

Name \_\_\_\_\_

Industrial Era:

Period \_\_\_\_\_

U.S. History & Gov

New Business Practices

Date \_\_\_\_\_

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1. **Key Vocabulary:** Define the following terms using your U.S. Regents Review Packet

Industrial Revolution:

Laissez-Faire Capitalism

Robber Baron

Gilded Age

Monopoly

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2. In 1899, John D. Rockefeller, one of the most successful business leaders in 19th-century America, testified before a congressional commission that was investigating industrial combinations.

Q: What are ... the chief advantages from industrial combinations [trusts, monopolies, and so on] ... to the public?

A: ... Much that one man cannot do alone two can do together... [Industrial combinations] are a necessity .. if Americans are to have the privilege of extending their business in all the States of the Union, and into foreign countries as well .... Their chief advantages are:...

- Improvements and economies which are **derived** from knowledge of many interested persons of wide experience.
  - Power to give the public improved products at less prices and still make profit for stockholders.
  - Permanent work and good wages for laborers....
- U.S. Industrial Commission, Preliminary Report on Trusts and Industrial Combinations

A) According to John D. Rockefeller's testimony, what did he believe were the advantages of industrial combinations?

B) What is one reason why John D. Rockefeller would testify in favor of industrial combinations?

3. Base your answer to the following question on box2>The policy which has been pursued has given us [the United States] the most efficient railway service and the lowest rates known in the world; but its recognized benefits have been attained at the cost of the most unwarranted discriminations, and its effect has been to build up the strong at the expense of the weak, to give the large dealer an advantage over the small trader, to make capital count for more than individual credit and enterprise, to concentrate business at great commercial centers, to necessitate combinations and aggregations of capital, to foster monopoly, to encourage the growth and extend the influence of corporate power, and to throw the control of the commerce of the country more and more into the hands of the few....

Source: United States Senate, Select Committee on Interstate Commerce, 1886/box2>

A) According to this document, how did the railroad owners engage in unfair business practices?

B) According to this document, how did the actions of the railroad owners have both a positive and negative impact on the nation?

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**THE TRUST GIANT'S POINT OF VIEW,  
"What a Funny Little Government"**



Source: Horace Taylor, *The Verdict*, January 22, 1900 (adapted)

4. A) What is the cartoonist's point of view concerning the relationship between government and industrialists such as John D. Rockefeller?

5. The growth of a large business is merely survival of the fittest. The American beauty rose can be produced in the **splendor** and fragrance which bring cheer to its beholder only by sacrificing the early buds which grow up around it. This is not an evil tendency in business. It is merely the working out of a law of nature and a law of God. ..."  
— John D. Rockefeller, Jr.



A) According to John D. Rockefeller, what determines if a business succeeds or fails?

B) How does Rockefeller attempt to justify this opinion (why is it morally acceptable to let strong businesses destroy weaker businesses)?

6. Summary:

Do you think the industrialists of the 19th Century were supporters of Laissez-Faire Capitalism? Support your answer with evidence from the documents above.