

Bethlehem Steel: The People Who Built America

Segment Two Run Time: 20:33



Overview

The impact of World War II on Bethlehem Steel was followed by times of change in the corporation. The company began to hire an increasing amount of management and recruited recent graduates from Lehigh University. As the management department continued to expand, the opening of the Bethlehem Steel Headquarters was necessary to accommodate the newly hired staff. Women were hired as greeters at the newly established headquarters, helping to lighten up the working atmosphere. Bethlehem Steel also established what is today known as Saucon Valley Country Club. Many executive decisions were made over a game of golf, and as a whole, the time period was very prosperous for the company.



In 1958, Bethlehem Steel owned ten plants, thirteen fabricating mills, ten ship yards, and twenty other manufacturing units around the U.S. and throughout the world. The workers began to feel segregated and under-appreciated, as the company began focusing more on the management department. The workers believed they were being paid unfair wages, but the controversy was ignored for the moment. In 1957, Bethlehem Steel employed 165,000 people and produced 23 million tons of steel. Two years later 500,000 steel workers went on strike throughout the country, putting the steel production on hold. The strike lasted for 117 days, ending only when President Nixon announced a \$0.41 per hour raise for all steelworkers. This increase of wages immediately resulted in a raise of the price of steel, thus opening the door for foreign investments.

Discussion/Questions

1. How did the location of Bethlehem Steel help the company become one of the nation's most productive steel companies.
2. As a CEO of a major corporation, would you offer a pension plan to your employees? Explain why or why not.
3. Are there any positive impacts of a big company failing in society?
4. Who do you think is to blame for the downfall of Bethlehem Steel? How would you try and revive the company in its time of decline?
5. Why did the "new" Bethlehem Steel image fail to resurrect the company?

Activities

1. Split the entire class into two groups with one group representing the workers and the other representing the management at Bethlehem Steel. Next, have the two sides debate about who is to blame for the downfall of the Bethlehem Steel. Tell the students to be sure to use facts stated in this segment of the video to back-up their opinions.

Spotlight: Charles M. Schwab

Charles M. Schwab was born on February 18, 1862 in Williamsburg, Pennsylvania. Throughout his life, he was commonly known as a risk-taker and brilliant salesman.

His first job was that of a stake driver in Andrew Carnegie's steelworks in 1897, where he spent four years working his way up to the position of President of the company in 1901; after negotiating a buyout of the company, Schwab became the President of the U.S. Steel Corporation at the tender age of thirty-nine.



Discovering the possibilities of expansion through Robert Sayre's iron-rail company, he resigned and created what is now known as The Bethlehem Steel Corporation. Many consider the development of the H-beam to be the most significant influence Schwab's company had on the steel industry during his time as President.

The H-beam was used to build many of the skyscrapers that are still standing today.

In 1929, due to the infamous stock market crash, Schwab lost his fortune. Several weeks before his death, World War II began, making his stock in The Bethlehem Steel Co. suddenly worth millions of dollars. Charles M. Schwab died on October 18, 1939, in London, England.

More information

<http://www.saveoursteel.org/>

Academic Standards

Bethlehem Steel: The People Who Built America is designed to address the Academic Standards for History as set forth by the Commonwealth of Pennsylvania. This program supports the successful achievement of standards 8.2 Pennsylvania History, as defined under grade 12 measurement criteria:

8.2.12. B. Identify and evaluate primary documents, material artifacts and historic sites important in Pennsylvania history from 1890 to Present.

C. Identify and evaluate how continuity and change have influenced Pennsylvania history from the 1890s to Present.

