Scottish-born Andrew Carnegie made an enormous fortune from his steel business, which he sold in 1901. He then retired and turned to philanthropy. He contributed to many libraries, colleges and universities, and foundations, including the Carnegie Endowment for International Peace. In 1889 he published an article called "Wealth" (later known as "The Gospel of Wealth"), excerpts of which appear here.

As you read, consider the following questions:
• What does Carnegie claim it takes to be successful?
• Why does Carnegie think that the wealthy classes should actively engage in philanthropy?

We accept and welcome . . . 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. Having accepted these, it follows that there must be great scope for the exercise of special ability in the merchant and in the manufacturer who has to conduct affairs upon a great scale. That this talent for organization and management is rare among men is proved by the fact that it invariably secures for its possessor enormous rewards, no matter where or under what laws or conditions. The experienced in affairs always rate the man whose services can be obtained as a partner as not only the first consideration but such as to render the question of his capital scarcely worth considering, for such men soon create capital; while, without the special talent required, capital soon takes wings.

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. . . .

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 $100 in the savings bank, and equally the legal right of the millionaire to his millions. . . .

We start, then, with a condition of affairs under which the best interests of the race are promoted, but which inevitably gives wealth to the few. Thus far, accepting conditions as they exist, the situation can be surveyed and pronounced good. The question then arises—and, if the foregoing be correct, it is the only question with which we have to deal—What is the proper mode of administering wealth after the laws upon which civilization is founded have thrown it into the hands of the few? And it is of this great question that I believe I offer the true solution. It will be understood that fortunes are here spoken of, not moderate sums saved by many years of effort, the returns from which are required for the comfortable maintenance and education of families. This is not wealth but only competence, which it should be the aim of all to acquire.

There are but three modes in which surplus wealth can be disposed of. It can be left to the families of the decedents; or it can be bequeathed for public purposes; or, finally, it can be administered during their lives by its possessors. Under the first and second modes most of the wealth of the world that has reached the few has hitherto been applied. Let us in turn consider each of these modes.

The first is the most injudicious. In monarchical countries, the estates and the greatest portion of the wealth are left to the first son that the vanity of the parent may be gratified by the thought that his name and title are to descend to succeeding generations unimpaired. The condition of this class in Europe today teaches the futility of such hopes or ambitions. The successors have become impoverished through their follies or from the fall in the value of land. . . . Why should men leave great fortunes to their children? If this is done from affection, is it not misguided affection? Observation teaches that, generally speaking, it is not well for the children that they should be so burdened. . . .

As to the second mode, that of leaving wealth at death for public uses, it may be said that this is only a means for the disposal of wealth, provided a man is content to wait until he is dead before it becomes of much good in the world. Knowledge of the results of legacies bequeathed is not calculated to inspire the brightest hopes of much posthumous good being accomplished. The cases are not few in which the real object sought by the testator is not attained, nor are they few in which his real wishes are thwarted. In many cases the bequests are so used as to become only monuments of his folly. . . .

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. . . .Men who continue hoarding great sums all their lives, the proper use of which for public ends would work good to the community, 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. . . .

There remains, then, only one mode of using great fortunes; but in this we have the true antidote for the temporary unequal distribution of wealth. . . .It is founded upon the present most intense individualism, and the race is prepared to put it in practice by degrees 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. . . .

Poor and restricted are our opportunities in this life; narrow our horizon; our best work most imperfect; but rich men should be thankful for one inestimable boon. They have it in their power during their lives to busy themselves in organizing benefactions from which the masses of their fellows will derive lasting advantage, and thus dignify their own lives. . . .

This, then, is held to be the duty of the man of wealth: first, to set an example of modest, unostentatious living, shunning display or extravagance; to provide moderately for the legitimate wants of those dependent upon him; and after doing so to consider all surplus revenues which come to him simply as trust funds which he is called upon to administer, and strictly bound as a matter of duty to administer in the manner which, in his judgment, is best calculated to produce the most beneficial results for the community—the man of wealth thus 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 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. . . .

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; entrusted 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.