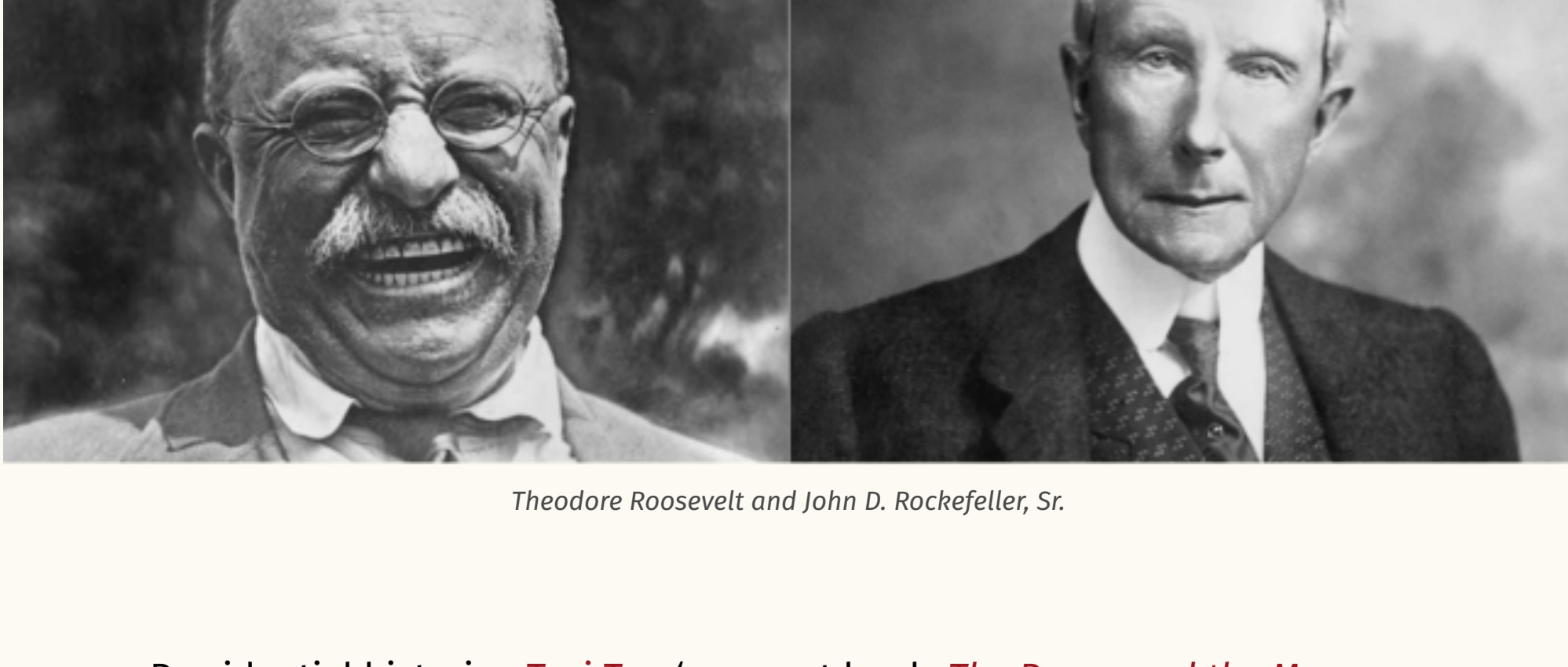




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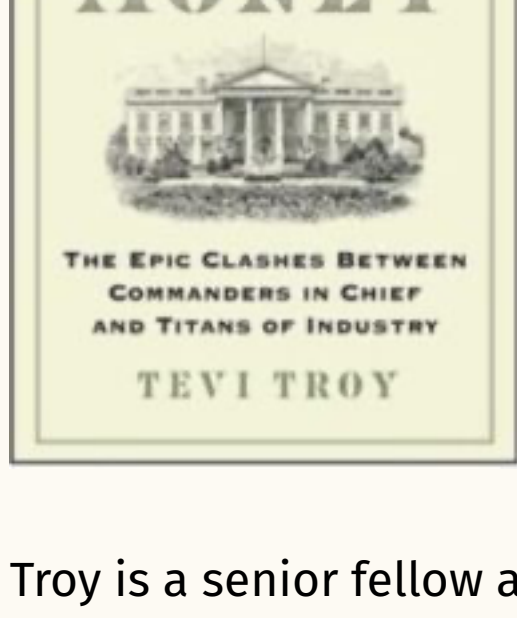
T. R. And Rockefeller in *The Power and the Money*

Tevi Troy's newest book tells stories about the relationships between presidents and corporate titans who became charitable givers—prominently including interesting and entertaining ones—Theodore Roosevelt and John D. Rockefeller, Sr., essentially a founder of establishment philanthropy in America.



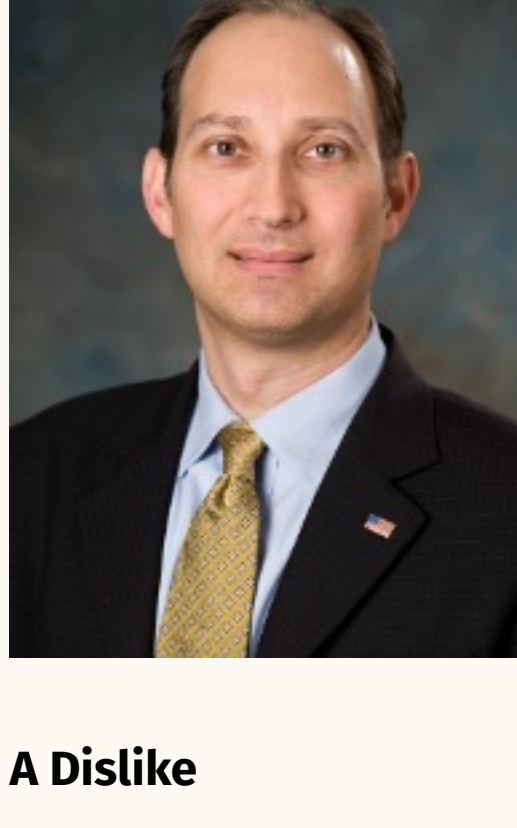
Theodore Roosevelt and John D. Rockefeller, Sr.

Presidential historian [Tevi Troy](#)'s newest book, [*The Power and the Money: The Epic Clashes Between Commanders in Chief and Titans of Industry*](#), provides historical snapshots of relationships between leaders of the federal government's executive branch and America's biggest private corporations. Some of these corporate leaders were either close to devoting or later devoted their personal wealth to philanthropy, including John D. Rockefeller, Sr. Troy's book offers helpful, informed insights on the ways in which establishment philanthropy—of which Rockefeller essentially is a founder—engages, and is engaged by, government.



Troy is a senior fellow at the Bipartisan Policy Center, a former deputy secretary of the Department of Health and Human Services during George W. Bush's administration, and a presidential historian. In W's White House, he was deputy assistant and then acting assistant to the President for domestic policy. He also has experience at the Department of Labor, on Capitol Hill, and in the nonprofit sector, having founded the American Health Policy Institute and being a Hudson Institute senior fellow.

Rockefeller, Henry Ford, Bill Gates, Warren Buffett, and Mark Zuckerberg are among those business and philanthropic titans featured in *The Power and the Money*. They each had relationships with more than one President during their titanships, and in the cases of Gates and Zuckerberg, of course, will likely have them with more.



A Dislike

The Theodore Roosevelt-Rockefeller relationship is perhaps the most-interesting, and -entertaining, of these. T. R., who became President in 1901, “did not much like Rockefeller” personally, according to Troy. Roosevelt did not really like the Standard Oil company that Rockefeller built all that much, either, considering it a prime example of the kind of monopoly power T. R. wanted to break up through aggressive antitrust enforcement.

In the populist Roosevelt's first term, he wanted Congress to create a Bureau of Corporations to look into monopolistic corporate practices. “As part of that effort, Roosevelt was willing to use Rockefeller as a punching bag, and even to be misleading in the process,” Troy writes. While the bill was being considered, T.R. “railed against improper lobbying against” it,

citing telegrams sent to six senators opposing Roosevelt's legislation. Roosevelt claimed, inaccurately, that Rockefeller had sent them. The telegrams had indeed been sent, but by John Jr., who was still at the company, and not the retired—and reviled—senior Rockefeller. No matter. Roosevelt called the telegrams “the most brazen attempt in the history of lobbying,” and his attacks made front-page news. The publicity aided Roosevelt's effort in favor of the bill, which passed in February of 1903. Roosevelt credited the telegram play with helping him get the bill passed, and the CEO-as-villain motif had demonstrated its potency.

Roosevelt, Troy reports, was an avid reader of Ida Tarbell's subsequent series of muckraking articles in *McClure's* magazine about Rockefeller's and Standard Oil's predatory tactics in building its monopoly. T.R. even sent Tarbull a fan letter about the stories.

Politics and state action

Standard Oil “reluctantly decided to back Roosevelt” in the 1904 presidential election, by Troy's telling, “recognizing that he was likely to win,” as he did. During his winning campaign, the Rough Rider made a little bit of a spectacle of the Standard Oil's support—writing in a letter to the Republican National Committee head that the company's \$100,000 donation should be returned. In the letter, made public, Roosevelt said, “in view of my past relations with the Standard Oil Company,” the donation might be seen “as putting us under an improper obligation,” according to Troy.

It's unclear whether the money was ever actually returned. Told by a political advisor that the money was already spent, T.R. responded, “Well, the letter will look well on the record, anyway,” just after Roosevelt won, Rockefeller sent him a telegram saying, “I congratulate you most heartily on the grand result of yesterday's election.”

In T.R.'s second term, Roosevelt let the Bureau of Corporations loose on Standard Oil. Then, in 1906, encouraged by T.R., the Department of Justice aggressively investigated the company and filed suit for its dissolution.

Reputation-Minded Civic-Mindedness

During the Panic of 1907, according to Troy, Roosevelt civic-mindedly spent much of his own personal wealth to prop up the faltering stock market. The effort “coincided with Rockefeller finally recognizing that cultivating good press might be helpful” to him and his company. “By this time, he had been retired for a decade and spent his time largely on philanthropy and his daily game of golf.”

T.R. did not much like the golf, either, though.

A negative, supposedly off-the-record comment critical of his administration by Rockefeller “angered Roosevelt, who was also annoyed that Rockefeller, whose daily golf game was widely publicized, cited poor health when he begged off coming to the White House for a conversation about Standard Oil,” Troy writes. “Roosevelt held his fire for a while, but once 1908, his last year in office, began, he picked up the cudgel once again.” T.R. railed against Rockefeller and the Santa Fe Railroad's E.H. Harriman “the most dangerous members of the criminal class—the criminals of great wealth” and pressed the Justice Department to proceed with any and all lawsuits against them.

More Politics, More State Action

During the 1908 presidential campaign, Troy recounts, Roosevelt wanted his friend and Secretary of War William Howard Taft to get the Republican nomination. Newspaper magnate William Randolph Hearst newspaper later disclosed direct payments from Standard Oil to Taft's rival for the nomination, Ohio Sen. Joseph Foraker, to help pay for the decoration of Foraker's Washington, D.C., mansion. T. R. urged Taft to make a(nother) spectacle of the Standard Oil support, but Taft demurred.

Taft's treatment of, and by, Rockefeller and Standard Oil was different from Roosevelt's. Rockefeller explicitly endorsed Taft, saying his election would “make for law and order in business. He is not a man, I judge, to venture with rash experiments or to impeded the return of prosperity by advocating measures subversive of industrial progress.” Irked by both the endorsement and Taft's refusal to disavow it, T. R. “even considered breaking his pledge to step down and supplant Taft as his chosen successor,” Troy reports. Taft was personally more friendly to Rockefeller than Roosevelt, as well.

“The vindictiveness was gone, but the prosecution remained. Taft got to preside over something Roosevelt had wanted,” Troy writes, “but did not attain in his presidency: the demise of Standard Oil.” In 1911, “the Supreme Court spoke and ordered the dissolution of Rockefeller's creation, a decade and a half after he stepped back from day-to-day operations.” Rockefeller was on a golf course when he heard of the Court's decision.

The company was broken up into 34 parts, with investors getting a share of each one. “The breakup made Rockefeller even wealthier than he already was. His focus was now on philanthropy, and it showed,” continues Troy, who notes Roosevelt's (and his wife's) even-deeper understanding of the reputation-enhancing nature of charitable giving.

More Power and Money

In 1913, under Woodrow Wilson's after-Taft presidency, the Sixteenth Amendment to the Constitution—allowing for a federal income tax—was ratified. “The Rockefeller Foundation was not coincidentally founded in 1913 with a \$183 million endowment, just at the very time when Rockefeller was facing the prospect of the income tax,” according to *The Power and the Money*. “Like Henry Ford would do during the Franklin Roosevelt administration, Rockefeller set up a powerful foundation to wield influence and protect his holdings, in direct response to federal government policies.” In essence, establishment philanthropy as we know it was born.

The populist Rough Rider, one suspects, would likely not much like the power and the money of the tax-incentivized Big Philanthropy it has since grown to become, either. One may wonder, but needn't very much, whether he'd deal with it similarly to the ways he did Rockefeller and Big Oil.

[This article](#) first appeared in *The Giving Review* on September 30, 2024

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