

Andrew Carnegie

Andrew Carnegie, known as a Captain of Industry to some and as a Robber Baron by others, left a legacy that cannot be denied no matter how you viewed him. With numerous universities, libraries, and authorship of several books to his name he truly impacted not only the world in which he lived but the future that would come after him.

Born in Dunfermline Scotland on November 25, 1835 Andrew learned very young what the meaning of poverty was. His father was a weaver and with the advent of the industrial revolution and mechanical weavers his father lost his income and his mother had to open a small grocery shop to survive. (PBS) Andrew would never forget the times when his father had to beg for work and the desire to gain as much wealth as he could, would be his lifelong ambition. Carnegie was also influenced early on in life by family members who were “Scottish radicals who fought to do away with inherited privilege and to bring about the rights of common workers.” (PBS) The family moved to America in 1848 to a suburb of Pittsburg where his father would get a job working in a cotton factory and Andrew would become a bobbin boy.

Andrew later works as a telegraph boy for the city of Pittsburgh where he impressed his soon to be mentor, Thomas A. Scott. Scott worked at Pennsylvania Railroad and Andrew was hired as his private secretary and personal telegrapher. Carnegie would continue to make his way up the ladder with Scott until the Civil War where Scott serves as Assistant Secretary of War and brings Andrew along to aid him in overseeing railroad movement in the north. (Various)

The Civil War explodes the Iron industry and Andrew sees the fortune to be made and throws his hat into the ring in a bold move where he begins in the business of replacing bridges made of wood with iron ones. His next bold move comes when he takes the Bessemer process while working at Edgar Thomson Steel Works and begins producing steel and later he buys other steel mills and creates Carnegie Steel Company. (Various) Once Andrew creates Carnegie Steel Company he begins really bringing in the cash. By 1900 Carnegie was producing more metal than Great Britain and that is the same year the JP Morgan offers to buy him out. At 64 Carnegie sells out for \$480 million. Morgan said to Carnegie at the time of the sell, “Congratulations, Mr. Carnegie, you are now the richest man in the world.” (PBS)

Carnegie had to step on some people on his way to the top. Though he is well known for his philanthropy now and was a huge advocate of giving away his wealth Bob Dowling says, “Carnegie was as much of an ironfisted capitalist as any other Gilded Age mogul. He did his best to monopolize steel production, fix prices, restrict foreign steel with tariffs, and maximize state and local subsidies for the rail business.” (Dowling) He is also well known for his part in breaking up striking unions; the best known being the Homestead Strike in 1892, where his plant manager Henry Frick breaks the strike by hiring Pinkerton men which led to violence and many were killed. Though in Carnegie’s autobiography he says of the strike, “I quote what I once laid down in writing as our rule: “My idea is that the Company should be known as determined to let the men at any works stop work; that it will confer freely with them and wait patiently until they decide to return to work, never thinking of trying new men—never.” (Carnegie p.231) So though he essentially shifts blame from himself in his autobiography Carnegie’s link with Homestead would haunt him for the rest of his life. Possibly being why he wanted to give away all his

wealth. In a speech Carnegie gave in 1895 he said, "...the only noble use of surplus wealth, is this: That it be regarded as a sacred trust, to be administered by its possessor, into whose hands it flows for the highest good of the people." (Hacker) Carnegie's, "decision to give away all he earned...paradoxically encouraged him to be even more ruthless a businessman. Recognizing that the more money he earned, the more he would have to give away, he pushed his partners and his employees relentlessly."(Dowling)

From all pushing came great rewards for Carnegie and those he helped. He is probably best remembered by most for funding the creation of Carnegie Hall but this was only a very small part of his many contributions. "Through active personal giving and several foundations, he had bequeathed a total of \$350 million, or at least \$8 billion in today's dollars. Libraries, of course, were a primary concern. Carnegie created 1,412 of them in the U.S. and more than 2,500 in the English-speaking world." (Dowling) He also founded several universities and gave endowments to many others in the US and in Scotland. He was also a large funder of the Tuskegee Institute and established pension funds for former Homestead employees as well as college professors. (Various) He also spent much of his focus on peace, funding Hero funds and the World Court and was one of the first to call for a "league of nations". (Various) (PBS)

Carnegie was also a great writer in his retirement from the steel industry. He wrote not only his autobiography and *The Gospel of Wealth*, which he is probably best known for, but also *Round the World*, *The Empire of Business*, *A Life of James Watt*, *Problems of To-day*, *Triumphant Democracy*, and *An American Four-in-hand in Britain* as well. (Various) Most of these books dealt with how wealth should be gained and then given back to the people. Though as mentioned above most of his money went into either institutions that had been created or ones that he created as he saw, "wealth to be valued not as individual property but as a trust to be managed away." (Dowling) Carnegie dies in August 11, 1919 at the age of 83 wishing that he could've given more of his fortune away even though he out spent any of his contemporaries in philanthropic endeavors.

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