

7 June 1991

ALL THE PROUD AND MIGHTY

Part I

1) It is a summer day in about 1890. A man with a gun approaches a large house in Richmond, near London, at which there is a party going on.

The man is Francisco Silvio, a Latin American. His home country (which we will not name) is in the midst of a crisis. For twenty years the government has been borrowing on the London money market and squandering the proceeds, and the day of reckoning has arrived. There is rioting in the streets of the capital and Silvio's family are leading the opposition to the government.

The government's representative in London, Antonio Garcia, is trying to put together a financial rescue package with Pilasters, the merchant bank that has floated most of the government's bond issues down the years. To prevent this, Silvio is prepared to kill; and Garcia and all the partners in Pilasters are at the party which he is about to gatecrash.

The occasion is the wedding of Elizabeth Miller to Lord Lambeth. Elizabeth is the daughter of Sidney Miller, a partner

in Pilasters; Lambeth is the son of the Duke of Southwark. This is a classic alliance of new money with old nobility. The Duke is broke: Elizabeth's £100,000 dowry will transform the finances of the ancient dukedom. Miller is a self-made millionaire, American-born: the marriage catapults his family to the very summit of English society. As if to prove this, the Prince of Wales has showed up for the party.

The happiest person here is probably Miller's wife Dolly, a small, round, rather foolish woman basking in her daughter's triumph. Her husband's partners, the Pilaster family, have always looked down on her; and even today Augusta, the matriach of the family, tries to put her down. But the plain fact is that the Millers are now allied to one of the greatest families in the land and have risen far above the bourgeois Pilasters.

A stir is caused by the arrival of Maisie Roberts, 39, a sexy lower-class woman in a red dress. The Pilasters are all embarrassed, especially Augusta. To make matters worse, the Prince insists on being introduced to her.

Sidney Miller receives a message. A venerable employee of the bank is asking to see him. Although Miller is semi-retired and this is his daughter's wedding day, with him business is always important, and he sees the man. He is told that the government of Russia has applied to withdraw a huge deposit, three million pounds; and the bank does not have the money. Miller at first cannot believe this but he is soon convinced by the details.

The consequences are monstrous. First, Sidney himself and

all the Pilasters have most of their wealth in the bank. (They get 5% interest on any capital they put up, plus a share of the profits. However, their profit share is not determined by the proportion of capital they put in, but is decided by agreement at the start of each year, and depends on a number of factors including seniority and workload.) Even Miller's new son-in-law has nearly all of his dowry invested in the bank. They will all be ruined. Secondly, the bank is not a limited company, but a partnership; which means that all the assets of the partners can be seized to pay the debts of the business. Miller looks around him and realised that all this will be sold off: house, furniture, carpets, paintings, silver cutlery, everything. Thirdly, the failure of the bank will have worldwide consequences. The slump of the middle eighties began with the failure of a Paris bank, Union Générale. If Pilasters goes under there could be another depression. Miller is old enough to remember his father's business going bust in the slump or the 1840s, and the thought still makes him shudder.

While he is thinking all this, Edward is shot.

Part II

2) In 1869 young Hugh Pilaster starts work in the family bank. Hugh is a poor cousin. His father withdrew his capital from the bank years ago, lost most of it, and retired to live in the country. Hugh comes to London and lives at the Carlton Terrace

mansion of his father's brother Joseph, who is now the senior partner.

The power behind the throne is Uncle Joseph's wife Augusta, a manipulative, cunning woman who knows everything that happens in the Pilaster family and is completely ruthless in promoting the interests of her son Edward, a withdrawn, morose character. To Hugh she is painfully condescending, making sure everyone knows he is a poor relation. She has already picked out a suitable girl for him to marry--a modest young woman from a family a couple of rungs down the social ladder. Hugh dutifully pays attention to this girl. However, at one party he incurs Aunt Augusta's wrath by charming the daughter of an earl. Augusta tells him not to get ideas above his station and ensures that he does not see the girl again by warning the girl's mother.

Hugh always displeases her by showing promise at the bank. He realises that she will not tolerate any threat to Edward's position.

While Hugh is wondering what to do, a new maid starts work at the house. She is Maisie Roberts, 19, a sexy working-class girl with an eye to the main chance. Hugh falls in love with her. One day when they are kissing passionately Edward sees them. He becomes inflamed and later rapes Maisie.

There is a row. Augusta is ruthless. She gets rid of Maisie and arranges for Hugh to be sent to the bank's office in Boston, Massachusetts.

3) Maisie goes back to the theatre. She is pestered by an

older man, a theatre owner. She discovers she is pregnant by Edward and marries the theatre owner.

4) The bank's Boston agency is run by Sidney Miller, a strict and strait-laced man from a poor background. Miller secured the Pilasters agency when the bank's American business was small, but he has built it up spectacularly well, guiding the partners into a series of lucrative issues of North American railroad stock. At first Hugh finds Miller a tyrant and is miserable, although Dolly is kind to him. Miller's only endearing quality is that he completely adores his rather silly wife. Eventually, however, Hugh comes to respect Miller's business methods and realises that his personality is only an expression of his 100% probity.

Miller is offered a partnership in the bank. He returns to London, nominating Hugh as his successor.

5) Edward marries the woman selected by Augusta. Sex is a disaster: there will be no children.

Edward meets Antonio Garcia, who introduces him to a life of vice.

6) Prompted by Hugh, Sidney seeks out Maisie to make sure she is okay. He meets her child--named Joey, after his grandfather.

Miller does well in the office, earning Augusta's enmity. She organises the other Pilaster wives to snub the gauche Dolly. Miller is heartbroken. Dolly gives birth to a baby girl, and Miller vows his daughter will be able to look down on the

Pilasters.

Joseph dies.

7) Who will be the new senior partner? The talented youngsters are Miller and Hugh, but Edward will inherit his father's vast share.

Joseph has left most of his fortune to be divided up among his grandchildren. Everyone thinks there are none; but Hugh and Sidney bring up Joey.

There is a battle, but Maisie wins. Joey inherits--but until he is 21 the money is controlled by his father, Edward.

Edward now becomes senior partner.

8) Miller and Hugh continue to do well out of North America. Antonio Garcia asks Edward to float a loan for his government. Against the advice of the others, Edward does it. The issue is a success and more follow. Miller continues to have doubts.

Greenbournes turn game down flat.

9) Hugh falls in love with Maisie all over again.

10) Augusta wants a peerage for Edward. The Prime Minister decides it is time a banker was elevated. The two leading families are the Pilasters and the Jewish Greenbournes. But Augusta does not want to share the glory, and she starts an anti-semitic campaign that results in a ban on Jews getting peerages. However, she earns for Pilasters the undying enmity of the powerful Greenbournes.

11) Pilasters floats the shares of a large family brewing business, Coopers. Edward decides to take a large proportion of the shares for the bank and some for himself too. Miller warns him against being too greedy, but he takes no notice. The issue is a huge success, but Greenbournes publicise how much Pilasters made for themselves, and the resulting publicity is very damaging.

12) Edward takes a huge investment in a South American province. The issue is a disaster. Fortunately the bank has enough cash to cover up--so long as there are no major withdrawals.

Part III

13) The Russian withdrawal means the bank will be unable to meet its obligations in interest payments at the end of this month. Sidney Miller has x days in which to effect a rescue.

He estimates that all the assets of all the partners would meet the bank's obligations; but of course they cannot all be sold in a day. He goes to the Chancellor of the Exchequer and asks him to finance a rescue. The government has never before intervened to rescue a failing business and there is no legal provision for it: it would require an Act of Parliament.

Miller is forced to go cap in hand to the Greenbournes. They at first turn him down point blank, saying Pilasters deserve to go under. Miller persuades them that the resulting loss of

confidence could bring them down too. All the same they agree to head a consortium only if there can be government backing.

Miller manages to get this.

The rescue is assured. Miller pledges that the consortium will be paid back with 5% interest. He and Hugh and Edward put their houses on the market and announce auctions for the contents. Miller insists on doing this in a very public way: he wants the world to know that the bank is doing everything possible to pay its debts.

This publicity paradoxically enhances the Pilaster name: for if they can go bust and still pay their debts they must be superhumanly reliable. Now Miller pulls his master stroke. He floats a new company to take over the business of the old one, and raises the money to finance it on the stock market. Although he, Edward and Hugh will not be directors, it will be run by the younger generation: Maisie's son and the Duke's son.

This is a tearaway success. The name and the business have been saved. Miller and Dolly retire into poverty for a while, but not for long. Hugh and Maisie finally marry.