



Adult Ed March 18th, 2012

The Jewish Financiers

In choosing the topics for these classes, I am often inspired by current events. I try my best to keep these classes relevant and I think that the story of Jewish history is one that is still unfolding. For this class, there was a very specific inspiration and it began on December 11th, 2008, the day that Jewish financier Bernard “Bernie” Madoff was arrested. Over the months that followed, the case would unfold to the reveal of the largest and longest-lasting cases of financial fraud.

Americans would become familiar with the term “Ponzi scheme.” Because Bernie Madoff was Jewish, as were so many of the other participants in the case, the case would also raise the specter of anti-Semitism. Would this case, coming at a time when America was reeling from crisis in the banking, mortgage and automobile industries provide a focus for the rage many Americans were already feeling? Bear in mind that many Americans were already angry at current Chairman of the Federal Reserve, Ben Bernanke, and at his predecessor, Alan Greenspan. As the events unfolded over the past three years, I knew that I wanted to do a class about Jewish financiers, touching on both the good and the bad, and about anti-Semitism in regards to the myth of Jewish control of the world’s finances. The questions that I wanted to address were:



- How much control do Jewish financiers actually have over America’s financial sector?
- What has been the history of Jews in finance?
- To what degree have American’s perceptions of the Jewish role been influenced by anti-Semitism and how did this come about?

Birth of a Stereotype

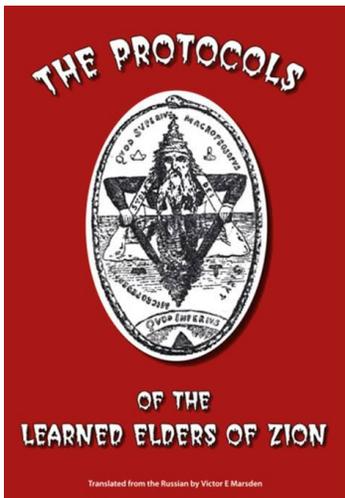
We know that a set of stereotypes about Jews exist and have existed for millennia: that Jews are by their very nature avaricious, driven by an innate need and desire to accumulate and hold onto wealth. Moreover, Jews have used “unfair” means (never quite defined) to acquire this wealth and that, once acquired, they use this wealth to control and manipulate Christian society. In his book *Jews and Money*, Abraham Foxman, National Director of the Anti-Defamation League, traces the growth of this malignant stereotype:

Beginning sometime in the Second Century, the Jews were guilty of *deicide*, that as a people they were responsible for the betrayal and murder of G-d. Not only that, but in the person of Judas, they had committed this worst of all possible crimes for money, for thirty pieces of silver.

Even before the Crucifixion, so the stereotype goes, Jewish avarice had led to a corruption of the people. Quoting from Matthew 21:12-13, “*Jesus entered the temple courts and drove out all who were buying and selling there. He overturned the tables of the money changers and the benches*

of those selling doves. “It is written,” he said to them, “My house will be called a house of prayer, but you are making it a den of thieves.”” This particular wording, the reference to the *den of thieves* would be used throughout history to vilify the business practices of Jews. As a historical footnote, the scene described in Matthew probably refers to the area of the Temple known as the Court of the Gentiles, where travelers came to exchange money to make sacrifice at the Temple. It was part of the prayer ritual.

By the time of the Middle Ages, law after law had been passed, preventing Jews from owning land, or businesses or working in many occupations. Only marginal occupations were left open, including the going from place to place to sell goods. Merchants or peddlers, depending on your level of success, had to deal with many different currencies. The lending of money, a necessary evil, was also one of the few professions open to Jews, who were excluded from the Christian laws prohibiting usury. When one receives borrowed money, one is glad to get it, although perhaps ashamed to need to borrow. But no one looks forward to the day when they have to pay it back. To quote the German-Jewish poet Heinrich Heine, “In this way the Jews were legally condemned to be rich, hated and murdered.”



The idea of wealthy Jews controlling and manipulating society has a long history, but it was codified in *The Protocols of the Elders of Zion*, a forgery first created by the Czarist regime of Russia in 1903, and reprinted many times since, including the infamous reprinting and distribution of 500,000 copies by Henry Ford in the 1920s. The Protocols would be used as a primary justification for the Holocaust by Adolf Hitler, who was a great admirer of Ford.¹ A series of anti-Semitic articles written by Ford would be collected and republished as *The International Jew*. Articles included had titles such as *The Jew in Character and Business*, *Jew Versus Non-Jew in New York Finance*, *Jewish Copper Kings Reap Rich War-Profits*, *How Jewish International Finance Function*, *Jewish Power and America's Money Famine*². Other articles claimed to reveal ties of Benedict Arnold to Jewish interests and Jewish financing of the Bolshevik Revolution in Russia.

There is no question that Henry Ford was an anti-Semite. In fact, he may be the ultimate, anti-Semite. Hitler had a picture of Ford on his wall and cited *The International Jew* as a major source of inspiration. But when he asserted that Jews had financed the Bolshevik Revolution, he had a particular person in mind.

Jacob Schiff was a born in Germany in 1847. The son of Moses and Clara Schiff, Jacob was descended from a long line of Ashkenazi Rabbis who could trace their roots all the way back to 1370. He was educated in the schools of Frankfurt and found employment as an apprentice in the banking and brokerage industry. In 1865, following the end of the Civil War, Jacob would come to America. He soon was licensed as a broker and in 1867 he became a partner in the firm of Budge, Schiff and Company. That firm did not fare well and, after it dissolved in 1872, Schiff would return to Germany where he became the manager of the Hamburg branch of the London &

¹ http://en.wikipedia.org/wiki/The_Protocols_of_the_Elders_of_Zion

² http://en.wikipedia.org/wiki/The_International_Jew



Hanseatic Bank. He would develop significant contacts there and, in 1874, Abraham Kuhn of the banking firm Kuhn, Loeb and Company would invite Jacob to return to New York. In 1875, Schiff would marry Theresa Loeb, the daughter of partner Solomon Loeb. By 1885, Schiff would become the head of the company.³

Schiff made some brilliant decisions, providing financing for the Pennsylvania and Louisville & Nashville railroads; for the Westinghouse Electric Company; and for the Western Union Telegraph company. Other investments, like the Metropolitan Street Railway of New York didn't turn out so well. But he succeeded more than he failed.

Schiff served as a director of such prestigious organizations as the Equitable Life Assurance Society, National City Bank of New York, Central Trust Company, Western Union Telegraph Company, Union Pacific Railroad, Bond & Mortgage Guarantee Company, and Wells Fargo & Company. His brother-in-law, Paul Warburg, served on the original Federal Reserve Board.

But Schiff was perhaps most famous for the loans that he made, through Kuhn, Loeb and Co., to the Empire of Japan in 1904 and 1905. These loans were made for the express purpose of allowing Japan to purchase modern weapons to use in their war against Czarist Russia. Schiff saw this as his opportunity to avenge the pogroms that the Czar had permitted or encouraged, most especially for the Kishinev pogrom of April 6th and 7th, 1903. Three days of rioting had left almost 50 Jews dead and hundreds more injured. In 1905, violence again flared up, beginning with protests against the Czar, followed by a brutal police response and then riots against the Jews, leaving 19 dead.

Schiff was a hero to Japan. He was awarded the Order of the Rising Sun, Gold and Silver Star by Japan. His intervention was taken by the Japanese as proof of the world-wide power of the Jewish people and, by some, of the existence of the Protocols of the Elders of Zion. A wealthy American Jew is changing the fate of nations in Europe and Asia through his control of vast sums of money, and this is happening only two years after the original publication of the Protocols by the same Czarist regime that is losing the war. Russia's loss to the comparatively diminutive nation of Japan, armed with the latest weapons, helped undermine the power of the Czar. Whether Schiff also directly financed the Russian Revolution is debated, but he certainly made an indirect contribution to the end of the Czar. Schiff believed that once the Czar was gone, anti-Semitism would disappear. That didn't quite work out.

Schiff would be very involved with the early Zionist movement, although as an observant Jew he had difficulty with the secular nature of the movement. He was also fiercely loyal to America. But he was, in fact, what Henry Ford feared: a wealthy Jew, exercising great power on the world's stage, from the shadows, so to speak.

³ http://en.wikipedia.org/wiki/Jacob_Schiff

The Finance Companies

Jacob Schiff became a very wealthy man in America, in part, because of the opportunity provided by his corporate sponsors. Abraham Kuhn had come to Cincinnati from Worms, Germany. There he joined with Solomon Loeb, a distant relative, to establish a dry goods store. The store was a moderate success. In 1867, Kuhn and Loeb moved to New York to establish a bank. It was Kuhn that returned to Germany to find and hire an experienced banker to run their operations. It was their singular good fortune to hire exactly the right man in the person of Jacob Schiff. One may infer that Kuhn was looking for not only an experienced banker, but one from a German Jewish background.

Jacob Schiff died in 1920. After his death, leadership of the firm passed into the hands of Otto Kahn, also Jewish and also from Germany. His father-in-law, Abraham Wolff, was also a partner at Kuhn and Loeb. Kahn would soon become known as the most able reorganizer of railroads in America, becoming good friends with E.H. Harriman, the railroad magnate. The firm of Kuhn and Loeb again prospered.⁴

By the 1970s, the firm of Kuhn and Loeb was faced with a difficult decision. In order to compete in the modern age they would need to either go public or join with a bigger firm. They chose the latter course and the firm was absorbed by Lehman Brothers.

In 1844, 23-year old Henry Lehman came to the United States from Rimpfing, Bavaria. The son of a cattle merchant, he would settle in Montgomery, Alabama and open a dry goods store. In 1847, his brother Emanuel would join him and then in 1850, the youngest brother, Mayer, would arrive. The store was renamed Lehman Brothers.

In the 1850s, cotton was one of the most important crops in the United States. The brothers began accepting raw cotton in trade from customers and reselling it. Soon the resale of cotton was the most important part of their business and they became cotton brokers. In 1855 Henry would die of yellow fever and the two surviving brothers would relocate to New York, which had become the center of the cotton trade. During the Civil War, they would partner with cotton merchant John Durr to keep the business going. After the war was over, they would help finance Alabama's reconstruction and continue to expand and diversify the business. In 1870, they were instrumental in founding the New York Cotton Exchange. In 1883, they joined the Coffee Exchange and in 1887, the New York Stock Exchange. In 1906, under Philip Lehman, the firm would partner with another Jewish-owned finance house, Goldman Sachs, to bring General Cigar onto the stock exchange. Over the next two decades, firms whose initial stock offerings were underwritten by Lehman Brothers included: F.W. Woolworth Company, May Department Stores Company, Gimbel Brothers, Inc., R.H. Macy & Company, The Studebaker Corporation, the B.F. Goodrich Co. and Endicott Johnson Corporation. In the 1930s, Lehman Brothers would underwrite the first television manufacturer, DuMont and then would help fund the Radio Corporation of America, better known as RCA. Also during this time, Lehman Brothers would help finance oil industry giants Halliburton and Kerr-McGee.⁵ In 2008, as a result of the bursting of the housing bubble and years of deceptive accounting practices, Lehman Brothers would declare bankruptcy.

⁴ http://en.wikipedia.org/wiki/Otto_Hermann_Kahn

⁵ http://en.wikipedia.org/wiki/Lehman_Brothers

The aforementioned Goldman Sachs was founded in 1869 by German Jewish immigrant Marcus Goldman. In 1882, his son-in-law, Samuel Sachs, would join the firm. The firm specialized in the issuance of commercial paper, an unsecured security used to raise money to meet short term needs. Essentially, it is an IOU, not backed by any collateral. Only firms with excellent ratings are able to use this means.

In the early 20th century, Goldman Sachs became a major player in the initial public offering or IPO market. In 1906, the firm managed the IPO for Sears, Roebuck and Company. For decades these types of trading activities helped the firm become enormously successful. In 1929, the stock market crash forced Goldman Sachs to refocus.

By 1930, Sidney Weinberg, took over leadership of the firm. Weinberg's story is a true tale of rags to riches. Born to immigrant parents in Brooklyn, he was one of eleven children. His father was a whole liquor dealer. Sidney never got farther than junior high school, dropping out from P.S. 13 to take a \$3 a week job as a janitor's assistant. The firm that hired him was Goldman Sachs. The grandson of the firm's founder, Paul Sachs, liked Sidney and got him promoted to the mailroom. Weinberg showed his initiative by reorganizing the way mail was sorted and delivered. To help with his penmanship, Sachs would send Weinberg to Brooklyn's Browne's Business College. Weinberg would join the Navy and serve during World War I, then return to the firm as a securities trader. He would continue to advance within the company, becoming a senior partner and then the CEO in 1930. He would be credited with saving the company from bankruptcy by redefining the firm as an investment banker. Not that Goldman Sachs ever completely abandoned its roots. In 1956, Goldman Sachs would be the lead advisor for the Ford Motor Company IPO. In 1969, Weinberg would hand over the reins to Gus Levy who would rebuild the trading franchise.⁶



Kuhn and Loeb, Lehman Brothers and Goldman Sachs were not the only Jewish financial firms. Before Jacob Schiff, German Jewish immigrant Joseph Seligman would establish the J. & W. Seligman & Co. bank that would, among other ventures, finance the Union cause during the Civil War. In the modern era, circa 1960, Leon Levy would establish the Oppenheimer family of funds.

Abraham Foxman, previously mentioned, takes pains to provide statistics that refute many of the anti-Semitic stereotypes. For example, according to Foxman and others, Jews are **more** likely to contribute to charities than their equivalent non-Jewish fellows, refuting the myth of Jewish cheapness. But let me offer a different perspective.

Henry Ford's anti-Semitic writings appeared in the Dearborn Independent in the 1920s. Father Charles Coughlin's radio show and reprinting of the Protocols occur in the 1930s, from 1934 to 1938. Historically, this was after the waves of Jewish immigration, after Jews had left the Lower

⁶ http://en.wikipedia.org/wiki/Sidney_Weinberg

East Side ghetto, after Jews had become largely accepted into American society. The days of the first American Jewish millionaires had also passed. What had happened was that as a group, Jews were more successful and more integrated into American society of the 20th Century than they had ever been before. The majority of financial companies were still owned by non-Jews and the majority of employees were still non-Jews; it was just that the relative percentages were changing. Henry Ford didn't have a problem with the stock firm formed by Charlie Merrill and Edmund Lynch; but when Kuhn and Loeb are successful, that is something different.

The second thing that should be taken into account is the changing face of America. Henry Ford started to write during the Roaring Twenties, a boom time. His rhetoric was directed against the Jews for both their wealth and for their support of socialism. Coughlin's radio show was during and after the Great Depression, and blamed Jews for both the financial collapse and for the social policies implemented to get us out of the Depression, for the New Deal.

The New Conservatives

Most American Jews, then and now were liberal. For example, since 1932, the majority of Jewish voters have voted for the Democratic Presidential candidate, with only one exception:

<u>Year</u>	<u>Candidate</u>	<u>% of Jewish Voters</u>
1932	Roosevelt	82%
1936	Roosevelt	85%
1940	Roosevelt	90%
1944	Roosevelt	90%
1948	Truman	75%
1952	Stevenson	64%
1956	Stevenson	60%
1960	Kennedy	82%
1964	Johnson	92%
1968	Humphrey	81%
1972	McGovern	65%
1976	Carter	71%
1980	Carter	45%
1984	Mondale	67%
1988	Dukakis	64%
1992	Clinton	80%
1996	Clinton	78%
2000	Gore	79%
2004	Kerry	76%
2008	Obama	78%

But not everyone approved of the New Deal and the new conservative ideology was, perhaps ironically, developed by two Jews.

⁷ <http://www.jewishvirtuallibrary.org/jsourc/US-Israel/jewvote.html>

Ayn Rand was born Alisa Zinov'yevna Rosenbaum to an upper-middle class family living outside St. Petersburg in Russia. She was 12 years old at the time of the Russian Revolution. Her family supported (or at least was sympathetic to) Alexander Karensky. Her father's pharmacy was confiscated by the Bolsheviks; her family fled to Crimea where the White Army held sway. When the Russian Civil War ended, they returned to St. Petersburg, now renamed Petrograd. They faced desperate times, including food shortages.



Rand actually benefited from the Revolution, in a sense. Now universities were open to women, even Jews, for study. It was there that she was introduced to philosophy, including the works of Nietzsche. She also discovered the writers Fyodor Dostoevsky, Victor Hugo, Edmond Rostand, and Friedrich Schiller, who became her favorites. Before she could finish her degree, she was purged along with many other students, although she would later be allowed to return and finish her degree. In 1925, she would move to the United States and attempt a career as a movie actress. She landed a job as an extra in the Cecille B. DeMille movie *King of Kings*. She then went into writing screenplays and sold some, though none were produced. In 1936, Rand wrote *We the Living*, a semi-autobiographical work about life in the Soviet Union. In 1943, she would write *The Fountainhead*, which would be made into a motion picture by Warner Bros. In 1957, *Atlas Shrugged*, was published. This would be her last novel and thereafter she would become a philosopher. She called her philosophy "Objectivism" and described it as "the concept of man as a heroic being, with his own happiness as the moral purpose of his life, with productive achievement as his noblest activity, and reason as his only absolute." This is in opposition to Marxism that views the individual as only a part of the greater society. Regardless of whether you agree or disagree with her thinking, that it has been influential cannot be denied.⁸

A brief note about her name. In a letter to a fan, circa 1937, she would write "Your letter inquiring about the origin of my name has been forwarded to me. In answer to your question, I must say that 'Ayn' is both a real name and an invention. The original of it is a Finnish feminine name. . . . Its pronunciation, spelled phonetically, would be: 'I-na.' I do not know what its correct spelling should be in English, but I chose to make it 'Ayn,' eliminating the final 'a.' I pronounce it as the letter 'I' with an 'n' added to it." Rand is also an assumed name, although it seems that her family had begun using the less Jewish name as early as 1926, while still in Russia.⁹

If Rand produced the philosophy for the new generation of conservatives, Milton Friedman wrote the economic framework for that generation.

Despite his claims that he was not ideological and that his theories were simply based on facts, he provided an important philosophical basis for generations of financiers. Friedman devoted his life to refuting the ideas of John Maynard Keynes. Instead of the Keynesian model of government actions, including monetary policy, as a necessary counter-balance to private sector decisions during times of crisis (such as the WPA projects during the Depression.) The short version of

⁸ http://en.wikipedia.org/wiki/Ayn_Rand

⁹ http://www.aynrand.org/site/PageServer?pagename=about_ayn_rand_faq_index2#ar_q3

Keynesian economics is that the government, as the largest spender in modern countries, can decrease unemployment by increasing spending. Friedman offered instead a simple and easily understandable theory called monetarism. Friedman theorized that there is a “natural” rate of unemployment and that any attempt by the government to reduce unemployment below this “natural” level will increase inflation.¹⁰ Although he was opposed to all kinds of agencies, including the Federal Reserve, he argued that if we are going to have a Federal Reserve all that it should ever do is make small adjustments to the monetary supply.

Friedman opposed government activities including the building of local roads, public schools, negative income taxes, conscription, licensing of medical professionals and regulation of the finance industry. He taught for more than three decades at the University of Chicago, was a leader and founder of the Chicago school of economics, a Nobel Prize winner and has been called “the most influential economist of the second half of the 20th century.” I would offer that many of his ideas were influenced by his early background as a religious Jew.

Friedman was born in 1912, in Brooklyn, New York to Hungarian-Jewish parents. Both his parents worked in the dry goods business. Not long after Milton was born, the family would move to Rahway, New Jersey. Friedman would graduate from Rahway High School just before his 16th birthday and would be accepted to Rutgers University. He majored in mathematics, intending to become an actuary, but he would be so influenced by two economics professors, Arthur F. Burns and Homer Jones, and would change career paths. He would go on to get his master’s degree at the University of Chicago and his doctorate at Columbia University. It was while in Chicago that he would meet his future wife and fellow economist, Rose Director, and her brother, Friedman’s friend and mentor, Aaron Director. During the 1930s, Friedman and his wife stated that they “regarded the job-creation programs such as the WPA, CCC, and PWA appropriate responses to the critical situation,” but that they vehemently opposed price and wage controls such as those put in place by the National Recovery Administration and the Agricultural Adjustment Administration. As time went on, in retrospect, Friedman would come to the conclusion that all government intervention was wrong, that the entire New Deal was “the wrong cure for the wrong disease” and that the Depression itself was not the result of risky speculation but of poor policymaking affecting the banking industry.



In 1948, Friedman began a monumental project, in conjunction with researcher Anna Schwartz, to gather data to disprove the Keynesian theory of the income multiplier. They would compare money supply and GDP to prove a direct relationship between the two. They first gathered data from the Depression on. It didn’t work. They then went all the way back to the Civil War period. Again the proof was lacking, although using the longer period indicated that the effect of the multiplier was less than Keynes had thought.

¹⁰ http://en.wikipedia.org/wiki/Milton_Friedman

What did happen was that Friedman came to the attention of Harold Luhnow, who was then managing the Volker Charitable Fund. The fund was originally set up by a Kansas businessman, William Volker, to help the needy. When William Volker died in 1947, his nephew, Harold Luhnow, took control of the fund and repurposed it to supporting right-wing and libertarian ideology. Luhnow was a second generation German American. In 1962, the fund helped Friedman to publish his book *Capitalism and Freedom*. The fund would also support other conservative authors, including Bruno Leoni (author of *Freedom and the Law*) and Friedrich Hayek (author of *Constitution of Liberty*)¹¹. In 1963, Friedman would publish *A Monetary History of the United States, 1867-1960*, the book based on his research with Anna Schwartz. By 1964, Friedman had come to the attention of the Republican Party, with Barry Goldwater naming Friedman his chief economic advisor.

I had never understood Friedman's point of view, until I read *Age of Greed* by Jeff Madrick. As a young boy, Friedman was very religious, so religious that at age 15 he ran away from Boy Scout camp, because other boys were cooking hot dogs that contained pork. But by the time he reaches adulthood, religious Judaism has been replaced by a new belief system, a system of conservative economics that opposes regulation and conveys an almost religious significance on the free market. Let me offer some quotes from an article by Friedman entitled *Capitalism and the Jews*, originally presented as a lecture in 1972:

“Let me start by briefly documenting the first proposition: that the Jews owe an enormous debt to capitalism. The feature of capitalism that has benefited the Jews has, of course, been competition. . . . The market is color blind. No one who goes to the market to buy bread knows or cares whether the wheat was grown by a Jew, Catholic, Protestant, Muslim, or atheist; by whites or blacks.”

“Except for the sporadic protection of individual monarchs to whom they were useful, Jews have seldom benefited from governmental intervention on their behalf. They have flourished when and only when there has been a widespread acceptance by the public at large of the general doctrine of non-intervention, so that a large measure of competitive capitalism and of tolerance for all groups has prevailed. They have flourished then despite continued widespread anti-Semitic prejudice because the general belief in non-intervention was more powerful than the specific urge to discriminate against the Jews.”

“Despite this record, for the past century, the Jews have been a stronghold of anti-capitalist sentiment. From Karl Marx through Leon Trotsky to Herbert Marcuse, a sizable fraction of the revolutionary anti-capitalist literature has been authored by Jews. Communist parties in all countries, including the party that achieved revolution in Russia but also present-day Communist parties in Western countries, and especially in the U.S., have been run and manned to a disproportionate extent by Jews—though I hasten to add that only a tiny fraction of Jews have ever been members of the Communist party.”¹²

The article goes on and discusses why Jews, allegedly the beneficiaries of the free market, are and continue to be left-leaning and favor controls on capitalism, even in Israel, where Jews **are** the

¹¹ http://en.wikipedia.org/wiki/William_Volker_Fund

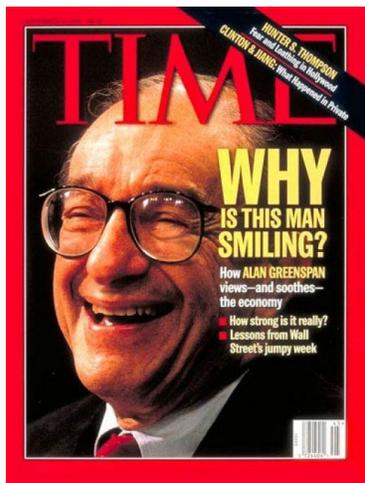
¹² <http://www.thefreemanonline.org/columns/capitalism-and-the-jews/>

State. At no time does Friedman, certainly having read the Bible as a young man, mention that constraints on capitalism date back at least as far as the Laws of Moses. For Friedman, Adam Smith's *The Wealth of Nations* has replaced the Bible. Like many conservatives, Friedman finds Divinity in what Smith described as "the invisible hand" guiding economics. What is today referred to as the General Equilibrium Theory may be considered by some as evidence of a "higher-intelligence" guiding the market place.¹³

Friedman and, to some extent Rand, set the stage for the modern era of finance. To understand the importance of Rand and Greenspan, think of them as being at the opposite end of the philosophical spectrum from that other Jewish economist and philosopher, Karl Marx. Marx thought of the individual as a cog in the great machine and benevolent machine of The State. The writings of Karl Marx, innocuous in themselves, serve as the foundation for the Soviet State. Rand supported the primacy of the individual and Friedman saw the economic rules of the American government, many of which had been passed to prevent another Great Depression from taking place, as hindering the natural advancement of the economy. While Friedman does not bring on anything nearly so horrendous as the Soviet State, his students, including Alan Greenspan, put his theories into practice by dismantling the rules that had protected the American economy.¹⁴

The New Feds

In 1974, when Alan Greenspan was sworn in as chairman of President Gerald Ford's Council of Economic Advisors, three invited guests were there to witness his triumph: his mother, Rose Goldsmith Greenspan, a Jewish woman born in Hungary, Ayn Rand and her husband Frank O'Connor. Rand would say of Greenspan, "Alan is my disciple. He's my man in Washington."¹⁵ Rand would stand next to Greenspan at his swearing in ceremony.



Greenspan was born in the Washington Heights section of Manhattan in 1926. His mother, previously mentioned, had come over from Hungary. His father, Herbert Greenspan, had come from Romania. Greenspan attended George Washington High School, graduating in 1943. In 1945, he enrolled in New York University, where he earned a bachelor's degree in economics *summa cum laude* in 1948 and a master's degree in economics in 1950. He then enrolled in Columbia University, studying under Jewish economist Arthur Burns (who would chair the Federal Reserve from 1970 until 1978), but left before completing any degree there. In 1977, Greenspan completed his Ph.D. in economics at NYU.

While still at NYU, Greenspan had started working under Eugene Banks, a managing director at the at the Wall Street investment bank Brown Brothers Harriman. Greenspan began in the firm's equity research

¹³ http://en.wikipedia.org/wiki/Invisible_hand#Abusing_Smith.E2.80.99s_statement_of_an_invisible_hand

¹⁴ http://economistsview.typepad.com/economistsview/2006/01/milton_friedman_1.html

¹⁵ http://articles.marketwatch.com/2010-06-19/news/30778323_1_greenSPAN-ayn-rand-nathaniel-branden

department. In 1948, upon graduation from NYU, Greenspan worked as an economic analyst at The National Industrial Conference Board, an economic think-tank. From 1955 until assuming the role of Chairman of the Federal Reserve, Greenspan was Chairman and President of Townsend-Greenspan & Co., Inc., an economic consulting firm in New York City, stopping only from 1974 to 1977 to serve as Chairman of the Council of Economic Advisers under President Gerald Ford.¹⁶

Despite some well known and high profile disagreements with Friedman, Greenspan was a monetarist and conservative. On June 2, 1987, President Ronald Reagan nominated Greenspan as a successor to Paul Volcker as chairman of the Board of Governors of the Federal Reserve, and the Senate confirmed him on August 11, 1987. Two months after his confirmation as Chairman of the Fed, the stock market crashed. In response to the crisis, Greenspan affirmed that the Fed was ready to “serve as a source of liquidity to support the economic and financial system.” Friedman would have agreed with that policy.

For much of his career, Greenspan was a strong advocate of financial deregulation and privatization. In March of 2005, in response to Greenspan’s support for President Bush’s plan to partially privatize Social Security, Democrat Harry Reid called him “one of the biggest political hacks we have in Washington.” Writing in the NY Times on February 18th, 2005, economist Paul Krugman said that Greenspan was a “three-card maestro” with a “lack of sincerity” who, “by repeatedly shilling for whatever the Bush administration wants, has betrayed the trust placed in the Fed chairman”.

In February of 2004, in a now infamous speech, Greenspan suggested that homeowners consider taking out low-interest Adjustable Rate Mortgages (ARMs) to take advantage of the Fed’s historically low rate of 1%. Soon after that, Greenspan began raising rates. In April of 2005, Greenspan said “Innovation has brought about a multitude of new products, such as subprime loans and niche credit programs for immigrants. Such developments are representative of the market responses that have driven the financial services industry throughout the history of our country ... With these advances in technology, lenders have taken advantage of credit-scoring models and other techniques for efficiently extending credit to a broader spectrum of consumers. ... Where once more-marginal applicants would simply have been denied credit, lenders are now able to quite efficiently judge the risk posed by individual applicants and to price that risk appropriately. These improvements have led to rapid growth in subprime mortgage lending; indeed, today subprime mortgages account for roughly 10 percent of the number of all mortgages outstanding, up from just 1 or 2 percent in the early 1990s.” Two years later, in March of 2007, the housing bubble burst, the subprime mortgage industry collapsed.

Greenspan appeared brilliant when he supported President Clinton’s deficit reduction policy. In 2005, Greenspan warned that enormous portfolios of some companies, representing nearly a quarter of the home-mortgage market, were shaky. Despite this, Greenspan opposed regulation of the market. In 2000, for example, Greenspan was among several experts who testified that the trading financial derivatives should be excluded from regulation. Greenspan would later testify that he had seriously underestimated the capacity for greed to overcome financial prudence.

¹⁶ http://en.wikipedia.org/wiki/Alan_Greenspan

Author Matt Taibbi described the Greenspan era this way: “every time the banks blew up a speculative bubble, they could go back to the Fed and borrow money at zero or one or two percent, and then start the game all over”, which made it “almost impossible” for the banks to lose money. He also called Greenspan a “classic con man” who, through political savvy, “flattered and bullshitted his way up the Matterhorn of American power and ... jacked himself off to the attention of Wall Street for 20 consecutive years.” Interestingly enough, Matt Taibbi’s famous coining of the term “Vampire Squid” in reference to Goldman Sachs, among other firms, is taken by Abraham Foxman as being an anti-Semitic reference.

In testifying before Congress in 2008, Greenspan would acknowledge that he had clung to his ideology too long and too tenaciously. Under questioning from Democratic Congressman Henry Waxman, who asked Greenspan to clarify, he said:

Waxman: “In other words, you found that your view of the world, your ideology, was not right, it was not working.”

Greenspan: “Absolutely, precisely. You know, that’s precisely the reason I was shocked, because I have been going for 40 years or more with very considerable evidence that it was working exceptionally well.”

With all due respect, I would offer that the United States had been moving toward financial collapse for 40 years, because of these very policies, policies that by and large have not changed. Like a compulsive gambler, it wasn’t until we nearly lost everything that we began to realize that we had a problem.

At this point, we need to introduce poor Ben Shalom Bernanke. Bernanke is the former Princeton professor who succeeded Alan Greenspan as the Chairman of the Federal Reserve. He was originally appointed to the position by President George Bush on February 1st, 2006 and reconfirmed in that position by President Obama in 2010. Bernanke is the son of Philip Bernake, a pharmacist and part-time theater manager. His grandfather, Harold Friedman was hazzan, a shocet and a Hebrew teacher. Raised in South Carolina, the Bernake family attended a small synagogue, Ohav Shalom. Despite being one of only a handful of Jewish families in the area, Jewish identity is very important to Ben Bernanke.

Prior to being confirmed as chairman of the Fed, and before the financial meltdown of 2008, Bernanke was best known for the Bernanke Doctrine¹⁷ built on the idea of the Great Moderation¹⁸, where he put forth the idea that modern policies had greatly decreased the volatility of financial markets. Bernanke has also been criticized for his role in the bailout, particularly in regard to AIG. He spends much of his time hiding from people who want to yell at him.

Understanding the Jewish Role

From 1970 until today, three of the five chairmen of the Federal Reserve have been Jews. The two exceptions were G. William Miller, who served for about 18 months under President Carter

¹⁷ http://en.wikipedia.org/wiki/Bernanke_Doctrine

¹⁸ http://en.wikipedia.org/wiki/Great_Moderation

and Paul Volcker, who served for 8 years under Presidents Carter and Reagan. These were the two non-Jews. Basically, for the remaining 32 years out of the last 42 years, the Chairman of the Federal Reserve has been Jewish. (Arthur Burns, mentioned briefly earlier, was born in Stanislawow, Galicia, when that was a province of the Austro-Hungarian Empire. He came over to the U.S. with his parents, settled in New Jersey, and earned his bachelor's and doctoral degrees at Columbia. He will go on to mentor Alan Greenspan.)

It is not just the statistical anomaly that makes this interesting to me. An anti-Semite might see this as evidence of Jewish control of the financial sector or even of the government. But the truth is that these men were appointed to their positions because of academic excellence and because they offered new and innovative ideas. Ideas that I personally might not agree with, but were certainly of interest to the respective Presidents. Nixon in particular blamed his lose in the 1960 election on a tight money supply and wanted to make sure that a sluggish economy would not hamper his 1972 re-election bid, which is why he turned Greenspan, in particular, refined the role of Chairman into an activist position.

The 1980s

Beginning in the last half of the 19th century and continuing on to current times, Jews had found success in the American financial sector. The biggest banks and the largest insurance houses were still controlled, in large measure, by “old money”, non-Jewish families. But in other areas, particularly in the stock market, Jews had found a degree of success that their parents and grand-parents could only have imagined. To achieve this success, they often had to innovate, to find new ways to get rich. The Lehman Bros. found wealth in underwriting; Goldman Sachs specialized in IPOs. Michael Robert Milken found his path in junk bonds.

Looking for finances that were not under the direct control of a few wealthy men or a few banks is not new. As far back as 1939, Charlie Merrill and Edmund Lynch had formed a brokerage house whose goal was “to bring Wall Street to Main Street.” Merrill Lynch pioneered seminars complete with child care providers so that husbands could bring their wives along to learn about investing. But as part of the response the stock market crash of 1929, the US government had passed a series of laws intended to protect consumers from making risky investments, such as the Glass-Steagall Act of 1933. Glass-Steagall mandated the separation of commercial banks and investment banks. But the theory of Monetarism, as popularized by Friedman and others, said that these protections were unnecessary and, in fact, restrained trade. (Glass-Steagall would be “reinterpreted” by the Federal Reserve in 1996, while Alan Greenspan was chairman, allowing for the 1998 merger of Citicorp and Travelers insurance.) Beginning in the latter half of the 1960s and continuing up to the crash of 2008, our government began to remove these protections. America was changing from a “savings” society to an “investment” society. In the Go-Go years of the 1960s, Americans began to invest in money market and mutual funds, which carried more risk but offered more reward. Times were good at first. However, the Dow would drop 30% between December 31, 1968, when it hit its high of 908.92, and May 26, 1970, when it reached its bottom of 631.6. A lot of people were hurt as the market plunged. But our memories are short and by the 1980s, Americans were once again looking for new investments and bright young financiers were ready to take advantage.

Born into a Jewish family living in Encino, California in 1946, Michael Milken graduated from the University of California Berkeley with the highest honors, was elected to Phi Beta Kappa and was a member of the Sigma Alpha Mu fraternity. He earned his MBA at the Wharton School of

Business. While at Wharton, he was influenced by W. Braddock Hickman who taught Milken that a portfolio of non-investment grade bonds, carrying a higher level of risk, often had returns higher than an investment grade portfolio. You can gain reward in exchange for the risk. It was his affiliation with these high-yield (and high-risk) bonds that brought Milken fame.

Through his Wharton professors, Milken landed a summer job at an old-time investment firm, Drexel Harriman Ripley. Milken would complete his MBA and join Drexel as director of low-grade bond research. Soon Drexel would merge with Burnham and Company to form Drexel Burnham. Milken would talk his boss into allowing him to open a high-yield bond trading department. Not long after he was given the green-light for the department, Milken would generate a 100% return on investment. By 1976, Milken's success would earn him an estimated \$5 million annual salary.¹⁹ By 1986, his salary had climbed to \$550 million.

What Milken "invented" that revolutionized the financial market was sort of a hybrid between a bond and a stock. It was called a bond, and therefore institutions that were restricted by law to bonds could buy it for their portfolios. Unlike a traditional bond, these shares paid out a large portion of their future cash flow to the holder; in this way they acted like stocks. They shared the name "junk bond" with what had been the leftovers from fallen companies, but these were intended for future expansions. Because it would difficult if not impossible to evaluate the potential for return, Milken designed his issues to be unrated bonds. He realized they were "subversive" since they undercut the established rating system, but, as an outsider, this did not disturb him. He had always been, as he described himself, "something of an iconoclast." He, moreover, saw that if he could open up the huge capital market to growth corporations, they would beat a path to his door. Milken conceived of his role as a marriage-broker, "bringing about kind of a marriage between institutions" and aggressive-new corporations.

By the mid-1980s, Milken's network of bond buyers allowed Drexel to raise large amounts of capital for his clients very quickly. When MCI was just starting out, Milken was said to have raised \$1 billion for them. Turner Broadcasting was also a beneficiary of Milken's fundraising. Casinos such as the MGM Mirage, Mandalay Resorts, Harrah's Entertainment and Park Place all turned to Milken to get financed. Corporate raiders such as Carl Icahn, Ronald Perlman and T. Boone Pickens raised the money necessary to buy up multibillion dollar corporations through Milken. Pickens in particular, who went after some of the biggest oil companies in the world including Gulf, Phillips and Unical, couldn't have done it without Milken. Perlman took over Revlon. Icahn took over TWA and was pursuing US Steel. Milken made this possible by selling bonds to thousands and millions of investors, mitigating the dependence on a small group of extremely wealthy and powerful financiers. By 1986, over 900 companies were using junk bonds to raise capital.²⁰ Milken was referred to as the most powerful financier since J.P. Morgan.

Michael Milken had been under the scrutiny of the Securities and Exchange Commission (SEC) since 1979. His department, the high-yield bond department, was notorious for bending if not breaking the rules. Some of the alleged actions were unethical, some were illegal. Milken and other Drexel brokers invested in the companies that they represented. At the peak of his wealth and power, a letter of intent from Drexel was enough to send stock prices soaring. And he made

¹⁹ http://en.wikipedia.org/wiki/Michael_Milken

²⁰ <http://www.edwardjayeinstein.com/archived/milken.htm>

lots and lots of money from his prestige and power. In 1989, he would be indicted on 98 counts of racketeering and fraud, for activities that included insider trading, stock parking (concealing who the real owner of a stock was), tax evasion and illicit profits. He would eventually be convicted of six counts of securities and tax violations, three of them stemming from his relationship with Ivan Boesky.



Ivan Boesky was born to a Jewish family in Detroit, Michigan. He went to Cranbrook Kingswood School in Bloomfield Hills, before graduating from Detroit's Mumford High School. He attended Wayne State University, Eastern Michigan University and the University of Michigan, but never received a degree. He was admitted to Detroit College of Law (now Michigan State University College of Law) despite lacking an undergraduate degree and

graduated in 1965.

By 1986, Boesky had become a remarkably successful arbitrageur on Wall Street, worth an estimated \$200 million. The term “arbitrageur” refers to one who invests or gambles on the differences in value of currency, items or stocks. Boesky had made at least a portion of his money buying large and conspicuous blocks of stocks based on inside information. When Boesky was arrested, he cooperated with the SEC, giving Michael Milken’s name among others as a source of his inside knowledge. Boesky would spend three and a half years in jail and be fined a \$100 million. He never recovered his reputation after his prison sentence. By his request, the Jewish Theological Seminary would remove his name from their \$20 million library.²¹

Boesky’s use of inside information was flagrant, with little or no attempt to conceal what he was doing. His arrest and subsequent sentencing occurred at a time when this type of offence was rarely prosecuted. Quoting from an article recently published in New York magazine:

“With Boesky’s arrest, an era ended. The government, which seemed to look the other way as people made big bets with inside information, had decided to put an end to the practice. In another year’s time, after a series of high-profile perp walks and indictments, no one would dream of trading on inside information. The arrests changed the game; if you found out news before you should have, you closed your eyes to it. Too dangerous; you’d get caught just like Boesky, or Marty Siegel, the most important investment banker of that time, or, alas, Michael Milken, the most powerful financier of the era.”²²

Martin A. Siegel, a junior associate at the firm of Kidder, Peabody and Company, specializing in corporate takeovers, was also implicated in the scandal of leaking inside information to Boesky.

²¹ http://en.wikipedia.org/wiki/Ivan_Boesky

²² http://nymag.com/nymetro/news/bizfinance/columns/bottomline/n_9352/

He would plead guilty to one count of conspiracy and one count of tax evasion, serve two months in prison and pay a \$9 million fine.²³

Dennis Levine, a managing director at Drexel Burnham, was also indicted for insider trading. In 1986, he would plead guilty to securities fraud, tax evasion and perjury. In exchange for having his sentence reduced, he would give over Boesky and Siegel and Boesky would in turn give over Milken.²⁴

Two questions arise from these convictions. If insider trading was as prevalent as the New York magazine article says it was, why were Levine, Boesky, Milken and Siegel all prosecuted? And does the fact that all four were Jews mean anything?

The prosecution of all three men was spearheaded by then U.S. Attorney Rudolph Giuliani. Giuliani has openly bragged that he staged arrests and leaked information to the press so that they, the press, would “do his job for him.” Giuliani is credited with inventing the “perp walk” parading people who had not been convicted before the media in handcuffs. His tactics in the pursuit of these high profile convictions were outrageous. He interrogated Milken’s 92-year old grandfather; indicted Michael’s brother Lowell, to put more pressure on Milken. He used the RICO law against Milken, the first time it was used outside of organized crime. He accused Milken of being “Cosa Nostra of the securities world.” And the press, particularly the writers at Barron’s magazine, ate all this up. Ben Stein, a self-hating Jew if there was one, was particularly out-spoken. As the case against Milken began to crumble and reporters began to question what the fuss was all about in the first place, Stein argued “there are number of well-known journalists in this country who are simply on Milken’s payroll.” No proof of this was ever offered.

The best known book on the scandal is *Den of Thieves* by James B. Stewart, a 1992 best-seller. Stewart is no slacker; he is a graduate of Harvard Law School. A member of the New York Bar and a Bloomberg Professor of Business and Economic Journalism at the Columbia University Graduate School of Journalism. He won a Pulitzer Prize for the articles that he wrote for the Wall Street Journal covering the Boesky and Milken hearings. Yet, he chose for his book’s title a reference from that Mathew verse. Many of the “facts” that he presented in his articles and his book have come into question and were never supported in court. What Stewart called “the greatest criminal conspiracy the financial world has ever known” turned out to be comparatively minor and fairly common. Michael Lewis once said that what Milken was really guilty of was “loitering in the vicinity of the (Savings and Loan) crisis.”

After leaving prison, Michael Milken was diagnosed with prostate cancer. He has made huge donations trying to find a cure or at least a treatment. In 2000, then NYC Mayor Giuliani was also diagnosed with prostate cancer. Michael Milken would visit him at Gracie Mansion and discuss treatment options. Mayor Giuliani told the NY Times that Milken had been “very kind and generous to me.”

Bernie Madoff

²³ http://en.wikipedia.org/wiki/Martin_A._Siegel

²⁴ http://en.wikipedia.org/wiki/Dennis_Levine

Milken, Boesky, Siegel and Levine all enriched themselves by cheating, by fraud and by abusing the trust that was placed in them. Were they treated differently because they were Jewish? I think so. But they all did things that were wrong.

Bernie Madoff stole, pure and simple. There is no ambiguity. And while Bernie was the more famous of the two, his partner in crime, Jeffrey Picower, actually stole more. Picower was the accountant and lawyer who concealed and moved the monies around. Picower died on October 25th, 2009, however his estate has settled claims against it for \$7.2 billion.²⁵

Depending on how you evaluate the amounts (does the loss of fabricated gains count?) the amount missing from client accounts totaled \$65 billion. The actual losses, if you only count the amounts given by investors and no longer available, totaled a “mere” \$18 billion. Not a bad haul for the son of a former plumber, turned stock broker.²⁶

Born on April 29th, 1938, in Queens, New York, Madoff is a second generation Jewish American. He graduated from Far Rockaway High School in 1956, briefly attended the University of Alabama, before returning to New York to complete his degree in political science from Hofstra University. He enrolled in Brooklyn Law School, but never completed a degree. Instead, in 1960, at the age of 22 and without a degree in business or finance or accounting, he founded Bernard L. Madoff Investment Securities.

Madoff started the firm to trade penny stocks with \$5,000 he had made as lifeguard and sprinkler installer. He also received a loan of \$50,000 from his father-in-law, accountant Saul Alpern. Bernie’s firm was an early adopter of the computer information technology that would become the NASDAQ. Madoff pioneered “payment for order flow” meaning that a dealer pays a broker for the right to execute a customer’s order. This has been called a “legal kickback” but most of the industry was okay with it. Madoff was so highly regarded that he sat on the board of the National Association of Securities Dealers (NASD), a regulatory body. He also served as Chairman of the NASDAQ.

Madoff has said that he began running the Ponzi scheme, where new investments are used to pay interest supposedly earned, whereas in reality the funds are being stolen, in the 1990s. Federal investigators believe that it started much earlier, as far back as the 1970s. The returns that Madoff paid out, and the confidence that he instilled, was so great that people and institutions eagerly lined up to give Madoff their money. The list of clients submitted to the U.S. Bankruptcy court was 162 pages long and included some of the largest companies in the world. But if you read the media coverage, you might think that Madoff only defrauded Jews. *The New York Post*, owned by Rupert Murdoch’s *News Corporation*, reported that Madoff “worked the so-called ‘Jewish circuit’ of well-heeled Jews he met at country clubs on Long Island and in Palm Beach”. The *New York Times* reported that Madoff “courted many prominent Jewish executives and organizations.” According to the *Associated Press*, these executives “trusted [Madoff] because he is Jewish.” Interviews were conducted with Ruth and Carl J. Shapiro, victims who lost \$400 million with Madoff. There was little or no mention of firms like Grupo Santander, loss of \$3.5 billion; Bank Medici of Austria, loss of \$2.1 billion; HSBC Bank, loss of \$1 billion. As Abraham Foxman points out, there was a deliberate attempt to highlight the Jewish aspect of the story, perhaps

²⁵ http://en.wikipedia.org/wiki/Jeffrey_Picower

²⁶ http://en.wikipedia.org/wiki/Bernard_Madoff

because it made the story more interesting, or because of an anti-Semitic bias. At about the same time as the Madoff case was capturing the attention of the press, Allen Stanford, chairman and CEO of the Stanford Corporation was arrested for what the SEC called “a massive Ponzi scheme” which would eventually be found to have involved \$8 billion in certificates of deposit. Nowhere in all the articles covering that case is his religion discussed. (He is Southern Baptist.)

Was the coverage of Madoff different because he was Jewish? Undeniably. But was this anti-Semitism or just a point of interest in the story? Almost every Jew with whom I discussed the Madoff story knew that Madoff was Jewish; for almost every non-Jew, it was either a minor point or something that they were unaware of. That is only anecdotal evidence, but there it is.

One thing that is so crazy about both Madoff and Picower and also Boesky, was that they gave extensively to charities, donations in the hundreds of millions of dollars. Examples include Madoff’s contribution of \$6 million to lymphoma research, \$19 million to the Gift of Life Bone Marrow Foundation; the Picower Foundation made donations of \$268 million over years; Ivan Boesky had donated \$20 million to a library. Was this penance or did they truly believe that they were not doing anything wrong?

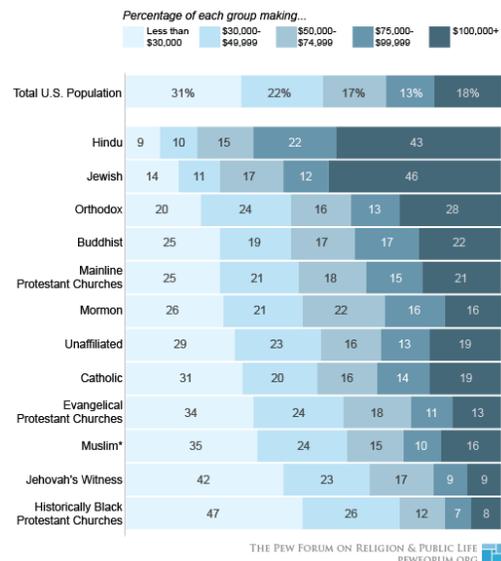
Conclusions and Summary

The influence of Jewish bankers and financiers is difficult to assess. If there are modern statistics to directly measure the degree of influence, I can’t find them. There is historical data: “A study undertaken by B'nai B'rith in 1939 revealed that out of 93,000 bankers in the United States only 0.6% were Jewish, and that even in New York City Jews formed only 6% of banking executives as compared to 28% of the general population. Similar statistics for a later period are unavailable, but reports of discrimination against Jews in major banks throughout the country persist and in 1968 the American Jewish Committee publicly filed a complaint before the Human Rights Commission of New York City charging the banking system with job bias against Jews.”²⁷

The American Jewish population, based on the often cited 5.6 million figure, comprises less than 2% of the population. Yet 3 of the richest 10 Americans (Larry Ellison, George Soros and Sheldon Adelson) are Jewish. Corporate raiders Carl Icahn and Irwin L. Jacobs are Jewish. (As an aside, Charles R. Schwab, the investment banker, is often cited as being Jewish. He is Roman Catholic.) One quarter of the Fortune 400 billionaires are Jewish.

As a religious group in the U.S., 46% of Jews make over \$100,000 a year, the highest of any group; the average for the total population is 18%.²⁸

Is it unreasonable to assume that as Jews achieved



²⁷ http://www.jewishvirtuallibrary.org/jsource/judaica/ejud_0002_0003_0_01978.html

²⁸ <http://www.pewforum.org/Income-Distribution-Within-US-Religious-Groups.aspx>

success in America, they preferred to bank with and to invest with Jews?

But to say that Jews have achieved financial success and that success can be assumed to have carried over to finance does not tell the whole story. One has to look at how that success has been achieved. 59% of Jews in America have graduated college; 35% have a post-graduate degree. Compare that to the national averages of 27% and 11% and it is obvious that there is a correlation between education and success.

Ynetnews created a sensation on October 26, 2011 when it published an article by Tani Goldstein entitled “How Did American Jews Get So Rich?”²⁹ A great quote from Danny Halperin, former Israeli economic attaché, offers an interesting perspective: “The Jewish tradition always sanctified studying, and the Jews made an effort to study from the moment they arrived in American. In addition, the Jews have a strong tradition of business entrepreneurship. The Irish, for example, came from families of land workers with a different mentality, studies less and initiated less.”

Educational Distribution of Religious Traditions

U.S. Religious Traditions	Less than high school	High school graduate	Some college	College graduate	Post-graduate	Sample Size
National Total:	14%	36%	23%	16%	11%	35298
Evangelical Churches	16%	40%	24%	13%	7%	9411
Mainline Churches	9%	34%	24%	20%	14%	7429
Historically Black Churches	19%	40%	25%	11%	5%	1985
Catholics	17%	36%	21%	16%	10%	7990
Mormons	9%	30%	32%	18%	10%	578
Orthodox	6%	26%	22%	28%	18%	362
Jehovah's Witnesses	19%	51%	22%	6%	3%	211
Other Christians	12%	22%	27%	20%	20%	129
Jews	3%	19%	19%	24%	35%	676
Muslims	21%	32%	23%	14%	10%	1031
Buddhists	3%	23%	26%	22%	26%	408
Hindus	4%	12%	10%	26%	48%	253
Other Faiths	7%	25%	28%	18%	21%	448
Unaffiliated	13%	34%	24%	16%	13%	5009

Danny raises an important point regarding the history of Jews in finance, one that is often underrated. Because Jews were not part of the power structure, they were forced to embrace innovation. From Goldman Sachs to Michael Milken, Jewish financiers found new ways to do things and, in so doing, helped move the American economy along. Certainly the embrace of IPOs, by more than just a few major banks, as means of generating capital helped move the American economy along. One of the areas debated today is the overall effect of the sale of junk bonds. Without doubt, it was a disruptive influence on the economy. But the sense is that it helped create as many jobs as it cost.

The final question regards anti-Semitism as a response to the success and influence of Jews in finance. To me, it is undeniable that, for good or ill, it does affect how Jewish financiers are perceived. This is not true in all cases nor from all people, but there is certainly a group whose perceptions are colored by anti-Semitic beliefs.

²⁹ <http://www.ynetnews.com/articles/0,7340,L-4099803,00.html>

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