

Teachers' Guide for Cobblestone

March 2014: Captains of Industry

By Debbie Vilardi

Debbie Vilardi is an author of poetry, lesson plans and works of fiction. She is seeking an agent and publisher for her chapter book, *Flood*, set during Hurricane Katrina.

Goal: To learn about nineteenth century captains of industry and their impacts on America.

*Always have a parent or trusted adult help with web research.

Before Beginning:

Study the cover. What items are in the basket? What do you think it means to be a captain of industry? Read the Editor's Note on the Table of Contents pages. Study the vocabulary and answer the questions the editor asks.

"Hearing Opportunity Knock" by Peter Barnes (Pages 2-4)

Vocabulary: stocks, trusts, monopolies, precedent, philanthropic

Comprehension:

1. How did the Civil War create opportunities for gaining wealth?
2. How did the growth of railroads support these opportunities?
3. Why did investors prefer to finance railroads rather than own and build them themselves?
4. What was the economic impact of other machines?
5. Why did businesses merge into bigger companies?
6. Why did people dislike monopolies and trusts?
7. Why was the Sherman Anti-trust Act of 1890 ineffective?
8. What arguments did industrialists make in their defense?

Understanding Cartoons: Study the cartoon on page 2. How do we know who is represented? What do you think the dollar signs and items on the crown represent? Why is this American depicted as a king?

Research: Wall Street, the rise of railroads, Sherman Anti-trust Act of 1890

"A Little Luck" by Eric B. Schultz (Page 5)

Vocabulary: turnpike

Comprehension:

1. What is the "transportation revolution?"
2. How did turnpike and canal construction improve industry in the United States?

Research Activity: Are there any turnpikes and canals in your area? How old are they? What impact did they have on the development of the region? How have the fees and usage changed over time?

Research: the Erie Canal

"Cornelius Vanderbilt: Friend or Foe" by Eric B. Schultz (Pages 6-9)

"The Vanderbilt Legacy" by Eric B. Schultz (Page 9)

Vocabulary: miser, schooners, manipulating, cartels, enigma

1. How did Vanderbilt earn \$100 for his own sailboat?
2. How did he gain a good reputation as a sailor?
3. How did he expand his business?
4. Why did Vanderbilt sell his ferry business?
5. What was his response to the gold rush?
6. What large donation did he make to help the Union with the Civil War?
7. Why might Vanderbilt have sold his steamers to purchase railroads?
8. Why did he do this quietly?
9. How did Vanderbilt wield his corporate power?
10. What complicates his legacy?
11. How did his family use his wealth after his death?

Writing Activity: The article on page 5 indicates that luck played a role in gaining fortunes. What role did luck play for Vanderbilt? What role did his decision to move into new areas and utilize new technologies play?

Research: Cornelius "Commodore" Vanderbilt, William Vanderbilt, George Vanderbilt, Vanderbilt University, Biltmore

"Andrew Carnegie: First Man of Steel" by Laurel Sherman (Pages 10-13)

"The Carnegie Legacy" by Laurel Sherman (Page 13)

Vocabulary: bobbin, malleable

Comprehension:

1. What factors in Andrew Carnegie's personality helped him get promoted at work?
2. Why did Carnegie decide to switch from railroads to iron manufacture?
3. What prompted the change to steel?
4. What factors led to Carnegie's success with steel?
5. How did Carnegie treat his workers?
6. What was the workers' response?
7. How was steel used?
8. What was Carnegie's legacy?

Math Activities:

1. About how much more money did Carnegie make per year than his steel workers?
2. How many years would it have taken for Carnegie to earn \$480 million dollars at the rate the company was earning in 1900? Was this a fair price? Why?

Writing Activity: "Steel became the backbone of America's industrial empire." What does this sentence mean? Do you agree with it? Use material in the article to support your response.

Discussion: Read the sidebar on page 13. Did Carnegie give away enough to die without the disgrace he mentioned?

Research: Andrew Carnegie, Henry Bessemer, J.P. Morgan, United States Steel Corporation, Carnegie Hall, Carnegie-Mellon University, the Carnegie Corporation of New York

"Strike" by Craig E. Blohm (Page 14)

Comprehension:

1. What was Carnegie's attitude toward workers?
2. What was his attitude toward the union?
3. Why did Frick have a fence built?
4. Why were Pinkerton men brought in?
5. How did the violence start?
6. What was the result of the conflict?
7. What was Carnegie's attitude toward Frick's actions?

Research: Homestead Steel Works, Henry Clay Frick, Pinkerton National Detective Agency

“Partners in Crime” by Pauline Bickford-Duane (Pages 15-17)

Comprehension:

1. Describe Jim Fisk’s early jobs.
2. Describe Jay Gould’s early jobs.
3. What did Fisk and Gould have in common?
4. How did they wrestle the Erie Railroad Company from Cornelius Vanderbilt?
5. How did the government control the price of gold?
6. What was Gould and Fisk’s plan to profit from this government action?
7. Did the plan succeed?
8. How did it impact other investors?
9. What is their legacy?

Understanding Cartoons: Look at the cartoons on page 15. Why might Fisk have been portrayed as a bulldog? Consider a bulldog’s traits. What questionable business practices does satanic Gould preside over? Is this a fair representation of him?

Research: Jim Fisk, Jay Gould, President Ulysses S. Grant

“A Man of Trust” by Pauline Bickford-Duane (Page 17)

Comprehension:

1. What was Jay Cooke’s background?
2. How did he gain banking experience?
3. How did he earn his fortune?
4. How did he lose it?
5. What allowed him to recover?
6. How did he spend his money?

Research: Jay Cooke, Panic of 1873

"John D. Rockefeller: Oil King" by Barbara D. Krasner (Pages 18-21)

"The Rockefeller Legacy" by Barbara D. Krasner (Page 21)

Vocabulary: commodities, speculators

Comprehension:

1. How did Rockefeller get his start in business?
2. Why was the discovery of oil important?
3. How did Rockefeller get into the kerosene business?
4. Why didn't Rockefeller use middle men?
5. What are some of the byproducts of oil refinement?
6. Why did Rockefeller buy Clark out?
7. What prompted Rockefeller to form the Standard Oil Company?
8. Why did some people sell their smaller oil businesses to Rockefeller?
9. How did Rockefeller justify buying these companies?
10. Why was the company ordered to break up?
11. What was Rockefeller's Legacy?

Writing Activity: Compare Rockefeller to Carnegie. Did they start out in business in similar ways? What business practices did they have in common? What led them to philanthropy?

Geography: Locate Oil Creek on a map of Pennsylvania

Research: John D. Rockefeller, Maurice Clark, Colonel Edwin Drake, Samuel Andrews, Excelsior Oil Works, Standard Oil, Rockefeller University, Spelman College, Rockefeller Foundation

"Ida Takes Aim" by Ruth Spencer Johnson (Pages 22-23)

Vocabulary: muckraking

Comprehension:

1. Where did Ida Tarbell grow up?
2. Why was she interested in the history of Standard Oil?
3. What secrets did she uncover?
4. What were some results of her articles?

Research: Ida Tarbell, *McClure's*, "The History of Standard Oil Company", investigative journalism

"Did You Know" by Chris Ware (Pages 24-25)

Research Activity: Select one of the people mentioned and write an answer to the article's opening question.

Research: Warren Buffet, Bill Gates, Steve Jobs, Mark Zuckerberg, Jeffrey Preston Bezos, Sergey Brin, Larry Page

"J.P. Morgan: Master of Money" by Kathiann M. Kowalski (Pages 28-30)

"The Morgan Legacy" by Kathiann M. Kowalski (Page 30)

Comprehension:

1. What was J.P. Morgan's childhood like?
2. How did he get started in banking?
3. How did Morgan profit from gold?
4. Why did he purchase and merge companies in the same field?
5. How did he help prevent national financial disasters?
6. Why did President Roosevelt sue?
7. What was the outcome of the lawsuit?
8. What was Morgan's view of the benefits of monopolies and trusts?
9. What was his professional legacy?
10. What became of his personal collections?

Writing Activity: Compare Morgan's gold dealing to that of Gould and Fisk.

Understanding Cartoons: In the article, Morgan is quoted as saying he was doing what was best for America. What does the cartoon on page 29 suggest about his level of power? What information in the article supports this conclusion? Does anything deny this conclusion?

Research: John Pierpont Morgan, Northern Securities Company, General Electric, American Telephone and Telegraph Company, President Theodore Roosevelt, Representative Arsene Pujo, Samuel Untermyer, Federal Reserve Bank, Federal Reserve System

"A Tale of Tariffs" by Heather Cox Richardson (Pages 31-33)

Vocabulary: white-collar, tariff

Comprehension:

1. How did the rise of new industries lead to a new class of employee in the United States?
2. How did big business lead to extreme poverty for some?
3. How did tariffs benefit American companies and hurt the poor?
4. How did the United States Constitution address the disparities between the wealthy and the poor?
5. How did the debate about tariffs define the major political views of the Democratic and Republican parties?
6. Which party switched from using tariffs to taxes to fund the government?

Discussion Activity: Stage a debate about whether government should create more and higher tariffs to support business or lower and remove tariffs to benefit the general worker?

Research: President Woodrow Wilson

“Business Ethics” by Kathiann M. Kowalski (Pages 34-36)

Vocabulary: securities, loopholes, community norms, ethics, civil lawsuit

Comprehension:

1. What are the crimes listed in the article?
2. Why were people angry at Goldman Sachs?
3. What led up to the financial crisis in 2008?
4. What ethical considerations does the article suggest are part of “business decision-making?”
5. What is the overall impact of unethical activity?

Discussion:

1. Should American businesses be responsible for the workers who make the products they sell, even if the companies don’t own the factories?
2. Is it morally wrong for a business to focus on profit alone, or is it the job of the business to make money?

Video Activity: Watch the videos mentioned at the end of the article.

Research: Bernie Madoff, Great Recession

"Big Scandals" by Peter Barnes (Page 37)

Vocabulary: laissez faire, sham, bonds

Comprehension:

1. How were politicians and businessmen linked in the days of laissez faire government?
2. Why was the Credit Mobilier company created?
3. What actions deepened the scandal?
4. Why were ethical questions raised?
5. What was the result of the scandal?

Research: Credit Mobilier of America, Oakes Ames

Activities for the Entire Issue:

The time period represented in this issue is part of the Industrial Revolution. Write an essay detailing what was revolutionary about this period. Include information about who the leaders of the revolution were and how they impacted the future of America politically and financially.

Study the cartoons in this issue and create a political cartoon to accompany your essay.