



The King of Steel

by Laurel Sherman

Andrew watched as the Abbey Tower disappeared in the distance. He'd known that leaving his native Dunfermline in Scotland would be hard, but the twelve-year-old boy cried anyway. His father was one of the many Scots who had been put out of work by the coming of large automated weaving mills. These left the hand weavers, like William Carnegie, unemployed. With letters from relatives in the United States describing the opportunities there, the Carnegie family left Scotland from the port of Glasgow

in May of 1848. For Andrew this was the beginning of an adventure that would make him one of the most powerful and wealthy American industrialists.

The Carnegies settled in Allegheny, a town just outside Pittsburgh, living at first with Margaret Carnegie's brother and sister. Andrew's father tried to adjust to the life of a factory worker, but eventually he went back to hand weaving. This meant that the rest of the family had to work to support themselves. Andrew's first job was as a bob-

Andrew Carnegie believed that it was a crime to die wealthy. He donated millions of dollars to libraries, museums, religious organizations, and research foundations.
National Portrait Gallery

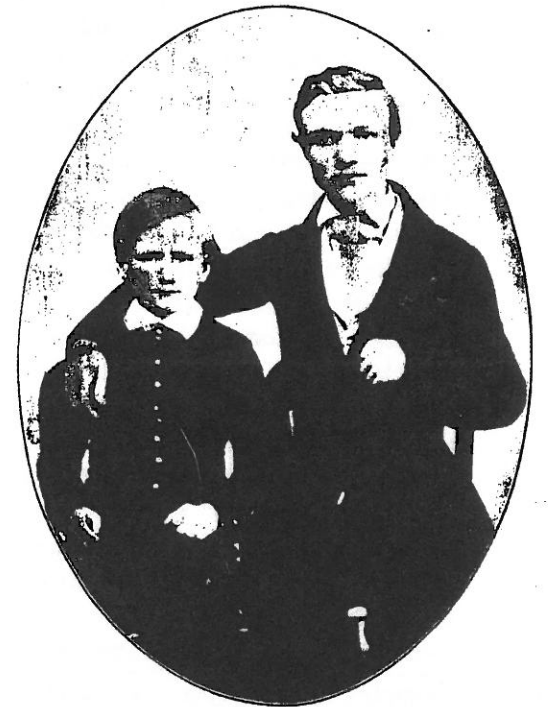
bin boy in the cotton mill at \$1.20 a week. His next job, which paid the grand sum of \$1.65 a week, was in the cellar of a bobbin manufacturer. By this time he was 14, and spent 12 hours a day making bobbins for the cloth-weaving industry.

Because he was so unhappy in his job, he was constantly on the look-out for something better. The job that came along was just the first in a series of lucky breaks that turned the bobbin boy into America's first "Steel King." Andrew learned that telegraph messengers were needed in Pittsburgh. The telegraph was only ten years old at this time, and was used especially by businesses to relay messages. As a runner for the company he met many influential businessmen. One of these men hired him to work at the Pennsylvania Railroad Company as a telegraph clerk. In a letter to his uncle in Scotland, Andrew described his new life in America:

Although I sometimes think I would like to be back in Dunfermline, I am sure it is far better for me that I came here. If I had been in Dunfermline working at the loom it is very likely I would have been a poor weaver all my days, but here I can surely do something better than that, if I don't it will be my own fault, for anyone can get along in this Country.

Andrew was a bright and energetic

young man. Mr. Scott of the Pennsylvania Railroad grew very fond of him, appointing him as a personal secretary. Then in 1859, when Carnegie was only 24, Mr. Scott made him superintendent of the Western Division of the railroad. Andrew was not afraid to make quick decisions. When an accident left cars strewn all over the tracks, completely shutting down the railroad, Andrew sent out an order under Mr. Scott's name that the cars blocking the line should be burned and traffic started up again right away. He knew he was taking a risk, but when Mr. Scott found out that this decisive action had saved the railroad



Carnegie Library, Pittsburgh
Sixteen-year-old Andrew posed with his younger brother Thomas in 1851.

from the expensive business of removing cars from a line, he praised his young assistant. Carnegie's good judgment worked in his favor in other ways, too.

Most of Carnegie's wealth came from wise investments of his money. The investment that was to begin his fortune was made when a stranger named Woodruff approached him with a model of the first railroad sleeping car, something Woodruff had just had patented. By the time Carnegie was 25 his investment in the Woodruff Company was bringing him \$5000 a year. In the next few years he continued to work for the railroad but also made other small investments, so that by the time he was 27 he had an annual income of almost \$50,000. At the age of 30 he decided to leave the railroad and move into the manufacture of iron.

While railroads were expanding to the west, Andrew Carnegie realized that they would need iron bridges and iron rails to reach the Pacific. His first factories were devoted to producing iron. But in the 1870s a new steel-making process gained popularity. Steel was less brittle than iron, and steel rails proved more durable than iron. Henry Bessemer, an Englishman, had discovered that blowing cold air over hot pig-iron could drive out almost all the impurities, creating steel that was strong and malleable. The only problem with the process was that it worked only with ore that was low in

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Carnegie Library, Pittsburgh

phosphorus. Many manufacturers had given up trying to use the new process because low-phosphorus ore was not always easy to obtain. But Carnegie opened a Bessemer steel plant near Pittsburgh, and rapidly became the most successful competitor in the steel trade.

He owed his success to several things. He equipped his plant with modern and efficient equipment. Then he found and bought his own sources of raw materials and his own railroad and steamship lines to transport the materials and the finished steel. Soon he was independent and could produce

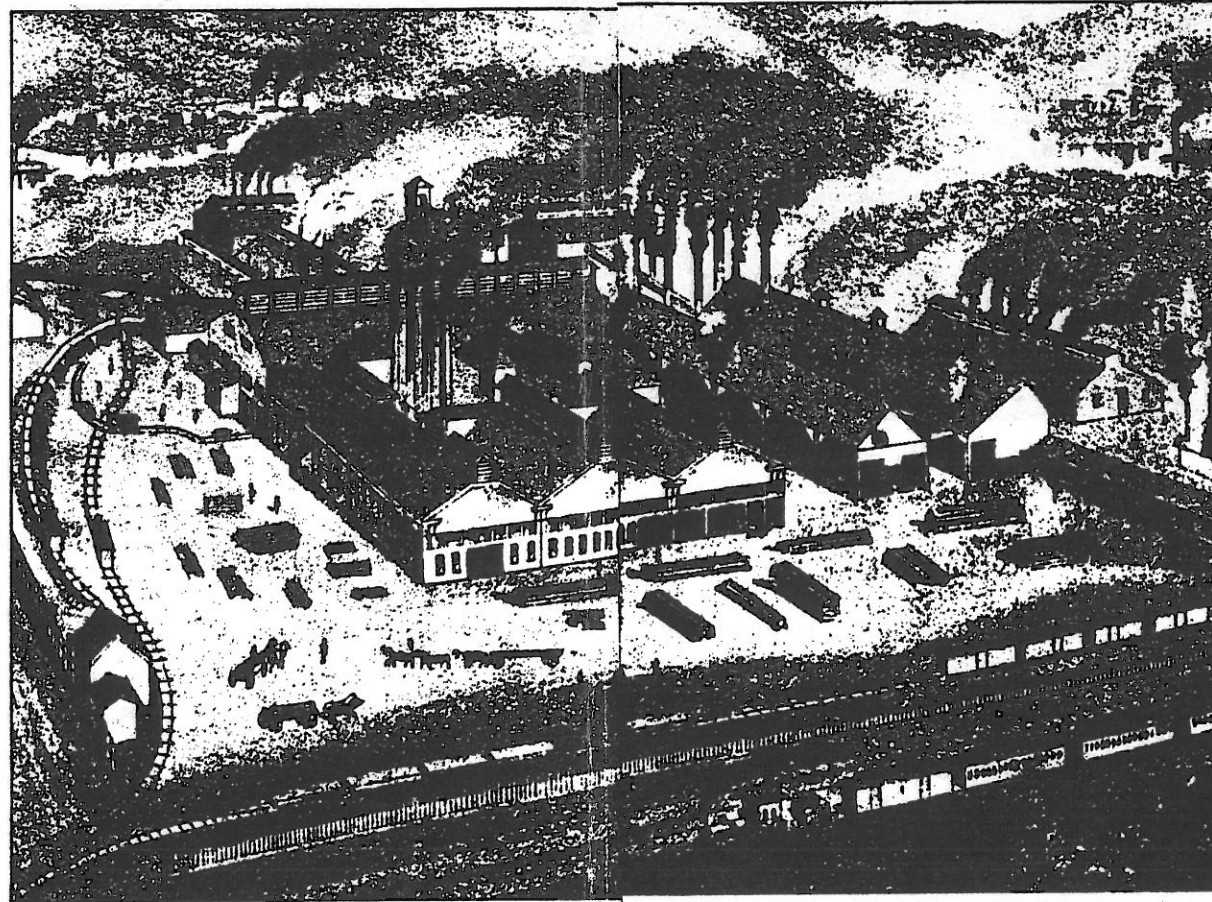
steel rails more cheaply than other manufacturers.

But as much as Carnegie depended on his supplies of raw materials and on his new Bessemer plant, he depended most heavily on his workers. Some of these workers were beginning to demand that they be allowed to form associations that could bargain with the company over wages, hours, and working conditions. Carnegie was a firm man but he also tried to be fair with his workers. Despite this, one of America's most violent strikes occurred at his steel plant, the Homestead Works. The plant was being

managed by his partner, Henry Clay Frick, while Carnegie was out of the country. Frick hired Pinkerton guards and brought in outside workers to replace the strikers. These outsiders were met by the striking workers with guns and violence. Many men were killed before the guards fled, leaving the workers in possession of their plant. The strike was settled at last and the workers agreed to Carnegie's "sliding scale" of wages—a system in which the worker's wage would never fall below a minimum level, but would only rise as the price of steel went up. Some people have blamed Carnegie for the excesses of the Homestead Strike because he backed up his partner, Frick, and because he didn't return to settle the strike himself.

Andrew Carnegie became wealthy beyond most people's dreams. He depended on the labor of thousands of men who were paid only a fraction of his own earnings. Yet he was seldom criticized for the difference. Americans viewed their country as a place of opportunity for all. That the son of a poor weaver could rise to become one of the richest men of the century was proof, they thought, that America offered unlimited opportunity.

Andrew Carnegie believed that it was a crime to die wealthy. He felt that it was the responsibility of the rich to use their money to make life better for others. Many cities and towns across America have Carnegie libraries, art museums, performance halls, and research foundations, where he put his money to work for peace and good will.



'THE KING OF STEEL'
ANDREW CARNEGIE

Read the article entitled "King of Steel" and answer the following questions. Please write on the back if you need more space.

1. How old was Carnegie when he came to the US?
2. How much money did he make at his first job and what was that job?
3. How many hours per day did he work when he was fourteen (14)? For what pay?
4. What important communications invention did Carnegie become involved with as a "runner"?
5. He then was hired to work in which fast growing transportation industry?
6. Carnegie made his first important business investment with Mr. Woodruff. *What innovation* in railroad travel did Woodruff propose?
7. By the age of 27 what was Carnegie's annual income from investments?
8. What method of production caused Carnegie's Iron works to become the "most successful competitor in the steel trade"?
9. Carnegie controlled the production of steel from start to finish. Explain his system.
10. Who was Carnegie's business partner?
11. What happened when workers at Carnegie's Homestead Works went on strike for better wages?
12. Were the strikers successful in their demands? *Why or why not?*
13. The last paragraph states that Carnegie "believed that it was a crime to die wealthy". What do we call this philosophy of Carnegie's?

