

Andrew Carnegie's Gospel of Wealth

Andrew Carnegie, the American steel titan, explains his vision for the proper role of wealth in American society.



The problem of our age is the administration of wealth, so that the ties of brotherhood may still bind together the rich and poor in harmonious relationship. The conditions of human life have not only been changed, but revolutionized, within the past few hundred years. In former days there was little difference between the dwelling, dress, food, and environment of the chief and those of his retainers. . .

The contrast between the palace of the millionaire and the cottage of the laborer with us to day measures the change which has come with civilization.

This change, however, is not to be deplored, but welcomed as highly beneficial. It is well, nay, essential for the progress of the race, that the houses of some should be homes for all that is highest and best in literature and the arts, and for all the refinements of civilization, rather than that none should be so. Much better this great irregularity than universal squalor. Without wealth there can be no Maecenas. The "good old times" were not good old times. Neither master nor servant was as well situated then as to day. A relapse to old conditions would be disastrous to both--not the least so to him who serves--and would sweep away civilization with it. But whether the change be for good or ill, it is upon us, beyond our power to alter, and therefore to be accepted and made the best of. It is a waste of time to criticize the inevitable....

The price which society pays for the law of competition, like the price it pays for cheap comforts and luxuries, is also great; but the advantages of this law are also greater still, for it is to this law that we owe our wonderful material development, which brings improved conditions in its train. But, whether the law be benign or not, we must say of it, as we say of the change in the conditions of men to which we have referred: It is here; we cannot evade it; no substitutes for it have been found; and while the law may be sometimes hard for the individual, it is best for the race, because it insures the survival of the fittest in every department. We accept and welcome, therefore, as conditions to which we must accommodate ourselves, great inequality of environment, the concentration of business, industrial and commercial, in the hands of a few, and the law of competition between these, as being not only beneficial, but essential for the future progress of the race....

Objections to the foundations upon which society is based are not in order, because the condition of the race is better with these than it has been with any others which have been tried. Of the effect of any new substitutes proposed we cannot be sure. The Socialist or Anarchist who seeks to overturn present conditions is to be regarded as attacking the foundation upon which civilization itself rests...[for upon the] sacredness of property civilization itself depends--the right of the laborer to his hundred dollars...and equally...the millionaire to his millions. To these who propose to substitute Communism for this intense Individualism the answer, therefore, is: The race has tried that... It is criminal to waste our energies in endeavoring to uproot, when all we can profitably or possibly accomplish is to bend the universal tree of humanity a little in the direction most favorable to the production of good fruit under existing circumstances. We might as well urge the destruction of the highest existing type of man because he failed to reach our ideal as favor the destruction of Individualism, Private Property, the Law of Accumulation of Wealth, and the Law of Competition; for these are the highest results of human experience, the soil in which society so far has produced the best fruit....

The true antidote for the temporary unequal distribution of wealth, the reconciliation of the rich and the poor--a reign of harmony--another ideal, differing, indeed, from that of the Communist in requiring only the further evolution of existing conditions, not the total overthrow of our civilization. It is founded upon the present most intense individualism, and the race is projected to put it in practice by degree whenever it pleases. Under its sway we shall have an ideal state, in which the surplus wealth of the few will become, in the best sense the property of the many, because administered for the common good, and this wealth, passing through the hands of the few, can be made a much more potent force for the elevation of our race than if it had been distributed in small sums to the people themselves. Even the poorest can be made to see this, and to agree that great sums gathered by some of their fellow-citizens and spent for public purposes, from which the masses reap the principal benefit, are more valuable to them than if scattered among them through the course of many years in trifling amounts.

This, then, is held to be the duty of the man of Wealth: ... becoming the mere agent and trustee for his poorer brethren, bringing to their service his superior wisdom, experience, and ability to administer, doing for them better than they would or could do for themselves....

In bestowing charity, the main consideration should be to help those who will help themselves; to provide part of the means by which those who desire to improve may do so; to give those who desire to use the aids by which they may rise; to assist, but rarely or never to do all. Neither the individual nor the race is improved by alms-giving....

But the millionaire will be but a trustee for the poor; entrusted for a season with a part of the increased wealth of the community, but administering it for the community far better than it did, or would have done, of itself. The best in minds will thus have reached a stage in the development of the race in which it is clearly seen that there is no mode of disposing of surplus wealth creditable to thoughtful and earnest men into whose hands it flows save by using it year-by-year for the general good. This day already dawns.

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1. For Carnegie the changes brought by industrialization and capitalism are beneficial. How does he justify his position (in other words what argument does he make that it is beneficial)?
 2. What "price" does society pay for the law of competition?
 3. What argument does Carnegie make against Anarchists and Communists in wanting to "redistribute wealth"?
 4. What is the "true antidote" for wealth inequality in Carnegie's eyes?
 5. For Carnegie what kind of help should the poor receive?
 6. In Carnegies eyes what should the rich do with their surplus wealth?
 7. What is your reaction to Carnegies "gospel"? Do you agree or disagree with his solutions to wealth inequality? EXPLAIN!