

Hook Exercise: Andrew Carnegie

Directions: Below is a list of eight personal traits or characteristics. You have two tasks.

Task One: Next to each trait, name a person you regard as a hero who has that trait.

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1. integrity _____
2. courage _____
3. intelligence _____
4. concern for others _____
5. financial success _____
6. self-made _____
7. significant achievement _____
8. charisma _____

Task Two: List the three traits from this list that you believe a person must have to be considered a hero. Be ready to discuss your choices.

The Philanthropy of Andrew Carnegie: Did It Make Him a Hero?

After the Civil War, American industry was booming. Railroads were built that connected New York with California. Bridges were constructed to span the great rivers. City skyscrapers reached for the clouds. And making all this possible – steel rails, steel cable, steel I-beams – one man emerged, a 5'4" bundle of energy and self-confidence named Andrew Carnegie.

Andrew Carnegie grew up poor. He was born in 1835, in the attic of a weaver's cottage in Dunfermline, Scotland. At age eight, he began his schooling in a one-room school crammed with 150 students. In 1848, with poverty pressing in around them, the Carnegies left Scotland for a new life in the United States.

Andrew was just twelve years old when the family arrived in Pittsburgh. To help out, Andy got a job as a **bobbin boy** at a local **textile mill**. He worked six 12-hour days for \$1.20 a week. A year later Andrew found a new job delivering telegrams. He became locally famous for being able to decode the dot-dot dash-dash messages by ear, one of only three telegraph operators in the country who could do so.

At seventeen, young Carnegie was offered the job of setting schedules and untangling train wrecks for the Pennsylvania Railroad. Within seven years he had worked himself up to supervisor. His future with one of America's strongest companies seemed set. And yet, Carnegie decided to leave the Pennsylvania Railroad. Andrew moved to New York City with his mother. He had conflicting thoughts about his future. On a December evening in 1868, Carnegie sat down in his plush room at the St. Nicholas Hotel and wrote himself a letter:

Thirty three and an income of \$50,000 per annum. By this time two years I can so arrange all my business as to secure at least \$50,000 per annum. Beyond this never earn – make no effort to increase fortune, but spend the surplus each year for benevolent purposes. Cast aside business forever except for others.

Vowing to get out of business, Carnegie made a trip to England. There, in 1872, he met Henry Bessemer. Bessemer had developed a special technique for converting iron into the purer, stronger material we call steel. Carnegie was excited. As Carnegie put it, he "got the flash." He would adopt the **Bessemer process** and build a steel mill in Pittsburgh.

Carnegie was on the march. Ten years later, in 1883, he bought the famous Homestead Steel mill and acquired a major interest in the Frick coal fields east of Pittsburgh. In 1890 he added the Allegheny Steel Mills. Iron ore fields in Minnesota, railroads, ships, and dock yards on Lake Erie would follow. In the world of steel Carnegie was King.

It was not until the end of the century that Carnegie was finally ready to put business and steel behind him. Carnegie had married late in life, and he and his wife Louise now had a four-year-old daughter, Margaret. When the famous banker J.P. Morgan indicated that he and his partners were interested in buying the Carnegie Steel Company and all of its holdings, Carnegie wrote down a price on scrap of paper – \$480,000,000 – and had it shuttled downtown to Wall Street. Morgan gave it a glance and said, "I accept this price."

Carnegie's sale share was \$225,000,000, making him, in 1901, the richest man in America. For much of the next eighteen years until his death in 1919, Carnegie's primary concern was how to give this money away.

The story of Carnegie's **philanthropy** is the focus of this Mini-Q. Your task is to apply the heroic traits you selected in the Hook exercise and answer the question, *The philanthropy of Andrew Carnegie: Did it make him a hero?*

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Background Essay Questions

1. In what year and in what country was Andrew Carnegie born?
2. What specific evidence is there in the Background Essay that Andrew Carnegie grew up poor?
3. In what industry during the 1850s and 60s did Carnegie make his first mini-fortune?
4. At the age of 33 in New York City, Carnegie wrote a letter to himself. What was the gist of the letter?
5. What caused Carnegie to remain in the world of business?
6. What is steel?
7. In what year and for how much did Carnegie sell his steel works? What was Carnegie's personal share of this sale?
8. Define these terms:
 - bobbin boy
 - textile mill
 - per annum
 - Bessemer process
 - philanthropy

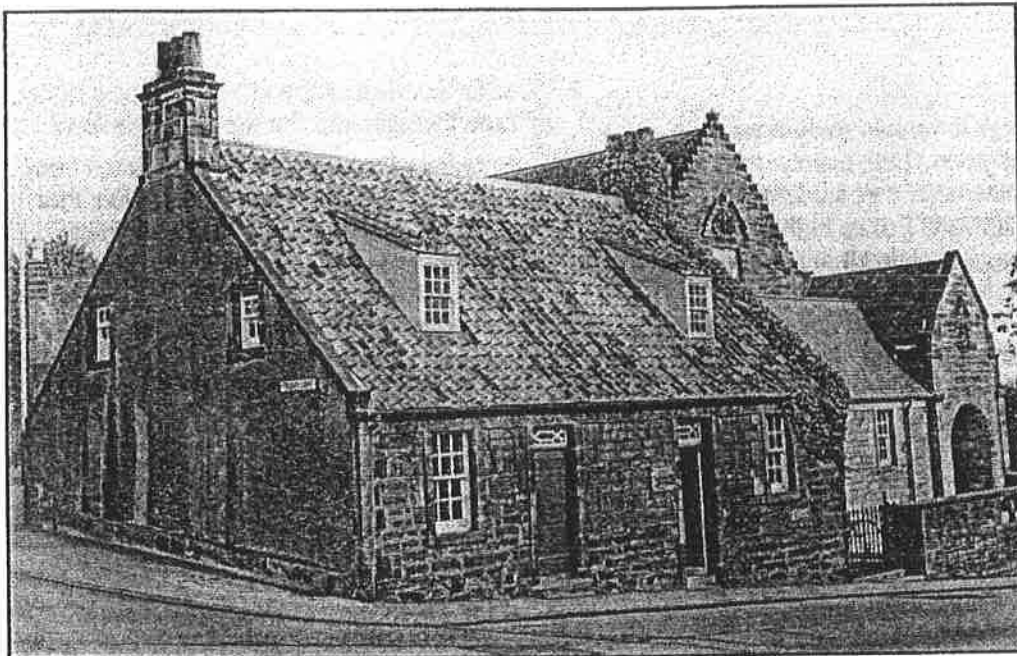
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TIMELINE

- 1828** – Andrew Jackson is elected President of the United States.
- 1835** – Andrew Carnegie is born in Dunfermline, Scotland.
- 1863** – Emancipation Proclamation is issued.
- 1876** – National Baseball League is organized.
- 1889** – Carnegie writes *Gospel of Wealth*.
- 1901** – Carnegie sells Carnegie Steel Company.

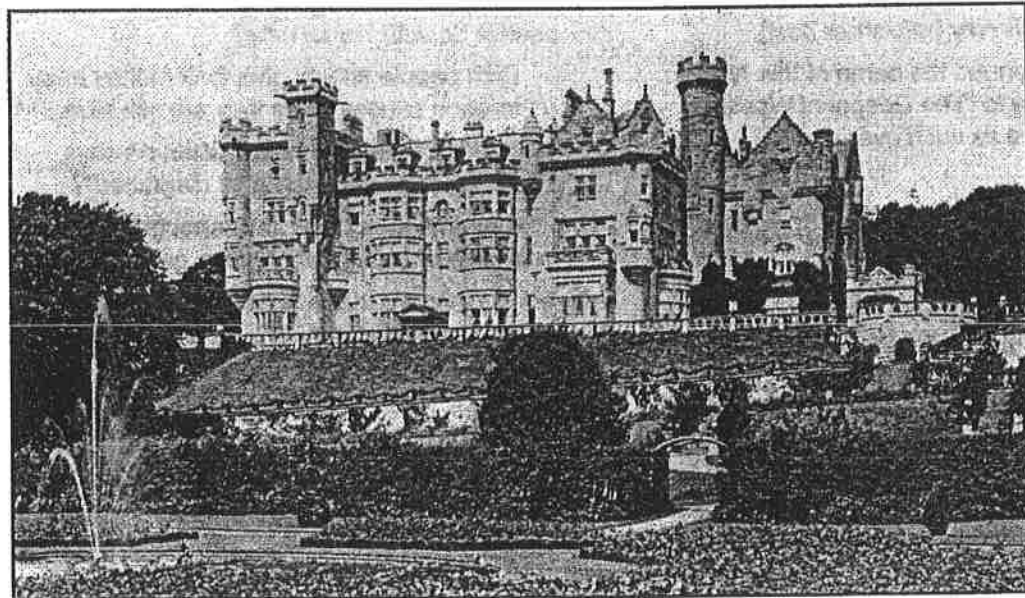
Document A

Source: Photos courtesy of the Carnegie Library of Pittsburgh.



Note: Birthplace cottage of Andrew Carnegie, Dunfermline, Scotland. Carnegie and his family of four lived in an attic room above his father's weaver's shop. The building was shared with another family. Years of residence: 1835 - 1848. Annual rent: \$20

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Note: Skibo Castle, Dornoch Firth, Scotland. Andrew Carnegie purchased Skibo Castle in 1897 and made long, frequent visits, occasionally residing there. Renovation cost: about \$10,000,000

Document Analysis

1. When did Andrew Carnegie live in the Dunfermline cottage? in Skibo Castle?
2. In what country were both homes located?
3. What was the yearly rent at Dunfermline? the fix-up cost at Skibo?
4. Would Andrew Carnegie's purchase and renovation of Skibo Castle have been good or bad for the local people of Dornoch Firth, Scotland? Explain?
5. Could this document be used in an essay about the philanthropy and heroism of Andrew Carnegie? Explain your thinking.

Document B

Source: Andrew Carnegie, "Wealth," in the *North American Review*, June, 1889.

...What is the proper mode of administering wealth after the laws (of survival of the fittest) upon which civilization is founded have thrown it into the hands of the few?

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....

The first is the most injudicious.... Why should men leave great fortunes to their children? If this is done from affection, is this not misguided affection?

As to the second mode, that of leaving wealth at death for public uses, (why should a man) wait until he is dead before he becomes of much good in the world? ... 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....

There remains, then, only one mode of using great fortunes; ... the duty of the man of wealth (is to) set an example of modest ... living...; and ... to consider all surplus revenues ... as trust funds ... to produce the most beneficial results for the community – the man of wealth thus becoming the ... 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....

The man who dies rich dies disgraced.

EV

Document Analysis

1. Who is the author of this article and in what year was it written?
2. What is "survival of the fittest" and how does it "throw" wealth into the hands of the few?
3. According to Carnegie what two things shouldn't a rich person do with his fortune?
4. According to Carnegie what should a rich person do with his fortune?
5. What does Carnegie mean when he says, "The man who dies rich dies disgraced"?
6. These ideas of Andrew Carnegie are often referred to as "The Gospel of Wealth." Are the ideas expressed in this document the ideas of a hero? Explain your thinking.

Document C

Source: Chart created from Joseph Frazier Wall, *Andrew Carnegie*, New York, Oxford University Press, 1970.

Carnegie's Philanthropy (Partial List)		
Gifts	Amount	Note
Princeton University	\$400,000	To create Lake Carnegie for rowing
TIAA	\$1,000,000	Teachers' Insurance & Annuity Assoc.
Dunfermline Trust	\$4,000,000	Carnegie's boyhood home town
Homestead Relief Fund	\$4,000,000	Fund for steel workers and families
Church organs	\$6,248,000	Total number, 7689
Carnegie Peace Endowment	\$10,000,000	To "hasten the abolition of war"
Universities of Scotland	\$10,000,000	Endowment for four universities
Teachers' Pension Fund	\$15,000,000	Old age help for poor professors
Carnegie Institution	\$25,000,000	To promote scientific research
Free public libraries	\$50,365,000	Total number, 2811, mostly in US
Carnegie Corporation*	\$145,000,000	Supertrust for administering a large part of Carnegie's remaining fortune
Total (This list only)	\$271,013,000	
Total Giving Overall	\$350,695,653	

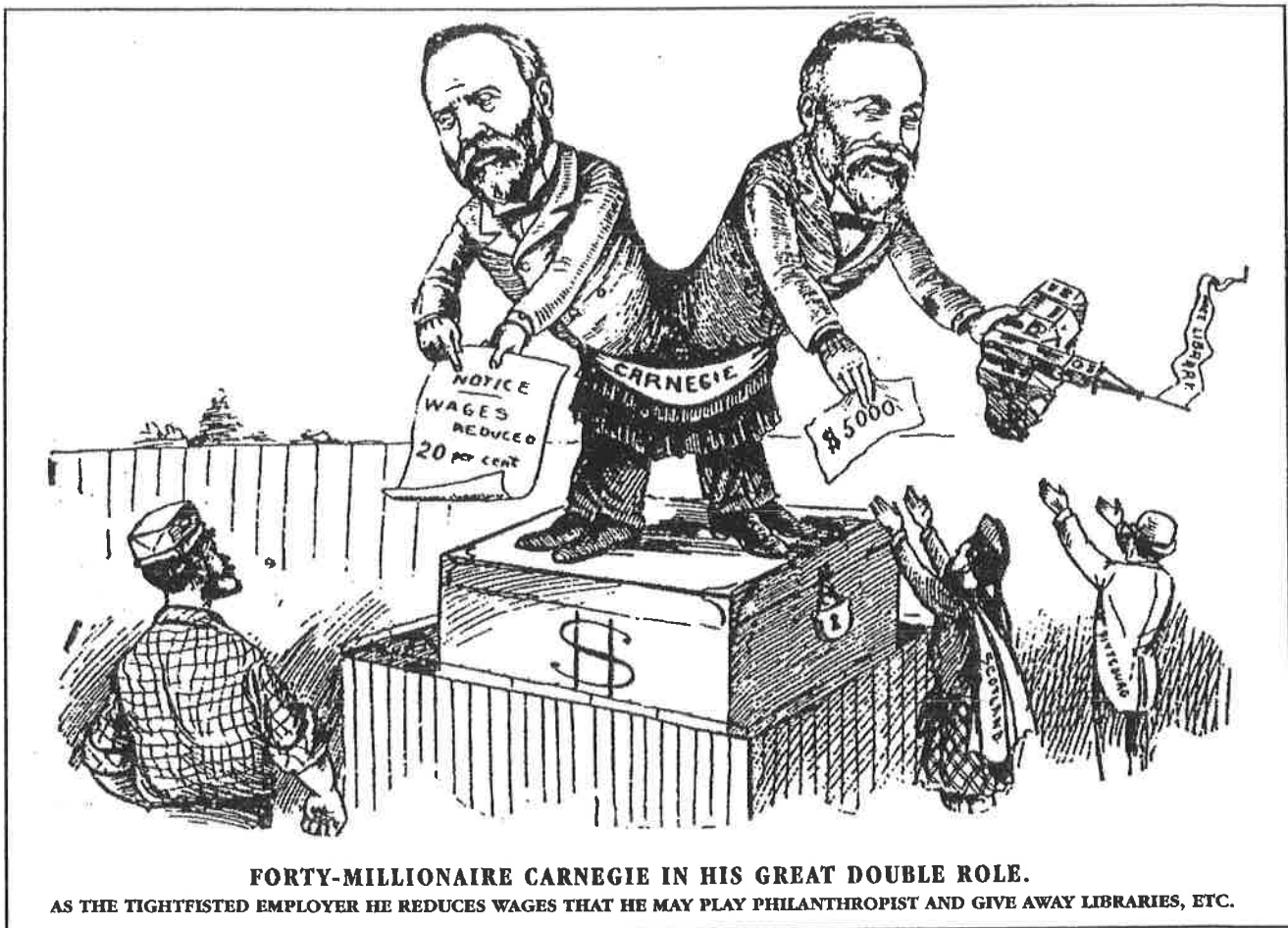
*The Carnegie Corporation's net assets in 2005 were listed at \$2,167,000,000. The foundation is currently giving out about \$100,000,000 a year, most of it to education.

Document Analysis

1. How much money did Carnegie give away?
2. In general terms, to what cause (e.g. health, environment, athletics, education, religion) did Carnegie give most of his money? What is your evidence?
3. How could you use this document to argue that Carnegie was a hero?
4. Could you use this document to argue that Carnegie was not a hero? Explain.

Document D

Source: *The Saturday Globe*, Utica, New York, July 9, 1892. "Forty-Millionaire Carnegie in his Great Double Role."



Note: The famous Homestead Steel Strike at one of Carnegie's Pittsburgh steel mills erupted into violence July 6, 1892. Several steel workers and agents working for the Carnegie mill were killed.

Document Analysis

1. What is the date of this cartoon? Is that significant? Explain.
2. Who are the two figures standing on the cash box?
3. What is the figure on the right handing out and to whom?
4. What is the figure on the left handing out and to whom?
5. Do you think the cartoonist believes that Andrew Carnegie is a hero? Explain.

Document E

Source: William Jewett Tucker, "The Gospel of Wealth," *Andover Review*, Vol. XV, June 1891.

Note: William Jewett Tucker was a professor of religion at Andover Seminary. He later became president of Dartmouth College.

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... I can conceive of no greater mistake, more disastrous in the end to religion if not to society, than that of trying to make charity do the work of justice....

I quote Mr. Carnegie's words, slightly transferring them, but not changing their meaning, that "the millionaire is entrusted for the time being with a great part of the increased wealth of the community, because he can administer it for the community far better than it could or would have done itself." This, of course, if accepted and carried out in any complete way, becomes patronage....

(I)n the long run, society cannot afford to be patronized. It is better for any community to advance more slowly than to gain altogether by gifts rather than, in large part, by earnings. Within proper limits, the public is advantaged by the gifts of the rich, but if the method becomes the accepted method, to be accepted and relied upon, the decline of self-respect has begun.

... Why should there be this vast amount of wealth in the hands of the few? The question is not, How shall private wealth be returned to the public? but, Why should it exist in such bewildering amounts ... in the hands of the few?

... (I)t is estimated that two thirds of the property of the United States is in the hands of one seventieth of the population. It also seems safe to assume that more than one half of the wealth of the country is in possession of less than fifty thousand families.

... (T)he ethical question of today centers, I am sure, in the distribution rather than in the redistribution of wealth.

• patronage: As used by Tucker, the giving of gifts by the rich to the poor

Document Analysis

1. Who was the author of this document and in what year was it written?
2. What is the meaning of "patronage?"
3. Why is William Jewett Tucker critical of Carnegie?
4. What does Tucker mean when he says that the ethical question of the day is the distribution of wealth, not the redistribution of wealth?
5. In 1913 *The New York Herald* reported that Andrew Carnegie had given away over \$300 million, nearly double that of the next largest giver, John D. Rockefeller. Knowing this, do you think William Jewett Tucker's criticism of Carnegie is fair?

The Philanthropy of Andrew Carnegie: Did It Make Him a Hero?

Pre- Write Outline

Introduction Paragraph:

Hook/Grabber:

Background information on Carnegie:

Restatement of the question and identification of heroic traits:

Thesis: There were three reasons Andrew Carnegie _____ (was/was not) a hero:

_____, _____, and _____.

Body Paragraph One

Topic Sentence/claim (bucket one) One reason Carnegie _____ (was/was not) a hero was

_____.

One piece of evidence that supports this reason:

Analysis of evidence:

A second piece of supporting evidence is

Analysis of evidence:

Concluding/closing argument: This evidence helps explain why Carnegie _____ (was/was not) a hero because

Body Paragraph Two

Topic Sentence/Claim (bucket two): A second reason Carnegie _____ (was/was not) a hero was _____.

One piece of evidence that supports this reason:

Analysis of evidence:

A second piece of supporting evidence is

Analysis of evidence:

Concluding/closing argument: This evidence helps explain why Carnegie _____ (was/was not) a hero because

Body Paragraph Three

Topic Sentence/claim (bucket three): A final reason Carnegie _____ (was/was not) a hero was _____.

One piece of evidence that supports this reason:

Analysis of evidence:

A second piece of supporting evidence is

Analysis of evidence:

Concluding/closing argument: This evidence helps explain why Carnegie _____ (was/was not) a hero because

Conclusion Paragraph

It is true there is another side to the argument. For example:

However, in the final analysis Andrew Carnegie _____ (was/was not) a hero because:

The Philanthropy of Andrew Carnegie: Did It Make Him a Hero?

Essay Outline Guide

Introduction Paragraph:

Hook/Grabber: It wasn't chump change. Sold his steel company for \$225,000,000

Background: Born in Dunfermline, Scotland in 1835. Moved to US in 1848. Went from bobbin boy to leader of the US steel industry.

Restatement of the question and identification of heroic traits: Using the measures of integrity, concern for others, intelligence, and significant achievement, was Carnegie a hero?

Thesis: Carnegie's philanthropy did make him a hero. This can be shown by examining his spending at Skibo, his philosophy of wealth, and the scale and quality of his gifts.

Body Paragraph One

Topic sentence/claim (bucket one): Skibo renovation was a special example of philanthropy.

Evidence: Spent \$10 million on fixing up Skibo (document A)

Analysis: capitalist redistribution at its best

Evidence: Wealth redistribution benefitted all the workers who rebuilt Skibo (document A)

Analysis: That \$10 million didn't go up in thin air. It went into worker's pockets

Concluding/closing argument: Carnegie could be considered a hero for creating jobs. What greater gift?

Body Paragraph Two

Topic sentence/claim (bucket 2): A second reason Carnegie's philanthropy makes him a hero is that it was based on generous philosophy.

Evidence: "Wealth" published in 1889 (document B)

Analysis: stated that the wealthy should not leave their millions to their children or leave distribution up to their heirs. (Document B)

Evidence: His philosophy was that a man who died rich, died disgraced (document B)

Analysis: Rising to the top carries with it big responsibility, the responsibility to give back to society

Concluding/closing Argument: This philosophy meets the standards of integrity and concern for others. Integrity because Carnegie went on to put his money where his mouth was. Concern for others because Carnegie placed the welfare of the community above maintain the super-rich status of his family.

Body Paragraph Three

Topic sentence/claim: (bucket 3): The scale and quality of Carnegie's giving was remarkable.

Evidence: Carnegie gave away over \$350,000,000 (document C)

Analysis: This was one and a half times more than he received for the sale of Carnegie Steel (document C)

Evidence: It wasn't simply the amount, most gifts went to education, teacher pensions, libraries...etc. (document C)

Analysis: Carnegie's philanthropy is an achievement for the ages. The Carnegie Foundation still operates today and gives out more than 100,000,000 a year mostly to educational causes.

Concluding/closing Argument: This philanthropy shows great intelligence and concern for others. Intelligence because Carnegie made sure his money went to enrich America's greatest resource, the minds of its people. Concern for others because this wasn't giving from greed (1892 cartoon, document D) or patronage (Tucker, document E). This was a man who was carrying out his commitment expressed in "Wealth" in 1889 to give back to the people.

Conclusion Paragraph

"Although" statement followed by restatement of your main idea: Carnegie was not perfect. William Jewett Tucker had a point: fair distribution of wealth thru wages is important. But Carnegie was a man of his dog-eat-dog times. He survived in a competitive world. What is important, even, heroic, is that he didn't sit on his winnings. Carnegie gave back. America still benefits.

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Concluding/closing argument: Carnegie could be considered a hero for creating jobs. What greater gift?

Body Paragraph Two

Topic sentence/claim (bucket 2): A second reason Carnegie's philanthropy makes him a hero is that it was based on generous philosophy.

Evidence: "Wealth" published in 1889 (document B)

Analysis: stated that the wealthy should not leave their millions to their children or leave distribution up to their heirs. (Document B)

Evidence: His philosophy was that a man who died rich, died disgraced (document B)

Analysis: Rising to the top carries with it big responsibility, the responsibility to give back to society

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