

CHAPTER 16

America's Gilded Age, 1870-1890

101. Andrew Carnegie, The Gospel of Wealth (1889)

Source: *Andrew Carnegie, "Wealth," North American Review (June 1889), pp. 653-64.*

One of the richest men in Gilded Age America, the industrialist Andrew Carnegie promoted what he called the Gospel of Wealth, the idea that those who accumulated money had an obligation to use it to promote the advancement of society. He explained his outlook in this article in the *North American Review*, one of the era's most prominent magazines. Carnegie would become famous for practicing what he preached. He helped to fund the creation of public libraries throughout the United States and overseas, and gave money to philanthropies and charities ranging from Carnegie Hall in New York City to the Carnegie Endowment for International Peace. But as an employer, he was tyrannical, strongly opposing labor unions and approving the use of violence against his own workers, including in the Homestead strike that took place three years after the publication of this article.

THE PROBLEM OF our age is the proper administration of wealth, 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 Indians are to-day where civilized man then was. When visiting the Sioux, I was led to the wigwam of the chief. It was like the others in external appearance, and even within the difference was trifling between it and those of the poorest of his braves. 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 growing disposition to tax more and more heavily large estates left at death is a cheering indication of the growth of a salutary change in public opinion. The State of Pennsylvania now takes—subject to some exceptions—one tenth of the property left by its citizens. The budget presented in the British Parliament the other day proposes to increase the death duties; and, most significant of all, the new tax is to be a graduated one. Of all forms of taxation this seems the wisest. Men who continue hoarding great sums all their lives, the proper use of which for public ends would work good to the community from which it chiefly came, should be made to feel that the community, in the form of the State, cannot thus be deprived of its proper share. By taxing estates heavily at death the State marks its condemnation of the selfish millionaire's unworthy life.

It is desirable that nations should go much further in this direction. Indeed, it is difficult to set bounds to the share of a rich man's estate which should go at his death to the public through the agency of the State, and by all means such taxes should be graduated, beginning at nothing upon moderate sums to dependants, and increasing rapidly as the amounts swell....

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 rise 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 almsgiving. Those worthy of assistance, except in rare cases, seldom require assistance. The really valuable men of the race never do, except in case of accident or sudden change. Every one has, of course, cases of individuals brought to his own knowledge where temporary assistance can do genuine good, and these he will not overlook. But the amount which can be wisely given by the individual for individuals is necessarily limited by his lack of knowledge of the circumstances connected with each. He is the only true reformer who is as careful and as anxious not to aid the unworthy as he is to aid the worthy; and, perhaps, even more so, for in almsgiving more injury is probably done by rewarding vice than by relieving virtue....

The best means of benefiting the community is to place within its reach the ladders upon which the aspiring can rise—free libraries, parks, and means of recreation, by which men are helped in body and mind; works of art, certain to give pleasure and improve the public taste; and public institutions of various kinds, which will improve the general condition of the people; in this manner returning their surplus wealth to the mass of their fellows in the forms best calculated to do them lasting good.

Thus is the problem of rich and poor to be solved. The laws of accumulation will be left free, the laws of distribution free. Individualism will continue, but the millionaire will be but a trustee for the poor, intrusted for a season with a great part of the increased wealth of the community, but administering it for the community

far better than it could or would have done for itself. The best 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. Men may die without incurring the pity of their fellows, still share in great business enterprises from which their capital cannot be or has not been withdrawn, and which is left chiefly at death for public uses; yet the day is not far distant when the man who dies leaving behind him millions of available wealth, which was free for him to administer during life, will pass away "unwept, unhonored, and unsung" no matter to what uses he leaves the dross which he cannot take with him. Of such as these the public verdict will then be: "The man who dies thus rich dies disgraced."

Such, in my opinion, is the true gospel concerning wealth, obedience to which is destined some day to solve the problem of the rich and the poor, and to bring "Peace on earth, among men good will."

Questions

1. Why does Carnegie think it is better to build public institutions than to give charity to the poor?
2. Why does Carnegie believe that "the man who dies thus rich dies disgraced?"

102. William Graham Sumner on Social

Dorwinism (ca. 1880)

Source: Albert G. Keller, ed., *The Challenge of Facts and Other Essays by William Graham Sumner* (New Haven, Conn., 1914), pp. 17-27. Keller concludes that the essay from which this excerpt is taken was written during the 1880s.

During the Gilded Age, large numbers of businessmen and middle-class Americans adopted the social outlook known as Social Darwinism. Adherents of this viewpoint borrowed language from Charles Darwin's great work *On the Origin of Species* (1859), which expounded the theory of evolution among plant and animal species, to explain the success and failure of individual human beings and entire social classes. According to Social Darwinists, evolution was as natural a process in human society as in nature, and government must not interfere. Especially misguided, in this view, were efforts to uplift those at the bottom of the social order, such as laws regulating conditions of work or public assistance to the poor.

The era's most influential Social Darwinist was Yale professor William Graham Sumner. For Sumner, freedom required frank acceptance of inequality. The growing influence of Social Darwinism helped to popularize a "negative" definition of freedom as limited government and an unrestrained free market. It also helped to persuade courts, in the name of "liberty of contract," to overturn state laws regulating the behavior of corporations.

MAN IS BORN under the necessity of sustaining the existence he has received by an onerous struggle against nature, both to win what is essential to his life and to ward off what is prejudicial to it. He is born under a burden and a necessity. Nature holds what is essential to him, but she offers nothing gratuitously. He may win for his use what she holds, if he can. Only the most meager and inadequate supply for human needs can be obtained directly from nature. There are trees which may be used for fuel and for dwellings, but labor is required to fit them for this use. There are ores in the ground, but labor is necessary to get out the metals and make tools or weapons. For any real satisfaction, labor is necessary to fit the products of nature for human use. In this struggle every individual is under the pressure of the necessities for food, clothing, shelter, fuel, and every individual brings with him more or less energy for the conflict necessary to supply his needs. The relation, therefore, between each man's needs and each man's energy, or "individualism," is the first fact of human life.

It is not without reason, however, that we speak of a "man" as the individual in question, for women (mothers) and children have special disabilities for the struggle with nature, and these disabilities grow greater and last longer as civilization advances. The perpetuation of the race in health and vigor, and its success as a whole in its struggle to expand and develop human life on earth, therefore, require that the head of the family shall, by his energy, be able to supply not only his own needs, but those of the organisms which are dependent upon him. The history of the human race shows a great variety of experiments in the relation of the sexes and in the organization of the family. These experiments have been controlled by economic circumstances, but as man has gained more and more control over economic circumstances, monogamy and the family education of children have been more and more sharply developed. If there is one thing in regard to which the student of history and sociology can affirm with confidence that social institutions have made "progress" or grown "better," it is in this arrangement of marriage and the family. All experience proves that monogamy, pure and strict, is the sex relation which conduces most to the vigor and intelligence of the race, and that the family education of children is the institution by which the race as a whole advances most rapidly, from generation to generation, in the struggle with nature.

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The constant tendency of population to outstrip the means of subsistence is the force which has distributed population over the world, and produced all advance in civilization. To this day the two means of escape for an overpopulated country are emigration and an advance in the arts. The former wins more land for the same people; the latter makes the same land support more persons. If, however, either of these means opens a chance for an increase of population, it is evident that the advantage so won may be speedily exhausted if the increase takes place. The social difficulty has only undergone a temporary amelioration, and when the conditions of pressure and

competition are renewed, misery and poverty reappear. The victims of them are those who have inherited disease and depraved appetites, or have been brought up in vice and ignorance, or have themselves yielded to vice, extravagance, idleness, and imprudence. In the last analysis, therefore, we come back to vice, in its original and hereditary forms, as the correlative of misery and poverty.

The condition for the complete and regular action of the force of competition is liberty. Liberty means the security given to each man that, if he employs his energies to sustain the struggle on behalf of himself and those he cares for, he shall dispose of the product exclusively as he chooses. It is impossible to know whence any definition or criterion of justice can be derived, if it is not deduced from this view of things; or if it is not the definition of justice that each shall enjoy the fruit of his own labor and self-denial, and of injustice that the idle and the industrious, the self-indulgent and the self-denying, shall share equally in the product.

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Private property, also, which we have seen to be a feature of society organized in accordance with the natural conditions of the struggle for existence produces inequalities between men. The struggle for existence is aimed against nature. It is from her niggardly hand that we have to wrest the satisfactions for our needs, but our fellow-men are our competitors for the meager supply. Competition, therefore, is a law of nature. Nature is entirely neutral, she submits to him who most energetically and resolutely assails her. She grants her rewards to the fittest, therefore, without regard to other considerations of any kind. If, then, there be liberty, men get from her just in proportion to their works, and their having and enjoying are just in proportion to their being and their doing. Such is the system of nature. If we do not like it, and if we try to amend it, there is only one way in which we can do it. We can take from the better and give to the worse. We can deflect the penalties of those who have done ill and throw them on those who have done better. We can take the rewards from those who have done better and give them to those

who have done worse. We shall thus lessen the inequalities. We shall favor the survival of the unfittest, and we shall accomplish this by destroying liberty. Let it be understood that we cannot go outside of this alternative: liberty, inequality, survival of the fittest; not-liberty, equality, survival of the unfittest. The former carries society forward and favors all its best members; the latter carries society downwards and favors all its worst members.

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What we mean by liberty is civil liberty, or liberty under law; and this means the guarantees of law that a man shall not be interfered with while using his own powers for his own welfare. It is, therefore, a civil and political status; and that nation has the freest institutions in which the guarantees of peace for the laborer and security for the capitalist are the highest. Liberty, therefore, does not by any means do away with the struggle for existence. We might as well try to do away with the need of eating, for that would, in effect, be the same thing. What civil liberty does is to turn the competition of man with man from violence and brute force into an industrial competition under which men vie with one another for the acquisition of material goods by industry, energy, skill, frugality, prudence, temperance, and other industrial virtues. Under this changed order of things the inequalities are not done away with. Nature still grants her rewards of having and enjoying, according to our being and doing, but it is now the man of the highest training and not the man of the heaviest fist who gains the highest reward. It is impossible that the man with capital and the man without capital should be equal. To affirm that they are equal would be to say that a man who has no tool can get as much food out of the ground as the man who has a spade or a plough; or that the man who has no weapon can defend himself as well against hostile beasts or hostile men as the man who has a weapon. If that were so, none of us would work any more. We work and deny ourselves to get capital, just because, other things being equal, the man who has it is superior, for attaining all the ends of life, to the man who has it not.

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