Name_____

Man of Finance

Many Americans seek success, but very few make it into the history books. Even fewer become known and remembered for their positive contributions to the development of their country. John Pierpont ("J.P.") Morgan was considered a master of finance and is still considered one of America's leading businessmen.

Morgan got a glimpse into his future early in life, as he learned the language of banking and studied at a leading private financial house in New York. The son of a banker, he followed his father into the family business. He went on to become a well-known financier. In 1871, he founded a private banking company, which later became known as J.P. Morgan & Company. Over time, Morgan learned to make wise financial decisions, including investing in the emerging electricity industry. During times of depression and financial crisis, the government requested help from Morgan's company.

During the period in which Morgan lived, people scrutinized the few who had wealth and power. They accused J.P. Morgan of creating monopolies, which made it difficult for other businesses to compete in the market. It's true that he invested heavily in the railroad industry, as well as founding the U.S. National Steel Corporation.

Finance didn't consume Morgan's entire life, however. An avid sailor, he was a member of a yacht club and a participant in America's Cup races. As one of the founders of the Metropolitan Museum of Art, Morgan also enjoyed collecting art, eventually donating his collection to the museum. He also played a role in organizing the Museum of Natural History. Morgan made private donations as well, in one instance donating money toward the construction of a new hospital building.

At the time of his death in 1913, Morgan was considered an influential financier. His influence continues even today, not only in the finance company that bears his name, but also in the concept of corporate power and wealth.

Text Questions

1. Which of the following is <u>not</u> an industry in which J.P. Morgan invested?
   a. electricity
   b. railroads
   c. steel
   d. plastic

2. Which statement from the text gives a clue about a major influence in Morgan's career?
   a. The son of a banker, he followed his father into the family business.
   b. During times of depression and financial crisis, the government requested help from Morgan's company.
   c. During the period in which Morgan lived, people scrutinized the few who had wealth and power.
   d. He invested heavily in the railroad industry, as well as founding the U.S. National Steel Corporation.

3. What is the main idea of the fourth paragraph?
   a. It describes Morgan's early life.
   b. It explains Morgan's role in the development of corporate business in America.
   c. It describes Morgan's interests outside of finance.
   d. It explains what made J.P. Morgan so successful.

4. Which is a synonym for the word *crisis* as it is used in the second paragraph?
   a. dilemma
   b. emergency
   c. plight
   d. decision

5. Based on what you read, what might be considered J.P. Morgan's greatest contribution to our economy?

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