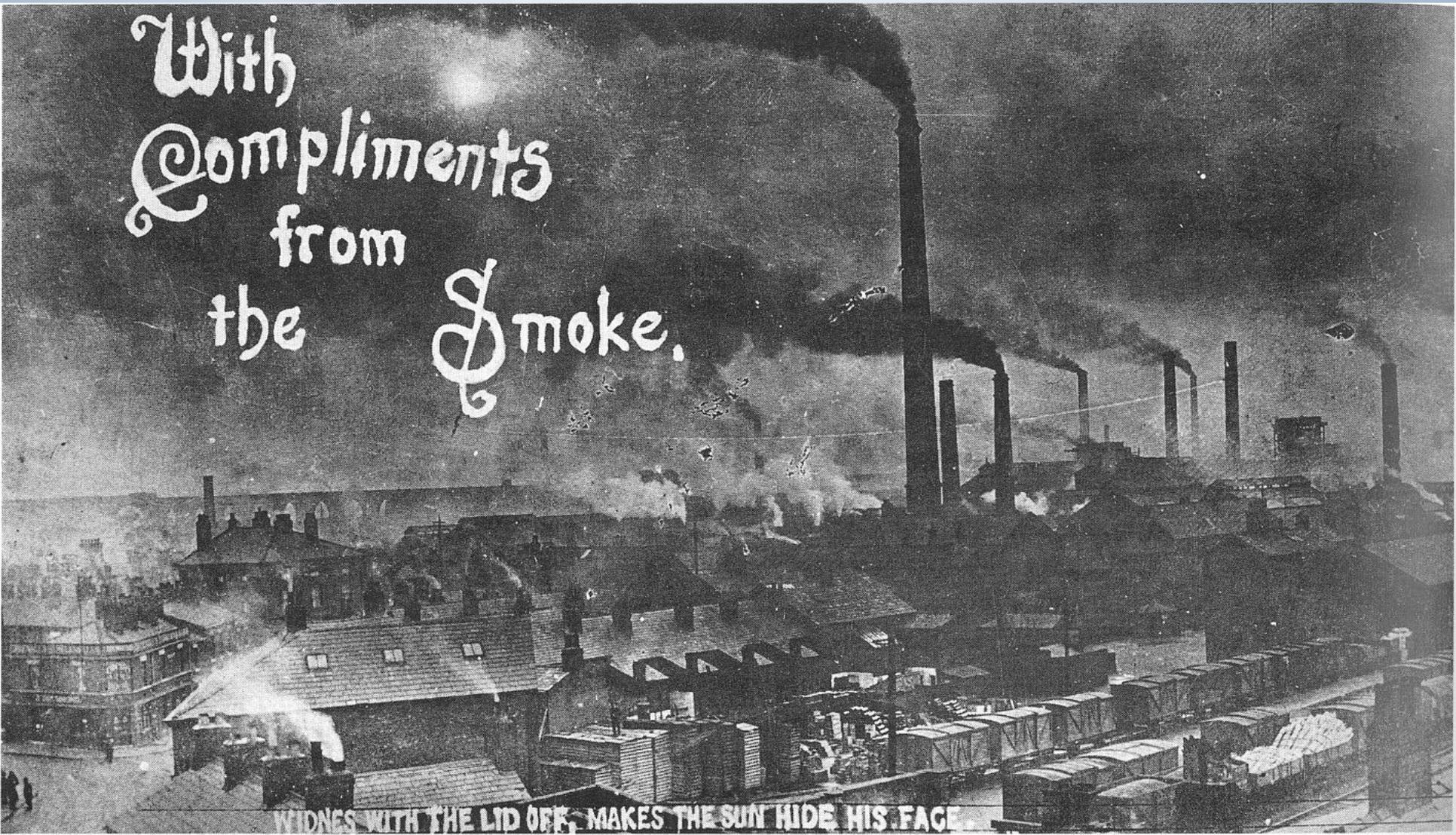
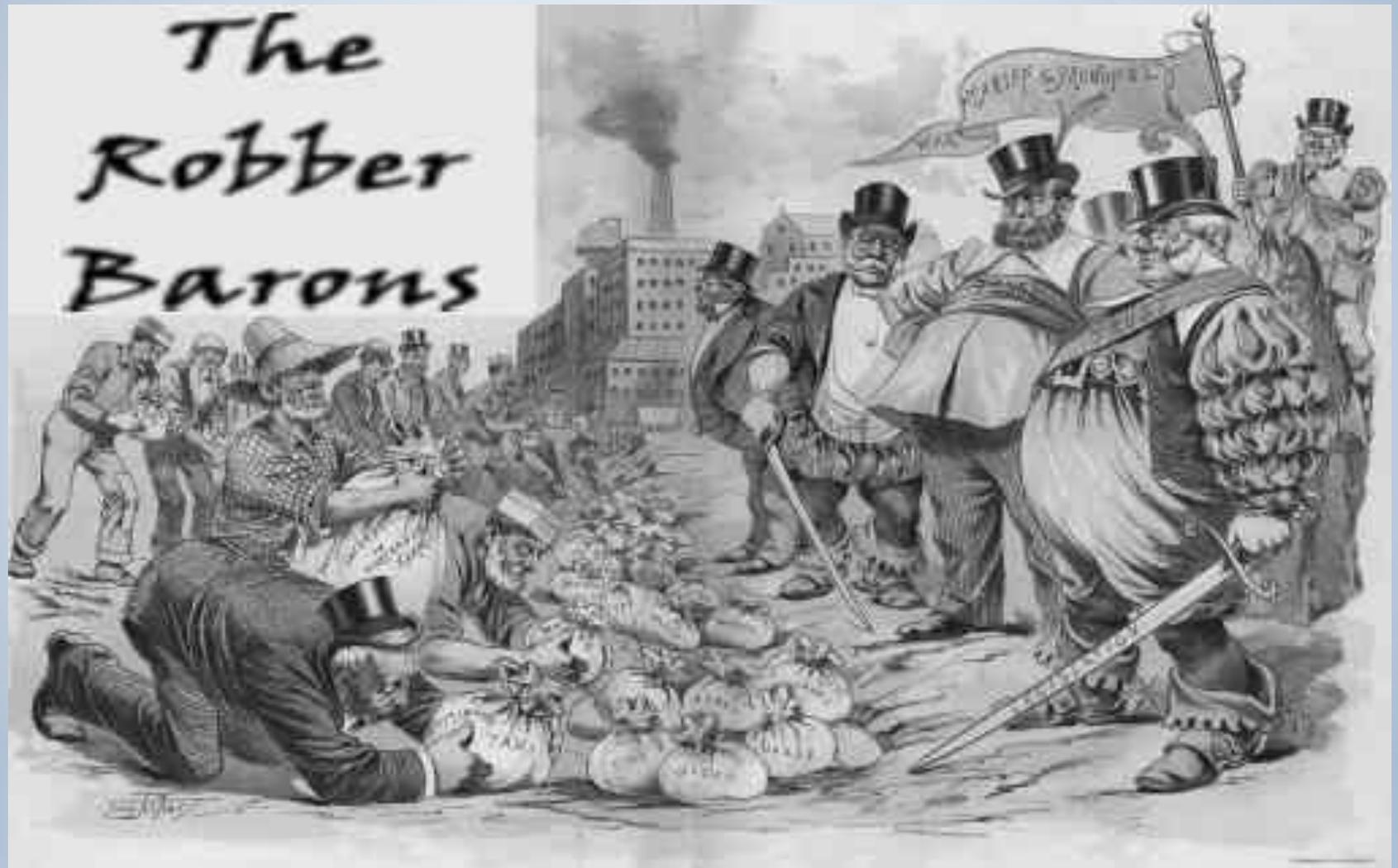


With
Compliments
from
the Smoke.

WIDNES WITH THE LID OFF, MAKES THE SUN HIDE HIS FACE.



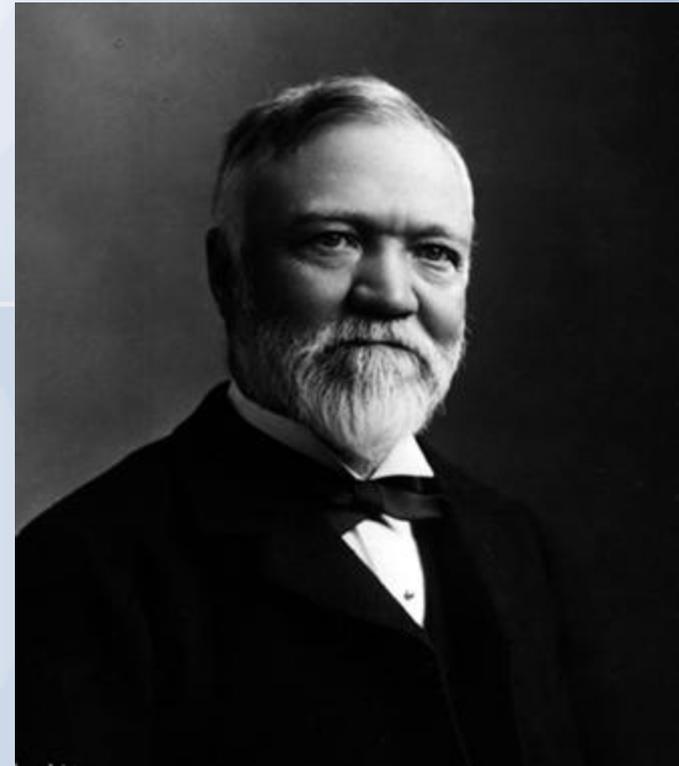


Robber barons: business leaders who built their fortune stealing from the public

Captains of Industry: business leaders who served their nation in a positive way

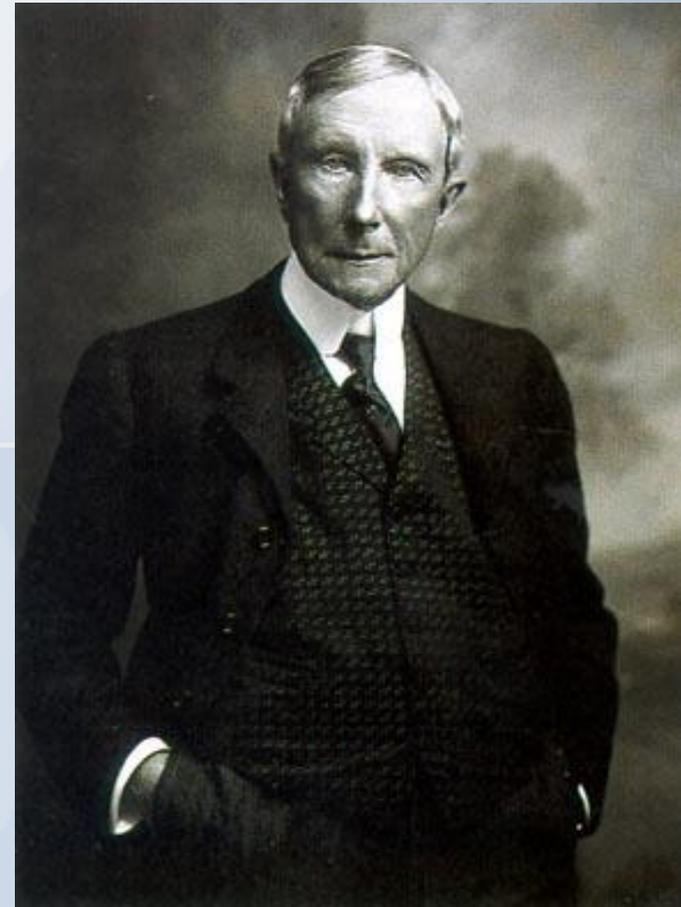
- Toured a British steel mill in 1873, by 1899 his mills produced more steel than all of Great Britain!
- Used the new Bessemer furnace technology to make steel
- Began **vertically** and **horizontally** integrating his firm in the steel industry
- Created **economies of scale**
- The result was a declining price of steel for the consumer, and greater profits for him!

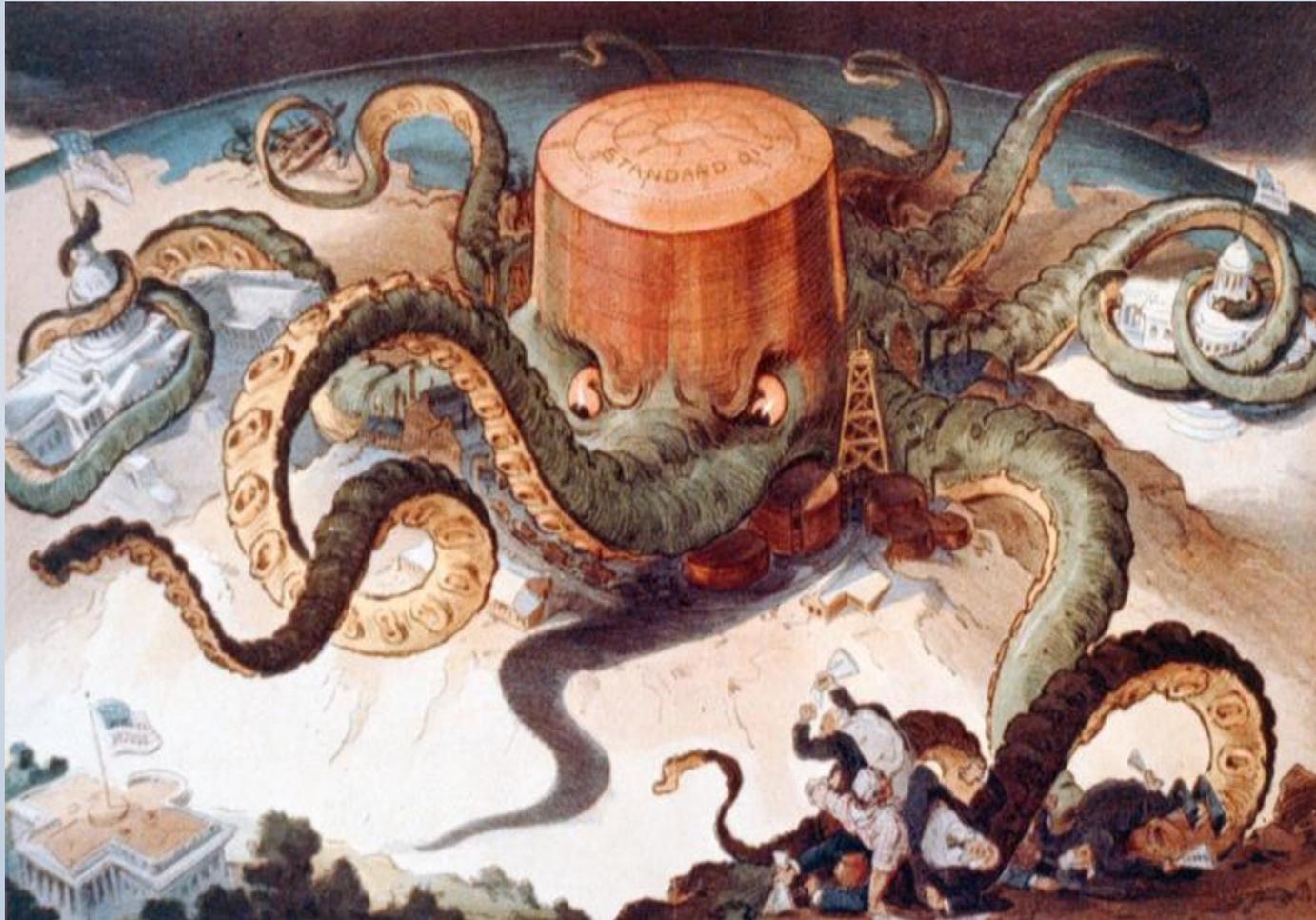
ANDREW CARNEGIE



- Founded Standard Oil Company
- Paid his workers extremely low wages
- Drove competitors out of business by selling oil cheaper than it cost him to produce
- Once he controlled all of the oil business he raised prices higher than ever and made millions

JOHN D. ROCKEFELLER





MONOPOLY

In 1870 Standard Oil processed 2% to 3% of the entire country's crude oil. By 1880 Standard Oil controlled 90%!!

- Ezra Cornell – his money founded Cornell University
- William Colgate – college changed its name to his as result of his generosity
- John Hopkins – founded John Hopkins University
- Cornelius Vanderbilt – founded Vanderbilt University
- John D. Rockefeller – given half a billion dollars by the time of his death
- Andrew Carnegie – gave away \$350 million by the time of his death in addition to his libraries, university, and the Carnegie Foundation
- Despite the generosity of Rockefeller and Carnegie, the Congressional Committee on Industrial Relations in 1915 denounced both as “menaces to society”

ROBBER BARON OR PHILANTHROPIST?

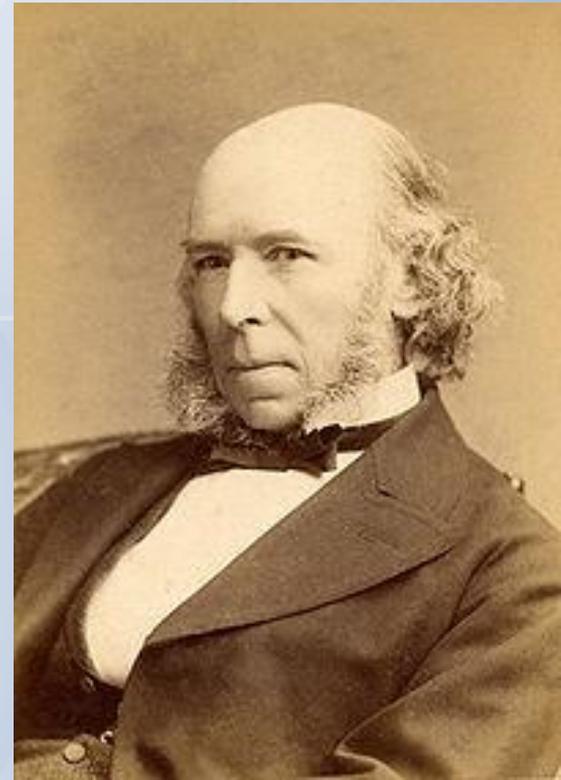
- Laissez faire (allow to do) attitude of the time:
- Society should do as little as possible to interfere, so...

US government did not tax or regulate business!!

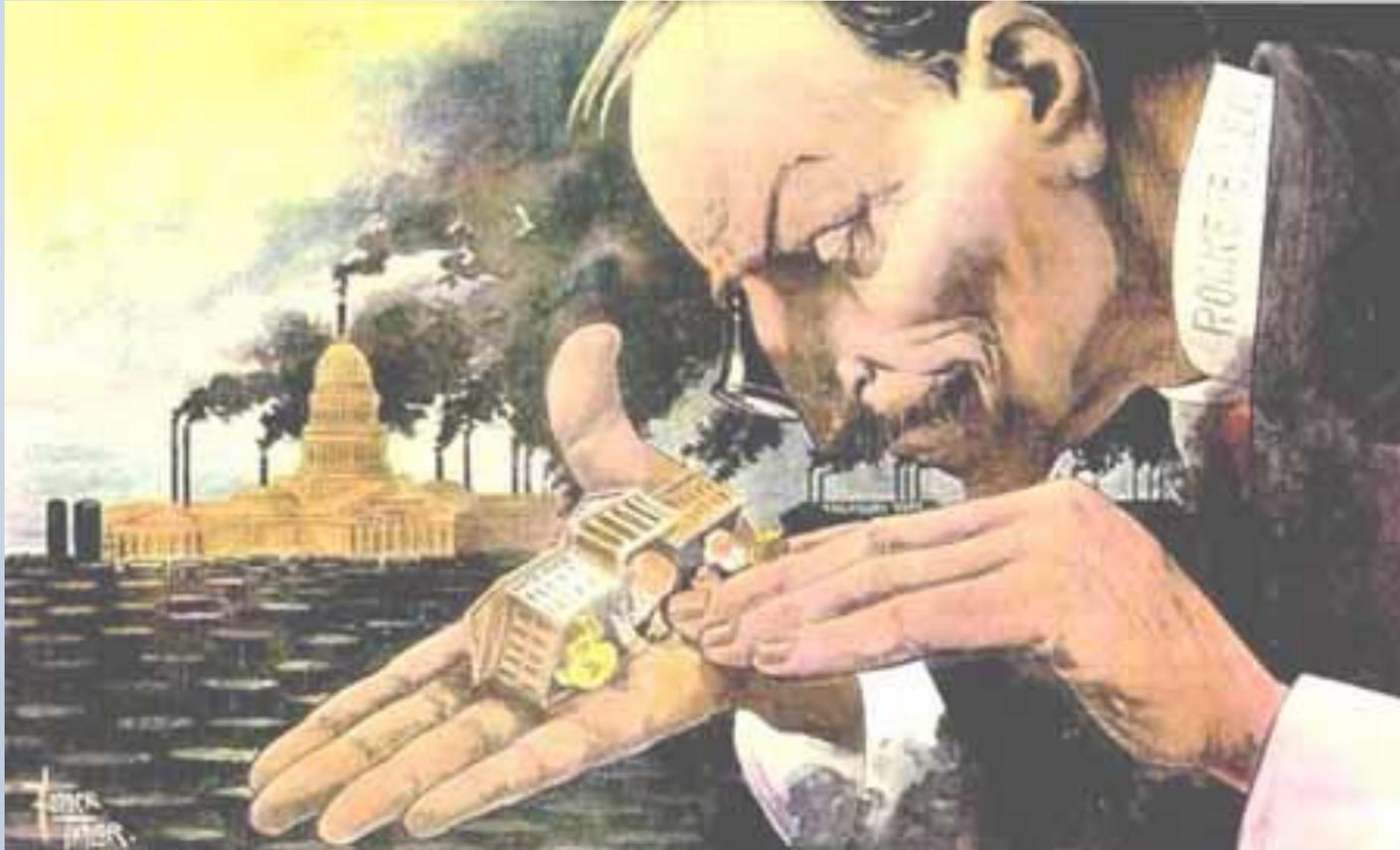
- “Free competition in the economy, like natural selection in the wild, would ensure survival of the fittest”

Herbert Spencer

SOCIAL DARWINISM



- Enacted over concern corporations would stifle free competition
- Failed miserably



SHERMAN ANTITRUST ACT

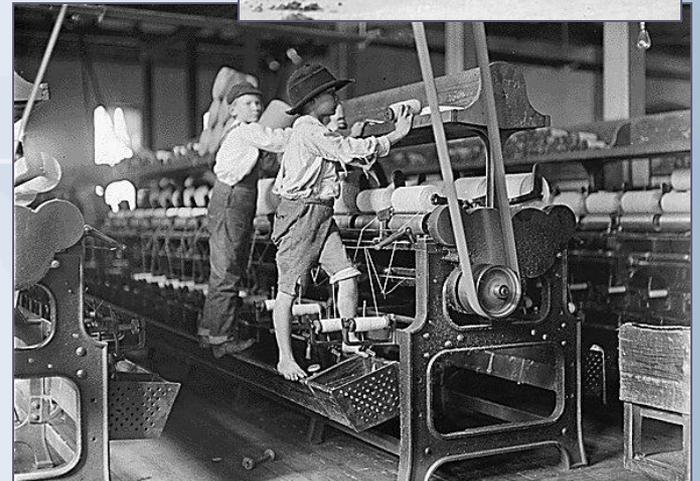


SO WHAT HAPPENS?

- Working conditions
 - Long hours
 - Low pay
 - Unsafe conditions
 - No benefits
- In 1899 the average woman would earn **\$267** a year, the average man **\$498**, and Andrew Carnegie **\$23,000,000!!**
- Workers had no rights and little protection by the government



- Many immigrants put their children to work as early as they could



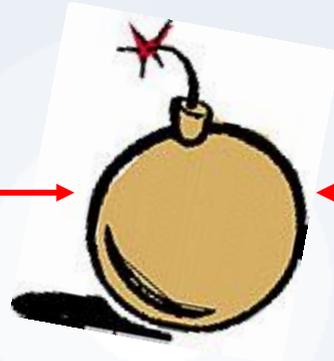
CHILD LABOR



Girls were preferred over boys. They were paid less and had smaller hands



“Tools” of Management



“Tools” of Labor

- 💣 “Scabs”
- 💣 Lockout
- 💣 Blacklisting

- 💣 Collective Bargaining
- 💣 Informational picketing
- 💣 Organized strikes

MANAGEMENT v. LABOR

- Eight-hour workday
- Abolition of child and prison labor
- Equal pay for men and women
- Safety codes in the workplace

KNIGHTS OF LABOR



“An injury to one is the concern of all”

“Craft Unionism”

- Catered to the skilled worker
- Represented workers in matters of national legislation
- Admitted women and African Americans
- Mediated disputes between management and labor
- Pushed for **closed shops**



AMERICAN FEDERATION OF LABOR

“Industrial Unionism”

- Open to all workers in an industry, skilled & unskilled
- EXCEPT: women and African Americans



“One union for all workers”

AMERICAN RAILWAY UNION

- Company layoffs
- Wage cuts
- Company housing stayed expensive

2 cent check!



PULLMAN STRIKE

In 1893, Eugene Debs, who was instrumental in founding the American Railway Union, led the workers against railroad tycoon George Pullman. But Pullman was backed by at least 12,000 federal soldiers—nearly half the American army at the time.

- Debs and others decided unions alone could not protect the working class
- Advocated **socialism**, a system in which government would control
 - Business
 - Property
 - Wealth



Good for the poor, bad for the rich!

SOCIALISM

■ Great Strike of 1877

- Halted freight and passenger trains
- Several states involved
- President Hayes intervenes

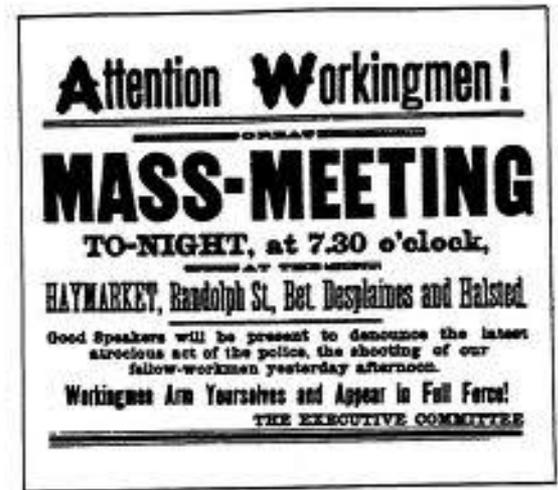
■ The Haymarket Affair

- Protest over killing of striker
- Police bombed
- Riot ensued
- Public turns

■ Homestead Strike

- Pinkerton Men
- Scabs hired
- Workers take over plant
- Nat'l Guard arrives

STRIKE!!



- Member United Mine Workers of America
- Endured death threats and jail
- Often led miners in strikes
- Work against child labor led to new laws

MOTHER JONES



"the most dangerous woman in America"