

did not belong to any particular party. . . . The truth is simply this: that individuals in Georgia of all parties and all colors have, I suppose, committed outrage; but such affairs have been purely personal, just as they are when they occur anywhere else in the United States. I do not believe any more crimes have been committed in Georgia than in any other community of the same number anywhere else in the country. That is my honest conviction. I do not believe that any crime has ever been committed by this organization of which I have spoken, and of which I was a member. I believe it was purely a peace police—a law-abiding concern. That was its whole object, and it never would have existed but for the apprehension in the minds of our people of a conflict in which we would have had no sympathy and no protection. We apprehended that the sympathy of the entire Government would be against us; and nothing in the world but the instinct of self-protection prompted that organization. We felt that we must at any cost protect ourselves, our homes, our wives and children from outrage. We would have preferred death rather than to have submitted to what we supposed was coming upon us. At this time I do not believe any such organization exists, or has existed for a long time. I have not heard of it for two years, I am certain.

SELF-PROTECTION IS NO LONGER NEEDED

Question. Why did it cease to exist; why did it pass away?

Answer. Well, sir, it just dissolved because the courts became generally established; and though the courts were in the hands of the opposite party, our people believed they were trying to do justice; that a general protection was extended over us. Our people thought we could get justice at the hands of these judges; though they were of the opposite party, and though negroes were on the juries, we were satisfied that in the existing condition of things we were safe. . . .

You must remember that we were in a state of anarchy there for a long time. We had no law but drum-head courts-martial. Our people were entirely powerless to do anything. We always felt that if the Federal troops were kept in our midst we would be protected. I want to state that with great emphasis. Our people have always felt that if the white troops of the Federal Army could have been stationed in our midst in those negro belts we would have been safe. But the troops were perhaps two hundred miles away; and before they could have been brought to our relief the whole neighborhood might have been slaughtered. We then believed that such a thing might occur on almost any night. Such was the condition of things in Georgia at that time. I do not believe that it exists now, or has existed for two years. To my certain knowledge this organization never

did exist as a political organization. I do not know what may have been the case elsewhere; but very certainly there was no politics in this thing in Georgia, so far as I had anything to do with it; and I think that the organization was of the same character all over the State—probably over the South wherever it existed. We never called it Ku-Klux, and therefore I do not know anything about Ku-Klux.

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THE GILDED AGE: INDUSTRIALIZATION AND LABOR CONFLICTS

Viewpoint 3A

Concentrations of Wealth Harm America (1883)

Henry George (1839–1897)

INTRODUCTION *Henry George was a social reformer and prolific writer on American social and economic conditions. A printer, seaman, and self-taught political economist (his schooling stopped at the seventh grade), George's writings, especially his 1879 book Progress and Poverty, gained him nationwide fame. In the following selection from his 1883 book Social Problems, George condemns the growing inequality between the wealthy few and the impoverished many as one of the harmful developments of America's new industrial age.*

What does George consider to be the true sources of the great business fortunes being created at that time? How do his views on the attainment of wealth differ from those of Andrew Carnegie, author of the opposing viewpoint?

There is in all the past nothing to compare with the rapid changes now going on in the civilized world. It seems as though in the European race, and in the nineteenth century, man was just beginning to live—just grasping his tools and becoming conscious of his powers. The snail's pace of crawling ages has suddenly become the headlong rush of the locomotive, speeding faster and faster. This rapid progress is primarily in industrial methods and material powers. But industrial changes imply

From Henry George, *Social Problems* (New York, 1883).

social changes and necessitate political changes. Progressive societies outgrow institutions as children outgrow clothes. Social progress always requires greater intelligence in the management of public affairs; but this the more as progress is rapid and change quicker. . . .

Great aggregations of wealth . . . tend to corrupt government and take it out of the control of the masses of the people.

INDUSTRIALIZATION AND WEALTH

The tendency of steam and of machinery is to the division of labor, to the concentration of wealth and power. Workmen are becoming massed by hundreds and thousands in the employ of single individuals and firms; small storekeepers and merchants are becoming the clerks and salesmen of great business houses; we have already corporations whose revenues and pay rolls belittle those of the greatest States. And with this concentration grows the facility of combination among these great business interests. How readily the railroad companies; the coal operators, the steel producers, even the match manufacturers, combine, either to regulate prices or to use the powers of government! The tendency in all branches of industry is to the formation of rings against which the individual is helpless, and which exert their power upon government whenever their interests may thus be served.

It is not merely positively, but negatively, that great aggregations of wealth, whether individual or corporate, tend to corrupt government and take it out of the control of the masses of the people. "Nothing is more timorous than a million dollars—except two million dollars." Great wealth always supports the party in power, no matter how corrupt it may be. It never exerts itself for reform, for it instinctively fears change. It never struggles against misgovernment. When threatened by the holders of political power it does not agitate, nor appeal to the people; it buys them off. It is in this way, no less than by its direct interference, that aggregated wealth corrupts government, and helps to make politics a trade. Our organized lobbies, both legislative and Congressional, rely as much upon the fears as upon the hopes of moneyed interests. When "business" is dull, their resource is to get up a bill which some moneyed interest will pay them to beat. So, too, these large moneyed interests will subscribe to political funds, on the principle of keeping on the right side of those in power, just as the railroad companies deadhead [transport for free] President [Chester A.] Arthur when he goes to Florida to fish.

The more corrupt a government the easier wealth can use it. Where legislation is to be bought, the rich make the laws; where justice is to be purchased, the rich have the ear of the courts. And if, for this reason, great wealth does not absolutely prefer corrupt government to pure government, it becomes none the less a corrupting influence. A community composed of very rich and very poor falls an easy prey to whoever can seize power. The very poor have not spirit and intelligence enough to resist; the very rich have too much at stake. . . .

CAN ANYONE BE RICH?

The comfortable theory that it is in the nature of things that some should be poor and some should be rich, and that the gross and constantly increasing inequalities in the distribution of wealth imply no fault in our institutions, pervades our literature, and is taught in the press, in the church, in school and in college.

This is a free country, we are told—every man has a vote and every man has a chance. The laborer's son may become President; poor boys of to-day will be millionaires thirty or forty years from now, and the millionaire's grandchildren will probably be poor. What more can be asked? If a man has energy, industry, prudence and foresight, he may win his way to great wealth. If he has not the ability to do this he must not complain of those who have. If some enjoy much and do little, it is because they, or their parents, possessed superior qualities which enabled them to "acquire property" or "make money." If others must work hard and get little, it is because they have not yet got their start, because they are ignorant, shiftless, unwilling to practise that economy necessary for the first accumulation of capital; or because their fathers were wanting in these respects. The inequalities in condition result from the inequalities of human nature, from the difference in the powers and capacities of different men. If one has to toil ten or twelve hours a day for a few hundred dollars a year, while another, doing little or no hard work, gets an income of many thousands, it is because all that the former contributes to the augmentation of the common stock of wealth is little more than the mere force of his muscles. He can expect little more than the animal, because he brings into play little more than animal powers. He is but a private in the ranks of the great army of industry, who has but to stand still or march, as he is bid. The other is the organizer, the general, who guides and wields the whole great machine, who must think, plan and provide; and his larger income is only commensurate with the far higher and rarer powers which he exercises, and the far greater importance of the function he fulfils. Shall not education have its reward, and skill its payment? What incentive would there be to the toil needed to learn to do anything well were great prizes not to be gained by

those who learn to excel? It would not merely be gross injustice to refuse a Raphael or a Rubens more than a house-painter, but it would prevent the development of great painters. To destroy inequalities in condition would be to destroy the incentive to progress. To quarrel with them is to quarrel with the laws of nature. We might as well rail against the length of the days or the phases of the moon; complain that there are valleys and mountains; zones of tropical heat and regions of eternal ice. And were we by violent measures to divide wealth equally, we should accomplish nothing but harm; in a little while there would be inequalities as great as before.

This, in substance, is the teaching which we constantly hear. It is accepted by some because it is flattering to their vanity, in accordance with their interests or pleasing to their hope; by others, because it is dinned into their ears. Like all false theories that obtain wide acceptance, it contains much truth. But it is truth isolated from other truth or alloyed with falsehood.

To try to pump out a ship with a hole in her hull would be hopeless; but that is not to say that leaks may not be stopped and ships pumped dry. It is undeniable that, under present conditions, inequalities in fortune would tend to reassert themselves even if arbitrarily leveled for a moment; but that does not prove that the conditions from which this tendency to inequality springs may not be altered. Nor because there are differences in human qualities and powers does it follow that existing inequalities of fortune are thus accounted for. I have seen very fast compositors and very slow compositors, but the fastest I ever saw could not set twice as much type as the slowest, and I doubt if in other trades the variations are greater. Between normal men the difference of a sixth or seventh is a great difference in height—the tallest giant ever known was scarcely more than four times as tall as the smallest dwarf ever known, and I doubt if any good observer will say that the mental differences of men are greater than the physical differences. Yet we already have men hundreds of millions of times richer than other men.

That he who produces should have, that he who saves should enjoy, is consistent with human reason and with the natural order. But existing inequalities of wealth cannot be justified on this ground. As a matter of fact, how many great fortunes can be truthfully said to have been fairly earned? How many of them represent wealth produced by their possessors or those from whom their present possessors derived them? Did there not go to the formation of all of them something more than superior industry and skill? Such qualities may give the first start, but when fortunes begin to roll up into millions there will always be found some element of monopoly, some appropriation of wealth produced by others. Often there is a total absence of superior industry,

skill or self-denial, and merely better luck or greater unscrupulousness.

SOURCES OF GREAT WEALTH

An acquaintance of mine died in San Francisco recently, leaving \$4,000,000, which will go to heirs to be looked up in England. I have known many men more industrious, more skilful, more temperate than he—men who did not or who will not leave a cent. This man did not get his wealth by his industry, skill or temperance. He no more produced it than did those lucky relations in England who may now do nothing for the rest of their lives. He became rich by getting hold of a piece of land in the early days, which, as San Francisco grew, became very valuable. His wealth represented not what he had earned, but what the monopoly of this bit of the earth's surface enabled him to appropriate of the earnings of others.

A man died in Pittsburgh, the other day, leaving \$3,000,000. He may or may not have been particularly industrious, skilful and economical, but it was not by virtue of these qualities that he got so rich. It was because he went to Washington and helped lobby through a bill which, by way of "protecting American workmen against the pauper labor of Europe," gave him the advantage of a sixty-per-cent tariff. To the day of his death he was a staunch protectionist, and said free trade would ruin our "infant industries." Evidently the \$3,000,000 which he was enabled to lay by from his own little cherub of an "infant industry" did not represent what he had added to production. It was the advantage given him by the tariff that enabled him to scoop it up from other people's earnings.

This element of monopoly, of appropriation and spoliation will, when we come to analyze them, be found largely to account for all great fortunes. . . .

Take the great Vanderbilt fortune. The first Vanderbilt was a boatman who earned money by hard work and saved it. But it was not working and saving that enabled him to leave such an enormous fortune. It was spoliation and monopoly. As soon as he got money enough he used it as a club to extort from others their earnings. He ran off opposition lines and monopolized routes of steamboat travel. Then he went into railroads, pursuing the same tactics. The Vanderbilt fortune no more comes from working and saving than did the fortune that Captain Kidd buried.

Or take the great Gould fortune. Mr. Gould might have got his first little start by superior industry and superior self-denial. But it is not that which has made him the master of a hundred millions. It was by wrecking railroads, buying judges, corrupting legislatures, getting up rings and pools and combinations to raise or depress stock values and transportation rates.

Concentrations of Wealth Help America (1889)

Andrew Carnegie (1835–1919)

INTRODUCTION *Andrew Carnegie was one of the leading industrialists of the Gilded Age. His business ventures in railroads and steel enabled this immigrant from a poor Scottish family to amass a fortune estimated at one point to be over half a billion dollars. Unlike most of his business peers, Carnegie was a frequent commentator on social and economic issues; he contributed articles to various journals and wrote several books. One of the most famous of his articles first appeared in the June 1889 issue of the North American Review. Carnegie defends the creation of large fortunes such as his own as an inevitable and necessary part of industrial progress. He also prescribes how affluent people should use their riches. The essay, excerpted here, became popularly known as "The Gospel of Wealth."*

Do Carnegie and Henry George, author of the opposing viewpoint, have similar or incompatible views on the effects of America's industrialization? Why might Carnegie's opinions expressed here have drawn criticism from both the right and the left of the political spectrum.

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 today 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 today 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 [a generous patron of the arts]. The "good old times" were not good old times. Neither master nor servant was as well situated then as today. 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.

From Andrew Carnegie, "Wealth," *North American Review*, June 1889.

So, likewise, of the great fortunes which the Pacific railroads have created. They have been made by lobbying through profligate donations of lands, bonds and subsidies, by the operations of *Crédit Mobilier* and Contract and Finance Companies, by monopolizing and gouging. And so of fortunes made by such combinations as the Standard Oil Company, the Bessemer Steel Ring, the Whisky Tax Ring, the Lucifer Match Ring, and the various rings for the "protection of the American workman from the pauper labor of Europe." . . .

Through all great fortunes, and, in fact, through nearly all acquisitions that in these days can fairly be termed fortunes, these elements of monopoly, of spoliation, of gambling run. The head of one of the largest manufacturing firms in the United States said to me recently, "It is not on our ordinary business that we make our money; it is where we can get a monopoly." And this, I think, is generally true. . . .

I am not denouncing the rich, nor seeking, by speaking of these things, to excite envy and hatred; but if we would get a clear understanding of social problems, we must recognize the fact that it is due to monopolies which we permit and create, to advantages which we give one man over another, to methods of extortion sanctioned by law and by public opinion, that some men are enabled to get so enormously rich while others remain so miserably poor. If we look around us and note the elements of monopoly, extortion and spoliation which go to the building up of all, or nearly all, fortunes, we see on the one hand how disingenuous are those who preach to us that there is nothing wrong in social relations and that the inequalities in the distribution of wealth spring from the inequalities of human nature; and on the other hand, we see how wild are those who talk as though capital were a public enemy, and propose plans for arbitrarily restricting the acquisition of wealth. Capital is a good; the capitalist is a helper, if he is not also a monopolist. We can safely let any one get as rich as he can if he will not despoil others in doing so.

There are deep wrongs in the present constitution of society, but they are not wrongs inherent in the constitution of man nor in those social laws which are as truly the laws of the Creator as are the laws of the physical universe. They are wrongs resulting from bad adjustments which it is within our power to amend. The ideal social state is not that in which each gets an equal amount of wealth, but in which each gets in proportion to his contribution to the general stock. And in such a social state there would not be less incentive to exertion than now; there would be far more incentive. Men will be more industrious and more moral, better workmen and better citizens, if each takes his earnings and carries them home to his family, than where they put their earnings in a "pot" and gamble for them until some have far more than they could have earned, and others have little or nothing.

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.

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 succeeding apprentices in the same routine. There was, substantially, social equality, and even political equality, for those engaged in industrial pursuits had then little or no voice in the State.

The inevitable result of such a mode of manufacture was crude articles at high prices. Today the world obtains commodities of excellent quality at prices which even the preceding generation would have deemed incredible. In the commercial world similar causes have produced similar results, and the race is benefited thereby. The poor enjoy what the rich could not before afford. What were the luxuries have become the necessaries of life. The laborer has now more comforts than the farmer 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.

The price we pay for this salutary change is, no doubt, great. We assemble thousands of operatives in the factory, and in the mine, of whom the employer can know little or nothing, and to whom he is little better than a myth. All intercourse between them is at an end. Rigid castes are formed, and, as usual, mutual ignorance breeds mutual distrust. Each caste is without sympathy with the other, and ready to credit anything disparaging in regard to it. Under the law of competition, the employer of thousands is forced into the strictest economies, among which the rates paid to labor figure prominently, and often there is friction between the employer and the employed, between capital and labor, between rich and poor. Human society loses homogeneity.

Not evil, but good, has come to the race from the accumulation of wealth by those who have had the ability and energy to produce it.

CONCENTRATIONS OF WEALTH ARE ESSENTIAL

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, 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 to 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 other which has 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 when 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. Every man must be allowed "to sit under his own vine and fig-tree, with none to make afraid," if human society is to advance, or even to remain so far advanced as it is. To those 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 had the ability and energy to produce it. . . .

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. . . .

DISPOSING OF SURPLUS WEALTH

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 by its possessors during their lives. 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. . . . The question which forces itself upon thoughtful men in all lands is, 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. Neither is it well for the State. Beyond providing for the wife and daughters moderate sources of income, and very moderate allowances indeed, if any, for the sons, men may well hesitate; for it is no longer questionable that great sums bequeathed often work more for the injury than for the good of the recipients. Wise men will soon conclude that, for the best interests of the members of their families, and of the State, such bequests are an improper use of their means. . . .

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 he 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 by them. 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. . . . Besides this, it may fairly be said that no man is to be extolled for doing what he cannot help doing, nor is he to be thanked by the community to which he only leaves wealth at death. Men who leave vast sums in this way may fairly be thought men who would not have left it at all had they been able to take it with them. The memories of such cannot be held in grateful remembrance, for there is no grace in their gifts. It is not to be wondered at that such bequests seem so generally to lack the blessing.

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. . . .

THE SOLUTION

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, 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 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 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 themselves in trifling amounts through the course of many years.

If we consider the results which flow from the Cooper Institute [an adult education institute founded by industrialist and philanthropist Peter Cooper], for instance, to the best portion of the race in New York not possessed of means, and compare these with those which would have ensued for the good of the masses from an equal sum distributed by Mr. Cooper in his lifetime in the form of wages, which is the highest form of distribution, being for work done and not for charity, we can form some estimate of the possibilities for the improvement of the race which lie embedded in the present law of the accumulation of wealth. Much of this sum, if distributed in small quantities among the people, would have been wasted in the indulgence of appetite, some of it in excess, and it may be doubted whether even the part put to the best use, that of adding to the comforts of the home, would have yielded results for the race, as a race, at all comparable to those which are flowing and are to flow from the Cooper Institute from generation to generation. Let the advocate of violent or radical change ponder well this thought. . . .

This, then, is held to be the duty of the man of wealth: 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 trustee and agent 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.

The rich man is thus almost restricted to following the examples of Peter Cooper, Enoch Pratt of Baltimore, and others, who know that 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, for 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 sharers 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.”

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Viewpoint 4A

The Organizing of Labor into Unions Is Dangerous (1886)

Henry Clews (1834–1923)

INTRODUCTION *Henry Clews was a leading financier during and after the Civil War, and served as an economic adviser to President Ulysses S. Grant. In the following viewpoint, excerpted from an 1886 article in the North American Review, Clews denounces what he sees as a clear danger to America—the growth of unionism in the American labor force. He specifically attacks the Knights of Labor, the leading U.S. national organization of workers during the 1880s. Clews argues that American workers are treated much better than in other countries and argues that striking workers can be readily replaced by immigrants from Europe.*

What individual rights does Clews emphasize? Why does he believe that laborers have “no ground for complaint”?

The Knights of Labor have undertaken to test, upon a large scale, the application of compulsion as a means of enforcing their demands. The point to be determined is whether capital or labor shall, in future, determine the terms upon which the invested resources of the nation are to be employed.

The demands of the Knights and their Sympathizers . . . are . . . completely subversive of the social order.

To the employer, it is a question whether his individual rights as to the control of his property shall be so far overborne as to not only deprive him of his freedom but

Henry Clews, “The Folly of Organized Labor,” *North American Review*, June 1886.