

Andrew Carnegie and the rise of big business assignment

[History](#)



Demureness's evildoer depended on the hand weaving of linen," (page 10) so when everything shifted to machine production, nearly 5, 500 people lost their jobs. This was known as the Industrial Revolution. The Carnegies were one of those families that were affected by the rise of machines, which replaced workers. His mom tried to help the family income by cobbling and selling her work in a small store she opened in front of their house, but nothing worked out, despite efforts to find a steady job by his dad and mom. People started sailing to America because their "old home no longer reminded anything at all. (page 14) Andrew Carnegie got his first job when he got to America. He worked for a local textile mill as a bobbin boy getting paid \$1.20 a week. The owner of this mill helped out because he gave preferential treatment to people from Scotland, which was his homeland. During this time, his father "failed as a man of the world" and "gave up in defeat and drifted back to the loom." (page 21) His next job was for the Reilly Telegraph Company. He started off as a mere messenger boy but in time became a full-time telegrapher. He was later advanced to be the superintendent of Pennsylvania railroad system.

All of these jobs and entrepreneurs support Livery's conclusion that Carnegie was ruthless in his career advances. Andrew Carnegie was constantly trying to make money. Switching from job to job to get more money and later in his life he got into investments. He started off when Tom Scott "persuaded him to buy ten shares of Adams Express Company stock for \$600, lending him the money." (page 53) He continued to make investments in different companies, which most of the time resulted in profit. Early in his investment

stage, he would borrow money from different people, and turn around and invest all of it.

One might agree that this method of investing shows that Carnegie was greedy, thus supporting Livery's remark. Carnegie was one of the major investors in many of the new businesses and franchises, such as the Pennsylvania oil wells. "Carnegie's last financial adventure came in July 1872" (page 79) when he took \$6 million in bonds to a bank in Germany and tried to get them to buy the bonds. Carnegie then altered his focus to a different field, the construction of what was to be known as Carnegie Steel. Created in November 1872, Carnegie Steel introduced the Bessemer method for producing steel rails.

He credited his success to his skill to be a good employer. He treated his workers right, which they returned with excellence in the workplace. This supports Livery's remark that Carnegie was loyal. Carnegie strives to make business deals and other alliances in the steel industry in interest of making his business grow. In 1872, a new furnace was constructed. "Called the 'Lucy' after Tom Carnegie's wife" (page 100), which was pushed hard to increase production. This is when Carnegie observed that machine work cost a lot less than manual labor, and he acted accordingly.

Later, Carnegie scraped his "Bessemer converters for more modern equipment, despite the hundreds of thousands of dollars invested in them." (page 129) By 1900, Carnegie Steel Company was making one fourth of all the steel in the US. Carnegie had been waiting a long time to sell, and finally, U. S. Steel Corporation was created to buy him out. In 1901 he sold out for

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\$250 million in bonds and retired room business. In the years that followed, he donated the rest of his wealth to charities such as schools, libraries, churches, and other educational and recreational places.

Carnegie had given 90% of his total riches to philanthropic groups by the time he "died peacefully in his sleep on August 11, 1919." (peg 208) This shows Carnegie's generosity of which Lives mentioned. It is stated by Harold C. Livery's in his book, *Andrew Carnegie and the Rise of Big Business*, that Andrew Carnegie "was a collection of paradoxes, this man of American tell-violent and peace-loving, ruthless and loyal, greedy and generous, boastful and diffident, vain and doubting, brash and shy".

All of these things are true about Andrew Carnegie. From his hard life he and his family had in Scotland to his rise in life, from his low paying job at the textile factory to selling out his own company for \$250 million, and finally the depression that began in 1893 which he responded to with a "policy of aggressive price cutting" and "aggressive attention to cost." (peg Carnegie and the Rise of Big Business