first Maré, who didn't even know Carey had "ever been involved with beets," had to figure out how much was owed and to whom. Records in the bankruptcy court were a start; the growers themselves were even more helpful. Everyone was "scrupulously honest" Maré says, about steering her to other beneficiaries or their heirs in what proved to be a crazy quilt of sharecropping deals and piggyback contracts. "Mrs. Dorothy Lewis came to me with your letter," wrote Harold Frasier of Sharon Springs, Kans. "Because of the stress of our time, Mr. Lewis is incapacitated, but as landlord I would have some record."

**Albert Siegfried collected \$616 owed him for sugar beets, and his wife, Hilda, an exbookkeeper, got \$1,049 in back pay.**

As Carey had suspected, his letters found some of the growers going through rough times. "The farming situation has really taken a turn on us," Ilene Ochsner wrote, thanking Carey for \$8,794. "Our son Kent is struggling to hold it, but like Garfield and I, he has buckled his belt a little tighter." Carey's checks — some as small as \$58, a few in excess of \$10,000, but most in the \$500-to-\$2,000 range — didn't actually save any farms. Even the \$7,876 that went to James Sims and his wife wouldn't have been enough to head off foreclosure last summer on their land in Leoti, Kans. In fact many of the farmers had more or less foreclosed on themselves by selling off water rights to the burgeoning cities of Aurora and Colorado Springs. "I saw a way out for me," says Bob Baker, who plans to lease his 420 acres in Olney Springs, Colo. to a son but is convinced that "agriculture is a thing of the past." So the Bakers will use their \$1,000 to take a trip to Alaska. At the time of the bankruptcy Baker says, "a thousand dollars was a lot of money. I was 32 with three young kids, and we sure could have used it. But you learn to roll with the punches out on a farm."

Still, even when the unexpected check came to no more than Sabino Terrones' "grocery money" — \$772.70 — everyone who has heard from Bill Carey is moved and heartened by his

**Coloradan Joe Wyeno "didn't know anyone at that address," so he almost threw away Carey's letter promising \$1,026.**

belated recognition of the debt. "What's important to them," says Maré, "is that somebody remembered, somebody cared."

"We need more people like you, William," wrote Joe Wyeno of Olney Springs, Colo., and that is a thought few people get to hear from strangers.

— Lee Aitken, with additional reporting by Sam Maddox

