Robber Baron or Captain of Industry

This, then, is held to be the duty of the man of wealth: First, to set an example of modest, unostentatious living, shunning display or extravagance; ... and, after doing so, to consider all surplus revenues which come to him simply as trust funds, which he is called upon to administer... to produce the most beneficial results for the community—the man of wealth thus becoming the mere trustee and agent for his poorer brethren, bringing to their service his superior wisdom, experience and ability to administer, doing for them better than they would or could do for themselves."
—From "Wealth," by Andrew Carnegie, North American Review (1889)

"Law? Who cares about the law. Hain't I got the power?"
—Comment alleged to have been made by Cornelius Vanderbilt, when warned that he might be violating the law

Though a century has passed since the heyday of the great industrialists and financiers, debate continues: were these men captains of industry, without whom this country could not have taken its place as a great industrial power, or were they robber barons, limiting healthy competition and robbing from the poor to benefit the rich? Where do we draw the line between unfair business practices and competition that leads to innovation, investment, and improvement in the standard of living for everyone? Would the industrial economy have succeeded without entrepreneurs willing to take competition to its extremes?

It has been argued that we are now in a comparable economic period, the formative years of the Information Age. Certainly we continue to struggle with similar kinds of questions about fair and unfair business practices and the benefits and costs of competition. Does the industrialization of America at the end of the nineteenth and beginning of the twentieth century hold any lessons for us today? Can market forces exert sufficient influence to rein in potentially harmful practices or does government have to intervene?

Activity 2. Robber Barons or Captains of Industry?

Divide the class into four student groups (or eight, if you'd like each industrialist/financier to be researched by two groups). Assign one of the individuals below to each group. Distribute to the groups the chart "Robber Baron or Captain of Industry?" on page 1 of the PDF. Using the following resources and/or any other approved sources available in your classroom or online, each group should fill in the chart for their assigned individual.

- Andrew Carnegie

"It shall be the rule for the workman to be Partner with Capital, the man of affairs giving his business experience, the working man in the mill his mechanical skill, to the company, both owners of the shares and so far equally interested in the success of their joint efforts.
—Andrew Carnegie
From the EDSITEment resource American Memory
- Today in History
- Edgar Thomson Works, Carnegie Steel Co (Click on any of the images for photographs.)

From America’s Library, a link from the EDSITEment resource American Memory
- Andrew Carnegie
- Andrew Carnegie Grows Up Working (Click "Next" for succeeding pages.)
- Andrew Carnegie and His Parents (Click "Next" for succeeding pages.)
- Andrew Carnegie Philanthropist (Click "Next" for succeeding pages.)

From The Richest Man in the World: Andrew Carnegie on The American Experience, a link from the EDSITEment resource Internet Public Library (NOTE: This site contains a great deal of information and documents relating to Carnegie, including those listed below.)
- Letters about the Homestead Strike
- Information about the Carnegie Mansion
- Carnegie Biography
- Interactive Timeline (Frames Version; Text Only Version)
- The Two Andrews
- Scotland to America
- Welcome to Pittsburgh
- Love Carnegie Style
- The Wrong Career Path?
- The American Experience | Andrew Carnegie | Gilded Age

How to Succeed in Life by Andrew Carnegie on the EDSITEment resource Learner.org

The Gospel of Wealth on The Internet Modern History Sourcebook, an extension of the EDSITEment resource The Internet Medieval Sourcebook

Cornelius Vanderbilt

I have been insane on the subject of moneymaking all my life.
—Cornelius Vanderbilt

You have undertaken to cheat me. I won't sue you, for the law is too slow. I'll ruin you.
—Cornelius Vanderbilt

From the EDSITEment resource HarpWeek
- Cartoon, "The Great Race for the Western Stakes" (and brief text)

A Ferry to a Fortune on PBS

A Business Biography of Cornelius Vanderbilt, available via a link from the EDSITEment resource Links to the Past

"Cornelius Vanderbilt" and "The Erie Railroad Wars" (move down the page until you locate the sections entitled "Cornelius Vanderbilt" and “The Erie Railroad Wars”) from American History 102: Civil War to the Present, a link from the EDSITEment resource History Matters

J. Pierpont Morgan

From the EDSITEment resource Learner.org
- Labor Union versus Morgan

Brief Biography from The American Experience, a link from the EDSITEment resource Internet Public Library
- Biography of Morgan from Morgan Library, a link from the EDSITEment resource American Memory
- First Public Demonstration of Edison's Light Bulb from America's Library, a link from the EDSITEment resource American Memory
- Morgan Finances Edison on The Smithsonian Museum of American History. (Note: This archival document and the previous article are here for their reference to Morgan as one of Edison's "main investors," showing how a financier like Morgan contributed to the American economy and quality of life.)

- John D. Rockefeller
  - From American Experience: The Rockefellers from PBS
    - John D. Rockefeller Timeline
    - The Rockefellers People
    - Biography of John D. Rockefeller, Senior
    - Paragraph on Rockefeller's cornering of the market and game
    - Annotated Timeline
    - Rockefeller's Mark on America: Interactive Map
    - Critical Letter to the NY Times about Rockefeller
    - Letters to Rockefeller Requesting Donations

- Standard Oil of New Jersey (move down the page until you locate the section entitled "Standard Oil of New Jersey") on American History 102: Civil War to the Present, a link from the EDSITEment resource History Matters

When the groups are finished with their research, have each present its conclusions and supporting evidence to the class. Is each assigned figure a robber baron or captain of industry or something in-between? Which of the individuals' actions were those of a captain of industry? Of a robber baron?