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Author Ron Chernow Discusses the Life of John D. Rockefeller

KATIE COURIC:
John D. Rockefeller was a ruthless businessman who made a fortune in the latter part of the 19th century by virtually cornering the oil industry. Beyond that, few people know very much about the man who was once the richest man in America and a symbol of both wealth and greed. That's all changed with the publication of the best-selling biography, “Titan: The Life of John D. Rockefeller,” by Ron Chernow. Ron, good morning. Nice to see you.

RON CHERNOW: Pleasure to be here, Katie, thank you.

COURIC: This is a fascinating biography, and it seems to me that John D. Rockefeller, the man he became, was so much shaped, as many of us are, by his parents, who were polar opposites. His father was such a jerk. He was.

CHERNOW: Well, he had these very bizarrely mismatched parents. He grew up in three small towns in upstate New York. His mother, Eliza, was a very sober, thrifty, church-going woman, and his father, William Avery Rockefeller, was a snake oil salesman, a con man, a bigamist, and that was just for starters.

COURIC: I mean, he hired his girlfriend as the family's housekeeper, and then he had children with both his wife and the housekeeper.

CHERNOW: Well, during the first two years of the marriage he fathered two legitimate and two illegitimate children under the same roof. And we don't know whether John D. Rockefeller Sr. ever knew that he had two illegitimate sisters.

COURIC: Now, how did these two very different forces shape him as a man?

CHERNOW: Well, outwardly he resembled his mother very much, that he became this very disciplined Baptist. He was very sober and thrifty. He was very much like his mother. Of course, his rivals saw a lot of the craft and the rascality of the father, the shrewd bargaining underneath, and so he really synthesized these two very different personalities.

COURIC: He felt like his wealth was preordained in some way, didn't he, that it was a God-given...
CHERNOW: He often said ‘God gave me my money.’ That when he was a teenager in the Baptist church, he said the minister said to him, ‘Make as much money as you can, give away as much money as you can, and do it as well as you can.’ And so for him, making money and giving it away was a part of this divinely sanctioned circulation of money, and he was as charitable as he was ruthless. This is what makes him such a fascinating and contradictory figure.

COURIC: He was incredibly philanthropic. We'll get to that in a moment, but let's talk about how devious he was as a businessman, in terms of, of how he amassed his fortune.

CHERNOW: Well, he started Standard Oil before the Sherman Antitrust Act, and he did things that by today's standards are almost inconceivable. For instance, if you were a rival refinery in Cleveland in the 1870s, he would take all of the rolling stock off the railroad so you couldn't ship your oil. He would buy up all the barrels on the market so you had no place to store your oil. He would actually buy up all the chemicals on the market so that you had no way of refining the oil. He could tie you up in a thousand and one different knots.

COURIC: And didn't he buy other companies and not let people know, so people did business with the other companies thinking that they were hurting Rockefeller, and they were actually helping him?

CHERNOW: That's right, he secretly owned a lot of his rivals. They would communicate by a secret postal box in Cleveland. Very often when he bought his rivals even the spouses and children didn't know. And so very often people who wanted to protest, you know, this Standard Oil octopus would do business with some courageous independent without realizing that that courageous independent was a wholly owned subsidiary of John D. Rockefeller. So you couldn't escape him, really.

COURIC: In terms—in terms of his wealth, how does he compare to someone like Bill Gates today?

CHERNOW: Okay, in 1913, Rockefeller reaches the peak of his net worth at $900 million. That translates into only $13 billion today, well south of Chairman Bill's $50 billion plus, but he loomed much larger in the economy of his day, because $900 million in 1913 was actually larger than the federal budget that year, which was $715 million. So he could have paid the entire federal budget. The accumulated national debt of the United States was $1.2 billion. He could have retired three-quarters of the national debt. So Rockefeller loomed much larger in the economy of his day, believe it or not, than Bill Gates today.

COURIC: Let's talk about the way he raised his children. He raised them in a very austere setting, did he not? He wanted to duplicate his upbringing.

CHERNOW: He tried to duplicate his upbringing, even though he was on his way to becoming the richest man in the world. He was very afraid of the corrupting influence of wealth, and, as a result, these children are growing up on these 1,000-acre estates. John D. Rockefeller Jr., his one son, said that until the age of eight he wore only girl's clothing. Why? Because the three older children were girls and he had to wear hand-me-downs. His mother once made the statement, ‘I'm glad that I know what my son wants for Christmas so that I could deny it to him.’ They were intent upon the children not being spoiled by the money, and they carried it to what seems like ludicrous extremes.

COURIC: So very different than the Vanderbilts and other sort of robber barons of the day?

CHERNOW: Well, you see, they were looking at the Vanderbilts, and other families who they considered very ostentatious, and, so that they lived on these vast estates, they avoided any kind of personal luxury or
ostentation. When John D. Rockefeller's wife died in 1915, the most expensive item of clothing in her estate was a seal coat and muff that was worth $150. She was still wearing the $3 wedding ring from 1864.

COURIC: Well, they're certainly a fascinating family, and, as we can see here in Rockefeller Center that was established John D. Jr., apparently wearing those girl's clothes didn't hurt so much. Their influence is long lasting in this country. Ron Chernow, the book is called “Titan”. It really is fascinating. Thanks so much.

CHERNOW: My pleasure.