

The Gilded Age was marked by the success of capitalists. A capitalist is a person who owns a business, or owns part of a business, with the intention of making a profit. Capitalism is an economic system in which the means of making and selling goods are privately owned, not owned by the government, in order to make a profit.

The wealthiest Americans made their money through capitalism. Although the very wealthy lived very luxurious lives, they also gave millions to charities and other worthy causes. John D. Rockefeller was the richest man in the world when he retired. Rockefeller gave away \$530 million.

Andrew Carnegie started his life in the United States as a penniless immigrant. He eventually

made his fortune in the steel business. He believed that the rich deserved their wealth, but "the man who dies rich, dies thus disgraced." He gave away most of his money to U.S. schools, libraries, and universities.

The very wealthy often had second homes costing millions of dollars and hosted very lavish parties. Ordinary people would line the streets to see the wealthiest people arriving at the balls, with the wealthy women wearing their evening gowns and fabulous jewelry.

Eventually, the Gilded Age era overlapped the Industrial Age (1865–1900), and it was because of the wealth produced by successful industries and big corporations that capitalism succeeded and a few people became extremely wealthy in the United States.

Who Was Who in the Gilded Age?

- **John D. Rockefeller** founded Standard Oil, which owned 90 percent of the oil business. He was the first United States citizen to become worth more than a billion dollars.
- **Andrew Carnegie** built the nation's largest steel manufacturing facility in Pennsylvania. His life was truly a "rags to riches" story.
- **Cornelius Vanderbilt** created his fortune with steamships and railroads. Vanderbilt's descendants built the lavish homes that came to characterize the Gilded Age.
- **John Pierpont Morgan** was a financial genius whose work helped form General Electric. He eventually bought Carnegie's steel company.

Exercise

1. What is a capitalist? _____

2. What is capitalism? _____

3. Using at least one example, describe something good that famous capitalists did. _____

