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[ANDREW CARNEGIE: THE RICHEST MAN IN THE WORLD](#) | ARTICLE

# Biography: Andrew Carnegie

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At a time when America struggled -- often violently -- to sort out the competing claims of democracy and individual gain, Carnegie championed both. He saw himself as a hero of working people, yet he crushed their unions. One of the most successful entrepreneurs of his age, he railed against privilege. A generous philanthropist, he slashed the wages of the workers who made him rich.

One of the captains of industry of 19th century America, Andrew Carnegie helped build the formidable American steel industry, a process that turned a poor young man into the richest man in the world.

## From Scotland to America

Carnegie was born in Dunfermline, Scotland, in 1835. An ancient town that had taken pride in being Scotland's medieval capital, Dunfermline had fallen on hard times. Andrew's father was a weaver, a profession the young Carnegie was expected to follow. But by the 1840s, the royal castle lay in ruins, as did the town's once-booming linen industry, which had long enjoyed a reputation for producing the finest damask linens in Great Britain. The industrial revolution had destroyed the weavers' craft. When the steam-powered looms came to Dunfermline in 1847, hundreds of hand loom weavers became expendable. Andrew's mother went to work to support the family, opening a small grocery shop and mending shoes.



More details Birthplace of Andrew Carnegie in Dunfermline, Scotland, Copyright: Kilburn.

Dunfermline weavers struggling to feed their families put their faith in a political panacea called Chartism, a popular movement of the British working class. The Chartists believed that by allowing the masses to vote and to run for Parliament, they could seize government from the landed gentry and make conditions better for the working man. Carnegie's father Will and his uncle Tom Morrison led the Chartist movement in Dunfermline. In 1842, Tom organized a national general strike. Will, meanwhile, published letters in various radical magazines and was president of one of the local weavers' societies. Despite the enthusiasm of the Dunfermline Chartists, Chartism fizzled out in 1848, after Parliament rejected the Chartists' demands for the final time.

"I began to learn what poverty meant," Andrew would later write. "It was burnt into my heart then that my father had to beg for work. And then and there came the resolve that I would cure that when I got to be a man."

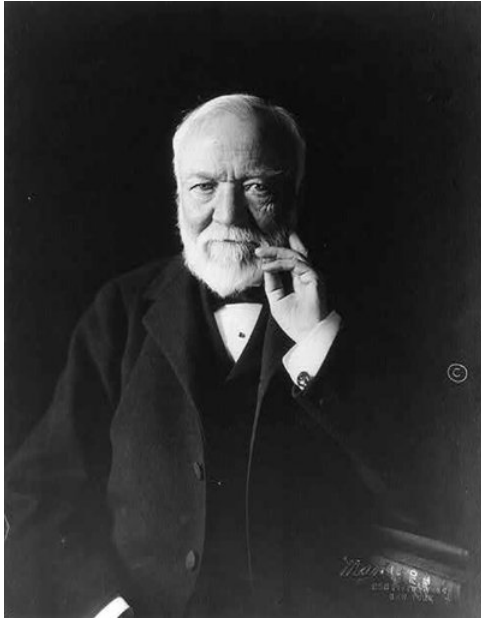
Andrew's mother, Margaret, fearing for the survival of her family, pushed the family to leave the poverty of Scotland for the possibilities in America, about which she had heard encouraging reports. "This country's far better for the working man than the old one," assured Margaret's sister, who had lived in America for the last eight years.

The Carnegies auctioned all their belongings only to find that they still didn't have enough money to take the entire family on the voyage. They managed to borrow 20 pounds and find found room on a small sailing ship, the *Wiscasset*. At the harbor in Glasgow, they and the rest of the human cargo were assigned to tightly squeezed bunks in the hold. It would be a 50-day trip, with no privacy and miserable food.

The Carnegies, like many emigrants that year, discovered their ship's crew undermanned; they and the others were frequently asked to pitch in. Many were not much help; half the passengers lay sick in their bunks, the roll of the sea too much. It was grueling, but there was always hope. The passengers traded stories about the lives they would find in the New World.

Finally, New York City came into sight. The ships sailed past the plush farmland and forests of the Bronx, dropping anchor off Castle Garden at the lower end of Manhattan. It was still seven years before New York would build an immigration station there and nearly half a century before Ellis Island would open. The Carnegies disembarked, disoriented by the activity of the city but anxious to continue on to the final destination -- Pittsburgh.

The Carnegies booked passage on a steamer up the Hudson River to Albany, where they found a number of jostling agents eagerly competing to carry them west on the Erie Canal. At 35 miles per day, it was slow travel and not particularly pleasant. Their "quarters" were a narrow shelf in a hot, unventilated cabin. Finally, they reached Buffalo. From there, it was only three more trips by canal boat. After three weeks travel from New York, they finally arrived in Pittsburgh, the place where Andrew would build his fortune.



Andrew Carnegie, Courtesy: Library of Congress

## Welcome to Pittsburgh

When the Carnegies arrived in 1848, Pittsburgh was already a bustling industrial city. But the city had begun to pay an environmental price for its success. The downtown had been gutted by fire in 1845; already the newly constructed buildings were so blackened by soot that they were indistinguishable from older ones.

The Carnegies lived in a neighborhood alternately called Barefoot Square and Slab town. Their home on Rebecca Street was a flimsy, dark frame house -- a far cry from their cozy stone cottage in Scotland. "Any accurate description of Pittsburgh at that time would be set down as a piece of the grossest exaggeration," Carnegie wrote, setting aside his usually optimistic tone. "The smoke permeated and penetrated everything.... If you washed your face and hands they were as dirty as ever in an hour. The soot gathered in the hair and irritated the skin, and for a time ... life was more or less miserable."

Often described as "hell with the lid off," Pittsburgh by the turn of the century was recognized as the center of the new industrial world. A British economist described its conditions: "Grime and squalor unspeakable, unlimited hours of work, ferocious contests between labor and capital, the fiercest commercial scrambling for money literally sweated out of the people, the utter absorption by high and low of every faculty in getting and grabbing, total indifference to all other ideals and aspirations."

But if Pittsburgh had become a focus of unrestrained capitalism, it also drove the American economy. And to the men who ran them, the city's industries meant not just dirty air and water, but progress. Pittsburgh's furnaces symbolized a world roaring toward the future, spurred onward by American ingenuity and omnipotent technology.

William Carnegie secured work in a cotton factory. Andrew took work in the same building as a bobbin boy for \$1.20 a week, and he later worked as a messenger boy in the city's telegraph office. He did each job to the best of his ability and seized every opportunity to take on new responsibilities. He memorized Pittsburgh's street layout as well as the names and addresses of the important people he delivered to.

Carnegie often was asked to deliver messages to the theater. He arranged to make these deliveries at night--and stayed on to watch plays by Shakespeare and other great playwrights. In what would be a life-long pursuit of knowledge, Carnegie also took advantage of a small library that a local benefactor made available to working boys.

One of the men Carnegie met at the telegraph office was Thomas A. Scott, then beginning his impressive career at Pennsylvania Railroad. Scott was taken by the young worker and referred to him as "my boy Andy," hiring him in 1853 as his private secretary and personal telegrapher at \$35 a month.

"I couldn't imagine," Carnegie said many years later, "what I could ever do with so much money." Ever eager to take on new responsibilities, Carnegie worked his way up the ladder at Pennsylvania Railroad and succeeded Scott as superintendent of the Pittsburgh Division. At the outbreak of the Civil War, Scott was hired to supervise military transportation for the North, and Carnegie worked as his right hand man.

The Civil War fueled the iron industry, and by the time the war was over, Carnegie saw the potential in the field and resigned from Pennsylvania Railroad. It was one of many bold moves that would typify Carnegie's life in industry and earn him his fortune. He then turned his attention to founding the Keystone Bridge Company in 1865, where he focused on replacing wooden bridges with stronger iron ones. In three years, he had an annual income of \$50,000.

By 1868 Carnegie, then 33, was worth \$400,000 (nearly \$5 million today). But his wealth troubled him, as did the ghosts of his radical past. He expressed his uneasiness with the businessman's life, promising that he would stop working in two years and pursue a life of good works: "To continue much longer overwhelmed by business cares and with most of my thoughts wholly upon the way to make more money in the shortest time, must degrade me beyond hope of permanent recovery. I will resign business at thirty-five, but during the ensuing two years I wish to spend the afternoons in receiving instruction and in reading systematically."

## Making Money and Starting a Family

Carnegie would continue making unparalleled amounts of money for the next 30 years. Two years after he wrote that letter Carnegie would



embrace a new steel refining process being used by Englishman Henry Bessemer to convert huge batches of iron into steel, which was much more flexible than brittle iron. Carnegie threw his own money into the process and even borrowed heavily to build a new steel plant near Pittsburgh in 1875. Carnegie was ruthless in keeping down costs and managed by the motto "watch costs, and the profits take care of themselves."

"I think Carnegie's genius was first of all, an ability to foresee how things were going to change," says historian John Ingram. "Once he saw that something was of potential benefit to him, he was willing to invest enormously in it."

In 1880, Carnegie, at age 45, began courting Louise Whitfield, age 23. Carnegie's mother was the primary obstacle to the relationship. Nearly 70 years old, Margaret Carnegie had long been accustomed to her son's complete attention. He adored her. They shared a suite at New York's Windsor Hotel, and she often accompanied him -- even to business meetings. Some have hinted that she exacted a promise from Carnegie that he remain a bachelor during her lifetime.

Louise was the daughter of a well-to-do New York merchant and a semi-invalid mother. Like Carnegie, Louise was devoted to her mother, who required constant medical attention. Unlike Margaret Carnegie, however, Mrs. Whitfield encouraged her daughter to spend time with her suitor. Carnegie's mother meanwhile did her best to undermine the relationship

Undaunted, the couple were engaged in September 1883, but they kept it a secret for the sake of mother Margaret. In 1886, Margaret's health was failing. In July, Carnegie wrote to Louise from his summer home in Cresson, PA. "I have not written to you because it seems you and I have duties which must keep us apart," he wrote. "Everything does hang upon our mothers, with both of us -- our duty is the same, to stick to them to the last. I feel this every day."

On November 10, 1886, Margaret Carnegie died. Even then, Carnegie was reluctant to make the engagement public, out of respect for his mother. "It would not seem in good taste to announce it so soon," Carnegie wrote Louise. They were finally married on April 22, 1887, at the Whitfield home. The wedding was very small, very quiet, very private. There was no maid of honor, no best man, no ushers, and only 30 guests.

By this point, Carnegie had entered into a business partnership with Henry Clay Frick, an industrialist in coal-based fuel. Carnegie was unusual among the industrial captains of his day because he preached for the rights of laborers to unionize and to protect their jobs. However, Carnegie's actions did not always match his rhetoric. Carnegie's steel workers were often pushed to long hours and low wages. In the Homestead Strike of 1892, Carnegie threw his support behind Frick, the plant manager, who locked out workers and hired Pinkerton thugs to intimidate strikers. Many were killed in the conflict, and it was an episode that would forever hurt Carnegie's reputation and haunt him as a man.

Still, Carnegie's steel juggernaut was unstoppable, and by 1900 Carnegie Steel produced more steel than all of Great Britain. That was also the year that financier J.P. Morgan mounted a major challenge to Carnegie's empire. While Carnegie believed he could beat Morgan in a battle lasting five, 10 or 15 years, the fight did not appeal to the 64-year old man eager to spend more time with his wife Louise and daughter Margaret.

Carnegie wrote the asking price for his steel business on a piece of paper and had one of his managers deliver the offer to Morgan in 1901. Morgan accepted without hesitation, buying the company for \$480 million. Carnegie personally earned \$250 million (approximately \$4.5 billion today). "Congratulations, Mr. Carnegie," Morgan said to Carnegie when they finalized the deal, "you are now the richest man in the world."

## Philanthropy

Fond of saying that "the man who dies rich dies disgraced," Carnegie turned his attention to giving away his fortune. He abhorred charity, and instead put his money to use helping others help themselves. He spent much of his collected fortune on establishing over 2,500 public libraries as well as supporting institutions of higher learning.

Carnegie also was one of the first to call for a "league of nations" and he built a "a palace of peace" that would later evolve into the World Court. His hopes for a civilized world of peace were destroyed, though, with the onset of World War I in 1914. Louise said that with these hostilities her husband's "heart was broken."



The close of the peace congress. Illustration shows representatives from many foreign nations converging on the figure of Peace who is returning weapons to each ruler, 1907. Courtesy: Library of Congress.

Carnegie lived for another five years, but the last entry in his autobiography was the day World War I began. By the time of Carnegie's death in 1919, he had given away \$350 million (\$4.4 billion in 2010 dollars). Through philanthropy and the pursuit of world peace, Carnegie hoped perhaps that donating his wealth to charitable causes would mitigate the grimy details of its accumulation, and in the public memory, he may have been correct. Today, he is most remembered for his generous gifts of music halls and educational grants, and libraries.

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