The Myth Of The Robber Barons Book Review Essay, Research Paper

“The Myth of The Robber Barons” by Burton W. Folsom, JR. tells a unique story about entrepreneurs in early America. The book portrays big businessmen as being behind America’s greatness.

Folsom explains that there are two kinds to entrepreneurs, market entrepreneurs and political entrepreneurs. He also states “no entrepreneur fits perfectly into one category or the other, but most fall generally into one category”(1).

According to Folsom, political entrepreneurs fit the classic robber barons mold (1). Meaning that the way

they do business is essentially corrupt. This kind of entrepreneur gets government aid and usually wastes the money. Also, their products are generally of poor quality. This is due to them not being concerned with

making sound products. The only thing they were

concerned about was how fast they could get things done and how much money they would make.

They also, relied on bribing competitors and politicians to get what they wanted. Although, Folsom does believe that they helped the America industries to grow.

Robert Fulton, Edward K. Collins and Samuel Cunard are a few political entrepreneurs, that Folsom tells about. All three of these men worked in the steamboat industry and received federal aid to run their businesses. Also, they all had high prices for passenger fair and mail postage. Unfortunately, Cornelius Vanderbilt, a market entrepreneur, defeated Fulton, Collins and Cunard.

On the other hand, Folsom claims that market entrepreneurs should not be labeled as robber barons at all. He also believes that market entrepreneurs were behind the growth of America. Unlike political entrepreneurs, they made sound products and took little or no aid from the government.

Market entrepreneurs were known as risk-takers and charitable people. Many of them donated money to needy,

built libraries, gave land to farmers and let people go on ships for free or they had a cheaper fare. A few of

the most charitable market entrepreneurs were Andrew Carnegie James J. Hill, Cornelius Vanderbilt and John D. Rockefeller.

It’s said that before John D. Rockefeller died, “he gave away about $550,000,000 to charity, more than any other American before him had ever possessed” (98). His money went to schools, churches and also “paid teams of scientists who found cures for yellow fever, meningitis, and hookworm”(97).

Rockefeller even wrote in a letter to a partner, “we must remember we are refining oil for the poor man and he must have it cheap and good” (83).

These stories that Folsom tell of Rockefeller lead the reader to believe that he was a great person. On the other hand, in many textbooks the view of Rockefeller is different.

Folsom considers the idea of robber barons to be a myth because he believes these entrepreneurs helped

America grow and become the world super power it is today.

Folsom commented that, “studying the rise of big business is important because it is the story of how the United States prospered and became a world super power”(121). Although in our textbook, Who Built America?, they show the side of robber barons as being greedy. They also tell of robber barons making huge fortunes and the workers didn’t get to see much of that money because, they were being paid so little.

Folsom criticizes textbooks, such as ours, for mainly only telling the political entrepreneur side of businessmen. He also says, historians have a misconception about entrepreneurs because many teach things like this:

“Entrepreneurs cut costs and made many contributions to American economic growth, but they also marred political life by bribing politicians and misusing government funds” (127).

I agree with Folsom when he suggests that there are two kinds of entrepreneurs, market and political. I

feel that political entrepreneurs, like Folsom say’s, “fit the classic robber baron mold” (1). But, I do

disagree with him on his overall view of market entrepreneurs. I think market entrepreneurs are not as wonderful as Folsom makes them out to be. Although, I do agree with him that they helped America grow and become the super power it is today.