

CHAPTER
6

Section 3

PRIMARY SOURCE from **“Wealth and Its Uses”**
by Andrew Carnegie

Andrew Carnegie, the rags-to-riches industrialist, wrote books, lectures, and articles in which he praised American democracy and the free enterprise system. As you read this excerpt from an 1895 speech, consider his ideas about wealth and its uses.

You may be sure, gentlemen, that the question of the distribution of wealth is settling itself rapidly under present conditions, and settling itself in the right direction. The few rich are getting poorer, and the toiling masses are getting richer. Nevertheless, a few exceptional men may yet make fortunes, but these will be more moderate than in the past. This may not be quite as fortunate for the masses of the people as is now believed, because great accumulations of wealth in the hands of one enterprising man who still toils on are sometimes most productive of all the forms of wealth. . . .

But assuming that surplus wealth flows into the hands of a few men, what is their duty? How is the struggle for dollars to be lifted from the sordid atmosphere surrounding business and made a noble career? Now, wealth has hitherto been distributed in three ways: The first and chief one is by willing it at death to the family. Now, beyond bequeathing to those dependent upon one the revenue needful for modest and independent living, is such a use of wealth either right or wise? . . . It is not the good of the child which the millionaire parent considers when he makes these bequests, it is his own vanity; it is not affection for the child, it is self-glorification for the parent which is at the root of this injurious disposition of wealth. There is only one thing to be said for this mode, it furnishes one of the most efficacious means of rapid distribution of wealth ever known.

There is a second use of wealth, less common than the first, which is not so injurious to the community, but which should bring no credit to the testator. Money is left by millionaires to public institutions when they must relax their grasp upon it. There is no grace, and can be no blessing, in giving what cannot be withheld. It is no gift, because it is not cheerfully given, but only granted at the stern summons of death. The miscarriage of these bequests, the litigation connected with them, and the manner in which they are frittered away seem to prove that the Fates do not regard them with a

kindly eye. We are never without a lesson that the only mode of producing lasting good by giving large sums of money is for the millionaire to give as close attention to its distribution during his life as he did to its acquisition. . . .

The third use, and the only noble use of surplus wealth, is this: That it be regarded as a sacred trust, to be administered by its possessor, into whose hands it flows, for the highest good of the people. Man does not live by bread alone, and five or ten cents a day more revenue scattered over thousands would produce little or no good. Accumulated into a great fund and expended as Mr. Cooper expended it for the Cooper Institute, it establishes something that will last for generations. It will educate the brain, the spiritual part of man. It furnishes a ladder upon which the aspiring poor may climb, and there is no use whatever, gentlemen, trying to help people who do not help themselves. You cannot push any one up a ladder unless he be willing to climb a little himself. When you stop boosting, he falls, to his injury. Therefore, I have often said, and I now repeat, that the day is coming, and already we see its dawn, in which the man who dies possessed of millions of available wealth which was free and in his hands ready to be distributed will die disgraced. . . .

from Andrew Carnegie, “Wealth and Its Uses,” January 1895. Reprinted in Louis M. Hacker, ed. *The Shaping of the American Tradition* (New York: Columbia University Press, 1947), 807–810.

Discussion Questions

1. What did Carnegie say are three ways to use wealth?
2. Which of the three uses did he endorse?
3. From what you know about Carnegie’s life, did he live up to his own philosophy of wealth and its uses? Why or why not? Cite evidence from your textbook to support your opinion.