ANDREW CARNEGIE: RATIONALE OF THE SELF-MADE MAN

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In 1907 Herbert N. Casson, writing an estimate of Andrew Carnegie for the Independent magazine, declared that it was far easier to imagine Carnegie as a university dean with a hobby for steel-making, than to imagine him as a steel-maker with a hobby for education and affairs of the mind. This comment affirmed what was widely known: Carnegie was as intensely interested in world peace, higher education, libraries, research, and even the financial plight of retiring college professors, as in the manufacture of steel. A kindred compliment was paid him more recently when, in his study of the idea of civilization in the United States, Charles A. Beard interpreted Carnegie as one who used the realm of industry as a laboratory for social research, a place where he could think constructively about his world and his experiences in it. In brief, Carnegie was a social philosopher as well as a maker and seller of steel.

The story of Andrew Carnegie, the Scotch immigrant boy whose wondrous alchemy transformed steel into gold, poverty into wealth, is familiar indeed. Less familiar, but no less important, is the long tradition of the self-made man with which Carnegie identified himself, and by which he interpreted his pilgrimage through life. As the scholarly work of Weber and Tawney has already demonstrated, the identification of business success with moral virtue is as old as capitalism itself. Evidence

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of the persistence of this identification is provided by the gospel of success widely preached in nineteenth century America. It was no accident that the century which witnessed the triumphs of Hopkins and Cooper, Carnegie and Cornell also witnessed the dissemination of the idea that any boy of sound back and good morals could aspire to fame and fortune. As the century advanced, a voluminous literature of success reported the careers of rising merchants, industrialists, and financiers, and in the reporting created a moral and intellectual stereotype of the self-made man. By 1900 Andrew Carnegie had become an important symbol of this self-made man ideal, a man sufficiently vain to glory in his own achievements, and sufficiently articulate to point the way to others. To travel the highway of success with Carnegie is to travel it with thousands of clergymen, journalists, and business men, and to know their musings on the road is to know the simple ideas of simple men, abroad on a golden quest.

The foundation on which most nineteenth century prophets rested their arguments for self-help was the assumption that in America economic opportunity was unlimited. To cite only one example, Henry Ward Beecher, in addressing a group of young men in Indianapolis during the winter of 1843–44, declared that in this land opportunity was so abundant that he felt safe in saying that riches were the inevitable heritage of industry, and poverty the sure offspring of indolence. When the accuracy of Beecher's formula was thrown in doubt in the decades of Populist and Progressive agitation, and when Theodore Roosevelt's trust-busters began to shame the combines, defenders of right thinking hastened to renew the old faith in free opportunity. In 1907 the elder Rockefeller delivered himself of an opinion on this crucial point. "I deny emphatically the assertion that opportunity has been restricted or individual effort stifled by reason of the growth of trusts," said he. "On the contrary, the trusts have opened wider avenues and greater opportunities to the young men of to-day than those any other generation ever enjoyed." The barefoot country boy and the child of the tenement need not despair, said the oil magnate. "They have but to master the knack of

5 Henry Ward Beecher, Seven Lectures to Young Men, 11 (Indianapolis, 1844).
economy, thrift, honesty, and perseverance, and success is theirs."

In the preceding month Samuel Harden Church had assured a Chautauqua audience that corporations had not destroyed the chances of aspiring individuals. "There is no bar against the ambition of any honest man except the limit of his capacity," said he. Earlier, Elbert H. Gary of United States Steel had advanced the cliché that "in every line and department of human activity there is an abundance of room at the top."

On this point Carnegie was less sanguine than his compatriots, for the broad highway seemed to be narrowed a bit by corporate pressure on the sides. As an independent business man, he warned young wealth-seekers against corporations. "While a young man can look forward to a large salary in their service," said he, "that is all to which he can aspire. Even the presidents of these corporations, being only salaried men, are not to be classed as strictly business men at all. How, then, can a young man under them be anything but a salaried man his life long?" When men had begun to think of success in terms of top executive positions in corporations, Carnegie clung to the old ideal of independence.

Even though it was admittedly more difficult to aspire to the headship of a firm in 1900, than when Carnegie had begun, Carnegie declared he would not give a fig for the beginner who did not so aspire. As a good Darwinist, believing in the stimulation of a harsh environment, Carnegie never admitted that contracting opportunities threw up insurmountable obstacles. "It is, no doubt, infinitely more difficult to start a new business of any kind to-day than it was," he confessed. "But it is only a difference in form, not in substance." As in the days of his youth he insisted that capital and family influence counted for nothing; ability and the will to succeed remained twin keys to achievement. To the youth who com-

7 Samuel Harden Church, Ostentatious Wealth and Class Feeling, 11, an address delivered at Chautauqua, New York, July 30, 1907.
plained of lack of opportunity Carnegie was ever ready to quote the famous words, "the fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings."\(^{11}\)

A commonplace of the self-made man tradition was the doctrine that the only satisfactory starting point on the road to success was poverty. Like dwindling opportunity, poverty was praised as a harsh environmental factor breeding the personal qualities essential to great achievement. To abolish poverty, said Carnegie, "would be to destroy the soil upon which mankind produces the virtues which enable our race to reach a still higher civilization than it now possesses."\(^{12}\) Without poverty operating as a selective agent, "the supply of the good and great would cease, and human society retrograde into barbarism."\(^{13}\) Boys reared in poverty, he declared, "appear upon the stage, athletes trained for the contest, with sinews braced, indomitable wills, resolved to do or die. Such boys always have marched, and always will march, straight to the front and lead the world; they are the epoch makers."\(^{14}\) In his well-known essay, "How to Win Fortune," Carnegie attempted to document this thesis by naming the once-poor clerks and mechanics who had gone to the front in the financial, mercantile and industrial worlds. To mention only a few from his list, there were the familiar names of Studebaker, Pullman, Washburn, Westinghouse, Otis, McCormick, Edison, Wanamaker, Stanford, Rockefeller, Sage, and Huntington.\(^{15}\)

In the literature of self-help, a corollary of the idea that poverty bred success was the doctrine that an original condition of wealth predisposed to failure. Horace Mann, an early exponent of self-help, gave voice to a typical attitude when he described inherited wealth as "a sort of human oyster bed, where heirs and heiresses are planted to spend a contemptible life of slothfulness in growing plump and succulent for the grave-worm's

\(^{11}\) Carnegie, *Empire of Business*, 4, 114, 122.


\(^{13}\) Carnegie, *Empire of Business*, 129.


\(^{15}\) For the complete list see Carnegie, *Empire of Business*, 107–109.
banquet.” In Acres of Diamonds, the most widely preached success sermon of its time, Russell Conwell sympathized with inheritors of wealth, declaring that “there is no class of people to be pitied so much as the inexperienced sons and daughters of the rich of our generation.” With these sentiments Carnegie was in complete accord, for his experience suggested that the father who left a fortune impaired his son’s talents and energies, and tempted him to lead an idle and useless life. A logical extension of this belief was Carnegie’s vigorous support for confiscatory inheritance taxes.

Carnegie objected particularly to the inheritance of businesses, for he doubted that sons of business men, raised in comfort, had the competitive spirit which had carried their self-made fathers to the top. Rather than practice nepotism the wise man of business elevated poor clerks who had demonstrated competitive insight and aptitude for affairs. “The partner’s sons will not trouble you much,” he advised a group of commercial college students, “but look out that some boys poorer, much poorer than yourselves... do not challenge you at the post and pass you at the grand stand.”

The boy who started by sweeping out the office came to his calling armed with the ancient virtues of industry, frugality, and sobriety, virtues long honored by the business community as source-springs of success. Though Carnegie’s homilies on hard work differed very little from those of other self-made men, they never laid bare such poverty of spirit as was revealed when Russell Sage confessed that “work has been the chief, and, you might say, the only source of pleasure in my life; it has become the strongest habit that I have and the only habit that I would find it impossible to break.” Nor did Carnegie’s exhortations go as far as the advice

16 Horace Mann, A Few Thoughts for a Young Man, 45 (Boston, 1887).
17 Russell Conwell, Acres of Diamonds, 30 (New York, 1915).
21 Carnegie, Empire of Business, 18.
offered by Charles M. Schwab that “if more persons would get so enthused over their day’s work that some one would have to remind them to go out to lunch there would be more happiness in the world and less indigestion. If you must be a glutton, be a glutton for work.” Carnegie was satisfied with the observation that in a busy world an honest day’s work was a good sort of prayer.

Frugality Carnegie interpreted as a routine duty of civilized living, a means of building the capital so necessary in a complex society. Without capital there would be no railroads, factories, steamships, telegraphs, churches, universities or newspapers, and he who would enjoy these was obliged to save. For the youth who hoped to get ahead in the business world saving was especially important, for, Carnegie argued, old heads looking for young partners are most likely to choose those who possess the saving habits productive of capital.

On the subject of sobriety Carnegie was less demanding than most high priests of success, yet he readily warned young business men that they were more likely to fail from intemperance than from any other evil. As a general rule he thought that a glass at dinner would work no great harm. On this point Russell Sage was less generous, for he advocated total abstinence, not only from liquor, but from tobacco as well. If either of these enterprising citizens had witnessed the infractions of temperance at academic conclaves they might have gained final proof of the dogma that professors are men who would certainly have failed in business.

If the self-made man often attributed his success to superior virtue, as often he attributed it to inferior education. On the assumption that higher education made men impractical, the success-minded in the nineteenth century generally held that little was to be gained by attendance at college, where the Greek verb and the football were the items most often pursued. In White’s Book of Daniel Drew the famous cattle drover reported that his educated clerks never dared to put on any

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23 Charles M. Schwab, Succeeding with What You Have, 10 (New York, 1917).
24 Carnegie, Empire of Business, 5–6, 13–14, 95–96, 128.
bookish airs around him, for they knew he could buy them out thirteen times over. "Book learning is something," said Drew, "but thirteen million dollars is also something, and a mighty sight more." Frederick Weyerhauser, the lumber baron, suggested that the college graduate was permanently handicapped in business because he started at an advanced age, had no business knowledge, and was strongly prejudiced against starting at the bottom of the ladder. In his widely circulated Message to Garcia, Elbert Hubbard pleaded not for a man with book learning, but for one with stiff vertebrae, a man without ideas who would do the bidding of his superiors.

Many of these sentiments Carnegie shared, but with important qualifications. When he asserted that he had known few young men intended for business who had not been seriously injured by a college education, he had in mind the old classical schooling. Concerned as it was with petty wars and the mastery of dead languages, this education seemed to be fitting men for life upon another planet. For antiquarians and professional men this sort of training might possess value, but the potential business men would do better to study in the school of experience.

Fortunately, a new kind of education was emerging in Carnegie's mature years, and of this he approved. "We have begun to realize that a knowledge of chemistry, for instance, is worth a knowledge of all the dead languages that ever were spoken upon the earth," he declared; "a knowledge of mechanics more useful than all the classical learning that can be crammed into young men at college." The rapid growth of scientific and technical schools, the founding of the Wharton School in 1881, and the beginning in 1908 of the Harvard Graduate School of Business Administration helped to revolutionize the educational attitudes of men of affairs. Grover Cleveland, addressing the students of Princeton University on "The Self-Made Man in American Life," maintained that "the old superstition concerning the close relationship between the

28 Elbert Hubbard, A Message to Garcia, 5 (1899).
29 Carnegie, Empire of Business, 80, 81.
greatness of the self-made man and meagre educational advantages is fast disappearing; and parents are more generally convinced that the time and money involved in a college course for their children are not wasted."\(^\text{30}\) Elbert H. Gary thought that any aspiring business man could profit by higher education, even of the classical variety. "In fact," said Gary, "the more he knows of that which is taught in schools, colleges and universities of a general character, the better it will be for him in commencing business."\(^\text{31}\) In the opinion of corporation lawyer James B. Dill the growth of corporations put a premium on college trained minds. "It has set at rest the discussion as to whether a college training is essential to business success," asserted Dill. "It has answered the question in the affirmative, because the demand today for trained minds, devoted to specific lines of work, has created a demand for college trained men."\(^\text{32}\)

Even for the man with the right combination of virtue and education success was not assured unless supplemented by a willingness to specialize. Edward Bok, self-made editor of the *Ladies' Home Journal*, touched upon a constant theme when he warned that "this is an age of specialties. If there ever was a time when it was demanded of a man that he should do one thing supremely well, it is now . . . . Competition is so keen today that a man who would be supreme in his one line has not much time to know more than one thing well."\(^\text{33}\) Carnegie urged business men to concentrate their energy, thoughts, and working capital exclusively in one business; having begun in a specialized line they were to lead in it, adopt every improvement, have the best machinery, and know the most about it. As Carnegie phrased it, they were to put all their eggs in one basket, and then watch the basket.\(^\text{34}\)

The boy who aspired to the honorable title of self-made man was not only required to be a specialist, but also was expected to make his


\(^\text{34}\) Carnegie, *Empire of Business*, 17.
employer's interests his own, and to render services not required by duty. "If a young man entering industry were to ask me for advice," said Charles Schwab, "I would say: Don't be afraid of imperiling your health by giving a few extra hours to the company that pays your salary! . . . The man who counts his hours and kicks about his salary is a self-elected failure." Carnegie occasionally showed irritation when men complained that their services were not appreciated, for he argued that the employer's self-interest forced him to place his best men in the highest positions.

According to the tenets of the self-made man, merit in business invariably won its reward.

When, in 1929, Julius Rosenwald of Sears, Roebuck announced that his success was as much a matter of luck as of merit, and that there were many men in his employ who could run his business as well as himself, Iron Age quickly denounced his sentiments. "Emanating from a business leader so successful and so lovable, they should not go unchallenged," said Iron Age, "for it seems to us they are essentially erroneous and mischievous. If financial success were chiefly a matter of luck, there would be strong grounds for the surtaxes that governments savagely levy on large incomes, for the voraciousness of unionized labor, and for the leveling processes of Socialistic doctrine. This is indeed the very negation of the theory that men get what they earn or earn what they get." This did Iron Age set right the success ideology of an erring brother.

While success-gospellers denied the efficacy of luck, they also condemned the art of speculation which was so often dependent upon luck. Carnegie insisted that the speculator and the business man traveled diverging roads. The former was an irresponsible gamester, wealthy one day, poor the next; invariably on his last day he was poor, haunted by recollections of a life neither creditable to himself nor advantageous to the community. The business man, on other hand, pursued his fortune

35 Schwab, Succeeding with What You Have, 14.
36 Carnegie, Empire of Business, 118.
37 "Success as Mere Luck," in Literary Digest, 101:9 (June 29, 1929).
through years of patient toil, shunning all get-rich-quick schemes.\textsuperscript{38} Speculation was a parasite fastened on the labor of business men. It created nothing, fulfilled no human wants, and reaped rewards without rendering service.

That exponents of self-help should decry speculation is not surprising, for they preferred to look upon the rich man’s wealth as a by-product of personal virtue, and a symbol of the social good for which he was responsible. Portrayers of the self-made man could not readily admit that he was motivated only by a lust for gold. “The most miserable of men, as old age approaches,” argued Carnegie, “are those who have made money-making their god; like flies on the wheel, these unfortunates fondly believed they were driving it, only to find when tired and craving rest that it is impossible for them to get off, and they are lost.”\textsuperscript{39} The self-made man must feel that he is an agent of progress, a dispenser of well-being, or, as Carnegie put it, a “toiling bee laying up the honey in the industrial hive, which all the inmates of that hive, the community in general, will certainly enjoy.”\textsuperscript{40} At least in theory men of wealth could agree with Emerson that “they should own who can administer, not they who hoard and conceal; not they who, the great proprietors they are, are only the great beggars, but they whose work carves out the work for more, opens a path for all. For he is the rich man in whom the people are rich, and he is the poor man in whom the people are poor.”\textsuperscript{41}

This doctrine of the stewardship of wealth was central in the rationalizations of self-made men, and in Carnegie’s case particularly it was translated into action. With a frankness not common to his kind he admitted that wealth “is not chiefly the product of the individual under present conditions, but largely the joint product of the community.”\textsuperscript{42} According to his well-known gospel of wealth, the possessor was but

\textsuperscript{38} Carnegie, Empire of Business, 6-7.
\textsuperscript{40} Carnegie, Empire of Business, 137.
\textsuperscript{41} Ralph Waldo Emerson, The Conduct of Life, 97 (Boston, 1904).
the trustee of the community, obliged to direct his capital into productive enterprises during his active years, and into agencies of human improvement during the years of his retirement. At death he should be almost as poor as at birth.\textsuperscript{43} If he failed in this final aim, the government, through inheritance taxes, should restore his wealth to the community whence it came. Said Carnegie: "It is difficult to understand why, at the death of its possessor, great wealth \ldots should not be shared by the community which has been the most potent cause or partner of all in its creation. \ldots Where wealth accrues honorably, the people are always silent partners."\textsuperscript{44}

Grants to churches, missions, soup kitchens, hospitals and Y.M.C.A.'s played little part in the administration of Carnegie's stewardship. Hard-headed in beneficence as in business, he was little concerned with the rescue of the submerged: from these society could expect little.\textsuperscript{45} True to the tradition which he represented, he used his wealth to broaden the paths of opportunity. Wealth transformed into libraries, universities, and institutes, he said, "furnishes a ladder upon which the aspiring poor may climb; and there is no use whatever \ldots 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."\textsuperscript{46} In the educational benefactions of Rockefeller, Stanford, Hopkins, and Cornell there is evidence of kindred attempts to place before the ambitious the ladders on which to climb.

When the Lynds revisited Middletown, after the worst depression in history, they discovered that the ideological portrait of the self-made man had not been discarded. Men were still firm in the faith that America would always be the greatest land of opportunity; that the poor-boy-to-president way is the true American way; that a man owes it

\textsuperscript{46} Carnegie, \textit{Empire of Business}, 143.
to himself, to his family, and to society to succeed; that one should try to get ahead of his fellows, but not in any underhand way; that the rich are more intelligent and industrious than the poor; that captains of industry are social benefactors because they create employment; and that it is a fine thing for rich men to be philanthropic. The Lynds’ discovery would have delighted Carnegie, for it would have afforded proof that his ideas were as widely accepted and as durable as his steel.

The portrait of the self-made man as an industrious, frugal, sober, benevolent citizen, engaged in the world’s advance as well as his own, is as old in America as the Autobiography of Benjamin Franklin and as recent as the obituaries of Henry Ford. It is an idealized portrait, not a photograph, as any skeptic will quickly discern; yet the idealized features are recognizable, and to the unsophisticated, acceptable. From this portrait the god-like face of the self-made man still looks out on a worshipful, albeit an unhappy world.