




Top businessmen had huge **effects** on the U.S. after the Civil War.

- ▶ By investing money and effort, these men **controlled key U.S. industries**.
- ▶ Industries included **manufacturing, railroads, and oil production**.

Top U.S. Businessmen After the Civil War

	Andrew Carnegie	Built the Carnegie Steel Company and sold it to J.P. Morgan for \$200 million* in 1901. <i>*In today's money, that is worth more than \$5 billion.</i>
	John D. Rockefeller	Helped to start Standard Oil, the company that eventually controlled most of the oil industry in the U.S.
	Cornelius Vanderbilt	Created a large shipping and railroad business.

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How did these men have a huge effect on the U.S. Explain.

- A By making a lot of money**
- B By controlling key U.S. industries**

Which industry did Carnegie control?

- A railroads**
- B manufacturing of steel**

Which business was Morgan a leader of?

- A shipping**
- B banking**

In your own words, what was a Robber Baron?

1. Read the questions to find what information you are looking for.
2. Read the text and identify the answers. (underline)
3. Summarize the information in the graphic organizer. (write)

	How did he make money?	What was his effect on U.S.?
Andrew Carnegie 1835-1919		

¹Carnegie was born on Nov. 25, 1835, in Scotland. ²At age 13, he moved to the U.S. with his family. ³They settled in Pennsylvania, where he went to work in a factory. ⁴In 1853, he took a job with Pennsylvania Railroad as an assistant and telegrapher to a top official. ⁵He acquired knowledge about railroads and business, and within three years he was promoted to head of the Western Division. ⁶Soon, he invested in railway sleeping cars. ⁷Then he invested in bridges, trains, and rails. ⁸These investments brought him a huge amount of money. ⁹In 1865, he left the railroad to focus on his business, the Keystone Bridge Co. ¹⁰By 1873, his main focus was the steel industry. ¹¹Carnegie Steel Co. revolutionized the steel industry in the U.S. ¹²He built plants around the country, using methods that made the process easier and faster. ¹³In 1901, he sold his company to J.P. Morgan, earning \$200 million. ¹⁴At age 65, he spent the rest of his days helping others. ¹⁵He died of pneumonia on Aug. 11, 1919. ¹⁶He left \$350 million to charities and organizations he believed in. His foundation has funded medicine, peace, 1673 free U.S. libraries, and even Sesame Street.

	How did he make money?	What was his effect on U.S.?
John D. Rockefeller 1839-1937		

¹⁷Rockefeller was born July 8, 1839, in Richford, NY. ¹⁸In 1853, His family moved to Ohio. ¹⁹His first job at age sixteen was as a produce clerk. ²⁰In 1859, he started his first business selling hay, grain, and meats. ²¹In 1863, seeing oil production growing, he set up his first oil refinery near Cleveland. ²²This first refinery grew fast, allowing him to focus solely on the oil industry. ²³In 1870, Rockefeller incorporated Standard Oil. ²⁴Standard did well and began to buy out competitors. ²⁵By 1872, Standard controlled most refineries in Ohio. ²⁶This allowed Standard to get cheaper shipping rates with railways. ²⁷Then, it expanded by buying other refineries and pipelines. ²⁸In 1892, the Ohio Supreme Court ruled Standard Oil was an illegal monopoly. ²⁹Rockefeller dodged the court by transferring his properties to other states; yet, the Standard Oil board kept control. ³⁰Later, Standard Oil was split up by the federal government, but Rockefeller had already become the first U.S. billionaire. ³¹In the 1890s, he turned to philanthropy. ³²He founded the University of Chicago, and gave the school more than \$80 million. ³³He died May 23, 1937, in Ormond, Florida.



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	How did he make money?	What was his effect on U.S.?
Cornelius Vanderbilt 1794-1877		

³⁴Vanderbilt was born May 27, 1794, in New York. ³⁵Born into poverty, he started work at age 11, employed by his father who worked in the ferry service. ³⁶At age sixteen, he asked his parents for a loan of \$100 to start his own ferry service; they gave him the money and asked to share profits with him. ³⁷His ferry service was very successful. ³⁸He made his money by charging low fares. ³⁹In a month, he paid back the loan, and in one year he gave his parents \$1000 in profits. ⁴⁰During the War of 1812, he got a government contract to supply forts around New York City. ⁴¹In 1818, he sold all his vessels and became a steamship captain. ⁴²By 1840, he owned a fleet of 100 steamships and was the biggest employer in the U.S. ⁴³In the 1860s, he noticed transportation was changing from water to rail. ⁴⁴He decided to buy existing railroads. ⁴⁵In 1867, he purchased the Central RR and merged it with the others into the NY Central RR, where he made \$25 million in five years. ⁴⁶He focused on low fares, improving service, and upgrading equipment. ⁴⁷In 1869, Vanderbilt began philanthropic work, funding Vanderbilt University and many churches. ⁴⁸He died in 1877 at the age of 82.

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Top U.S. Businessmen After the Civil War		
	J.P. Morgan	An American banker who helped to consolidate many companies together.
	William A. Clark Sr.	A politician and banker who was involved with mining and railroads .

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- B banking**

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J.P. Morgan 1837-1913		

⁴⁹J.P. Morgan was born April 17, 1837, in Connecticut. ⁵⁰He was the son of a banker, and never knew poverty. ⁵¹In 1853, his father was invited to be a partner of George Peabody's growing London bank. ⁵²In 1857, Morgan worked for his father at the London branch. ⁵³In 1858, he moved to New York where he worked as U.S. representative for his father's company. ⁵⁴In 1871, Morgan partnered with others to create Dabney, Morgan, and Company. ⁵⁵In 1895, two years after the death of his partner, the banking firm was renamed J.P. Morgan and Company. ⁵⁶Throughout his career, he took control of railroad lines, financed newspapers, and bought Andrew Carnegie's steel company. ⁵⁷Morgan was criticized for creating monopolies because it was hard for businesses to compete. ⁵⁸But, Morgan helped solve the financial Panic of 1907 with a plan to redirect money between banks, to secure int'l. lines of credit, and to buy stocks of healthy corps. ⁵⁹His purchase of one company's stock ended the Panic of 1907. ⁶⁰In 1913, after the actions of Morgan, the Federal Reserve System was created. ⁶¹Morgan died in Rome, Italy, on March 31, 1913; he was considered a "Master of Finance".

	How did he make money?	What was his effect on U.S.?
William A. Clark Sr. 1839-1925		

⁶²William Andrew Clark, Sr. was born on January 8, 1839, in Pennsylvania. ⁶³In 1856, Clark moved with his family to Iowa, where he taught and studied law at Iowa Wesleyan College. ⁶⁴He worked in quartz mines in Colorado, and in 1863, moved to Montana to participate in the gold rush. ⁶⁵Clark used his earnings from mining to start a trading service, where he would drive mules back and forth carrying supplies. ⁶⁶He then changed careers to work as a banker, repossessing mining properties. ⁶⁷Clark made a small fortune with various businesses. ⁶⁸He also had smelting operations for his mines in Clarkdale, Arizona. ⁶⁹Eventually Clark, who wanted to be a statesman, used his newspaper, *The Butte Miner*, to aid him in his efforts. ⁷⁰A scandal erupted when he ran for U.S. Senator. ⁷¹It was revealed that he bribed members of the Montana State Legislature for their votes. ⁷²Clark's actions helped pass the 17th Amendment, which says that senators are to be elected by popular vote not by state legislature. ⁷³Although he did not get his seat in 1899, he campaigned and won a senate seat in 1901; he served one term. ⁷⁴Clark died at the age of 86 in 1925 at his home in New York City.

Skill Closure

1. Use the text and graphic organizers to answer the question.

1. Summarize the ways that top businessmen after the Civil War made their fortunes.

Concept Closure

Write an explanation.

Adam said that Carnegie was a great supporter of education. What evidence can you note to show he was correct?

Summary Closure

What did you learn today about describing the effects of top businessmen on the U.S. after the Civil War?

Word Bank

Carnegie
Rockefeller
Vanderbilt
Morgan
Clark
Robber Barons

Read the statements.**Use the text and graphic organizers to answer the questions.**

1. Describe how Andrew Carnegie made Carnegie Steel the largest steel company of its kind.
2. Describe how John D. Rockefeller and Standard Oil avoided being broken up by the Ohio Supreme Court.
3. Describe why Cornelius Vanderbilt changed from running steam boats to buying and running railroads.
4. Describe the effects of J. P. Morgan on the panic of 1907. Why was he able to influence the problem?
5. Describe the effect of William A. Clark's bribing of the Montana State Legislature.
6. What effect of the top businessmen do you think was the most important to the United States today? Why?