THE RAILROADS * CHAPTER 3 SECTION 2

US HISTORY (EOC)

ESSENTIAL QUESTION:

• WHAT IMPACT DID SCIENTIFIC DISCOVERIES AND MANUFACTURING PROCESSES HAVE ON THE NATURE OF WORK, THE AMERICAN LABOR MOVEMENT, AND AMERICAN BUSINESSES?

LESSON OBJECTIVES:

STUDENTS WILL BE ABLE TO

- IDENTIFY THE ROLE OF THE RAILROADS IN UNIFYING THE COUNTRY.
- LIST POSITIVE AND NEGATIVE EFFECTS OF RAILROADS ON THE NATION'S ECONOMY.

SUMMARIZE REASONS FOR, AND OUTCOMES OF THE DEMAND FOR RAILROAD REFORM.

LINKING A NATION: TRANSCONTINENTAL RAIL



- WHEN DID THE RAILROAD BOOM BEGIN? 1862
- WHAT CAUSED THE BOOM? THE PACIFIC RAILWAY ACT
 - THE UNION PACIFIC & THE CENTRAL PACIFIC WERE GIVEN PERMISSION TO BUILD THE RAILROAD
- WHO WORKED ON THE RAILROAD
 - CIVIL WAR VETERANS
 - IRISH & CHINESE IMMIGRANTS
 - FRUSTRATED MINERS AND FARMERS
 - COOKS
 - ADVENTURERS
 - EX-CONVICTS
 - THE TRANSCONTINENTAL RAILROAD WAS COMPLETED IN 4 YEARS

RAILROADS SPUR GROWTH

- HOW MANY TRANSCONTINENTAL LINES WERE BUILT? MANY!
 AFTER THE CIVIL WAR, RAILROADS WOULD LINK THE NATION.
- HOW DID THE NEW TRANSPORTATION CHANGE AMERICA?
 - INCREASED MARKETS FOR PRODUCTS
 - SPURRED INDUSTRIAL GROWTH
 - COMPANIES STIMULATED THE ECONOMY BY SPENDING MONEY:
 - STEEL, COAL, TIMBER, AND OTHER MATERIALS TO BUILD
 - LARGER RAILROAD COMPANIES WOULD CONSOLIDATE SMALLER LINES
 - NEW LOCOMOTIVES & BRAKES: MADE TRAVEL SAFER!
 - OPERATION BECOMES EFFECTIVE!

RAILROADS CLOSED THE FRONTIER

• HOW DID INVESTORS RAISE MONEY FOR THE RAILROADS?

- FEDERAL LAND GRANTS
- LAND GRANTED TO THE RAILROADS WAS SOLD TO:
 - SETTLERS
 - REAL ESTATE COMPANIES
 - **BUSINESSES**
- THIS HELPED TO GAIN \$\$\$ FOR RAILROAD CONSTRUCTION

• HOW MUCH LAND WAS GRANTED TO RAILROADS?

MORE THAN 120 MILLION ACRES

THE LAND IS ONLY VALUABLE IF SOLD

Advertising for immigration

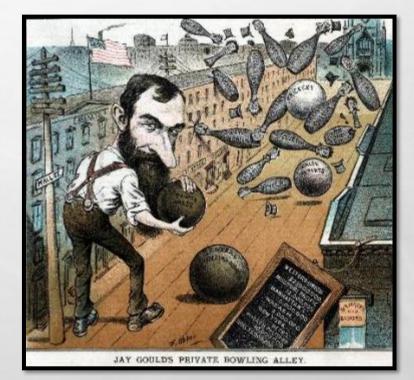
CORNELIUS VANDERBILT: COMPETITIVE NATURE



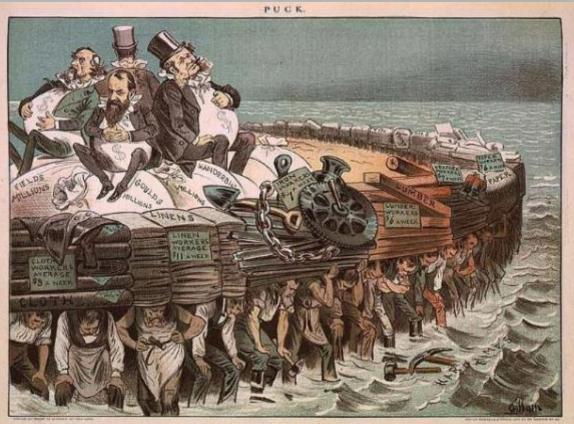
SALES FOR LEADING MADE

ROBBER BARONS OR CAPTAINS OF INDUSTRY?

- WHAT IS A "CAPTAIN OF INDUSTRY"?
 - A BUSINESS LEADER WHOSE MEANS OF AMASSING A PERSONAL FORTUNE CONTRIBUTES POSITIVELY TO THE COUNTRY IN SOME WAY.
- WHAT IS A "ROBBER BARON"?
 - A PERSON WHO HAS BECOME RICH THROUGH RUTHLESS AND UNSCRUPULOUS BUSINESS PRACTICES.
- ARE THE INDUSTRIALISTS OF THE LATE 19TH CENTURY "CAPTAINS OF INDUSTRY" OR "ROBBER BARONS"?



PROTECTORS OF OUR INDUSTRIES?



THE PROTECTORS OF OUR INDUSTRIES.

ARE THEY ROBBER BARONS OR CAPTAINS OF INDUSTRY?

Industrialist	Robber Baron	Captain of Industry
J. P. Morgan		
Jay Gould		
Andrew Carnegie		
John D. Rockefeller		
Cornelius Vanderbilt		

- H.

CRÉDIT MOBILIER

- WHAT IS THIS SCANDAL?
 - 1872: AMERICA LEARNED OF THE CORRUPTION IN THE RAILROAD INDUSTRY.
- CRÉDIT MOBILIER WAS A CONSTRUCTION COMPANY WITH SEVERAL STOCKHOLDERS.
- PART OF THE UNION PACIFIC RAILROAD COMPANY.
- OAKES AMES A CONGRESSMAN WAS A MEMBER.
- AMES CONVINCED CONGRESS TO GIVE THE UNION PACIFIC MORE LAND GRANTS...CONFLICT OF INTEREST!
- THE LAND WAS SOLD TO MEMBERS OF CONGRESS AT PRICES BELOW MARKET VALUE



THE GREAT NORTHERN RAILROAD:

- WERE THERE INDUSTRIALISTS WHO WERE NOT ROBBER BARONS?
 - YES: JAMES J. HILL!
- GREAT NORTHERN RAILROAD
 - RAN FROM WISCONSIN & MINNESOTA TO WASHINGTON STATES
 - DID NOT USE FEDERAL LAND GRANTS OR SUBSIDIES
 - THIS RAIL LINE PASSED THROUGH EXISTING TOWNS SUPPORTING GROWTH
 - HE OFFERED LOW FARES TO SETTLERS
- HOW DID HILL SUPPORT OTHERS?
 - COTTON, TEXTILES, FLOUR AND GOODS NEEDED IN CHINA WERE HAULED TO BE SHIPPED TO CHINA
- GREAT NORTHERN WAS ACTUALLY THE MOST SUCCESSFUL TRANSCONTINENTAL RAIL LINE