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The Arrogant and Aloof Oil Company

Abstract: John D. Rockefeller, Sr. was notoriously aloof and arrogant in his business dealings with competing oil refiners, railroads, and local government officials. During his many court testimonies, his behavior was aloof and arrogant. After the breakup of the Standard Oil Company, executives from the new companies—Exxon, Mobil, Chevron, and others—were themselves equally as arrogant and aloof as Rockefeller. Throughout the 1960s and 1970s, these new oil executives took it upon themselves to use the same strategies, as did Rockefeller. By relying on arrogant and aloof behavior, all of these executives helped to create and perpetuate a poor corporate brand image and reputation.

During the period 1895–1910, it was becoming readily apparent that a majority of Americans held unfavorable attitudes toward all large businesses with Standard Oil serving as the archetype. For decades, Standard Oil had virtually disintegrated all competition by utilizing both legitimate and highly questionable business practices. In a short period of time, Standard Oil had risen from only one of ten Cleveland refiners to practically the one remaining refining company in the United States. A commonly used estimate is that by 1880 the company controlled about 90 percent oil refining and oil transport in the United States.

Although Rockefeller and his management team were able to prevent most competition from impacting Standard Oil’s business interests well into the 1890s, politics, especially antitrust sentiment, were on the horizon. There had always been minor skirmishes with lawsuits before, and both Rockefeller and Standard Oil have been able to skillfully evade the majority of them. But it wasn’t until July 2, 1890, when U.S. President Benjamin Harrison signed the Sherman Antitrust Act into law that Rockefeller began to comprehend the full impact that politics and lawsuits would have on both him and Standard Oil. Years before Ida Tarbell’s sensationalistic journalism would appear in McClure’s magazine and the Sherman Antitrust Act became law, cracks in Standard Oil’s armor appeared beginning with the March 1881 issue of the Atlantic Monthly. The “Story of a Great Monopoly” was the first serious exposé of the Standard Oil Trust in a prestigious, mass circulation magazine. The article introduced Rockefeller to a nationwide audience and put Standard Oil and the issue of antitrust first and foremost on the political agenda.

Many oil historians deem Tarbell’s series as the coup de grâce for both Rockefeller and Standard Oil. Not only was the series well researched and sensationalistic, the duration kept the American public on the edge of their seats for years. Both Rockefeller and Standard Oil were never out of the limelight for those two years.

The series officially consisted of two parts, the first with nine installments and the second with eight. These two parts lasted from November 1902 to October 1904. Tarbell then published four additional articles on Standard Oil in 1905 and two on Rockefeller himself, bringing the entire series to 21 articles published in four years, with the great majority being highly unflattering. Imagine, in comparison, a four year exposé on the secret business operations of Exxon Mobil, Royal Dutch Shell/Shell Oil (U.S.), Chevron, and BP by the Wall Street Journal or the Financial Times of London.