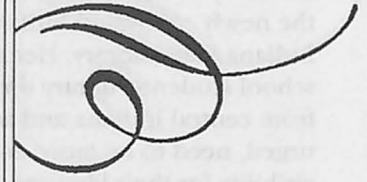


**EXCERPTS FROM PETER KRASS'S
LECTURE "ANDREW CARNEGIE:
RUTHLESS EMPIRE BUILDER AND
PIONEERING PHILANTHROPIST"**

*Krass spoke in Indianapolis on October 3, 2003, on
Andrew Carnegie, the subject of his book, Carnegie.*

Transcribed by Janice E. Gustaferra



"What I came to realize about Carnegie is that he is really like a flawed Shakespearean hero... he really did consider the world a stage... and when he was on that stage he wore a variety of masks and behind each mask was a distinct character and you really could not reconcile various characters."

"He would attempt to promote himself and ideas in one direction, but practically speaking it didn't work. You get an idea that there are these two sides to Carnegie, this idealist side and this practical man."

"Growing up in Scotland, his family were working class radicals. They were still fighting for their rights to own land, to vote. They were fighting for better wages, better working conditions. His uncle was in prison for a while for holding illegal meetings. His father was a prominent speaker at rallies. So you've got this radical heritage. Then he emigrates to the U.S. and he becomes a capitalist, an ardent republican, too — the antithesis of his heritage — and what you find as you explore his character is those two sides fight each other through his entire life and it comes out in how he behaves, it comes out in what he writes. The other thing you have to consider when you look at Carnegie is his perspective on religion. In Scotland, the Presbyterian Church was considered part of the establishment so these working class radicals wanted nothing to do with it and his parents rejected the church. As a boy growing up in this kind of family, he rejects the church. He was not a churchgoer. And what he needs, though, is a system of beliefs. You have to have a system of beliefs to conduct your life by."

"In the 1870s what becomes very popular are the ideas of Charles Darwin. Now there is a fellow by the name of Herbert Spencer who is an English philosopher/scientist who took Darwin's theories of natural selection and evolution and applied them to society. This guy is the one ... who coined the phrase 'survival of the fittest' and that is what Carnegie adopts. He worships Herbert Spencer and just to quote something Carnegie wrote: 'Where there had been chaos there was now order. My mind was at rest. I had a philosophy at last. All our duties lie in this world and in the present and trying patiently to peer into that which lies beyond

is fruitless'. He wants heaven on earth. He's not interested in the afterlife. He wants perfection here in his business and in his philanthropy."

"Now if we want to talk about what drove Carnegie we have to talk about his mother, too.... Carnegie puts her on a pedestal. She becomes his hero, ... and he becomes absolutely driven to give her the best of everything.... She also was a very frugal woman, ... and he also was very frugal."

"Carnegie took a toll on the people around him. He really pushed everybody hard, and it goes back to wanting perfection in everything. He was very much what we would call today a micromanager.... Ideology always lost when it came to profit. Carnegie hated to be disliked by anybody.... In 1917 ... Forbes, founder of Forbes magazine, ... wrote that Carnegie would be remembered as a giver, not as a taker."

"Now, the question I'm always asked is, why did he give away all his money? Was it out of guilt? And the answer is definitely no."

"Philanthropy had always been on his mind since he was a young man.... Back in 1868 he wrote a memo to himself that he then tucked away in a drawer, and it was found after his death. In that memo he said that there was no idol more debasing than money. He also talked about how he should spend the surplus of his income each year for benevolent purposes."

"...1889...he writes two pivotal essays.... The first essay was called 'The Gospel of Wealth,' and in this essay he states that the man who dies rich dies disgraced.... He starts to lay out his template for how you should conduct your philanthropy. He says that the wealthy should consider themselves trustees of civilization, that it was their duty to uplift humanity and that they should personally manage their philanthropy while living because if they were so fit to have accumulated so much money they would know best how to give it away. So again you have that survival of the fittest philosophy coming into play here. Later that year he writes a second essay.... He lays out the best uses for spending your wealth.... He comes up with a hierarchical list. At the top of this list was universities. He knew

it was important to educate people. Number 2 was free libraries ... number 3 was hospitals and medicine ... number 4 was public parks ... number 5 was music halls ... swimming baths was number 6 ... last on the list was churches.”

“Every time that he would make a major donation or create a foundation, there were complaints that he was demeaning and pauperizing communities and establishments. There was this great fear that philanthropy was really a form of social control and that he was using his money to dictate what education should be in this country, for example, or what kind of medicines should be developed.”

“Carnegie ... gave away about \$360 million. When he was giving it all away he didn't have ... a staff the size of an army doing it for him... it was him, it was Louise (his wife), and two personal secretaries that were really doling out this money.... When he was a businessman ... he was very much a dictator, but when he was a philanthropist he was a very broadminded person.... Carnegie had a lot of personal courage.... What you see is this man who ... was incredibly broadminded when it came to cultural things. Now today there are about twelve major foundations still around. The big one, of course, is the Carnegie Corporation.... These various foundations focus on different things.... When he set them up he created large boards of trustees.... He had a voice in the say of what was going on, but the trustees were allowed to vote to change the directions that the foundations would take, so he wasn't again being a dictator.”

“He spent, in today's dollars, about a billion dollars on funding these libraries and they were the centerpiece of his philanthropy.... So why were libraries so important to Carnegie? First off, they were a way to honor his father...the industrial revolution had just crushed this man, but back in Scotland he had co-founded a small workingman's library.... It was also a tradition in Britain for the wealthy to create a library for their town.... Tom Miller is the one who introduced Carnegie to a man by the name of Colonel Anderson ... (who) had a sizable personal library that he opened up to the working boys of Allegheny, and once Carnegie was introduced to that man he lived in that library.... This was where he was educated.... He loved libraries because he felt they were the best way to uplift humanity and that's what he wanted to do as a trustee of civilization. Most important, he thought libraries would touch the broadest class of people. He wanted these things to be free to the public. One of his first tenets for giving money away was to only help those who help themselves. . . . His largest single gift was to New York City, and they used that money to build 65 branch libraries. He wanted you to be able to walk out your door, wherever you lived in the city, and get to a

library. He was a real pioneer in the concept of branch libraries.”

“Less than a third of the Carnegie libraries have his name on them and he also didn't force them on communities.... There were some strings attached, though. You had to provide the land for the library, and you also had to give, annually, 10% of whatever he provided.... He would give two dollars per person for a community to build that building.... He thought it would give the community some ownership if they also had to invest in it.... He would make that offer and then the town councils would have to approve it or not. Of the more than three thousand communities that applied and then were offered libraries, only 225 rejected them. So Carnegie was definitely not forcing these libraries and also there weren't a lot of people rejecting them because it was 'tainted' money from a robber baron.”

“There were other criticisms...of his library giving.... 'You're giving us this library, but we've got no books for it'. But again, Carnegie's argument was you've got to get the books that are appropriate for your library, your community.... And there were some examples where Carnegie did give the books and then he was lambasted in the papers for being a socialist. The other criticism was that ... 'we don't have time for books, we'd rather have higher wages'. A classic line was heard over again and again was that 'you can't eat books'.”

“A lot of those original libraries were strategically given to steel mill towns because these libraries were meant, remember, to uplift the working class people.... The usage and the benefit that they derived from these libraries was minimal in the first generation. Then ...you get to the 1930s and there was a scholarly study done that looked at the impact of his libraries, and they finally concluded that his libraries indeed revolutionized education in this country, but it took several generations for that to be realized.”

“Henry Prichett ... was a major advisor to Carnegie in his philanthropy and he took control of what the Carnegie Corporation was doing in terms of giving away these libraries. And he looked around and he said a lot of these libraries are starting to fail financially, it's not working. He sent ... Alvin Johnson... out in the field to investigate what was going on with the libraries. Johnson came back and said...I've discovered that the community will be more committed and feel more ownership of their library if they walk into it and they have the services they need and the professional kind of staff they need.... There was a need for people with knowledge in these libraries and it was a pivotal moment because Carnegie had always thought the best way to get a community to have ownership in the library was to make them financially attached. But this

guy came back and said, no, it's having people in the library who can provide them with services they need that will make them feel like the library is useful and then they'll give money to the library. It's something important to keep in mind today as you look at what programs libraries should be offering in the age of the Internet.... We're at a very similar point of change.... In 1917, the Carnegie Corporation quit funding construction of libraries, so they took that report to heart."

"One quick example... just outside of Pittsburg, I went to the Homestead library, a beautiful building. . . . The mill is gone, the town fell on hard times, the library was in a state of financial disaster... but they got this woman to run it and all she did was, she said I don't want money for renovations, I just want money for programs. She spent several years building up the programs, and now they have the money to refurbish what is a spectacular building. Now, on the flip side, in Carnegie, Pennsylvania, ... they have another beautiful Carnegie library. All they do there is bicker about how to fund refurbishing the chairs in the music hall...and this library is pretty much a goner....That just gives you an example of a community that was focused on the building and a community that was focused on the services and one is going to win and one is going to lose."

ABOUT THE AUTHOR

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