ANDREW CARNEGIE'S CIVIL WAR PROFITS

In an article on "The Significance of Western Pennsylvania in American History" in the Western Pennsylvania Historical Magazine for November, 1933, Dr. Alfred P. James states on page 277 that during the Civil War the mills and factories of western Pennsylvania "poured forth war materials and army supplies, greatly to the enrichment of Andrew Carnegie and other western Pennsylvanians."

Dr. James's reference to Andrew Carnegie in this connection seems hardly warranted as Andrew Carnegie served in the war department in Washington from April to November, 1861, and was in Pittsburgh with the Pennsylvania Railroad until May, 1862, when a breakdown in health necessitated his taking a long vacation, on which he paid his first visit to Scotland in fourteen years, taking his mother with him.

A memorandum of Mr. Carnegie's income made for 1863 shows that he was still with the Pennsylvania Railroad, but that he was interested in the Piper & Schiffler bridge works; that out of a total income of $47,860.67, he received from Piper & Schiffler, $7,500.00. He had an interest in the Freedom Iron Company, from which he received an income, in 1863, of $250.00. His brother, Thomas Carnegie, was interested at that time in the Kloman Iron Works, and Andrew received from his brother $4,250.00, but it is not clear whether this amount was income derived from a share he had in the Kloman works or was the repayment of a loan he had made to his brother. The larger part of his $47,860.67 income in 1863 was derived from investments he had made in sleeping cars and in an oil-producing company operating near Oil City.¹

Andrew Carnegie resigned from the Pennsylvania Railroad in March, 1865. In 1863 he was instrumental in organizing the Keystone Bridge Company, into which was merged Piper & Schiffler, of which firm he had become a partner in 1862.² In 1864 he was one of the organizers of the Superior Rail Mill and Blast Furnace, which was to make railroad rails, and of the Cyclops Iron Company, which did not

start operations until the late spring of 1865, when the Civil War was approaching its end and the demand for war material was rapidly decreasing.

This does not indicate that the manufacture of war materials and army supplies contributed “greatly to the enrichment of Andrew Carnegie.” On the contrary, it would seem that he was making considerably more money during the period of the Civil War from his investments in oil production and in the newly developed sleeping car business than he was from iron manufacture, particularly iron manufacturing for the supply of war materials. Although he was in the iron bridge business as a partner of Piper & Schiffier in 1862 and received income from this enterprise in 1863, it is a fact that iron bridges were then so new that only a few of the more progressive railroads were beginning to use them and their use for military purposes was negligible.

Doubtless many Pennsylvania ironmasters grew wealthy during the Civil War period by supplying the government with its requirements for iron material, but Mr. Carnegie entered the iron business too late to participate extensively in these war time profits.

Pittsburgh

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HISTORY AND THE NEW IMMIGRATION¹

ONE HUNDRED and seventy-five years ago a man of Switzerland settled in Westmoreland County midway between Fort Pitt and Fort Ligonier. He could speak little English, and he raised a large family, the members of which to their several dying days spoke our language flavored with a strong German accent. To such English-speaking people as he met in his lifetime, on account of his broken English, he was, I have little doubt, a good deal of a curiosity; yet in a modest but brave way, he helped found, establish, and corroborate the frontier of this land. His accomplishments, minor as they were, gave character to western Pennsylvania, and so made a substantial, if small, contribution to its history.

¹ Read by James Gregg, Esq., president of the Westmoreland-Fayette Branch of the Historical Society of Western Pennsylvania, at the luncheon meeting of the society on November 17, 1933.
Since then men of very many nations have settled here; and particularly those who have come to us in the last forty years have been curiosities, if not more rare, certainly more remarkable than ever Andrew Byerly was to his contemporaries. They have been in fact “foreigners” to the easily welded Scotch-Irish and German stock that early settled here. They have made up here in western Pennsylvania a population as polyglot as can be found anywhere, and the intermarriages of their descendants will produce a stock whose ethnology will be hard to unravel and whose behaviorism, in so far as it may be attributed thereto, will be the result of “confusion worse confounded.”

We earnestly hope that, making all due allowance for progress, they will raise up a progeny that will be American. And when we say “American” we intend that the adjective should refer to the America we have all known and loved, the America which was in fact the magnet that drew these people hither, that made them turn their backs upon the ashes of their forebears for the hope and promise of American life.

If this traditional America is to influence their sons and daughters, as we hope it will, so that their progress will follow the line that in the last 175 years has been projected for them, it must first be made to interest them. If, as we believe, we have that in local history which can be made to interest them, they must be educated to it, through the universal instrumentality, the public school. And if, as we believe, there are events in the history of western Pennsylvania ranking in importance with the better advertised events of Massachusetts and Virginia, it is high time, I submit, that these events be stressed and exploited in our public schools and that that pride in local history be evoked which is the surest guaranty of lasting interest.

_Greensburg, Pennsylvania_  
_James Gregg_