
Book Reviews

House of Morgan: the bank that 'ate' the United States

by Anton Chaitkin

The House of Morgan: An American Banking Dynasty and the Rise of Modern Finance

by Ron Chernow

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The thoughtful American citizen of today is aghast at the nation's policies: imperial war-making abroad, and a virtual ban on physically productive work within the crumbling, debt-ridden U.S. economy.

As a good reference tool, Ron Chernow's new book on J.P. Morgan and company is helpful for those who wish to understand and correct the policy disaster. It is entertainingly written for such a dry subject as banking. Hundreds of anecdotes and quotes throw their little lights on American and world history of the past century and a half.

The energy in the book is a limited "Get Morgan" approach not seen recently. In the face of such concentrated evil, this is refreshing. Unfortunately, there is an exasperating lack of historical or philosophical perspective. The question is never directly asked: What was the purpose or the idea behind this institution, the House of Morgan? An educated reader, either a history buff or someone schooled in economics or banking, would come away from Chernow's book with many new leads toward answers to his own questions, even if the author asks nothing profound.

Then again, the author has a rather obvious though unannounced "agenda." He takes the defensive point of view of Jewish bankers, against Morgan. While this is not very honest history, it does allow certain things to be published under the auspices of the Eastern Establishment. A bit more about this, below.

Chernow tries to establish the historical identity of the House of Morgan through a huge pastiche, focused on the internal life of the bank. The thinnest material is on the Morgan family's origins in the early 19th century; the richest account covers the 20th century up to World War II, with a tepid but useful story of the British partners.

Analyzing the Morgan family itself is a fairly simple task.

J. Pierpont Morgan (1837-1913) was known as the boss

of Wall Street and of American big business for about the last quarter-century of his life. Both his American-born grandfathers were British agents, and his father Junius Morgan was an American-born British banker.

Paternal grandfather Joseph Morgan III made his money buying land in Hartford, Connecticut on behalf of British investors. When Joseph's son Junius was two years old, Joseph's colleagues in the pro-British faction held a treasonable convention in Hartford, trying to split up the new American Union. Junius later married the daughter of the Rev. John Pierpont. This Reverend later had great personal influence on his grandson, the most famous Morgan.

Reverend Pierpont was an avid opponent of America in its contest with Britain. His great-uncle was the famous Tory theologian Jonathan Edwards; Reverend Pierpont was hired by the family of Aaron Burr, Edwards's grandson, and lived with them in pomp and secrecy during the celebrated Burr Conspiracy to break up the Union.

The Rev. John Pierpont was a fanatic Calvinist, a crank like his great uncle. And the Reverend's grandson J. Pierpont Morgan, Sr., though a vicious plunderer of nations and a sex-obsessed keeper of mistresses, was in his own way a religious man, as Chernow indicates:

"[The] institution that most absorbed Pierpont [Morgan] was the Episcopal church, which was part of the Anglican Communion. Religion united his values—beauty, order, hierarchical relationships, veneration of the past, pageantry and pomp. As New York's most influential Episcopal layman, he attended the church's triennial conventions and participated in its abstruse debates. . . . Religion moved him on a more primitive level. . . . [Sometimes] he seemed mesmerized by ritual and lapsed into reveries of mystic depth. . . .

"Pierpont was fascinated by the occult. For years, he commissioned the astrologer Evangeline Adams to read his horoscope, asking her to study his stars on everything from politics to the stock market." The Morgan family developed an elite secret society of their own, "the Zodiac Club . . . in which each member took a different astrological sign."

By the time of his death, this bizarre man was the virtual governor general of America. On behalf of British finance and government, Morgan had seized and monopolized all the most important branches of U.S. productive industry. He

had bought out the great steel mills of his opponent Andrew Carnegie, reducing Carnegie to racist imbecility—result: U.S. Steel. He had bought Thomas Edison's electric company and broken the Franklin-like inventor—result: General Electric. His bank later squelched some pro-industrial, anti-Wall Street critics, such as Charles Lindbergh, Sr. (his son the aviator married a Morgan partner), and hoodwinked others, such as Henry Ford.

Author Chernow does not consider the overall result of the Morgan-led British domination over the United States, which throws Morgan's religious views into sharp relief: a pagan, Roman-style empire was erected, with its "muscle" in New York and its "brains" in London. This country has come under the rule of a private government, an aristocracy of financiers.

Morgan represented the British, as all evidence shows. But what does that mean? And why should that be such a tragedy for humanity?

Chernow quotes J. Pierpont Morgan in 1873: "Neither my firm nor myself will have anything to do, hereafter, directly or indirectly, with the negotiation of securities of any undertaking not entirely completed; and whose status, by experience, would not prove it entitled to a credit in every respect unassailable."

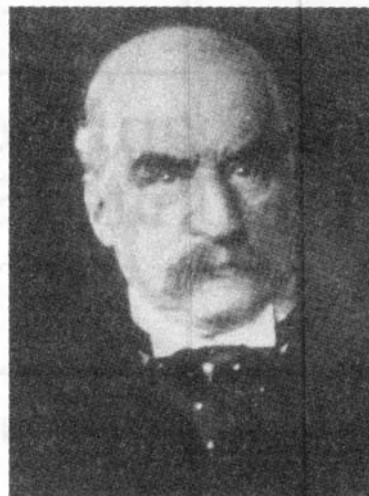
This is a simple statement, in opposition to industrial capitalism, by the old feudal merchant oligarchy of Europe, the usurers. They only *seize* and *control* the industry which builds nations, in order to put the brakes on it; as a matter of policy they do not *build* such industry themselves. Indeed, Baron Revelstoke of Barings bank put it more bluntly: "I confess that personally I have a horror of all industrial companies."

Chernow gives a good deal of evidence for the barbarian anti-industrial character of the Morgans and their banking circle. Yet the author portrays the Morgans as conservatives, who oppose the supposed over-speculative investment policies of patriotic industrialists and bankers such as Jay Cooke and Nicholas Biddle. Then Chernow deems it somehow a great irony that the House of Morgan "abandons conservatism" and leads the way into the leveraged buyout speculative mania of the 1980s.

But this is in fact no change in the Anglo-American Establishment, which is hijacking the nation in a post-industrial "ecological" attack on civilization.

Chernow gives a fair account of the three parts of the House of Morgan: Morgan Guaranty Bank and Morgan Stanley in New York, and Morgan Grenfell in England. He maintains that the institution is loosely knit among the three branches, and shows quite clearly that the J.P. Morgan, Jr. became merely a figurehead within his bank.

But Chernow gives the reader only a glimmer of the complex relationship between the House of Morgan and other ruling national and international institutions. By early in this disastrous 20th century, the imperial force used to implement



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J. Pierpont Morgan from a 1903 photo.

usury and anti-industrialism gave to the London and New York banking centers the character of a vast criminal enterprise. The classic example is Morgan's repeated use of the U.S. Marines in Central America, to collect debts and to prevent stable nationalist governments from forming. If one picks up Chernow already knowing something about this problem, then the book has some informational value.

Finally, there are the Jewish bankers, whom Chernow defends while exposing Morgan.

He says that German-origin Jewish bankers were blacklisted in the U.S. during World War I, because they were either lukewarm in their support for the Anglo-American war, or they positively supported Germany.

The House of Morgan was the official British government financier and purchasing agent within the U.S. for World War I, and the Morgans hated anything German. Then, as Chernow shows, the House of Morgan helped organize the fascist dictatorships of Germany, Italy, and Japan (he never discusses the central Morgan role in the communist takeovers of Russia and China). Certain Jewish banking firms, such as Lazard Frères, Kuhn Loeb and Lehman Brothers, were staunch allies of Morgan's pro-fascism during the 1930s—then once again "hated Germany" after World War II. Chernow makes no attempt to explain any of this.

The quickest route to an answer to this puzzle lies in the religious views of the Morgans, and their banking allies. The imperial enterprise is run by devout pagans, who conveniently describe themselves as either "Christians" or "Jews." Morgan, the enforcer of world racism, is a banking syndicate partner with Lazard or Warburg, "Jews" who throw the epithet "anti-Semite" against opponents of imperialism. A penetrating look at the criminal subculture of Freemasonry, mysticism, pornography, espionage, drugs, gun-running, and money-laundering, would yield a more complete picture of the ideas and values that unite the various components of Morgan's Establishment.