Future plans

The Archive looks forward to working with colleagues from the Frankfurt Jewish Museum, which will close for a period of two years from summer 2015, as they develop their concept for the interpretation of the history of the Jews of Frankfurt in a new gallery. The Museum is currently housed in a former Rothschild property on the Untermainkai, which will be the base of the Museum’s future permanent exhibitions.

The staff of the Archive looks forward to developing knowledge of the collections on deposit at the ANMT in Roubaix, and to making them better known to the research community.

Notes

1 www.womeninscience.net/?page_id=297
2 www.womeninscience.net/?page_id=462
3 Illustrated on page 16.
4 www.gemeentemuseum.nl/en/exhibitions/rené-lalique-1860-–-1945

Nathan Rothschild and the Battle of Waterloo

Brian Cathcart explores an enduring myth about a key period in Rothschild history.

That Nathan Mayer Rothschild (1777–1836) was the first person in London to know of Wellington’s victory at Waterloo in 1815 has been asserted so often it is widely accepted as a historical fact. No less a historian than Elizabeth Longford repeated the claim in her great biography of the Duke in the 1970s, and more recently it appeared in Niall Ferguson’s official history of the Rothschild family.1 A second assertion is just as widely known: that Rothschild exploited his exclusive knowledge to make a killing on the Stock Exchange, probably employing some kind of deception to augment his profits. Versions of this have appeared in the Encyclopaedia Britannica and the Dictionary of National Biography, in scores of histories of Waterloo, of the Stock Exchange and of British Jewry, in works on business practice and intelligence, and in novels.2 In a more sinister vein it formed the basis of a 1940 Nazi propaganda film, Die Rothschilds: Aktien auf Waterloo, and it continues to find favour on neo-Nazi and anti-Semitic websites.
The story is more legend than fact. Not only is there nothing in the surviving historical record to suggest that Rothschild was the first in London to know of Waterloo, but we can say with some confidence that another man had that distinction. As for Nathan Rothschild making a killing, while it is likely that he made profits that week any gains can only have been modest by comparison with the fortunes made by others. And there is no question of trickery.

How such an ill-founded tale managed to gain currency and respectability is a curiosity in its own right, and there is no escaping the influence of anti-Semitism. As Victor, 3rd Lord Rothschild (1910–1990) found when he investigated these matters, the decisive event was the publication in Paris in 1846 of a pamphlet entitled *Histoire Edifiante et Curieuse de Rothschild 1er, Roi des Juifs*, whose author signed himself simply ‘Satan’. An attack on James de Rothschild (1792–1868) as a ruthless capitalist and enemy of the French people, it sold across Europe by the tens of thousands and it included the lurid tale of how James's brother Nathan profited from the deaths of Frenchmen at Waterloo. Nathan, it was said, witnessed the battle in person and rode in haste to the coast, where he bullied and bribed a fisherman into ferrying him to England through a terrible storm. In this way he reached London twenty-four hours before the official news and ‘gained twenty million in a single coup’ on the stock market. Such cynical opportunism at the expense of French people, insisted ‘Satan’, was typical of the Rothschilds: ‘This family is our evil genius.’

As the wealth and fame of the Rothschilds increased in the subsequent decades, so did the curiosity and envy of others, and the ‘Satan’ story was frequently repeated and just as frequently embellished. Notably, the element of trading subterfuge was added. No sooner had Nathan reached the City of London, it was claimed, than he deliberately provoked a collapse...
in stock market confidence by encouraging rumours that Wellington had been defeated. Only when prices were near to rock bottom, and after many investors had been ruined, did he begin to buy, and in this way he was able to double the gains he made when the victory became known. One historian remarked: ‘We cannot estimate how many livery servants, how many Watteaus and Rembrandts, how many thoroughbreds in his descendants’ stables, the man by the pillar [Rothschild] won that single day.’

This enhanced version of the story appeared in a first edition of the life of the dramatis personae (the day of the battle) in the diary of James Gallatin, an American then visiting London. This spoke of great public anxiety and noted: ‘They say Monsieur Rothschild has mounted couriers from Brussels to Ostend and a fast clipper ready to sail the moment something is decisive one way or the other.’ The Gallatin diary, however, has been shown to be a fraud concocted towards the end of the nineteenth century. Furthermore, nothing has been found in Rothschild’s business correspondence to support the notion that before Waterloo was fought he made arrangements for a fast communications channel. The Lucien Wolf version of the story therefore fails the evidence test.

More complex is what might be called the Wellington version. On a number of occasions in the 1820s and 1830s, well before the ‘Satanic’ story entered circulation, the Duke of Wellington asserted privately that the news of Waterloo was brought to Nathan Rothschild by an agent who learned of it at Ghent in Belgium, where the exiled French king, Louis XVIII, was staying. On the morning after the battle this agent saw a messenger deliver to Louis a letter announcing the victory and so he rushed to London by way of Ostend to inform his employer. Rothschild then did some profitable trading on the Stock Exchange before informing the government of what he knew.

This story, which only reached a wide public with the publication of various memoirs towards the end of the nineteenth century, has some foundation in recorded fact. Newspapers of the week that followed Waterloo reported that a ‘Mr C of Dover’ was present in Ghent when the news reached Louis XVIII on Monday 19 June and that he hurried to London, which he must have reached during the night of Tuesday to Wednesday – perhaps as much as twenty-four hours before the official word of the victory. This Mr C therefore has the distinction of having been the first person in London to know the French had been beaten – far as the known, contemporaneous historical record states. But there is nothing in that record to connect Mr C with Nathan Rothschild. Only Wellington’s tablet talk provides that link, and Wellington, very obviously, was not in London when these events occurred. His evidence is hearsay at best, and analysis shows that his tale improved with the telling: early versions of it did not mention Rothschild at all.

Further, Mr C’s actions once he reached London scarcely accord with Wellington’s tale, because he appears to have shared his information freely and at the first opportunity. Again the newspapers of those days are our witnesses and they record that the gentleman who had come from Ghent was telling his story publicly in the City on Wednesday morning – reports of it were in print as early as noon. This is not consistent with suggestions that Rothschild exploited the information for purposes of insider trading. (There is a further tradition which identifies the gentleman from Ghent as John Roworth, a known employee and messenger for Nathan Rothschild. But a letter in The Rothschild Archive leaves no doubt that Roworth was in London on that Monday and so could not have been in Ghent.)

Further reason exists for believing that Mr C was not, as Wellington claimed, a Rothschild employee. One surviving newspaper from the relevant days mentions Rothschild, and tells us that he did indeed receive early information of the battle. This was the Caledonian Mercury of Edinburgh, whose London correspondent wrote the following on the Wednesday evening, a few hours before Wellington’s messenger reached town with the official confirmation of the victory:

Good news — to be relied upon — Lord Wellington was joined on the 18th by 20,000 Prussians under Bülow and beat Bonaparte completely, taking nearly the whole of his artillery. Omnium is now up at 6. This I have from good authority – one who has seen a letter from Ghent, received by Rosschild, the great stockbroker whose information is invariably the best. He is now at the Foreign Office.”
Nathan Rothschild therefore received a letter from Ghent (and not a messenger) some time on Wednesday, 21 June. And significantly the piece of information cited in the newspaper report – relating to the Prussians – is not information that is attributed to Mr C in the earlier reports. In short, Rothschild had a different informant who sent him different information.

Let us take stock. Nathan Rothschild was not at Waterloo. There is no evidence to support the suggestion that he made special arrangements to have early news of the battle, whether by pigeon post or more conventional means. There is nothing in the historical record to suggest that he was the first person in London to know of the victory, indeed the evidence points firmly towards Mr C. Nor, despite Wellington's later assertions, do we have reason to believe that Mr C brought his news to Rothschild. What we do know, on the basis of contemporaneous evidence, is that Rothschild was one of a number of people in London who received private information about the battle before Wellington's official dispatch was delivered at about 11am on Wednesday.

At what time on Wednesday he received his letter from Ghent we can't be sure. The Caledonian Mercury correspondent almost certainly composed his report with the view that it should be up to date to about 7.30pm, so that it could depart on the 8pm mail coach to Edinburgh. No news of Rothschild’s letter had appeared in the London evening papers, which were avid for such information but which closed their final editions between 3pm and 4pm. Moreover the Mercury report speaks of Omnium, a government security, being 'up at 6', a price it did not attain until the afternoon.

A further clue indicates that it reached him before the close of trading on the Stock Exchange. John Roworth, the Rothschild employee mentioned above, subsequently travelled to Paris on bank business, and in late July he wrote a letter to Nathan which included the postscript: ‘I am informed by Commissary White you have done well by the early information which you had of the victory gained at Waterloo.’11 It is nothing more than an aside and it presumably refers to the letter from Ghent, but it may shed light on timings. For Rothschild to have ‘done well by’ the early information in the conventional, financial sense, he must have had time to conduct some business on the Stock Exchange on Wednesday. Thursday morning, after the overnight official confirmation of victory had sent stocks sharply upwards, would have been too late. In sum, the various clues suggest that Rothschild's letter from Ghent reached him in the course of Wednesday afternoon.

Consideration of Roworth's postscript brings us to the suggestion that Rothschild manipulated the market, and once again there is no evidence for this. In particular, the often-repeated claim that he engineered a panic and a slump in prices by spreading word of a defeat is disproved by the progression of the price of Omnium on the Tuesday and Wednesday. This was the government security whose movements were most closely linked to success or failure on the battlefront, and it never slumped. According to the daily stock reports in the Morning Chronicle, Omnium opened on Wednesday at 4-3/4 per cent premium, climbed to around 6 per cent and then slipped back to 4-1/4 per cent at the close. Why did it slip back? It is true that there were rumours of a defeat (as well as further reports of victory), and we also know that there was profit-taking, but the decline should be seen in context: Omnium fell no lower than its opening price on the day, and that in turn was the highest price it had reached up to that date. A stock that dips below its peak is not the same as a stock that slumps.

It appears likely, from Roworth's postscript, that Rothschild bought stocks on Wednesday afternoon. If he did so at around 1 per cent premium then he could have sold the next day at 8 per cent or more – a very handsome overnight return fully worth the description 'doing well'. But again context is required. Many investors made far larger profits that week. The original contractors to that month’s government loan – at that time the largest ever raised –

In this letter of 24 August 1815 Nathan's brother James expresses his disbelief that Nathan could have turned down a knighthood offered by a grateful British Government in the weeks after Waterloo. He briefly abandons the Hebrew alphabet and German language to write 'the honors of the Nighthood' – third line from the bottom.
had acquired Omnium at par and were able to take on holdings as large as they chose. Some
made fortunes on a scale which Rothschild, arriving late in the market, was in no position to
match.11 In short, while Rothschild probably made a profit from his early news of Waterloo, it
was by no means exclusive early news (Mr C’s story could already be read in at least three
newspapers), he did not engineer a market panic, and he did not make a great killing. If any
of this had been true it would surely have surfaced in his correspondence with his brothers
elsewhere in Europe, but it did not. Nor was it mentioned in any newspaper report during his
lifetime, or in his obituaries. And the evidence in The Rothschild Archive that Nathan was
offered a knighthood a few weeks after Napoleon’s defeat (an honour he rejected) strongly
suggests that he had done nothing that the government could have considered disreputable or
potentially embarrassing.12

The legend of Nathan Rothschild and Waterloo is just that: a legend. As with most legends,
there are underpinning elements of truth: he had relatively early information and he seems
to have profited by it. The rest, however, is fiction, and not harmless fiction. The Nathan
Rothschild of the legend is a Shylock, a Fagin, a Jud Süss – scheming, cynical, secretive and
fanatically greedy. To stamp that character in the public mind was the aim of the writer who
called himself ‘Satan’ and of the makers of Die Rothschilds: Aktien auf Waterloo. Of course others
have repeated the tale with no anti-Semitic intent, but given its pedigree and the absence of
supporting evidence it is probably time historians relegated this legend to the margins and the
footnotes.

Brian Cathcart is professor of journalism at Kingston University London and is the author of
The Case of Stephen Lawrence (1999) and The Fly in the Cathedral: How a small group
of Cambridge scientists won the race to split the atom (2014). He was also a founder of the
of Wellington’s triumphs will be published by Faber & Faber in April 2015.

An Absolute Passion: The Rothschilds’ orchid collections at Gunnery Park, Tring Park, Exbury
Gardens – and London’s East End

Francesca Murray reveals an unexpected link between nurseries and a refinery in
her study of the Rothschild family’s passion for orchids.

Orchids held a special fascination for the Rothschild family throughout the nineteenth and
twentieth centuries. They were amongst a number of plants that the family collected; however,
the orchid was exceptional, providing the beauty and variety of form with the horticultural
challenge of its cultivation, which made it a cherished family asset. The rarity of the orchid
and its high price at auction was a fitting trophy for the richest family in England and its exotic
flowers complemented the lavish interiors of the Rothschild houses. The orchids were also a
pleasurable distraction from the business of banking and for sharing with friends.

The provision of manpower and horticultural expertise, together with the installation
of the latest glasshouse technology needed to grow the orchids, was a demonstration of the
wealth of the family and the high standards of excellence espoused by its members. But it also
revealed their personal devotion to these new, peculiar plants that flooded into the nurseries
of the early nineteenth century. Early exposure to orchids as a child led to Ferdinand de
Rothschild’s (1839–1908) patronage of the orchid expert Frederic Sander (1845–1900) and
ensured the family were at the vanguard of the introduction of the genus into Europe
and England.1 Indeed some orchids were named after family members in appreciation.2 It
appealed to 1st Lord Rothschild, Nathaniel de Rothschild (1840–1911) and his son
Walter (1860–1957) at Tring Park and later Lionel de Rothschild (1886–1994) at Exbury to join
the group of orchidologists of the Royal Horticultural Society, namely the Orchid Committee,
which gave them an opportunity to be involved scientifically. As orchid species became more
rare, and in order to extend the orchid flowering period for cutting, orchid hybridisation
became the objective in the professional and amateur glasshouses of England and Europe.
The Rothschild gardeners were no exception, cultivating numerous orchid hybrids, which
won many RHS awards.3 A further step taken in the early twentieth century by Lionel de
Rothschild at Exbury was to experiment in the germination of orchid seed, a field that had
been largely unsolved.

All of these were more than enough reasons for a Rothschild to become passionately
attached to this genus. But, perhaps more fundamentally there was an emotional connection
between England and the family and the imported orchid plants. Both the family and the
orchid genus were outsiders, seen as exotic, curious and yet ultimately fascinating. Both were
expensively bound in their uniqueness, subjects of envy, tricky to look after, with seemingly
eccentric characteristics that needed special care and handling.4 When cultivation and
treatment of these exotic specimens was fruitful, the results were often breath-taking. Orchids
collected from distant lands by plant collectors who often risked their lives searching for these
unique specimens were part of global networks that as bankers the Rothschilds shared.

NOTES
    the World’s Most Destructive Century (Cambridge: Cambridge University Press), Encyclopaedia Americana vol. 23 (New York: Americana Corp., 1977);
    Perils of Financial Innovation (New Jersey: Wiley, 2007); William J. Bernstein, The theory of plenty: how the prosperity of the modern
    world was created (London: McGraw-Hill, 2004); Aaron Levine, Case studies in financial ethics: Liberty of Jewish law and ethics vol. 22 (Hoboken, NJ: KTAV
    publishing, 2010). In modern times the story has been challenged in two works: Vincent Rothschild, The Shadow of a Great Man (London: privately published, 1981);
    2 Rothschild’s ‘Satan’ was Georges Darm愚re, a well-known left-wing
    activist and writer.
    5 See Notes and Quotations vol. 4 (1866), 15 September 1866, p.28.
    8 Letter from Nathan Rothschild to Earl Bathurst and the British Empire 1834–1837 (Yale University Press, 1996), Neville Thompson, Earl Bathurst and the British
    Empire 1834–1837 (Baltimore: Cooper, 1999).
    Perils of Financial Innovation (New Jersey: Wiley, 2007); William J. Bernstein, The theory of plenty: how the prosperity of the modern
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