

THE EMPEROR OF TRUSTS:

J. PIERPONT MORGAN AND HIS CAREER.

By RAY STANNARD BAKER.*



MR. MORGAN'S DOORMAN.

A FEW months ago an American citizen without title or office landed in England, and so apprehensive was Threadneedle Street of his power in the financial world, and of the effect which his sudden death might have on the markets, that certain brokers, to protect themselves in their American investments, immediately took the extraordinary measure of applying to Lloyd's for insurance on his life,

paying premiums at the rate of thirty pounds on the thousand for three months.

This citizen was J. Pierpont Morgan, who had just organised the most powerful industrial and financial institution the world has ever known. It matters not whether he was a large owner in the United States Steel Corporation; as its recognised and actual dictator, he controlled a yearly income and expenditure nearly as great as that of imperial Germany, paid taxes on a debt greater than that of many of the lesser nations of Europe, and, by employing two hundred and fifty thousand men, supported a population of over one million souls, almost a nation in itself. Iron and steel making has long been known as the basic industry. The greatness of our country and Germany's recent progress were due largely to their ability to produce iron and steel cheaply and in large quantities. Mr. Morgan, as iron-master, controlling the world's greatest and cheapest sources of iron supply, threatened the trade and profits of England and Ger-

many, both of which had already felt the sharp tooth of American competition. It is no wonder, therefore, that he was regarded at the moment as the American peril incarnate.

While in this country, Mr. Morgan bought — whether for himself or for American clients it matters not — one of our great steamship companies, the Leyland line, operating thirty-eight vessels between Europe and America. This move, following so closely upon the organisation of the Steel Trust, was interpreted at first as a blow to England's supremacy on the seas. It was natural and inevitable that Europe should anxiously inquire as to the further intentions of this man, to whom the purchase of a great steamship line seemed only the incident of a holiday.

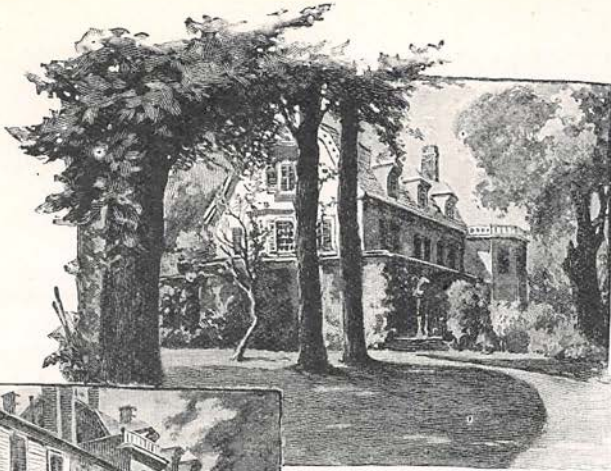
About the same time still another episode brought into high relief Mr. Morgan's power. A panic occurred on the London Stock Exchange, resulting from the great financial struggle between Mr. Morgan and certain opposing interests for the control of the Northern Pacific Railway. A number of English traders must have faced ruin, with serious consequences to the whole market, if Mr. Morgan had not stepped in and relieved the situation by accepting small



MR. J. PIERPONT MORGAN.

Pencil sketch by W. R. Leigh.

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FRONT AND REAR VIEWS OF THE OLD MORGAN HOMESTEAD IN HARTFORD, CONNECTICUT, WHERE J. PIERPONT MORGAN LIVED AS A BOY.

Drawn from photographs copyrighted by F. C. Adams.

advanced expression of a New World movement, that of "community of interest," of consolidation; he saw that great combinations were to constitute the next step in the development of industry and commerce, and he took early advantage of his sagacity.

Mr. Morgan, therefore, is to be considered, not as a millionaire, but as a man of original force. Whether or not he has used his unquestioned genius to the highest purpose, whether or not he deserves all the credit or all the abuse

that he has received, are questions the future alone will be able to answer.

payments from the distressed traders where he might have exacted his pound of flesh.

No one could follow the accounts of his doings in England, and of the deep concern which his presence caused, without realising the meaning of power. Mr. Morgan, no doubt, controls and influences more money and money interests to-day than any other man in the world. Perhaps no one, not even Mr. Morgan himself, fully realises the responsibility and gravity of that power. Certain it is that the death to-day of Mr. Morgan would disturb more capital and shake more settled business institutions than the death of almost any Sovereign in Europe.

If Mr. Morgan were merely rich, he would not be worth thoughtful attention except as a social problem; but his own riches constitute the least of his claims to distinction. Nowadays a rich man has little more opportunity to reach a commanding place in the world than a poor man, and often his very riches hamper his advancement. Native force and genius, sustained with hard work, govern progress among men of wealth as in any other class. Twenty-five years ago Mr. Morgan was practically unknown even in Wall Street, and he could hardly be called wealthy as wealth is now measured. By deep thinking and hard work he has reached, at the age of sixty-four years, the foremost place in American finance. He is the most

Americans of great wealth may be divided into two classes—those who are self-made and those who inherit their riches. The self-made millionaire, although by no means unknown on this side, is peculiarly an American product, and there is no story which bites more keenly on our popular imagination than that of the poor farmer lad—never a plain "boy"—who hoed potatoes at a shilling a day, and grew to be worth five millions sterling. To this class belong such men as Huntington, Armour, the first Astor, the first Vanderbilt, Peter Cooper, Jay Gould, Hill, and Pullman. They have all been bold, active, fearless men, sometimes rough and unpolished, sometimes unprincipled, always forceful and original. To their sons and successors these men left their money, but rarely their force and daring. Passiveness, polish, and conservatism naturally succeed creative activity, and the later Astors, Vanderbilts, and Goulds have been conservators rather than creators. J. Pierpont Morgan possesses the somewhat rare distinction, in America, of belonging to both of these classes. Born to considerable wealth, surrounded in his youth by evidences of culture, and carefully educated, he could have led a life of leisure if it had so pleased him. It was of his own motion that he chose a business career.

It is a significant fact that much of the great wealth of the United States belongs

to men who sprang from very old American families. The Morgan family dates back to 1636, when Miles Morgan, first of the name, landed on the soil of New England, and became one of the company which founded the town of Springfield, Massachusetts. Joseph Morgan, grandfather of J. Pierpont, was a farmer and tavern-keeper in Hartford, Connecticut, with a Revolutionary War record. Joseph left his son Junius Spencer, the present Morgan's father, a good property on what is now Asylum Hill, Hartford. Junius Spencer, full of energy and business acumen, was a bank clerk while hardly more than a boy, then a partner in the dry-goods business with Levi P. Morton (afterwards Vice-President of the United States), and later an associate of the millionaire philanthropist, George Peabody. He made money rapidly, established a successful banking-house in London, with branches in America and Australia, and laid the foundation upon which his son rose to pre-eminence. At the age of twenty-three he married Juliet Pierpont, the daughter of the Rev. John Pierpont, poet and preacher, an original thinker, and a combative reformer, though not particularly endowed with practical wisdom. Pierpont was the author of the ringing old poem beginning—

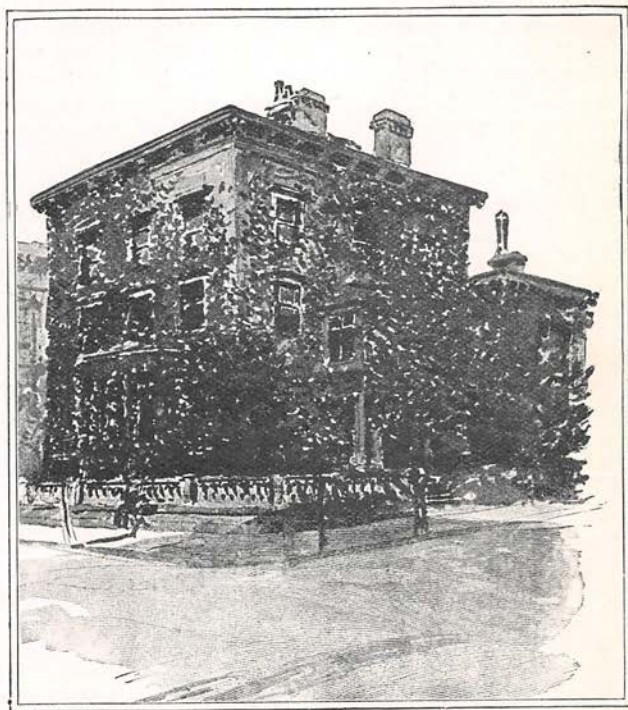
Stand! the ground's your own, my
braves!

Mr. Morgan was born April 17, 1837, in Hartford, Connecticut, where he continued to live until he was fourteen years old, attending a neighbouring country school for several years. In 1851 his father moved to Boston, and J. Pierpont became a student in the famous English high-school, graduating at the age of eighteen. He is described as being a boy of sturdiness and independence, not talkative, taking small part in the social side of his school life, and not at all distinguished in his studies, except possibly in mathematics. At one time in his youth, an old friend of the family told me, young Morgan had a decided inclination towards poetry writing. For two years after he left Boston he was a student at the University of Göttingen, Germany. At the age of twenty-one he embarked on his career as a banker, receiving his first

experience with the house of Duncan, Sherman and Co., of New York City.

One of the most complicated departments of banking is that of foreign exchange; it is also the department which has had the greatest growth in America in recent years. Through his father's world-wide connections, as well as in his own business relationships, Mr. Morgan attained a thorough knowledge of every intricacy of the foreign business. He acquired a mastery of the delicate relationships between the business transactions of nation and nation, and he saw the world's credit system in its broader aspects. Many an able banker is limited by the lack of such a breadth of view, the possession of which must have counted high in many of Mr. Morgan's achievements. It is significant of his idea of a banker's education that he appointed his son, J. Pierpont, jun., to a position in the foreign exchange department of the bank at the very beginning of his career, and when he had mastered the American end of the business he was sent to London.

All who knew Mr. Morgan in early life agree that from the very beginning he ex-



MR. MORGAN'S CITY RESIDENCE, CORNER OF MADISON AVENUE AND THIRTY-SIXTH STREET.

From the water colour sketch by Otto Bacher.

hibited the cardinal feature of his character, the capacity for pursuing his own way without advice, and that, independent of his father, he worked with him rather as man with man than as son with father. In 1860, at the age of twenty-three, he became the American agent for George Peabody and Co., of London, and with that firm his experience began in the handling of large funds, and he acquired familiarity with the risks and responsibilities of great business transactions. At the age of twenty-seven he helped organise the firm of Dabney, Morgan and Co., and seven years later, in 1871, he formed a combination with the wealthy Drexels, of Philadelphia, the firm being known as Drexel, Morgan and Co. In 1895, Drexel, Morgan and Co. became J. P. Morgan and Co., and Mr. Morgan's father having died in 1890, the London house of J. S. Morgan and Co., and the Paris branch of Morgan, Harjes and Co., with all their connections the world over, fell under the sole dictatorship of J. P. Morgan, and to-day J. P. Morgan is the supreme director of all this great financial machine.

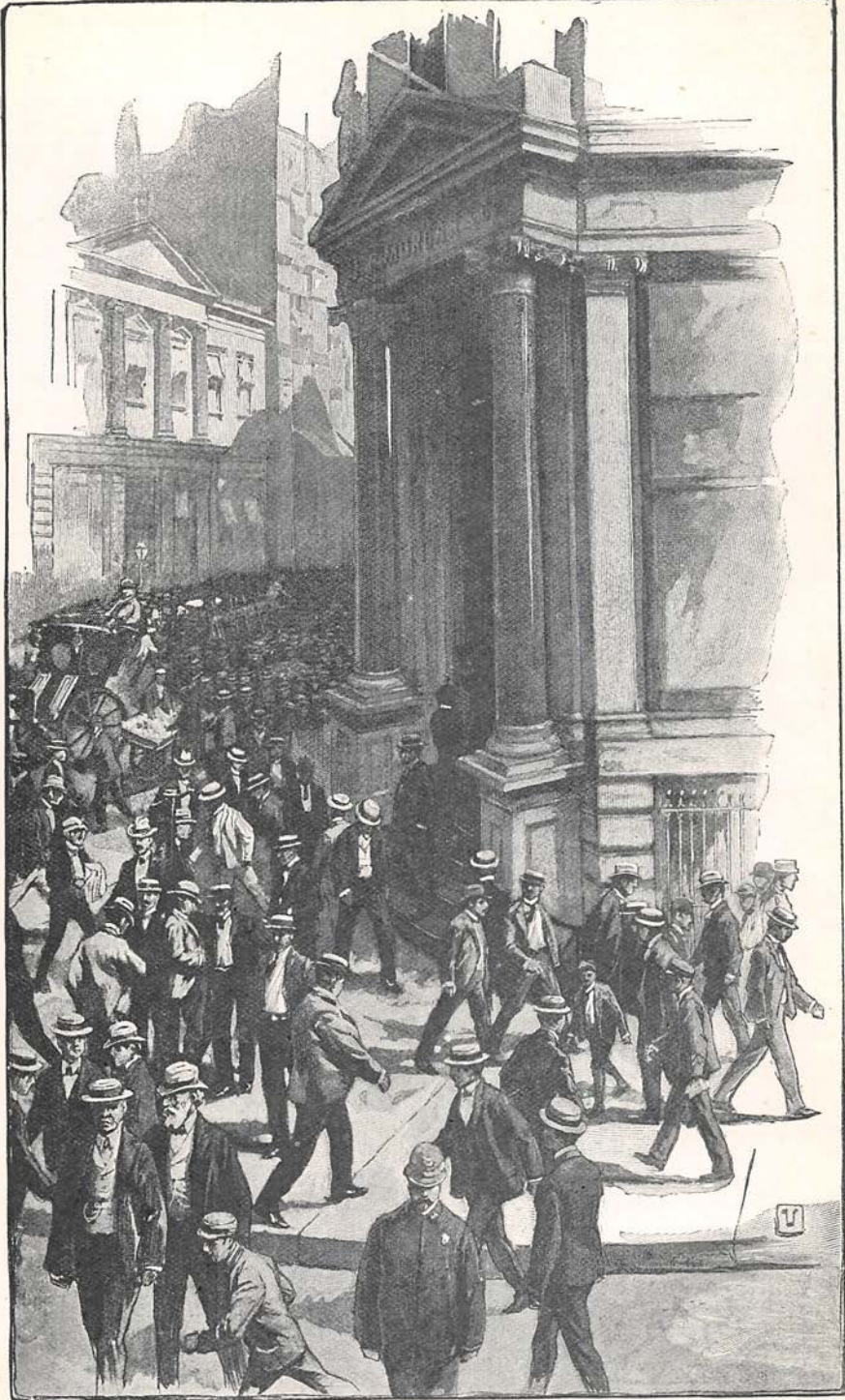
Significant of the changing centres of the world's money power is the fact that J. S. Morgan, the father, directed his banks from London, while J. Pierpont Morgan, the son, directs the larger system from New York. It was characteristic also that Morgan should have finally dominated every man and every firm with whom he came in contact; he must, by nature, be absolute dictator or nothing. It is for this reason, no doubt, that his house has remained a private bank—a private bank giving larger scope and freedom of action than a national bank, or any institution limited by fixed rules and subject to the divided mind of a board of directors. J. P. Morgan and Co. is not a corporation. It is a partnership. There are many partners—in all, eleven besides Mr. Morgan—and most of them men of the first rank, though wholly under the influence of the vital personality of the senior member.

Comparatively few people possess any very clear conception of what Mr. Morgan is or does in Wall Street. He is vaguely compared with Mr. Keene, who is a speculator; with J. Gould, who was a wrecker; with Hill and Harriman, who are strictly railroad men; with the Astors, who are primarily real-estate owners; with Carnegie, who was an iron-master. But Mr. Morgan's business is purely that of a banker—a worker with money. As such he acts as an agent for rich clients in the investment of money; he loans, bor-

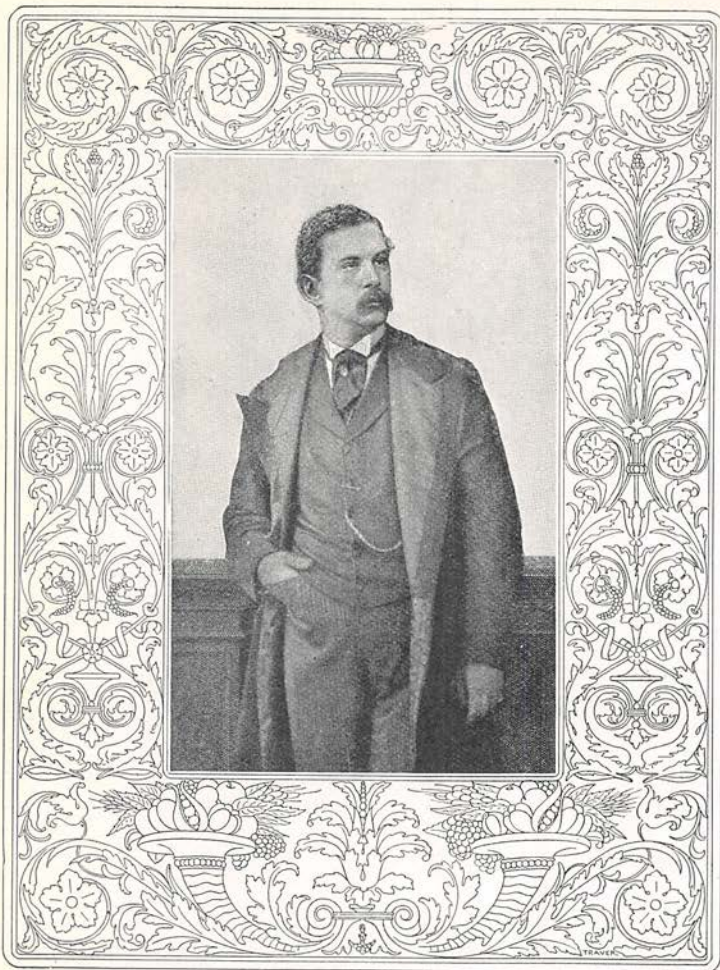
rows, transmits money abroad, issues letters of credit, and buys and sells securities which are the evidences of money. The extensive foreign connections of J. P. Morgan and Co. enable the firm to do a large business in foreign exchange. The interchange of merchandise commodities between the United States and the rest of the world now amounts to the vast sum of over fifteen millions sterling for every business day of the year. The banker who issues the drafts or the credits makes a profit on every sovereign conveyed. J. P. Morgan and Co. transact a large share of this business.

Mr. Morgan is not a practical railroad man, nor a steel manufacturer, nor a coal dealer, although he is interested in all of these things, because he is constantly buying and selling railroad and steel and coal stocks. Sometimes for some specific purpose he buys so much of a railroad company's stock that he and his clients practically own the railroad, and he takes a strong position in directing its policy. Not long ago I heard an apparently intelligent speaker who conveyed the impression that Morgan bought a railroad out of his surplus cash as a farmer buys a cow. Nothing could be further from the truth. While Mr. Morgan must make use of his own large means, it no doubt forms but a small part of his vast deals. The essence of successful banking is connections, otherwise friends. While coveting large earnings, capital is proverbially shrinking and timid, fearing to strike out boldly for itself, and yet ever ready to trust itself with confidence to the leader whose skill, foresight, and cautious daring have been steadily fruitful of success. Such a money-master is J. Pierpont Morgan. The millionaire Peabody trusted him first, then the Drexels with their vast fortunes, then the Vanderbilts, for whom he made a profitable sale of bonds early in his career. All through these years he has thus built up an army of powerful connections, not only in America, but in England, France, and Germany, so that more and more millions of capital follow the dictates of his judgment.

I asked a number of men in Wall Street who knew Mr. Morgan and his methods intimately—and some were his friends and some his enemies—how he attained the leading position in the world of finance. The answers were: "He does exactly as he agrees to do." "He keeps his word." "He is an honest man." And one said: "He is a gentleman in his business dealings." It is plain that Mr. Morgan would not have the handling of



THE OFFICE OF J. P. MORGAN AND CO., AT THE CORNER OF WALL AND BROAD STREETS.
Opposite the Wall Street side of this office stands the United States Sub-Treasury Building; opposite the Broad Street side, the new Stock Exchange is building. From the original painting by George Varian.



MR. J. PIERPONT MORGAN AT FORTY YEARS OF AGE.

such important interests unless men of money trusted him. But a leader must not only be honest; he must justify his leadership by success. The value of his judgment must be vindicated in good times and bad, else his splendid following will surely fall apart. His followers must continue to regard him as strong and wise. It should not be forgotten that Mr. Morgan has been working doggedly at his profession for forty-four years, and that his prestige and pre-eminence are of no sudden growth. With these facts in mind it is plain why Mr. Morgan's life is now so precious to the markets. When he drops out there is a possibility that some of the warring interests which he now holds together with an iron hand, as he holds the rival coal railroads of Pennsylvania, for example, may clash; the aggregation of

capital which he now leads to swift successes may be unable to find at once another master in whose judgment it reposes such confidence, and it may begin to withdraw from the great activities to which Mr. Morgan has spurred it, and withdrawal of capital means stringency and falling prices.

Besides his own private banking-house here and its branches abroad, Mr. Morgan largely controls a powerful national bank in New York City—the National Bank of Commerce, of which he is the vice-president. It is known in Wall Street as “Morgan's Bank.” He is a dominating influence in other banks and financial institutions, and a director with considerable influence in twenty-one railroad companies, great and small, including the New York Central and Lake Shore systems. He is a director in the Western Union Telegraph Company, the Pullman Palace Car Company,

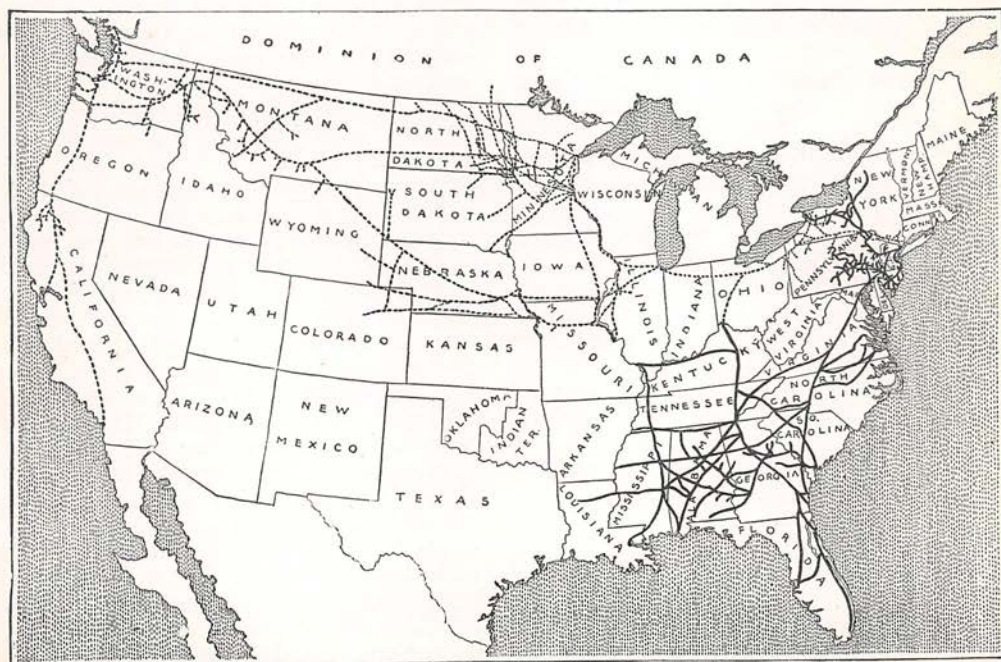
the *Ætna* Fire Insurance Company, the General Electric Company, the greatest electric company in the world, and in other less important corporations. And through his partners, who are directors in other railroad and steel corporations, his influence reaches far and wide. He is a potent, and in times of trouble the controlling, factor in several of what are known as the “coal-roads” of Pennsylvania—the Erie, the Lehigh Valley, the Central of New Jersey, and the Reading, together with their tributary coal-fields. He is the predominating influence in the Southern Railway and in three of its connections, the foremost railroad system of the Southern States, with over eight thousand miles of track, a system which he has created, and of which an associate and friend is president. He is also a power in many

other railroads, as witness his recent appointment of the directors of the Northern Pacific Railroad, and his evident influence through J. J. Hill in the Burlington and Great Northern management. And, as I have already said, he is at present practically dictator of the vast steel interests of the country, through the United States Steel Corporation, and he controls at least one Atlantic steamship line.

It is impossible, of course, for any outsider to know Mr. Morgan's exact influence in any one of these vast business concerns. It may be set down for a fact that if Mr. Morgan's interests reach into any corporation even slightly, and Mr. Morgan chooses to dictate, his word is going a long way. "Why," exclaimed a somewhat enthusiastic admirer of Mr. Morgan's, "if he owned one share in a railway company and wanted to boss, he'd boss." Indeed, he has something to do with so many widely diverse interests that he occasionally finds one of his companies fighting another, as when, the other day, the General Electric Company began a suit against the Lorain Steel Company, one of the components of the Steel Trust. If anything dim and big in the way of business is impending in Wall Street, brokers tell with bated breath that Mr. Morgan, or, as it is

usually expressed, "the old man," is behind it. He is the bogie of the street. Indeed, it is amusing to behold in what awe Mr. Morgan is everywhere held. Everyone who speaks of him or about him must first be assured that the disclosures will go no further, as if he were committing a sort of treason.

And Mr. Morgan himself sits in his office and works prodigiously, apparently paying no attention to what is said about him, whether good or evil. Mr. Morgan's office occupies the first floor of a large, somewhat old-fashioned building, standing at the corner of Wall and Broad Streets, New York City, the financial centre of the United States. On one side in Wall Street rises grimly the columned portals of the United States Sub-Treasury Building, with George Washington standing in bronze dignity in front. On the other side, in Broad Street, facing Mr. Morgan's window, the new Stock Exchange is building. Within a radius of a quarter of a mile are gathered some of the richest banks in America, and the offices whence most of the great railroad and other corporations of the country are controlled. Many millions of pounds' worth of business—American, European, Australian, Chinese, African business—is



MAP SHOWING THE RAILROADS IN THE UNITED STATES IN WHICH MR. MORGAN IS INTERESTED.

there transacted every hour. But in the crook of the steps of Mr. Morgan's office a man makes a good living selling lemonade and chewing-gum, and he looks contented, too.

To Mr. Morgan's office come railroad presidents, bank presidents, and the heads of great corporations, to consult with him, and once the Secretary of the United States Treasury came to seek his aid in preserving the solvency of the United States Government. He rarely goes to them; they all come to him. Until recently any man might walk up to his desk, which stands in plain view from the outer office, without the formality of presenting a card; but, while approachable, it would be an intrepid man indeed who would call upon him without definite business in hand.

Mr. Morgan impresses one as a large man, thick of chest, with a big head set close down on burly shoulders, features large, an extraordinarily prominent nose, keen grey eyes, deep-set under heavy brows, a high, fine forehead, a square, bulldog chin. His hair is iron-grey and thin, and his moustache is close cropped. For a man of his age and size he seems unusually active, moving about with almost nervous alertness. He is a man of few words, always sharply and shortly spoken. When a man comes to him, Mr. Morgan looks at him keenly, waiting for him to speak first, and his decision follows quickly.

A young broker, who had never met Mr. Morgan before, went to him not long ago to borrow a large sum for a client. He told Mr. Morgan what he wanted in half a dozen words, and handed him the list of securities to be deposited as collateral. Mr. Morgan looked sharply at his visitor—"looked at me as if he saw clear through me," as the broker expressed it—then glanced swiftly down the list. "I'll take the loan," he said, and passed the borrower on to one of his partners. That was all. The whole transaction, involving a loan larger than the yearly business of many a small bank, had not taken a minute and a half, and Mr. Morgan's side of the conversation had consumed not more than a dozen words.

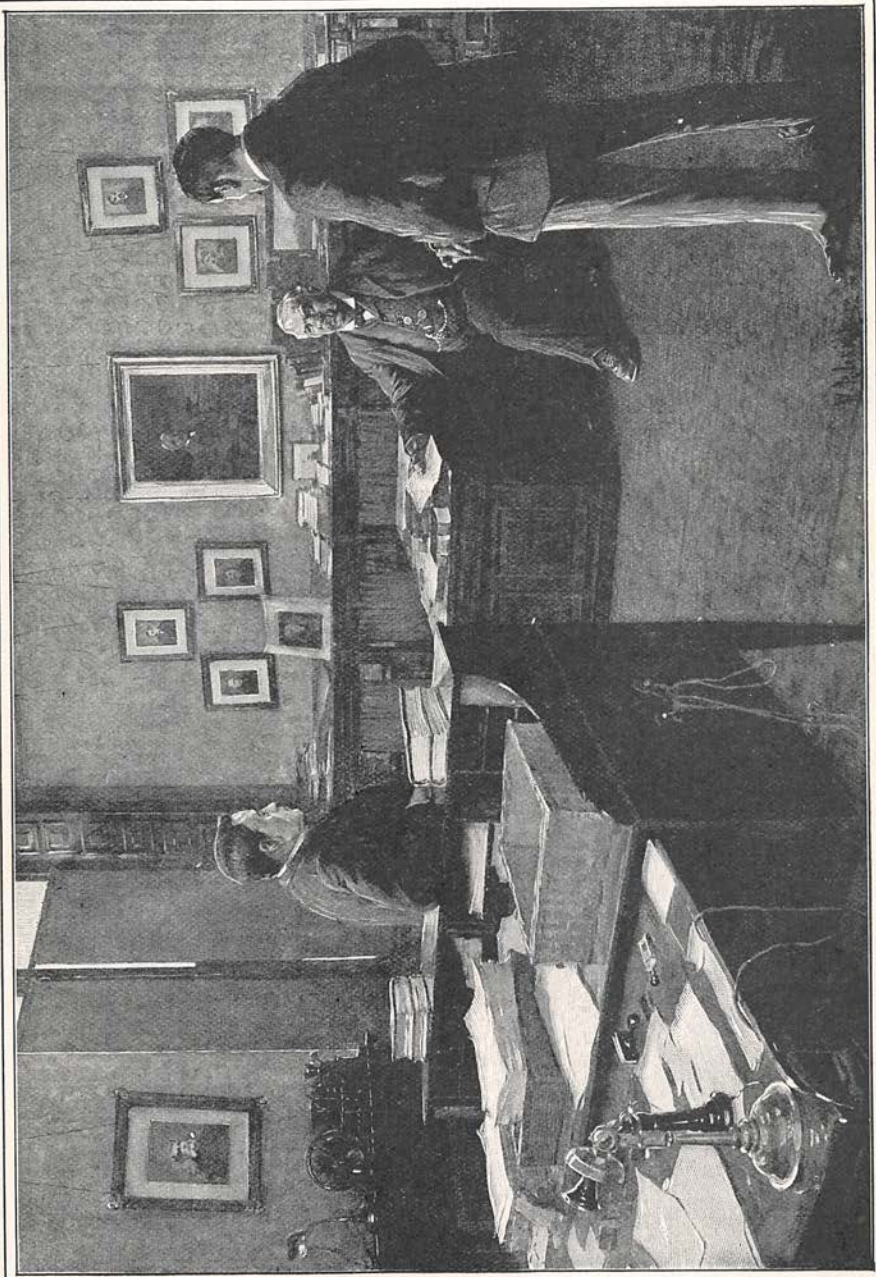
Mr. Morgan knows to the last degree the psychology of meeting and dealing with men. The man who sits in his office, a citadel of silence and reserve force, and makes his visitor uncover his batteries, is impregnable. That is Mr. Morgan's way—the way he dealt with a certain owner of coal-lands in Penn-

sylvania who knew that Mr. Morgan must have his property, and so had come down prepared to exact a good price, to "thresh it out with Morgan." Mr. Morgan kept him waiting a long time, and then he came out, bulky, cold, impressive, looked the coalman in the eye, and only broke the silence to say, "I'll give you \$—— for your property." And there the bargain was closed. His way is to deal brusquely in ultimatums; he says, "I'll do this," or "I'll do that," and that settles it.

All who know say that Mr. Morgan does not ask advice, not even of his partners, and that when he makes up his mind nothing short of a cataclysm will divert him. No doubt his confidence in himself inspires confidence in others. He may make, and must have made, mistakes, but he goes tramping forward as though nothing had happened, and even his partners may be more than half convinced that nothing *has* happened, or else that it is all a skilful feint in some unsuspected manœuvre.

Mr. Morgan has the surety of judgment and the broadness of mind which enable him to work with large numbers of men—a strong man with eyes on a clearly defined though distant purpose, which he alone perceives, marching ruthlessly forward until his goal is reached. It was Bismarck's way. We may not like such men, and the cries of those who are trampled upon may ring ugly in our ears, but this is the method of the men who accomplish things.

Without what has been so well called the "leaping mind," Mr. Morgan never could have accomplished what he has. Mr. Morgan does not spend many hours at his office, and when he is there he rarely remains long at one desk. A man who was long associated with him told me how he "leaped" through his correspondence, how he was often complete master of a proposition before the explanations were half finished, and the lawyers who drew up the papers for the Steel Corporation could hardly keep pace with his swiftly enunciated plans. Indeed, Mr. Morgan is given credit in Wall Street not so much for his skill in organising the Steel Trust as he is for the speed with which the enormous task was accomplished. On December 12, 1900, he attended a dinner given at the University Club by J. Edward Simmons, of the Fourth National Bank. Charles M. Schwab was there and gave an illuminative address on the steel and iron industry. Mr. Morgan, though already a dominant factor in three steel combinations, had never before



IN THE OFFICE OF MR. J. PIERPONT MORGAN. Drawn from sketches made from life by W. R. Leigh.

met Mr. Schwab, but he was so impressed with his address that he conceived the idea of a gigantic combination of the steel interests in America. Three months later the largest corporation in the world was organised, with Mr. Schwab as its president, and the stock was on sale.

As yet I have given no account, except incidentally, of what Mr. Morgan has actually done to make him a great figure in finance. There is not space here to mention even briefly half of the great money manœuvres which he has planned and carried to success. First of all, it is evident that Mr. Morgan has never been a wrecker, like Jay Gould; he has always been an upbuilder, or a creator. Most of his achievements have had for their object the saving of money waste. Economy of production, economy in management, economy in interest charges are what he has always sought. That is why he never

money reached one hundred and eighty-six per cent., Mr. Morgan at once poured immense sums into the market, and instantly quieted the panic. For many years he has acted as a sort of balance-wheel to his country's finance, wielding his immense power and credit so as to steady the market when panic threatened.

Mr. Morgan has been such a reorganiser and reconstructor of bankrupt corporations, especially railroad companies, that Wall Street has come to call the process re-Morganising. He acts, sometimes, as a sort of expert financial doctor, called in to treat

A CLASS IN BRICKLAYING.



THE NEW YORK TRADE SCHOOL, FIRST AVENUE, SIXTY-SEVENTH AND SIXTY-EIGHTH STREETS, WHICH WAS ESTABLISHED BY MR. MORGAN AT A COST OF OVER £100,000.

From the water colour sketch by Otto Eacker.



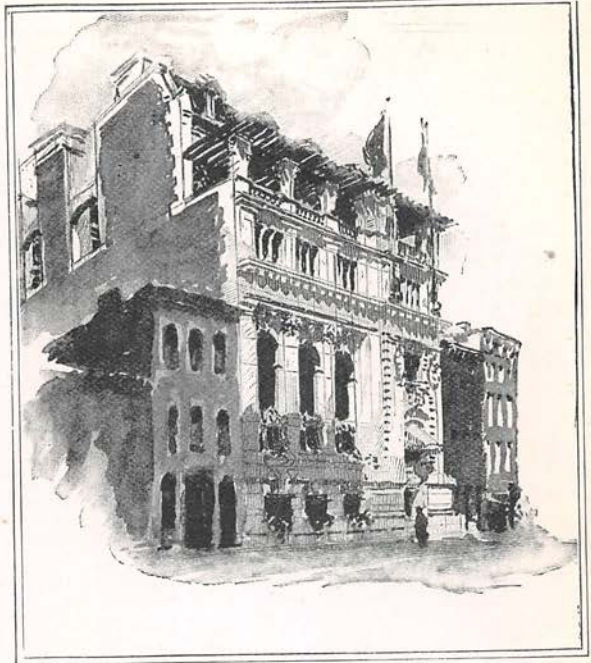
STUDENTS AT WORK DECORATING A CEILING.

misses an opportunity to strike a blow at competition in whatever form it may appear. Rival companies compete and lose money—Mr. Morgan steps in and combines them, thus saving not only the losses due to the competition, but economising also in administrative expenses. In times of great excitement in Wall Street, when panic and loss threatened the United States, Mr. Morgan has been the first to come to the rescue with his money and credit, knowing that panic and uncertainty are among the most fruitful sources of loss to capital. In the panic of December, 1899, for instance, when call

financial illness for a fee—and he knows as well how to charge as the best specialist in surgery. At other times he buys up a railroad, as a second-hand furniture dealer buys a dilapidated settee, refurbishes it with new upholstery, stiffens the legs, polishes up the varnish, and sells it for new at a big profit. One might also liken Mr. Morgan to a shrewd retail merchant, for he knows so well how to make his goods attractive that, when he places a fine new line of stocks and bonds in his window, they are recognised as the latest fashion and find a ready market.

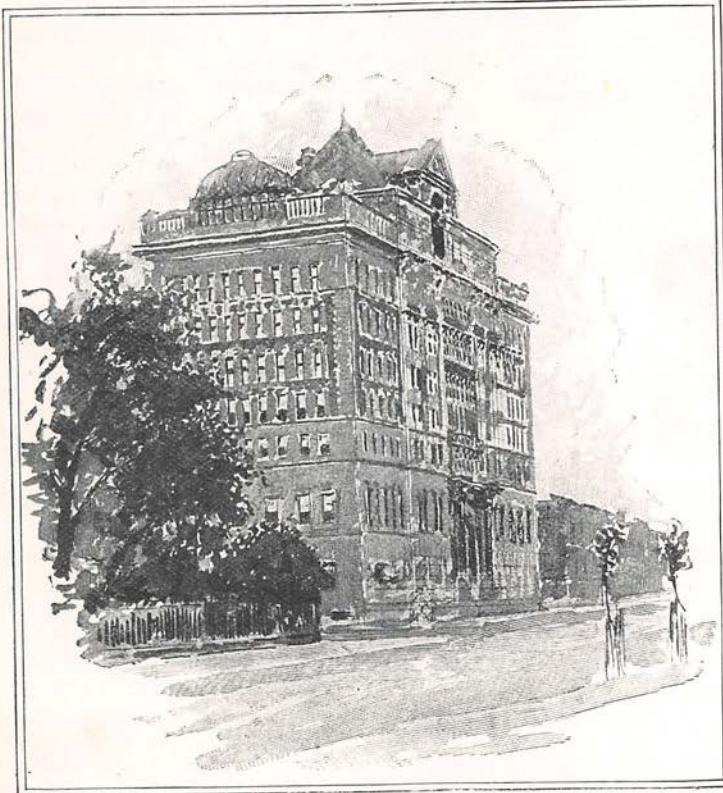
But this reorganising is a tremendously difficult business. For instance, in 1893, Mr. Morgan's firm took hold of what was then the Richmond and West Point Terminal Railway and Warehouse System, a loose, confused combination of some thirty jealous companies, all involved in bankruptcy, with some fifty millions of pounds in

securities outstanding. It required months merely to learn the nature of the business, and then Mr. Morgan took up the almost hopeless task of getting the consent of all the warring interests to his plan of reorganisation. He had to persuade, frighten, or force crowds of creditors to bow to his will, besides providing the vast sums of money necessary to buy up claims and to support the railroad while the work of reorganisation was going forward. It is impossible to give more than a hint of the complications involved in such an achievement; in this case there were no fewer than twenty-six foreclosures. And at the last, in this as in every reorganisation, Mr. Morgan was confronted with the great task of convincing the public that the new company could so operate the railroad, which had gone bankrupt before, that it would pay a profit, else the stocks



THE NEW YORK YACHT CLUB, 37, WEST FORTY-FOURTH STREET. THE LAND ON WHICH THE HOUSE STANDS WAS GIVEN BY MR. MORGAN.

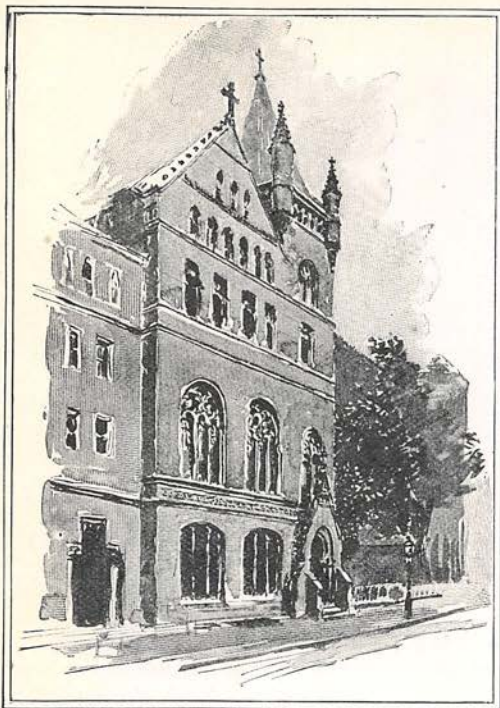
From the water colour sketch by Otto Bacher.



THE NEW LYING-IN HOSPITAL, SECOND AVENUE, SEVENTEENTH AND EIGHTEENTH STREETS, TO WHICH MR. MORGAN GAVE £270,000.

From the water colour sketch by Otto Bacher.

and bonds would not sell. To-day, the Southern Railway, which sprang from this feat of reorganisation, is one of the best railroads in the country, doing a large part of the transportation business of the Southern States. In a similar manner Mr. Morgan's firm reorganised the West Shore Railroad in 1885, and sold it to the New York Central, thereby stopping the fierce competition which was injuring both roads; the Reading Railroad in 1886, the Chesapeake and Ohio in 1888, the Erie Railroad in 1895, the Lehigh Valley Railroad in 1897. As far back as 1880 Mr. Morgan's firm furnished



THE NEW PARISH HOUSE OF ST. GEORGE'S CHURCH,
207, EAST SIXTEENTH STREET, TO WHICH MR. MORGAN
GAVE £60,000.

From the water colour sketch by Otto Bacher.

the money, eight million pounds, which enabled the Northern Pacific Railroad to build to the Pacific coast, and in 1887 it saved the Baltimore and Ohio Railroad from insolvency by forming a syndicate to provide that company with two million pounds.

However, many of Mr. Morgan's reorganizations are criticised in Wall Street for being slow in paying profits, and he is accused in some quarters of overcapitalising his corporations, basing the stock issue on the most favourable and promising aspects of the business, rather than on an average accomplishment. Many Wall Street men assert that the new Steel Corporation has thus been overcapitalised, and that it can never earn the expected dividends on so large a capital. This view, however, is as strenuously combated in other quarters.

Mr. Morgan's most noteworthy achievements have been the part he played at least three times in relieving the United States Government from serious financial embarrassment. As early as 1876, Drexel, Morgan and Co. were the chief instruments in furnishing the cash for refunding the Government debt, and placing the United States once

more on a gold basis after the years of stress and paper money following the civil war. The part that J. P. Morgan and Co. played in 1895, when, after the panic of 1893, gold began to flow out of the country until it threatened the stability of the Treasury, is familiar history. At that time Morgan and Belmont, with other bankers whom they interested, agreed to buy forty million pounds' worth of Government bonds, to pay for them in gold, and to prevent gold, as nearly as possible, from leaving the country. It was one of the greatest financial undertakings ever attempted. In effect it placed all the credit of the private money interest of the country behind the Government, and it saved the day. For this service J. P. Morgan and Co. and its associates exacted very large pay, and when roundly abused for it by the public and in Congress, they answered that their profits were not large considering the magnitude and risk of the undertaking. In the threatened panic of the next year, 1896, Mr. Morgan offered again to provide gold for the Government, but when the people demanded a popular loan, he immediately wrote to President Cleveland pledging him his support.

In 1899, J. P. Morgan and Co. took the lead in a significant departure in American finance. Until then London was the world money centre, and the United States had, therefore, been a borrower, not a lender. But in 1899, Mr. Morgan's firm financed the first foreign loan ever negotiated here. With the assistance of its connections in Europe the entire foreign debt of Mexico, amounting to twenty-two million pounds, was converted. In 1900 the firm took the lead in helping to supply Great Britain with war money, placing over two million pounds' worth of bonds in the country, and since then it has taken part of several other foreign loans.

These are only a few of the achievements of Mr. Morgan and his firm. A history of J. P. Morgan and Co. for the last six years would constitute a fairly complete history of Wall Street, and, indeed, of finance in the United States.

Business by no means absorbs all of Mr. Morgan's energy. Perhaps his first interest outside of his work is his enthusiasm as a collector of works of art. He is the possessor of many famous paintings, and is interested in rare china, Limoges ware particularly. As evidences of his taste, he has gathered and presented a collection of fabrics to Cooper Union, of rare gems

to the American Museum of Natural History, of Greek ornaments to the Metropolitan Museum of Art. Yachting is his diversion, and he superintended the building of his steam yacht "Corsair" in every detail. For a long time he was commodore of the New York Yacht Club, to which he recently presented the land for a new clubhouse. After a hard siege at business Mr. Morgan goes for a cruise, and it is related that he often takes with him a mass of papers, and that when his friends look for him he is to be found below deck buried deep in figures, utterly oblivious to his surroundings. Fond of a fine dinner, a connoisseur in wines, and a judge of cigars, he is temperate in all these. Caring little for society, he occasionally enjoys a quiet party, and may warm into talkativeness, though never on business subjects. Anyone who has seen him at the dinners of the New England Society knows that he enjoys them. There he will sometimes join in the singing, but it is very rarely that he makes a speech. None of his few intimate friends are among his business associates. The outward mark of esteem which Mr. Morgan bestows upon a man is to present him with a collie dog from the kennels of his country home. A member of many clubs, he is too busy to be much of a clubman, but he has always been a church-goer, and, what is more, a church-worker, being a vestryman of St. George's Church, in Stuyvesant Square, and the unflinching friend and helper of its rector, the Rev. Dr. Rainsford. He has taken especial interest in the boys of the church, has helped devise means to keep them off the street and to teach them trades, and sometimes he attends the evening sessions of their club and talks to them. Two of his known philanthropies

have been the establishment, at a cost of over one hundred thousand pounds, of the now well known New York Trade School, in the upper east side of New York, and the founding of a smaller trade school in connection with St. George's Church.

Mr. Morgan has also given to Harvard University for the Medical School two hundred thousand pounds; for a great lying-in hospital near St. George's Church, two hundred and seventy thousand pounds; for St. John's Cathedral, one hundred thousand pounds; for help towards paying the debts of the Young Men's Christian Association, twenty thousand pounds; for the Loomis Hospital for Consumptives, some one hundred thousand pounds; for a library in Holyoke, Massachusetts (his father's birthplace), twenty thousand pounds; for preserving the Palisades along the Hudson River, twenty-five thousand pounds; for a new parish house and rectory for St. George's Church, sixty thousand pounds. He also contributed largely to the Queen Victoria memorial fund and to the Galveston relief fund; he presented St. Paul's Cathedral with a complete electric plant, and built a hospital at Aix-les-Bains, France.

And this is J. Pierpont Morgan, a powerful factor in one of the great departments of human activity, a man endowed with extraordinary energy and capacity, who has trampled forward in his own rough way, asking neither sympathy nor advice; who has been widely trusted and feared, little liked and much abused; who has attained great wealth, which he neither needed nor desired, except as a tool to carve a way to greater achievements; who has worked prodigiously—in short, a man who has lived his life and fought his fight to the limit of his power.

