The Rise of Big Business

1. John D. Rockefeller originally made his fortune in which industry?
   - A. electronics  
   - B. oil  
   - C. railroad  
   - D. steel

2.  
   - founded the American Railway Union in 1893  
   - played an important role in the Pullman Strike in 1894  
   - was a founding member of the Social Democratic Party of America  
   - ran for president of the United States five times

Which leader of organized labor is described above?
   - A. Eugene V. Debs  
   - B. Samuel Gompers  
   - C. Terrence Powderly  
   - D. John L. Lewis

3. The Pullman Strike of 1894 had the greatest effect on which industry?
   - A. the railroad industry  
   - B. the steel industry  
   - C. the textile industry  
   - D. the oil industry

4.  
   Image courtesy of the U.S. Library of Congress

This cartoon was published in *Puck* magazine in 1904. Based on the picture, what is this cartoon stating about trusts (in this case the Standard Oil trust)?
   - A. The trusts had many executives because they wanted to spread power out among many people.  
   - B. Trusts often sought to control the U.S. government and many other aspects of life.  
   - C. Trusts were helpful because they reached out and supported their workers.  
   - D. The U.S. government was financially supported by trusts like the Standard Oil Company.

5. Which of the following American companies had a monopoly in the late 1800s?
   - A. General Electric Company  
   - B. Sears, Roebuck and Company
This cartoon was published in *Puck* magazine in 1889. The sign in the middle of the Senate room reads, "This is a Senate of the Monopolists, by the Monopolists, and for the Monopolists."

Which of the following is the purpose of this cartoon?

A. to compare the differences between the major trust leaders and U.S. senators  
B. to show how much influence big business leaders had on the U.S. government  
C. to demonstrate how much different U.S. industries had grown in the late 1800s  
D. to give people an accurate portrayal of what some trust leaders looked like

In this passage, one of Andrew Carnegie's arguments is that

A. little has changed historically about people's standard of living.  
B. there has always been a large gap between the rich and the poor.  
C. the government should work to redistribute people's wealth.  
D. even the poor are better off today than they were in the past.

Which group believed that society was a competition in which the fittest came out on top, justifying the inequality faced by immigrants and minorities during the Gilded Age?

A. Socialists  
B. Union members  
C. Transcendentalists  
D. Social Darwinists
Who is described in the graphic above?

- A. Alexander Graham Bell
- B. Cornelius Vanderbilt
- C. George Westinghouse
- D. George Pullman

10. The Pullman Strike of 1894 at the Pullman Palace Car Company ended after

- A. the federal government issued an injunction.
- B. the company agreed to give the workers higher wages.
- C. the company went out of business.
- D. the workers decided to stop striking.

11. Which of the following best explains how the labor pool was affected by immigration in the late 19th century and early 20th century?

- A. There were not enough workers to meet the needs of American businesses.
- B. There were large numbers of unskilled workers who were willing to work for low wages.
- C. There were millions of highly educated workers who helped improve American productivity.
- D. There were many native-born Americans who no longer wanted to work.

12. In the late 1800s, what groups were formed to improve conditions for workers?

- A. trusts
- B. conglomerates
- C. cooperatives
- D. labor unions

13. Which labor union is described above?

- A. the Congress of Industrial Organizations
- B. the Knights of Labor
- C. the American Federation of Labor
- D. the Industrial Workers of the World

14. Samuel Gompers was an important leader in the organized labor movement and is known for founding

- A. the Knights of Labor.
- B. the Industrial Workers of the World.
- C. the American Federation of Labor.
- D. the International Ladies’ Garment Workers’ Union.

15. Certain ills belong to the hardships of human life. They are natural. They are part of the struggle with Nature for existence. We cannot blame our fellow-men for our share of these. My neighbor and I are both struggling to free ourselves from these ills. The fact that my neighbor has succeeded in this struggle better than I constitutes no grievance for me.
Based on the quotations above, which of the following would Sumner and Addams most likely have disagreed on?

A. whether Christian teachings should influence the law
B. whether the profits of businesses lead to the overall well-being of everyone
C. whether it is immoral to acquire a large amount of wealth and success
D. whether society is responsible for its lowest classes

16. Which event weakened the influence of the Knights of Labor?

A. the Haymarket Square Riot
B. the Crédit Mobilier scandal
C. the passage of the Dawes Act
D. the passage of the Sherman-Antitrust Act

17. Which wealthy businessman wrote the essay "The Gospel of Wealth," in which he encouraged wealthy people to use their money to benefit society?

A. John D. Rockefeller
B. Andrew Carnegie
C. Cornelius Vanderbilt
D. J.P. Morgan

18. The Bessemer process led to which of following?

A. the rapid increase in agricultural production
B. the creation of a monopoly in the oil industry
C. the employment of highly skilled workers
D. the mass production of high quality steel

19. Andrew Carnegie was a very successful entrepreneur and businessman in the late 1800s and early 1900s. He started the Carnegie Steel Company and later went on to have profitable investments in the railroad and oil industries. Carnegie retired at the beginning of the 20th century and began to devote his time, efforts, and money to help others. He used his money to establish social organizations, museums, libraries, schools, and Carnegie Mellon University.

Based on the passage about Andrew Carnegie, one could say that he was an entrepreneur, an industrialist, and

A. a fascist.
B. a politician.
C. a philanthropist.
D. an environmentalist.

20. What did John D. Rockefeller create in order to monopolize the oil industry?

A. a non-profit organization
B. a union
C. a collective
D. a trust

21. Which term best describes wealthy business owners who often engaged in unfair or anti-competitive business practices?

A. mugwumps
B. muckrakers
C. venture capitalists
D. robber barons

22. Which of the following best describes the significance of the Great Strike of 1877?

A. It resulted in the worst violence in the history of the labor movement.
B. It resulted in the first legislation protecting the rights of labor unions.
C. It was the first nationwide strike in the United States.
D. It was the first strike supported by skilled and unskilled workers.

Answers

1. B
2. A
3. A
4. B
5. C
6. B
7. D
8. D
9. B
10. A
11. B
12. D
13. B
14. C
15. D
16. A
17. B
18. D
19. C
20. D
21. D
22. C

Explanations

1. John D. Rockefeller originally made his fortune in the oil industry. In 1870, Rockefeller and a few business partners founded the Standard Oil Company. By the late 1890s, Rockefeller’s company had become a monopoly that made high profits through stifling competition. In the late 1890s, Rockefeller retired and became an active philanthropist. Today, Rockefeller is considered to be one of the richest men in history.

2. Eugene V. Debs is the person described in the box. He was born in Indiana in 1855 and began working for the Terre Haute & Indianapolis Railroad when he was fourteen. He founded the American Railway Union (ARU) in 1893 as a way to organize railroad workers. During the Pullman Strike of 1894, Debs ordered members of the ARU to refuse to work on trains that had Pullman cars. Later, Debs became a socialist and ran for president several times. He was also involved in the founding of the Industrial Workers of the World.

3. In May 1894, workers at the Pullman Palace Car Company, a company that manufactured railroad cars, went on strike after the company had reduced the workers’ wages. Members of the American Railway Union, a union made up of railroad workers, refused to work on any train that had Pullman cars. As a result, the all of the western railways except the Great Northern line were shut down. The strike continued until July when the federal government issued an injunction, a court order to prevent certain activities, and troops were sent to Chicago and other places to end the strike.

4. The cartoon depicts Standard Oil Company as a giant octopus that has its tentacles around its workers and different U.S. government buildings. It is showing that trusts often sought to control the government and many other aspects of life. The cartoon reflects a common viewpoint of many U.S. citizens in the late 1800s and early 1900s. It was meant to inspire people to join together and take action against the trusts. Some groups and people, such as the Progressive Party and Theodore Roosevelt, sought to break the power of the trusts. This was called “trust-busting.”

5. By the late 1800s, Standard Oil controlled 90 percent of the oil refining business in the United States. Standard Oil controlled most of the oil sales as well. The company’s monopoly of the oil industry continued until 1911, when the Supreme Court ordered Standard Oil to break apart into thirty-four different companies.

6. This cartoon was published in a popular magazine in 1889. Its purpose was to show how much influence big business leaders had on the U.S. government. During the Gilded Age, trusts such as those in the cartoon had a great deal of influence on the U.S. government. Trust leaders often tried to bribe senators so they would write legislation that benefited their companies. Many citizens were outraged by the corruption and fought to break up the trusts.

7. Andrew Carnegie was a wealthy businessman during the Gilded Age. In the Gospel of Wealth, Carnegie argued...
7. Andrew Carnegie was a wealthy businessman during the Gilded Age. In the Gospel of Wealth, Carnegie argued that the difference in living conditions between the rich and the poor was a necessary part of civilization, and both groups of people were better off than they had been in the past. He believed it was the personal responsibility of the wealthy to help the poor through charity.

8. Social Darwinism was a philosophy of the Gilded Age in which Darwin's evolution theory was extended to civilization. It had negative implications for those who were disadvantaged; many people in power simply believed that society's poor were themselves to blame for being unfit.

9. Cornelius Vanderbilt was a famous American entrepreneur and industrialist during much of the 1800s. As a young man, Vanderbilt established a successful shipping business. He used his profits to invest in the railroad industry. By the 1860s, Vanderbilt had built a large fortune. He donated a small fraction of his fortune to what would later become Vanderbilt University, named in his honor.

10. During the Pullman Strike, workers at the Pullman Palace Car Company in Illinois were protesting because their wages had been cut. The strike expanded to include thousands of railroad workers around the country who refused to work on trains that had Pullman cars. As a result, rail service throughout the Midwest was severely disrupted. The federal government intervened by issuing an injunction to end the strike. The federal government felt it had the right to end the strike because the strike was interfering with interstate commerce and was preventing the delivery of U.S. mail.

11. In the late 19th century and early 20th century, millions of immigrants came to the United States each year. Many of these immigrants were unskilled and were willing to do any job that they could find. Many companies paid their employees very low wages and had poor working conditions. Because there was a steady stream of immigrants coming into the U.S., many companies were not concerned with improving conditions for their workers.

12. National labor unions began to emerge in the late 1800s. Groups such as the Knights of Labor and the American Federation of Labor were formed in order to negotiate better working conditions such as higher wages and shorter hours.

13. The Knight of Labor is the labor union described in the box. This was a national union that was open to skilled and unskilled workers. Thousands of women joined the union, including Mary Harris Jones who organized many strikes. The Knights of Labor led a successful strike against the Union Pacific Railroad in 1884 and the Wabash Railroad in 1885. After the Haymarket Riot in 1886 in which a strike turned violent, membership in the union declined.

14. Samuel Gompers founded the American Federation of Labor (AFL) in 1886 and served as its president from 1886 to 1895 and again from 1896 to 1924. The union was made up of skilled workers and fought for higher wages, better working conditions, and a shorter work week.

15. Social Darwinism and the Social Gospel held different interpretations about the urban poor. According to Social Darwinism, the lower classes deserved to be where they were, and they were in fact holding the rest of society down. According to the Social Gospel, the well-off in society had a responsibility to make living conditions better for the less fortunate.

16. The Haymarket Square Riot occurred in Chicago in 1886 during a strike against the McCormick Harvesting Machine Company. During a clash between the police and the strikers, one of the strikers was killed. The next day, people gathered to protest the death of the striker. Among the protesters were a group of anarchists who wanted to get rid of the government. When the police came to break up the group, a bomb was thrown at the police, killing seven of them. People blamed the anarchists and the labor unions, specifically the Knights of Labor, for the riot. After the riot, membership in the Knights of Labor fell, and its influence decreased.

17. Andrew Carnegie wrote the essay "The Gospel of Wealth" in 1889. Andrew Carnegie had become quite wealthy due to success in the steel business. He felt that wealthy businessmen should use their fortunes to benefit society. He became a philanthropist and funded the creation of thousands of public libraries throughout the United States.

18. Sir Henry Bessemer of England developed a process used to mass produce steel from molten pig iron. His process used a blast of hot air to remove impurities from iron. Andrew Carnegie adopted this method and went on to revolutionize the steel industry in the United States.

19. Andrew Carnegie was an entrepreneur, an industrialist, and a philanthropist. He built his fortune in the steel industry and went on to increase its size due to his investments in other industries. For the last 18 years of his life, Carnegie retired from business and began donating much of his fortune to help society. Today, many people still benefit from the philanthropic efforts of Carnegie.

20. John D. Rockefeller created the trust in 1879. Rockefeller was the president of the Standard Oil Company but wanted to control more of the oil industry. Standard Oil was an Ohio company and, by law, was not allowed to own stock in companies that were in other states. In order to get around the law, Rockefeller created a new form of business called the trust. In a trust, shareholders of one company turned over their shares to a board of trustees, who then controlled the companies. The creation of the trust led to Standard Oil monopolizing the oil refining business.
21. The term robber barons was used to describe certain wealthy American businessmen. People such as Andrew Carnegie, John D. Rockefeller, J.P. Morgan, and Cornelius Vanderbilt were labeled as robber barons because of their extraordinary wealth.

22. Labor organizations became much more active in the late 1800s. In order to be heard, the labor unions helped employees organize strikes at major companies across the United States. The first of many was The Great Strike in 1877, which started with railroad workers in Martinsburg, West Virginia. The strike spread, and railroad workers across the U.S. refused to allow railroad cars to roll. The strike lasted 45 days and was first nationwide strike in the United States.