

Excerpts from *The Gospel of Wealth*, by Andrew Carnegie (1889)

What does Carnegie say, distinguishes the current age from earlier eras?

The problem of our age is the proper 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 Indians are to-day where civilized man then was. When visiting the Sioux, I was led to the wigwam of the chief. It was just 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.... Much better this great irregularity than universal squalor.... 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....

What brought about this change?

It is easy to see how the change has come. One illustration will serve for almost every phase of the cause. In the manufacture of products we have the whole story. It applies to all combinations of human industry, as stimulated and enlarged by the inventions of this scientific age. Formerly, articles were manufactured at the domestic hearth or in small shops which formed part of the household. The master and his apprentices worked side by side, the latter living with the master, and therefore subject to the same conditions. When these apprentices rose to be masters, there was little or no change in their mode of life, and they, in turn, educated in the same routine succeeding apprentices. There was, substantially social equality, and even political equality, for those engaged in industrial pursuits had then little or no political voice in the State.

What was the effect of the medieval guild system of production? How have modern production techniques changed that situation?

But the inevitable result of such a mode of manufacture was crude articles at high prices. To-day the world obtains commodities of excellent quality at prices which even the generation preceding this would have deemed incredible. In the commercial world similar causes have produced similar results, and the [human] race is benefited thereby. The poor enjoy what the rich could not before afford. What were the luxuries have

become the necessities of life. The laborer has now more comforts than the landlord had a few generations ago. The farmer has more luxuries than the landlord had, and is more richly clad and better housed. The landlord has books and pictures rarer, and appointments more artistic, than the king could then obtain....

What does Carnegie say (or imply) about the increased competition in his day?

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 than its cost--for it is to this law that we owe our wonderful material development, which brings improved conditions in its train. But, ... 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....

Such men become interested in firms or corporations using millions ; and estimating only simple interest to be made upon the capital invested, it is inevitable that their income must exceed their expenditures, and that they must accumulate wealth. Nor is there any middle ground which such men can occupy, because the great manufacturing or commercial concern which does not earn at least interest upon its capital soon becomes bankrupt. It, must either go forward or fall behind : to stand still is impossible. It is a condition essential for its successful operation that it should be thus far profitable, and even that, in addition to interest on capital, it should make profit.

What reasons does Carnegie give for rejecting communism?

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 civilization took its start from the day that the capable, industrious workman said to his incompetent and lazy fellow, "If thou dost not sow, thou shalt not reap," and thus ended primitive Communism by separating the drones from the bees. One who studies this subject will soon be brought face to face with the conclusion that upon the sacredness of property civilization itself depends--the right of the laborer to his hundred dollars in the savings bank, and equally the legal right of 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. All progress from that barbarous day to the present time has resulted from its displacement. Not evil, but good, has come to the race from the accumulation of wealth by those who have the ability and energy that produce it.