

# The Mellons: portrait of an American oligarchic family

by Freyda Greenberg

With this article on the Mellon family, *EIR* begins a series of profiles of the American oligarchy. This series, which will include features on the Morgans, the Biddle Dukes, the Fields, the Cabots, and the DuPonts, will expose the European-spawned but American-based families which have, since no later than the middle of the 19th century, subverted the republican institutions of the United States and whose shadowy eminences lurk behind too many of the political institutions, elected and non-elected officials that dominate U.S. policy.

The Mellon family is the wealthiest of these clans and an excellent example of a technically American family which—by virtue of its political and financial policy, its chauvinistic view of itself relative to the “beastlike” masses, and its fascination with the occult—represents merely a younger variety of old European feudalism. While these older European families would consider the Mellons parvenu cousins, the first American-based Mellon, the Scottish Presbyterian Thomas Mellon, considered the Baptist Rockefellers parvenu. Operating through intermarriage, migration, and international secret societies and freemasonic lodges, the European oligarchy have cultivated branches on U.S. soil. These branches may be technically American; however, from the standpoint of the principles upon which the United States was founded, the Mellons and their ilk are not Americans!

## Mellon wealth and politics

While the early origins of Thomas Mellon's wealth remain under investigation by *EIR*, there is certainly no denying that he initiated what may be the largest family fortune in U.S. history.

A conservative estimate performed in 1978 showed Mellon family assets to be at least \$4.75 billion. This figure derives from holdings in Gulf Oil, Alcoa, Koppers, General Reinsurance Co., Mellon National Bank, and the First Boston Corporation, plus proceeds from previous majority interests in these firms, and from endowments and property. Extremely conservative estimates of combined and separate

categories of wealth show the Mellon fortune far in excess of the wealth of the Getty, Hunt, D. K. Ludwig, Rockefeller, DuPont, or Ford fortunes. In addition, the Mellon National Bank, which has branches in London, Tokyo, Frankfurt, and Grand Cayman, has one of the best ratios of capital funds to assets of any U.S. bank.

The family has wielded their wealth to control elected officials since they bought the turn-of-the century Pennsylvania Senator Boies Penrose, who died of overeating in 1921. It was Penrose who pushed Andrew W. Mellon for the post of Treasury Secretary in the Harding administration over the up-and-coming Herbert Hoover. Free-enterprising Mellon was the international oligarchy's favored choice to prepare the United States for the Great Depression. Today the Mellons own, at least, Pennsylvania Republican Senator H. John Heinz III, who himself paid over \$3 million from his own family's coffers to buy his election in 1976.

This is not to imply that the Mellons or their ilk only purchase local politicians. There is abundant evidence that they now own a considerable chunk of the Democratic Senator from Texas, Lloyd Bentsen. Then of course there was the post-Watergate revelation that Mellon's Gulf Oil Co, between 1959 and 1973, spent \$12.3 million in political contributions—\$5.2 million in the United States in violation of federal statutes and \$7.1 million to foreign politicians. \$4 million of this last amount went to the Democratic Republic Party of South Korea. Other money went to Italy, Canada, Sweden, and Bolivia. While such Watergate-era scandals felled many a former prominent figure, the Mellons went by unscathed. The notorious oligarchic henchman John J. McCloy, contracted by the Mellons to “investigate,” produced findings that former Gulf Chairman William Whiteford committed these wrongdoings behind the backs of the Mellons.

The family has dealt decisively with politicians who did not submit to them. When former Pennsylvania Governor Milton Shapp campaigned for re-election in 1974, promising

to divest the Mellon bank of almost sole control (some \$3.4 billion) of state funds, Richard Mellon Scaife, a great-grandson of the American originator of the family, poured his money into the candidacy of Drew Lewis (now Transportation Secretary) in an effort to unseat the disobedient Shapp. When this tactic failed and Shapp was re-elected, Shapp became the target of a federal investigation and was framed and then removed from office for violation of campaign financing regulations. A suit filed by the State Public School Building Authority against the Mellons in 1976, based on findings of a Shapp-initiated probe which showed the Mellons misusing state funds for their own profit, was thrown out of federal court in July 1980. The state opted not to appeal, yielding to the financial drain the litigation had already caused to state coffers.

### **The Mellons' oligarchic policies**

One of the great myths in the United States is that financiers like the Mellon family were committed to industry. The founder of the American branch of the family, Thomas Mellon, became a lawyer in Pittsburgh after emigrating from Ireland in 1818. While at this seemingly modest post, Mellon amassed great wealth by "trading in other people's debts." Mellon's financial "philosophy" does not essentially change through the entire financial history of the family—that method being that whatever appreciates the value of land is good. If that be steel mills, which at one point it was, the Mellons would fund the mills; if that be coal. . . . To say, however, that at any point in their history, the Mellon family was committed to industrial development, would be pure fiction.

In the early years of World War II, long before the abandonment of heavy industry in the United States and its replacement with high-priced real estate and post-industrial businesses, the Mellons were already committed to the scheme. Richard King Mellon, son of Richard Beatty Mellon and grandson of Judge Thomas Mellon, led the founding of the Allegheny Conference on Community Development immediately following the war. The group fought for the anti-pollution legislation which finally ran the remaining-steel and coal-related firms out of the city. In its stead, the Conference developed the Point Park, the Gateway Center skyscraper, etc. In this period and increasingly in the years to come, the way to appreciate the value of land was to tear down the plants and the housing and build office buildings and shopping centers. The Allegheny Conference became the immediate paradigm for groups in Baltimore and Boston, where the Mellons own some 20 percent of the First Boston Corp., and subsequently in major "formerly industrial" cities throughout the United States.

Mellon family foundations have long funded policy institutions that promote this essential scheme. They have funded the Aspen Institute since its inception in 1949; they helped found the Wharton School along with August Busch and Baron Edmund de Rothschild; they have been the principal sponsors of the popularization of Milton Friedman's

free trade policies. Richard Mellon Scaife, the nephew of Richard King Mellon and the great grandson of Judge Mellon, is the leading financial angel of the New Right movement which has provided the ideological cover for Friedmanite policies. Scaife money helped create the Heritage Foundation and supports the Hoover Institution, the American Enterprise Institute, the Institute for Contemporary Studies, the Committee on the Present Danger, and the Committee for a Free World.

In addition to free trade economics and various new right fronts, the Mellons concentrate on conservation and resource control, population reduction, and psychological manipulation. Huge sums of money go to the following institutions for the above-stated ends: World Wildlife Fund, Resources for the Future, Brookings Institution, Overseas Development Council, Population Reference Bureau, Inc., Planned Parenthood Federation of America, Inc., American Friends Service Committee, Program for the Introduction and Adaptation of Contraceptive Technology (PIACT), Population Council, Tavistock Institute, Center for Advanced Study in Behavioral Science at Stanford, the Anna Freud Foundation, Menninger Foundation, and the Academy of Religion and Mental Health. Most recently, the A. W. Mellon Foundation granted \$320,000 to the World Wildlife Fund to prove that the Brazilian rainforest can never be developed without causing irreparable damage to the world's ecology.

### **The feudal outlook**

There is perhaps no better way to see the Mellons' likeness to the old world feudal oligarchs than to meet some of the more illustrious members of the family.

● *Judge Thomas Mellon* was blatant about his total disdain for his fellow man. He adamantly renounced his own roots in Ireland, consoling himself that the Northern Irish Presbyterians were "better than the barbarous Celts of southern Ireland." Regarding the Irish people, he said: "I have known many good, honest, industrious and human people among them . . . but these are the exceptions to the general rule. . . . I have come to the conclusion that the only way to settle the Irish question would be to sink the island."

During the Civil War, he maintained an intimate relationship with the traitorous Secretary of War Stanton (later linked to the assassination of President Lincoln) and urged against the draft: ". . . there is always a disproportionately large class of men fitted by nature for a service which requires so little brain work as that of the common soldier, and who are more valuable to their country and themselves as soldiers at such a time than in any other capacity. It is a mistake to suppose it the duty of every man to enlist when his country needs soldiers. . . . If a man is wise . . . he will avoid the folly of soldiering. . . ."

The Judge believed trade unionism was counter to "natural justice," violating the natural economic laws that distribute capital and labor fairly. Public education was likewise a violation of law: "There is no more reason for compelling

one man to pay, not only for the education of his own children, but for the education also of other men's children, than to compel him to feed and cloth other men's children." His rhetoric in defending the taxpayer from public education and municipal bonds was virtually identical to today's free traders.

While not believing in trade unions, public education, municipal bonds, or the intelligence or sanctity of the American citizen, Mellon did believe in the possibility of establishing contact with the other world. Mellon attended seances in Pittsburgh and also left his family and business in 1892, at the age of 77, to attend seances in Kansas City. The Judge was especially trying to contact his son Selwyn, who had died in 1862. Mellon was also fascinated with the discovery of the aluminum process; however, evidence indicates that this fascination stemmed from his interest in alchemy!

● *Richard Beatty Mellon*, son of Thomas Mellon, was the first in the family to cultivate the British tradition of foxhunting. R.B. built the Rolling Rock farm and country club with his son Richard King Mellon beginning in 1917. This became an 18,000 acre spread in Ligonier Valley, Pennsylvania. Richard King traveled to England in 1921 to develop a "suitable pack of foxhounds" with the aid of the secretary of the Master of the Foxhound Association of England and Ireland, George Evans, Esq. The Rolling Rock foxhunt began in 1924 and is a perennial favorite among anglophiles. There has been an ongoing problem for the Mellons with area farmers who object to the hounds and horses galloping through their property at will. The Mellons, on the other hand, have argued against the farmers using modern fencing, as this hurts the horses!

● *Andrew Mellon* was the most renowned of the second generation Mellons, serving as Treasury Secretary in three administrations beginning with President Harding in 1921. His role in creating the last depression comprises a story itself.

In a more personal vein, Mellon was not especially interested in women throughout most of his life. He experienced a close relationship with Henry Clay Frick who finally fixed Mellon up with Nora McMullen of the Guinness Stout fortune when Mellon was past 40. His marriage was a well publicized failure. During the divorce proceedings, testimony centered on Nora's affair with Englishman Alfred Curphey and the relative sizes of the parties' sexual organs. Nora was not only unhappy with Andrew; she, coming from a European oligarchic background, had trouble adjusting to industrialism: ". . . my joy was saddened by the dread of the thought that this baby was to grow up to stand all alone as the master, not of a loyal set of workmen, devoted tenants and affectionate servants . . . but as the master of an unreasoning horde of wage slaves, with an instinctive hatred for the man in the manor. . . ."

While not successful as a husband, Andrew loved to shop for his children, "he became a connoisseur because he, himself, played with the toys . . . the dolls, too." It is difficult to say what kind of life the Kissingeresque Mellon would have

led today.

Like his father, Andrew also showed a penchant for the "spiritual." It is reported that Andrew was tutored by the Nazi, occultist psychoanalyst Carl Gustav Jung to be a witch.

● *Paul Mellon* is the son of Andrew and Nora, who in his youth held a striking resemblance to Nora's English friend Alfred Curphey. Paul heads the cultural branch of the family, founding along with his father the National Gallery of Art. Paul, who was raised largely in England, lives on an estate in northern Virginia and shared the passion for the foxhunt of his relatives Richard Beatty and Richard King Mellon, both now deceased.

In 1939, Paul and his wife Mary Conover Mellon went to have psychoanalysis with Carl Jung in Zurich, Switzerland. They both returned transformed. Mary, who suffered from what Jung believed was psychosomatic asthma, was anxious to rid herself of it so as to share foxhunts with her husband. Convinced of her cure after Jung's sessions, Mary died of an asthma-induced heart attack following a horseback ride in 1946 at the age of 41.

Upon Paul's return from Zurich he founded two foundations, The Bollingen Foundation and the Old Dominion Foundation. Bollingen sponsored the publication and research of all of Jung's work as well as studies in: the occult, alchemy, Iranian religious consciousness, Erich Neuman's work on the Great Mother archetype, and Alan Watts's psychedelic mysticism. In 1948, the first Bollingen Prize for Poetry was given to Ezra Pound, who at the time was confined to a mental institution and under indictment for treason as a result of his pro-fascist and anti-Semitic propaganda broadcasts from Italy during World War II.

The Old Dominion Foundation funded the Aspen Institute from its founding in 1949 as well as the Tavistock Institute of London. Paul was a firm believer in the mass application of the psychological conditioning methods developed by Tavistock especially during World War II. In addition to his Bollingen-related grants, Paul funded a collection of manuscripts on alchemy and the occult at Yale and in 1949 gave his alma mater \$2 million (today's equivalent of more than \$6 million) earmarked to provide psychiatric counseling for students.

● *Matthew Taylor Mellon* was a confirmed Nazi. He studied under the British mathematician Alfred North Whitehead at Harvard and then studied under Martin Heidegger at the Albert-Ludwig University in Freiburg, Germany. Matthew, already heavily influenced by the then-fashionable H. L. Mencken, became a thoroughgoing Nietzschean. In the late 1920s he began his thesis on the "Early American Views on Negro Slavery" which was used by the Nazis for propaganda material. When the European oligarchy opted to push Hitler into power in Germany, Mellon was already a solid Nazi supporter.

In 1935, Matthew Mellon published the following statement in the *Pittsburgh Press*: "Regarding the National Socialist Government and Germany's future, I have nothing but

strong approval and the highest of hopes for its ultimate successes. Being a property owner in Germany I regard Adolf Hitler as having saved my home from the communistic rabble that would have spread all over Europe had he not come to power in 1933. . . . The German people, with the exception of a few loud-crying minorities who do not matter much, have the utmost faith in him as the one man who can bring Germany back to a respectable place in the brotherhood of nations."

● *W.L. (Larry) Mellon* forsook the Pittsburgh corporate life to enter the field of cult philanthropy that, given the emergence of such potential new Hitlers as Guatemala's Rio Montt, is of major significance today. Supposedly inspired by the work of Albert Schweitzer, Mellon and his wife converted to Disciples of Christ, the faith of the late cult leader Jim Jones. Mellon obtained a medical degree from Tulane University and settled with his wife in Haiti where they built a "hospital" on land given them by United Fruit Co. Simultaneous with their move to Haiti, the government of President Magliore was overthrown by the notorious Francois (Papa Doc) Duvalier. The Mellons got along famously with Papa Doc and later Baby Doc. Regarding these brutal dictators, Mellon said: "Haiti is for the Haitians to govern or misgovern."

Of his medical education, Mellon said: "It burns me up sometimes to think I spent five years at medical school. I could have been here five years earlier. A doctor has no special magic for a place like this." Believing this, "Dr. Mellon" has promoted the continued use of witch-doctors in

Haiti, especially in psychiatric care of the natives.

Mellon funds his hospital through his Grant Foundation. Graduates of Yale and the University of Vermont medical schools are sent to "study" at Mellon's hospital, where they are brainwashed into abandoning advanced medical treatment in favor of a mixture of voodoo and bandaids.

### Latter-day Mellons

Current generations of Mellons include a wide variety of deviants, including two suicides. One of the more enterprising of the young Mellons is Billy Mellon Hitchcock, great grandson of Thomas Mellon. Hitchcock got involved in an international corporation: Dope, Inc. He befriended Dr. Timothy Leary in the early 1960s and, according to the *Village Voice* "transformed LSD manufacturing from cottage industry to big business." Hitchcock was finally busted in 1969, when federal authorities caught a courier carrying \$100,000 in cash to Billy from his Swiss banker, Johann F. "Freddy" Paravicini of the Paravicini Bank Ltd. Besides his own drug-related escapades, Hitchcock generously funded counterculture projects. Today he makes movies.

Another characteristic Mellon is Karl, son of the Nazi Matthew Mellon. Karl spent most of his adolescence in mental hospitals and finally met his wife-to-be in the Menninger Institute where they were both undergoing psychiatric care. They escaped and eloped. Karl, who has married twice since, maintains that he has not really changed from those days, but rather the world has.

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