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## The Philosophy of the Industrialists

Study the following readings and cartoons as a resource in answering the questions that follow.

### Document A

*(Adam) Smith was among the first to make a clear and convincing case that when individuals follow their own self-interest, it automatically works to the benefit of society as a whole. As individual competitors pursue their own maximum profit, they are all thus forced to be more efficient. This results in cheaper goods in the long run. Free competition in all markets and with all goods and services is thus to be encouraged; government intervention serves only to make operations less efficient and is thus to be avoided. The same principles apply to international trade. There should be a minimum of government interference in the way of duties, quotas, and tariffs. Smith's is the classical argument in support of free trade.*

Gerald F. Cavanagh, *American Business Values in Transition*  
(Englewood Cliffs, New Jersey: Prentice-Hall, 1976), pp. 42–43.

### Document B

*Herbert Spencer (1820–1903) proposed a harsh "survival of the fittest" philosophy. The bright and able contribute most to society, and so are to be encouraged and rewarded. The poor, the weak, and the handicapped demand more than they contribute, and so should not be supported but rather allowed to die a natural death. Contact with harsh and demanding reality is a maturing experience that should not be diluted by well-intentioned but in reality destructive charities and handouts. If "natural" principles were followed, evolution and the survival of the fittest in the competition of human life would be the result. Spencer did not set out to examine any particular society and its values; rather, his critique was proposed as "culture-free." According to Spencer, it applied to all people for it was derived from basic, organic principles of growth and development. Spencer applied to society the same principles that Charles Darwin saw in biological life—hence the name, Social Darwinism.*

Cavanagh, *American Business Values in Transition*, p. 11

### Document C

*This, then, is held to be the duty of the man of Wealth: First, to set an example of modest, unostentatious living, shunning display or extravagance; to provide moderately for the legitimate wants of those dependent upon him; and after doing so to consider all surplus revenues which come to him simply as trust funds, which he is called upon to administer, and strictly bound as a matter of duty to administer in the manner which, in his judgment, is best calculated to produce the most beneficial results for the community—the man of wealth thus becoming the mere agent and trustee for his poorer brethren, bringing to their service his superior wisdom, experience, and ability to administer, doing for them better than they would or could do for themselves. . . .*

Andrew Carnegie, "Wealth," *North American Review*, CXLVIII  
(June, 1889), pp. 661–662

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### Document D



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Thomas A. Bailey and David M. Kennedy, *The American Pageant*, 7th ed. (Lexington, Massachusetts, 1983), p. 488.

### Document E

*"The growth of a large business is merely survival of the fittest. . . . The American Beauty Rose can be produced in the splendor and fragrance which bring cheer to its beholder only by sacrificing the early buds which grow up around it. This is not an evil tendency in business. It is merely the working-out of a law of nature and a law of God."*

John D. Rockefeller's statement to his  
Sunday School class quoted in William H. Ghent,  
*Our Benevolent Feudalism*  
(New York: Macmillan, 1903), p. 29

### Document F



Copyright Culver Pictures, New York, New York.

Charles M. Dollar, et al. *America: Changing Times* (NY: John Wiley, 1982), p. 538.

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### Document G



*The Gospel of Wealth.* Cartoon from *Judge*, 1903. Andrew Carnegie in Scottish attire shovels out 100 million dollars for libraries and other good works. (Courtesy of the New York Public Library.)



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6. Answer the following questions about the cartoon on King Monopoly:
  - a. What does the cartoonist imply was the source of the monopolist's wealth and power?
  - b. What industries does the cartoonist show as protected businesses?
  - c. What does the booty in the cartoon represent?
  - d. What do the facial expressions suggest about the people's attitude toward King Monopoly?
  - e. Summarize in a sentence the main idea of the cartoon on King Monopoly.
  - f. What philosophy of big business is represented by King Monopoly? Explain your reasoning.
7. List several major social or economic problems that stem from laissez-faire and Social Darwinism.
8. Summarize the main idea of the cartoon on Andrew Carnegie's Gospel of Wealth.
9. Does Andrew Carnegie's Gospel of Wealth adequately solve problems created by those who employ the philosophy of Social Darwinism? Explain your answer.
10. To what extent do you see evidence of individuals employing either or both of the philosophies of Social Darwinism and Gospel of Wealth in today's society? Cite specific examples to illustrate your view.