



DAVID NASAW AND VARTAN GREGORIAN

ON ANDREW CARNEGIE

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PAUL HOLDENGRÄBER: Good evening. My name is Paul Holdengräber and I am the Director of Public Programs here at the New York Public Library, now known as LIVE from the New York Public Library. Tonight, unlike other nights, my role is very minimal, and it's a role I fulfill with great pleasure. I have the pleasure of introducing one president of the New York Public Library who will be introducing a former president of the New York Library, but before doing that, I had promised many times to many people of the audience tonight that I would not say this again, but I had to say it to the man who actually hired me, who I will be briefly introducing, Paul LeClerc. When he hired me he said, "Paul, I want you to oxygenate the New York Public Library," and I've been trying to do that relentlessly for the last five hundred or six hundred days, I'm trying, as I often

say, my motto is to make the lions roar. And I really wonder, since the subject tonight is Andrew Carnegie and he had—or Andrew Carnegie, I think you say—he had quite an influence on libraries, I really wonder what Andrew Carnegie would have thought of public programs.

I encourage you, strongly, to become a Friend of the Library, and also to join our e-mail list, which is growing by three or four hundred people a week, and if you join the e-mail list, you will get two free tickets to any event in the fall. And you might ask, “Which are these events?” and you have found many of them on your chair. We will have a whole day of programming with *The Atlantic Monthly*, which is celebrating their hundred and fiftieth anniversary. An event on “Gluttony,” for instance, for those of you interested in such a subject, I’m sure there’s some. Mario Batali will be here, Dan Barber, Barbara Kafka, we also have—I mean, if we have a subject like gluttony of course, we also will have a session on “Lust,” where Esther Perel, who’s written a very interesting book called *Mating in Captivity*, will be speaking with Laura Kipnis, and I’ll have the pleasure of being, as it were, between the two of them. **(laughter)** We will also have an event that very same day—there are six or seven events that day, I wonder why not do ten if you can already do six or seven? **(laughter)** We have an event with Walter Benn Michaels, who will really be debating Katha Pollitt. Walter Benn Michaels has just written a book called *The Trouble with Diversity*. David Nasaw had the great pleasure of telling me that he’s extremely smart, but totally wrong. **(laughter)**

We also have Kati Marton coming next week with Samantha Power. Later in the year, we have Daniel Mendelsohn coming. We have Henry Louis Gates with Margo Jefferson and Thelma Golden from the Studio Museum of Harlem. We have Thomas Cahill with Margaret Atwood, so if you join our e-mail list, and *only* if you join our e-mail list, will you get two free tickets to the fall events. Actually, I feel quite generous, so why don't I say for any event up to 2007, June of 2007, where I can already announce that we'll have the pleasure of having Werner Herzog here, who I will be interviewing, and Colm Tóibín will be with André Aciman in a conversation which I think promises to be extremely interesting, and Günter Grass will be here, and Robert Crumb and Aline Crumb will come back to celebrate Valentine's Day with us.

And now without further ado, it gives me incredible pleasure to introduce to you the man, Paul LeClerc, the President of the Library, to further oxygenate this Library.

(applause)

PAUL LECLERC: Thank you very, very much, Paul. You bring not only oxygen, but also great talent and energy to the LIVE programs at the New York Public Library, and if you've not been to these before, you're in for a treat tonight. And be sure to sign up for future programs. And do, do become a Friend of the New York Public Library. Most New Yorkers don't realize it, but when you're in this building you're in a private library that operates basically on the basis of private-sector support. The city only gives us about 22 percent of the operating budget of this library. The state gives us a little bit of money,

but after that, we're on our own. So, believe it or not, we have to raise six to seven hundred thousand dollars a week to run the four research libraries and the New York Public Library. Sometimes I think the name is sort of wrong, it should be the New York Private Library, open to the public as a consequence of private philanthropy, so if you're not a Friend, become a Friend. Very inexpensive to do so, tax-free. Becoming a Friend at the minimum level will cost you no more than a haircut once you take this tax deduction off. It's the best money you can spend, and if you love libraries, you love books, you love intellectual discourse and debate, such as takes place in this room, do become a Friend.

I'm very pleased to welcome you this evening on behalf of Catie Marron, the Chairman of the Board of Trustees, and other Trustees who are here this evening, and behalf of all of our board and all of our staff to the Celeste Bartos Education Center at the New York Public Library for what's going to be a wonderful evening between two very, very distinguished historians. And I'm pleased to welcome these two gentlemen, two wonderful friends of mine and of the Library's, and great individuals who have a very, very important connection not only with this Library but of course with Andrew Carnegie himself.

All of us who love public libraries, and all of us who appreciate how integrally connected they are to the very notion of a democratic society, must consciously or unconsciously say a silent "thank you" to Andrew Carnegie every single time we pass a public library in America. I believe, and I know that this is going to sound like a wild exaggeration, but I do believe it, that is that Andrew Carnegie enfranchised more people, whether

economically, culturally, educationally, or intellectually, than anybody I can think of. It may well have been Thomas Jefferson who said that “information is the currency of democracy,” and that’s a quotation, but it took Andrew Carnegie to move this formulation of the late Enlightenment from the level of abstraction to the level of concrete reality—concrete, bricks, mortar, and stone—through the more than 1,500 public libraries that he built, or had built at his expense, in America as well as through hundreds of others that he had built in other parts of the English-speaking world. The debt that we in New York City owe to Andrew Carnegie is staggering.

I asked that each one of you receive as you came in this evening, a Xerox copy of one of the single most important historical documents that’s here in our collections at the Library, and it is a letter from March 1901 from Andrew Carnegie to Mr. Billings, Dr. Billings, the first Director of the New York Public Library, in which Carnegie pledges to give 5.2 million dollars to build sixty-five public libraries in New York City. In today’s dollars, according to David Nasaw’s calculation in his book, that is the equivalent of 2.7 billion dollars. In exchange, the City of New York was to provide the funds for operations of these neighborhood libraries, and they were to be open six days a week, every day except Sunday, from nine in the morning until nine at night. That looks pretty utopian to us today. That lasted for a very long period of time. My aspiration, I’m sure that it’s all of your aspiration as well, is that somehow we get back to that kind of universal service. Carnegie’s gift was a *great* deal for New York City and it was a huge deal for all of the city’s residents in 1901, who thereafter had universal and free access to neighborhood libraries in all the five boroughs of our city.

And if we owe a very great debt of gratitude to Andrew Carnegie himself, we also owe an enormous amount of gratitude to the two distinguished historians who are here speaking at the Library tonight. To Vartan Gregorian, my brilliant predecessor, once-removed, in the Presidency of the Library, who joined together with Brooke Astor, Richard Salomon, Andrew Heiskell, Marshall Rose, and many other leaders of the Library, and with Clare Gregorian, always, I know, in engineering and delivering the great renaissance of the Library that took place in the late 1970s and in the 1980s, and who now leads—as Dr. Gregorian does every single moment of the day—who now leads the Carnegie Corporation here in New York, with such absolute brilliance and continues Andrew Carnegie’s legacy of philanthropy.

We also are very, very grateful to David Nasaw, one of America’s preeminent historians and biographers, for having produced such an extraordinary new *big* book on Carnegie himself, his life, his works, and his accomplishments and his legacies. David has been a very good friend of mine for many, many years, and one always delights in the triumphs of one’s friends. And David’s triumphs and his accomplishments are many. He is, as you know, a Distinguished Professor of History at the City University of New York Graduate School—that’s the highest rank of any professorship in the entire university system—and he is also the author of three major earlier books, his last being the blockbuster biography of William Randolph Hearst entitled *The Chief*. David, you’ve done it again, you’ve topped it, I think actually, with this wonderful new book, and I thank you and Vartan for

joining us tonight at LIVE in the Celeste Bartos Forum, and I turn the program over to you. Ladies and gentlemen, two wonderful historians.

(applause)

DAVID NASAW: So? **(laughter)**

VARTAN GREGORIAN: Here we are.

DAVID NASAW: Let me ask the first question. How did—I think it's no, let me just say, that's it's *not* a coincidence—I said this once before and I'll say it again—it's not a coincidence that a hundred and twenty years after Andrew Carnegie said that the man who dies rich dies disgraced, and when he said that, *nobody* paid any attention except to mock him and to say this is an eccentric weirdo, that within the last ten years, things are changing in the world of philanthropy. As witness: Mr. Gates's donations, Mr. Buffett's donations of 85 percent—Carnegie said you've got to give it *all* away, Buffett only gave away 85 percent, but maybe we'll get that other 15 percent. **(laughter)** I don't think it's a coincidence, and historians don't believe in coincidence, that Vartan's tenure at the Carnegie Corporation, in the same position that Andrew Carnegie held, as President of the Carnegie Corporation, coincides with this renaissance of philanthropy, when a hundred and twenty years after Andrew Carnegie asked, *demande*d, that millionaires give away everything they had because he said wealth is not created by individuals, it's created by the community, and therefore it should be given back to the community, there

is now movement in this direction again, and Mr. Buffett used almost the exact words, he quoted Carnegie when he explained why he was giving back his money. So, talk about the last ten years. How did this renaissance, how did Carnegie, after this long delay, get back in the news, and how did people, after a century's delay, begin to follow his exhortations?

VARTAN GREGORIAN: Well, I think because one of the things that happened, as my distinguished successor Paul, who's done such a magnificent job here, mentioned, in 1970s, especially 1981, when I came to New York, and I want to remind everybody, my first board meeting was in Wall Street—Wall Street, a law office there or business office. On the agenda was how to shut the branch libraries, how to sell the collections, and how to charge. And I went to see Mr. Kraus, the late Kraus, to ask his opinion, what do I do to save the New York Public Library, he said, "Sell it." There was such dispirit, and, as Paul mentioned, New York is city of philanthropy, where you have to convince to be given to a certain cause, not whether you should give or not. So it was a magnificent effort on the public sector, private sector, led by Mrs. Astor, Andrew Heiskell, Dick Salomon, Marshall Rose, and many others. Trustees, Marron and all the others here. I don't want to mention some and exclude the others. But it was to see a renaissance in which, best way I can describe, one evening my wife and I were having dinner at the Italian restaurant, a woman came, stood in front of me, thank God she was elderly, and said, "What's wrong with me?" And I said, "I beg your pardon?" And she said, "How come you've never asked me for money?" **(laughter) (inaudible)** are very important.

It became accepted and Norman Mailer and others, including, by the way Howard Fast, all of them said this is people's palace, this is people's library, and when Paul dedicated a hallway in my honor here the only thing I asked to be put there in the plaque was that democracy and excellence are not mutually exceptional—exclusive—democracy and excellence can coexist, and always have been there. Eighty, 85 percent of the talent of a nation comes from the public sector, not private sector. So this is a place where the elite, the populace, the poor and the rich, everyone came here as citizens, knowledge being a right, not a privilege. That was created by this combination. So the renaissance of the New York Public Library had impact on the rest of the city and the rest of the nation. This was the first building to be cleaned. I was criticized. "Why are we cleaning this building?" Because it's magnificent. "Why are we restoring the marble?" It's magnificent. So I'm saying all of this as a prelude.

What happened. I became president of Brown University, I got my **(inaudible)** for the first time, although it was written in the *New York Times* years ago. I went to see Mr. Gates. I was going to ask money for Brown, and that's what he was prepared, and I was told when he **(inaudible)**—it was great, and in the middle of my presentation, I switched. I said, "I'm here to ask you to be a philanthropist, that's why I'm here," because his notion, like Buffett's, was when he retires he will give. "So all the Silicon Valley, everybody's is looking at you, what you're going to do. If you do, they will follow you." So I'm glad not only he did, he named me to his board, pro bono, I should say, **(laughter)** no stock options, nothing. The same thing Walter Annenberg—he challenged, Ted Turner challenged. So it's been my privilege to send to all of these individuals the gospel of

wealth, and to tell them the person who dies rich, dies disgraced, because they did not have the imagination—he or she—to reinvest, in a sense, how to replenish the soil from which the fruit came, and that was one of the things that Americans once had.

The other thing was that philanthropy has become part of American culture. Whether you believe or not in it, you have to act philanthropically, charitably, to such the extent that even political campaigns, presidential campaigns, presidential candidates, have to release their giving record to show how altruistic they are. This is wonderful. And lastly, I want to pay a tribute to the public, people who make twenty-five thousand to a hundred thousand, because I told this to *Wall Street Journal*, and Patty Stonecipher, the head of Gates Foundation, that the entire Buffett and Gates giving combined, 50 billion dollar endowment, at five percent, with five percent, will be two and a half billion, it's less than one percent of what Americans give annually to philanthropic causes and charity, 265–270 billion, that therefore even the rich have to be humbled, in awe, of what the public does, and 70 percent of the giving comes from people who make twenty-five to a hundred thousand dollars. So in that setting, it resonated, in fact.

And a last point, forgive me for—you asked the wrong question (**laughter**)—last point is people are craving for immortality one way or another (**laughter**) and there is no institution in my opinion on earth, that can give immortality—earthly immortality, that is—other than library and a museum or a university. All the buildings change, the names change, it's the library that keeps the memory, accomplishments of everybody. So, to add to Paul's appeal, for those of you who like to be immortal, (**laughter**) this is the

institution, and that's the way you will be immortal, including all the politicians, all the benefactors, and so forth. So that's one of the appeals of this institution, and the appeals of American philanthropy, so I want to put all these donors in a context.

DAVID NASAW: I should add. Paul said that five—Carnegie gave 5.2 million dollars for the *branch* libraries.

VARTAN GREGORIAN: 65 of them.

DAVID NASAW: Yeah, 65 of them, and then 1.6 million of that went to Brooklyn, which was a separate library system. Queens felt left out and they asked, you know, “Where's our money?” so he gave another quarter of a million dollars for the Queens libraries. And what is so remarkable is the way that he leveraged—this was one smart man—he leveraged those dollars. Everywhere he went—he created 1,500 libraries, built 1,500 libraries in the United States, another *thousand* in the United Kingdom, in New Zealand, all over the place, but he didn't buy books. He gave—there was an endowment to buy some books in New York. That was the exception. He didn't buy books.

In order to get a Carnegie library, the mayor and the city treasurer and the board of alderman or the city council had to sign a statement saying that they would support the library by raising tax money to buy the books and to staff the library, and that was *critically* important to him, because he believed that a library—that it was the job of the government, of the local government, not only to provide a police force and a fire

department and sewers and schools, but libraries as well and this was the way he did it. He used his money and he said, “This is a bribe. This is blackmail,” **(laughter)** and it worked, it worked brilliantly. And in New York—Paul quoted some of this. Item Number 6 of the agreement that the Mayor, the Comptroller, the Board of Aldermen, signed on July 17, 1901, said, “Provided further, that the lending”—I’m a historian, so you have to excuse me for bringing my documents with me—“It is further agreed dot dot dot dot provided further that the lending, delivery, and one or more reading rooms in each of said library buildings shall be open and accessible to the public upon every day of the week except Sunday but including legal holidays from *at least* 9:00 A.M. to *at least* 9:00 P.M. and on Sundays such parts of any of such libraries may be opened in such manner and during such hours as may be, from time to time, agreed upon.”

He did not want anything, including blue laws or the sanctity of the Sabbath, to keep people out of the libraries, so he added that separate little section. And he did this everywhere. He did this everywhere. There was nowhere that I have—it’s your example, I’m sure you’ve encountered it as well, and you, Paul—there is nowhere I’ve gone in this country where someone hasn’t come up to me. The first person, when it just began, was Senator McGovern was at the Graduate Center for something, and I was introduced—you know, four hundred people were introduced to him—as someone who was writing about Andrew Carnegie, and he ignored everybody else, and took me aside, and told me the story of his public library, and that was the beginning. Everywhere I go, I hear these same stories.

One other point—Carnegie was not *shy* about his name being put on buildings, though he didn't want it put on Carnegie Hall. Carnegie Hall was originally known—I was just *assaulted* in Pittsburgh for saying, because New Yorkers say Carnegie Hall instead of Carnegie Hall, the way, the Scots pronunciation and the correct one. It was called—the building on 57th Street—was called “The Music Hall” until it was discovered that a lot of European classical performers refused to come and perform in a “music hall.” **(laughter)** So they changed the name to Carnegie Hall, and Carnegie was away at the time, and was upset. He said, “That’s not why I set up this corporation.” And when all the libraries signed the agreement, one of the things they always asked was, you know, “Can we have a bust of Mr. Carnegie? Will he come visit us? Do we have to use the name, should we use the name?” and the answer was “No. You should make sure it’s called a Free Library, a Public Library, but it’s up to you if you want to use Carnegie or not.” And they directed—they found, his private secretary found a firm in New York that manufactured fancy portraits and busts, and if the libraries wanted, they could buy that, but Carnegie looked down on that. He didn't want the money spent for a bust of him in front.

VARTAN GREGORIAN: Well, Ken Miller is here, the descendent of Andrew Carnegie, so he is smiling, because one of the things I learned about the fact that Carnegie was not that smart about negotiating with the City of New York and others, because he did not put inflation there. So the result is when, during the 1980s, I went to Mayor Koch, that New York signed this agreement and so forth, and he said, “We are giving money,” because there was no provision that this has to be met with x factor

during inflation, and so that was one thing that was not mentioned. Second thing I was mentioned—

DAVID NASAW: You're telling me now, when the book is all done, right. Thanks a lot.

VARTAN GREGORIAN: Second thing that was important, you're absolutely right, in your book you write about Tchaikovsky writing home after performing or conducting at Carnegie Hall, saying, "Andrew Carnegie is rich, but he is a modest man." He was astonished that, unlike European nobility and so forth, that he did not have pomposity and the class notion. So I'd like to ask a question. First I have to set the facts straight for Paul and you, since I'm a historian, too. He built 1,681 public libraries in the United States, **(laughter)** and 820 libraries abroad, and anyway, and anyway, more than twenty institutions.

But I'd like to ask one thing, this always fascinates me. Here is a man who introduced the salons in many ways, long before Mrs. Astor and others, whereby you don't go and discuss real estate. At Mrs. Astor's parties, nobody dared say, "What did you pay for?" **(laughter)** You had to discuss about higher things. You did not discuss gossip about people. You discussed issues of the day. You did not discuss the weather, either, or sports. The issues of the day. Here is Andrew Carnegie in your book, you have such a vivid description, of bringing intellectuals, bringing politicians, bringing businessmen, plutocrats, and bringing academics all together, surrounding himself with the conversation, because he believed that America is the land of the aristocracy of intellect.

That all these people, the rich and the creators, all had one thing in common. The aristocracy was not, as you quote, aristocracy of the dollar, but aristocracy of the intellect.

Now, did he believe in class structure? That's what I wanted to ask you. Because you mentioned his heroes being Herbert Spencer and being Matthew Arnold, and, as we know, Spencer gradually drifted into social Darwinism. Did Andrew Carnegie divide society into class structure, from which you could only escape through education, libraries and others, or he did not have class consciousness?

DAVID NASAW: (laughter) Leave it to this man to ask an impossibly difficult question. The answer, I think, is that he lived his life knowing that there was such a thing as class, *believing* that it was possible, through education, through hard work, through libraries, to rise out of a class, and yet at the same time, because he didn't want to face the reality of Pittsburgh, where, in the steel mills, there was a definite underclass, a working class, that was mostly Eastern European. The people worked seven days a week, eight to twelve hours a day, and were not *about* to be able to use his libraries. The tension between the world he wanted to live in and the world he lived in was so great that he left Pittsburgh when he was a young man, he left Pittsburgh in his thirties, and ran his business from New York, and realized immediately that he didn't want to be there and face the reality of class in Pittsburgh and in the United States, he would much rather—he would much rather be in New York.

The other fascinating thing about him is that he lived like an aristocrat in Scotland. He set up—he lived in one of the more *extraordinary* castles, because he thought the Old World was used to these *huge* divisions between the rich and the poor. He was the best landlord anybody had ever seen in Scotland, but nonetheless he lived in a huge castle. In the United States, in New York, he built what was for the time a very modest mansion. It was not nearly as grand as the Vanderbilt mansions or any of the other mansions, because in the United States, in the United States, he *hoped* and prayed that the division between the rich and poor would remain much less than it was in Scotland, and he was very proud of that, and he lived a different life, because of that, in New York than he did at Skibo.

VARTAN GREGORIAN: But, let me ask the follow-up question. The survival of the fittest, the notion of social Darwinism. It did not occur to him to advocate that, because that would have been contrary to his philosophy of every human being being a potentiality rather than mere actuality, that they could escape their condition through education, through effort, through self-help, being an instrument of liberation rather than confinement. Do you agree with that?

DAVID NASAW: Yeah, in part. I don't entirely agree with it, I don't think. I think that he read, he absorbed, I mean, and this I find extraordinary: here's this self-educated man, who spent two years, maybe, at most, when he was ten and eleven, in a Scottish Lancastrian factory school, with one teacher and about a hundred and twenty students, where all the learning was rote, and yet he educated himself to the point where not only was he able to *read* Herbert Spencer, who—I don't think a lot of us have read a lot of

Herbert Spencer—but he was able to develop his own corollary to Herbert Spencer, *and* he was able to become good friends with the foremost intellectuals of his day, who took him seriously, took him very seriously.

What was most important to him about social Darwinism—social Darwinism is different from Darwinian Darwinism, because social Darwinism posits that there is continual evolutionary progress, that things are getting better and better and better and better and better and everything that happens over the long run happens for a purpose, that there are these evolutionary laws that govern the world, and it was *that* that he took away with him. “The survival of the fittest” was a slogan, and that wasn’t as important to him, than the fact that there was this evolutionary progress, and tomorrow would be better than today. And it was for that reason that he was *convinced* that there would never be another world war, that he was convinced there would not be a Great War. Because he said, “We have made evolutionary progress. We have passed the Age of Barbarism, we are now in the Age of Industrialism, and the captains of industry, like *me*, are now the leaders of the world—the movers, the shakers, the historical actors and figures.” And reason had conquered and there wouldn’t be a Great War, and when he realized that he was wrong, that this eternal optimism that was fed by his reading of Spencer, was totally misplaced, he lapsed into a silence.

VARTAN GREGORIAN: Depression.

DAVID NASAW: Yeah. He spent the last four years of his life—and this was the world’s most talkative man—not talking, not writing, not communicating.

VARTAN GREGORIAN: Well, he also did something which always has surprised me. His notion of progress was again from Matthew Arnold and Spencer and everybody else, that progress was a necessity, you write about that, not a luxury, but a necessity, and that progress and reason, you mentioned, was the source of the elimination of all conflicts, and that capitalists did not have—and competition provided outlet for everyone in order to avoid conflict. He did not link competition and conflict as being mutually inclusive, and as a result he was optimistic and one other person at the time, I don’t know whether I’ve mentioned or not—which to my great surprise not much has been written in English—was Ivan Bloch in Russia, the same, he was also railway tycoon, steel tycoon, and he believed everything that Andrew Carnegie believed. He was only one who predicted war, World War I, and actually predicted the exact losses of World War I, “Twenty million people will die,” he said. And that capitalists—that war is against capitalism, not emanation, that laziness leads to war, lack of imagination, that reason could resolve conflict, and he died as a sad man that he had not been able to reason and all his connections and all his wealth to prevent World War I.

DAVID NASAW: For Carnegie, it was just, it was *the* greatest tragedy. I mean, during his life, from the time he was a child on, nothing could shut this guy up. I mean, he talked all the time. He was probably one of the world’s great conversationalists, and when he wasn’t talking, he was writing. He was writing letters—he spent every Sunday writing to

his friends, writing letters to the editor, writing articles, writing books, and it was only this defeat with the World War that, you know, that destroyed him. And I wanted—you know, you always want to end a book on an up note, you know, and he wouldn't let me do it, because the reality—and it took a long time to set in—but this reality set in. He's this wonderful—one of the things I learned in doing this book. I had always known that American historians, that U. S. historians, are much too parochial, that we think that the oceans are like barriers that keep us, you know, the rest of the world out. When you see the way Carnegie moves back and forth and puts together in his own inimitable fashion, the sort of American can-do Yankee spirit with the Scottish Enlightenment and fuses this into a kind of happy optimism—only a man who lives in both worlds as once, as he did, would be able to do that.

VARTAN GREGORIAN: David, I want to ask another question apropos that. Because maybe I overlooked it, I did not see Adam Smith in your book, father of modern capitalism, *The Wealth of Nations*, but he was also a moral philosopher. Did he have impact, the twin works, the *Wealth of Nations*, the creation of capitalism, but also his moral philosophy of altruism, did he have any impact, did you find any source whether he read and it had an impact on his philosophical stance, Andrew Carnegie, or not?

DAVID NASAW: I think he sort of *absorbed* Adam Smith as everyone who—as every capitalist did, every thinker and every wise man and anyone who considered himself an intellectual, but Herbert Spencer was much, much, much more important. The only—you know, early in life, Carnegie had this wonderful knack of finding mentors, of finding

rabbis, of finding the smartest person around and sort of apprenticing himself, whether it was Tom Scott or, you know, any number of people. The only man when he got older that he truly admired and bowed down before and his letters are terribly obsequious, you know, they were embarrassing, is Herbert Spencer. Herbert Spencer was a rock star philosopher at the time. When Herbert Spencer toured the United States, I mean there was standing room only everywhere he went. He brought along a friend to keep the reporters away, and Carnegie just wanted to spend all his living moments with Spencer.

Because Spencer did a lot. One, Spencer certified and legitimated his optimism and, two, Herbert Spencer said, “It’s okay, there’s a reason why you have these millions and millions and millions of dollars. You have these millions and millions of dollars because you have the skills, the talents that industrial society needs. You’re earning this money because there is an evolutionary law that the smartest will earn this money so that they can then give it back to the community.” And that’s why he was so insistent that millionaires give away their money during their lifetimes. If they’re smart enough to make millions and millions of dollars—if they’ve got the managerial, the industrial—the managerial, the administrative skills, if they are enough in tune with the world that they live in to make all this money, then they’ve got to use that same smarts to give it back. He’d be—I think he’d be happier with Gates, in a funny way, because Gates is using his smarts to give away his money. He’d be upset with Buffett. If he came back today, he’d say to Buffett, you know, “Enough with Berkshire Hathaway, you’ve made enough money, now use your intelligence to give it away.”

VARTAN GREGORIAN: To educate people.

DAVID NASAW: Yeah.

VARTAN GREGORIAN: Well, let me ask you another interesting question, which has bothered me. Describe for the audience his attitude towards women and women's causes.

DAVID NASAW: He was way, he was way out in front. I mean he admired—one of the things I discovered when I read the book is that the first Carnegie biographer, Burton Hendrick, went to Dunfermline, he wrote in the 1920s, and I found out that he was hired by the Carnegie Corporation and by Louise Carnegie to write the book. And it was a special deal. He was paid a salary. He wasn't going to get royalties if the book sold. He was paid a salary, and in the end, Mrs. Carnegie, if she didn't like the book, or the Carnegie Corporation, if they didn't like the book, that was the end of it. So he went to Dunfermline, and he did a lot of research. He talked to all sorts of people who had known the Carnegie family, and he found out that Will Carnegie, Carnegie's father, was not *quite* the saint, the hard-working saint, that his son described in the autobiography, but that the mother, Maggie Carnegie, or Mag, Margaret Carnegie, was just an absolutely incredible woman, was the brains of the family, was the hard worker of the family.

She—when she realized her husband wasn't going to put food on the table weaving linen, she became—helped out her brother making shoes. And when there still wasn't enough money, she opened a sweetie shop in the front of their cottage, selling vegetables, and

selling sweets, and selling all sorts of dreadful concoctions (**laughter**) that she put together. And then it was she who decided—the father just didn't know what to do. It was she who decided that they were going to come to Allegheny City. And it was she who arranged passage, got the money, figured out how they were going to get to Allegheny City, and then supported the family in Allegheny City. So he knew how smart women were, are, and he believed that women should get the—I was in Pittsburgh last week, and someone came up to me and he said, “You know, I spent my life, my five years at Carnegie Mellon, walking up and down Maggie Mo.” I said, “Maggie?” He said, “Now I know what it is.” I still didn't know what he was talking about. “Maggie Mo” was Margaret Morrison because Carnegie gave money for a technical school and then made sure that women were given a place in that technical school, and it was the Maggie Morrison Carnegie School, within the Carnegie Institute, which later became Carnegie-Mellon.

VARTAN GREGORIAN: Let me switch the topic some. Both of us have been in the academy. You are there now, I'm no longer there so I can ask this question.

DAVID NASAW: Well, in spirit you're still with us.

VARTAN GREGORIAN: One of the things that Andrew Carnegie did which did great, or resulted in great enhancement of higher education in America was to establish a pension for teachers. As a matter of fact, with a proviso, that unless universities were excellent, their faculty would not get pension. Since there is no graduate of the University

of Virginia here, I can say that at the time, the University of Virginia was excluded because it did not have the standards in order to—and he, as you write, he, in your book, having served as trustee of Cornell University, finding out that faculty got four hundred dollars' salary, but no pension, he established this pension fund, which resulted in TIAA-CREF now and I was telling David that I went to ask for a return of the eleven million that Carnegie gave with compounded daily interest. **(laughter)** Naturally I was laughed out of the office. But I'd like to comment to what extent his vision of higher education, again self-interest and optimism, how it worked, because you have a wonderful description of it.

DAVID NASAW: I think the other thing that he did, beside the pension plan, which is one of my favorite—he gave ten million dollars to provide free education to pay for all the fees and all the tuition for every student who wanted to go to one of the Scottish universities. And when he did it he came—every newspaper in Scotland was against him. He recruited—he went right to the House of Lords. And he recruited the most prominent men he could find, and eventually got it through. And he was asked time and time again, “Well, what about a means test?” And he said, “No, if you give a gift like that, if you give a gift like this, people are going to be honorable, and if they can afford to pay the fees and the tuitions themselves, they won't take my gift.” Then to make sure that this—it was the only Carnegie trust that invited money from outside—he set up a provision that those students who went for free and made money later in life could give back money to the Carnegie Trust for the Scottish Universities.

In the United States, his best friends, his closest friends, were college presidents. Columbia—Butler, of Columbia, White, Andrew White, the presidents of Hopkins, Princeton. Woodrow Wilson spent, visited him in Skibo, Eliot, they all visited him. And they were all parked on his doorstep trying to get money. He gave money to none of them. Instead he gave money to smaller schools, and he said, in a rather brusque way, to Cornell, Princeton, and all the rest. “What do you need money for? You know, you don’t need the money. You’ve got an endowment. These schools need the money.” He made one exception. He so hated football, college football, **(laughter)** that he gave money—he was so upset watching college football—he went to one game up at Princeton—that he gave money for a lake at Princeton, for crew, because he thought with a bigger lake they’d stop playing football. **(laughter)** And Nicholas Murray Butler, Nicholas Murray Butler outlawed football for a little time at Columbia, hoping that that would get similar treatment at Columbia. **(laughter)**

VARTAN GREGORIAN: Well, there is a footnote to that I’d like to add because years later Carnegie Corporation established a Carnegie Commission, under Clark Kerr, which studied how to give student aid. All the presidents of universities wanted Clark Kerr to recommend that money should be given to presidents for distribution to students, and Clark Kerr followed Andrew Carnegie’s philosophy that money should be given directly to students, students as customers, students as clients, who would then decide where to go. Universities will compete for them, rather than they compete for the universities, because again the spirit of Andrew Carnegie triumphed over the same kind of—

DAVID NASAW: There was also a commitment to—he gave money—in the beginning he didn't give money to public universities, because he didn't want to step on the toes. Within five years he was giving money for pensions for public universities. He did not give any money, however, to any school that had a seat on the board of trustees reserved for a member of any denomination, and that left out a lot of schools. And I think, I may be wrong, is it Dartmouth?

VARTAN GREGORIAN: That was it.

DAVID NASAW: Dartmouth *begged* for this money and he said, “Fine, change your charter, and you'll get the money.” And there were a number of other schools—I think it was Dartmouth.

VARTAN GREGORIAN: I think—yes. I think so.

DAVID NASAW: I don't remember my own book. And he got all sorts of pressure to give money to certain schools, and said no. This is—he said, these schools should be open to everybody, and there should not be any bias towards one denomination over another.

VARTAN GREGORIAN: Let me switch to another subject, which is very timely. And that is we always question motives, motivation of people—why are they giving? Out of guilt, out of vanity, out of charity, out of religious impulse, and so forth, and I am one of

those who believe, like Machiavelli's Prince, intention does not matter, acts matter. You really are a good Christian or not, believe in it or not, you behave like a good Christian, because he wanted the Prince to be sure, ruler is interested in behavior, he is not interested in your soul, in your inner mind, and so forth. But one of the things that David has done, I think a great service, to eliminate the notion that Andrew Carnegie, after the riots and killings of workers and so forth, out of guilt decided to be philanthropist. So David, I think the audience would love to know how you came to the conclusion that guilt was not the motivation, because in America we care for motivation, that is the only reason I mention this.

DAVID NASAW: Well, one of the things that happened. The Homestead Strike is in 1892. And Ken Miller, who's in the audience, an Andrew Carnegie great-grandson—great- or great-great? Great-grandson, I get my generations confused. At some point, I was talking to Ken early, and he said, "You know, we just got this strange phone call. Vartan and I were called in from New Jersey, a contractor said he had found some papers in a dumpster." Those papers turned out—I won't give you the long story—the papers turned out to be just a tiny little bundle of documents and in it was Carnegie's prenuptial agreement, and the prenuptial agreement was from 1887, five years before Homestead, at a time when everybody loved Carnegie. He was the model employer. There had been no strikes, no violence. And in the prenuptial agreement, his wife, Louise, just before they were married, signs an agreement saying (1) I know that I'm marrying a very, very, very rich man, (2) I know that I'm not going to inherit anything, that he's leaving his estate to

charity, and (3) which I find the most remarkable, she signed, “and I agree with that, I think that’s what he should do with the money.”

He gave the money away not as a gift, not out of guilt, not out of shame, but because—and I think this is *so* important—I agree with you that any, you know, millionaire who can give away the money, should give away the money and we should accept it and thank them and great, but I don’t think that we should forget that Carnegie gave away the money because he knew damn well that he hadn’t earned it, that no capitalist sitting in New York with thousands of people working in Pittsburgh and with coal miners to the South and iron-ore miners to the North and railroad workers, that no individual can earn millions and millions and millions of dollars. And for him it wasn’t that he was a good guy because he thought this way. It was just common sense. How could any individual earn, by the sweat of his brow, these millions and millions and millions of dollars? It came to him as a trustee to give back to the community. Because it was the community that earned the money and deserved the money—to get that money back.

VARTAN GREGORIAN: Well, the peculiar, or dynamic, controversial philosophy at the time of his was that capitalists are trustees of wealth. Entrusted it to them and they have to dispose of it, it’s not—I looked in vain to see, there was on the eve of French Revolution—in the middle of French Revolution— **(inaudible)** had a quote, that aristocracy is like potatoes, the best part is underground. **(laughter)** And I looked desperately to find that quote here, Carnegie, in your biography, but I surely did not.

The other thing I wanted to ask of you, to what extent do you think international—well, let me put it another way. I could not find his links with socialists, because socialists also, Jean Jaures and others, believed that workers, if they refused to fight, no war will happen, almost that the sign—I remember during Vietnam Era—how about if they declared war and nobody came? That was the attitude of all the socialists of Europe, there were millions of them, if we raise our hands, nobody will vote for armament, and so forth, and therefore the war will not happen. And Jean Jaures was—what?—assassinated right on the eve of World War I and all the socialist parties, with the exception of one, and you would not guess what that one was, voted unanimously, practically, for rearmament and war, and so forth. The only one ironically that did not vote for war and armament was the Serbian Social Democratic Party with two votes, whatever it was. **(laughter)** I'm asking this because I've always been intrigued—Socialists at that time believed in reason as a source of progress and amity, and progress will bring equality, citizenship, and *he* did, but I could not find some kind of convergence of his interests for peace with socialists vis-à-vis all the other militarists and others who precipitated later war.

DAVID NASAW: No, he thought socialists were just silly, silly people. He wrote a number of articles about socialists and he said he didn't understand why there was all this fear of socialists. He said socialism is never going to come to America because its, you know, it's silly. It doesn't correspond to the way people live and the way people work. He believed, himself—no one else did—in peace, he believed that he was a realist, and he believed that the world was moving in the direction of reason. And that his—he didn't give *money*—he loved, he spent all his time and energy on peace. He didn't give money

to set up a peace trust until very late, because all the peace activists around him, including socialists, he thought were utopians and, you know, not very bright, and he stayed away from the socialists.

He was also a man who believed, although he was a democrat, and with a small d, certainly not with a large D, he didn't believe in popular movements from the bottom up *at all*. He was going to make peace by himself, and he was going to make peace by convincing, through his surrogate, Teddy Roosevelt, who he paid to go on safari, he paid for Roosevelt's safari in return for Roosevelt doing his bidding when he got back. But he was going to get Kaiser Wilhelm and King Edward the Seventh and Taft to sit down in a room together and to sign peace treaties and to join a league for peace. And he had built, in advance, a Peace Palace at The Hague, so that when this League of Peace was ready to roll, and to set up a court of arbitration that would arbitrate differences between nations, that there would be a place for them to go. And he said in any number of articles—and it makes sense. He said if you give two men guns, and they get in a fight, they're going to shoot each other. And if you give two nations armies and armaments and navies, they're going to go to war.

And this is one of the grand contradictions in this man. At the same time that he was making millions and millions and millions of dollars, and he loved nothing better than making millions of dollars because that meant he would have millions more to give away, millions of dollars from providing the American navy, and, he hoped, the Russian navy, but he never quite got the contract, with steel plate to armor its battleships, while he's

making these millions of dollars, he is the foremost, the loudest, advocate for naval disarmament in this country. **(laughter)** So with this hand he's making the millions of dollars and with this hand, writing, and with his mouth, he's arguing that the Americans should get rid of their navy, the British should get rid of all those stupid dreadnaughts, the Germans should scale down. Contradiction. And there's no way to ever make sense of it. And that's to the good, because a biographer's job is not to square the circle, I mean, only in nineteenth-century melodramas do individuals as strong and powerful as this one exist without contradictions.

VARTAN GREGORIAN: David, let's come back to where we started. Let me ask the question, to what extent Andrew Carnegie is responsible for this theme of "American dream." Because I read about him, in, what I was a little kid, twelve, thirteen years old, about self-help, that if you work hard, right circumstances, lawful place, you'll do what you can. And through all these writings, *Triumphant Democracy*, that you write about, and others, as I read the book, I thought, "My God, I mean, he has done single-handedly more to create all the realities and myths about American dream, whatever that means now, but more importantly also started Americanization program in the 1920s, how to bring immigrants not to consider America as this land of economic opportunity but to put America in a larger context of progress, reason, law, constitution, and all of this. Will you comment on that also, to what extent he is the father of—or godfather, maybe, mother **(laughter)** of American—

DAVID NASAW: Well, two points. He's the only one of the robber barons, he's the only one of the super-millionaires who literally begins with nothing. Zero. Rockefeller had a little something, most of the others had a little something. He had *nothing* when he started. He started as a bobbin boy in a cotton factory and he supported the whole family on this. So that's number one. It *is* a rags-to-riches story. Number two, one of the things I discovered, which shocked me, was that Carnegie believed as much in the play ethic as he did in the work ethic. He thought Americans worked too hard and he went into semiretirement when he was in his thirties, took four to six months' vacation a year, and when a young man came to see him, a young businessman named F-a-r-q-u-h-a-r, I'm not even going to try to pronounce it, when he came to see him and he said, "You know, I'm just like you, I'm there first thing in the morning, half an hour before anybody gets into my office, and I'm the last one to leave." Carnegie looked at him and said, "Well you must not be a very good businessman if you can't get everything done in two hours." **(laughter)** So, you know, it's rags to riches, yes, but Carnegie knew that hard work wasn't enough. He knew a lot of people who worked very hard and didn't get millions and millions of dollars and made it very clear that, you know, hard work was not enough, that his good fortune had a lot to do, his big fortune, had a lot to do with his good fortune.

VARTAN GREGORIAN: Well, I love Andrew Carnegie not because I'm the second immigrant to head his corporation, his being the first one, **(laughter)** but at the same time I found his reform of English language was wonderful because why do you need these extra prepositions and articles? **(laughter)** And why do you have to have, have, h-a-v-e, you have to put "ve" on the end? It's so simple. So now, some of the correspondence that

Andrew Carnegie wrote, when we reprint, people call me and say it's wrong, "No," I said, "He has written that way, he's trying to simplify English language."

I'm mentioning this because I would like to reinforce what David has said in his magnificent book. There is not a single thing that life contained that he was not interested in. He was most curious busybody. Other than Jefferson. When we went to see why Jefferson's wife died so young, Clare said, "Of course, from five A.M. to midnight, look how the sun is coming, look at the plants are growing, look at the connection, and so forth." **(laughter)** The same thing Andrew Carnegie. Busy—everywhere I go, there's something he touched. Went to McGill University to give a lecture, and somebody said, well, did you know insulin, Andrew Carnegie gave money to McGill University to fund insulin?

Wherever you go there is his presence. And he had also sense of humor. I liked him because he was very short, actually, but the book has done justice to him. If he were alive, he would love you because you have put life-size—and then, the other thing he loved, in this notion, was Skibo Palace, Skibo's castle, doorknobs are very low, tall people have to lean to open them, **(laughter)** and I loved that. I said that was great sense of humor there. So he was a magnificent man. And Paul I guess is signaling us that it's time.

PAUL HOLDENGRÄBER: I'm just signaling that there might be time for questions.

VARTAN GREGORIAN: Okay, then. Let me conclude. I love him because he is what anybody should be: alive, curious, loving life, living it, giving it, and long after St. Francis of Assisi said, “the giving that we receive,” he received a lot, by giving and seeing everything during his lifetime, bless him.

But at the same time, what I am surprised, he created some twenty-two organizations, institutions, his imagination, his money, and so forth, so I’m again using this as an opportunity to tell all of you who are wealthy, do justice to your wealth. And one other thing I was going to ask you, because you talk about his romance with his wife, I was also curious to see, I thought you would compare a modern nuptial, prenuptial agreement, to Andrew Carnegie’s. It’s simple as eight lines, ten lines, I’m sure no lawyers negotiated which line, **(laughter)** what so forth, and if he were alive in modern time, when divorce has gotten so complicated, I think that he would have said, in case of such division of unions, if you don’t agree on property, give all your wealth to the New York Public Library. Thank you. **(laughter) (applause)**

PAUL HOLDENGRABER: There are two mikes on each side. And we kindly ask you to raise your hand to get a mike.

Q: Thank you. If he were alive today, what would he say about the relationship between New York City and the NYPL?

DAVID NASAW: He'd say, "Fulfill your agreement, you know, and give us more money." And he probably would have been smarter than that. He probably would have said, "I'll give X if you give Y, and it's the moral thing to do, it's the right thing to do."

VARTAN GREGORIAN: He would have said, "If you don't respect this contract, who should trust you over other contracts?" He would have gone to the jugular, that way, not pleading for one single case, but making a universal case, like the betrayal of the concept of contract, private property, trust, cooperation, all that.

Q: If the finest examples of philanthropy have been American examples, and they may not have been, but if they have been, do you think that that era is coming to a close? Do you think we'll see Carnegies, Carnegie-type figures, coming from other parts of the world in the next generations?

VARTAN GREGORIAN: Well, it's already happening all over the world, it's happening. Tata in India, Inamori in Japan, they're happening all over. But I'd like to—I'm glad you asked that question. I'd like to describe difference between charity and philanthropy. Charity is part of every religion. You give out of pity, out of sympathy, for the poor, the destitute, people who cannot—philanthropy, the way Andrew Carnegie conceived, was not to put a Band-Aid but to find the cause of the wound. His famous note, which David has in the book, is, "Don't give a fish, give a fishing rod, make people not dependent, but independent."

But one of the things I was telling David the other night that I discovered on my visit to Mexico, I'd never realized this. That because Latin American countries, as an example, became independent of Portugal and Spain in nineteenth century, they considered the church as part of colonial rule, so they confined the church to charity. They accepted the concept of philanthropy. The state is in charge of philanthropy, **(inaudible)** that they are obligated to cover all your needs. Now they are very worried that charitable organizations are trying to become philanthropic organizations in Mexico and other things, therefore to usurp the state's authority, undermine it. But they'll get used to it gradually. Even in Russia and elsewhere there are many charitable organizations emerging, and many millionaires also that like to be universally admired, are following again Andrew Carnegie's experience.

I'll tell you an anecdote also about Carnegie. When I was in Moscow a couple of years ago to visit Mr. Primakov, former prime minister of Soviet Union, Soviet Russia, later, they wouldn't let me in Kremlin. There was verbal tussle between my driver and guide and the Kremlin guards. My guide said, "He is a very important person. He is the head of Carnegie Corporation." The guard said, "Dale Carnegie! Come in, come in!" **(laughter)** So that is the other thing, is gradually building that you have to be able to influence friends, win friends. **(laughter)**

But I think I am optimistic that all over, wherever I go now, there are philanthropists. Britain has changed its rules to transform charities to philanthropies with tax deductions possible. Germany is doing it. Private universities are being offered. When NYU had

chancellors of European universities for a fundraiser conference, seminar, I went to speak to them about good fundraising techniques, whatever they are. The president of the University of Denmark got up and said, “Mr. Gregorian, I cannot go and ask for private money. It’s against the law. I’d be violating the law. I have no authority. The state is obligated to cover library and education, everything. State’s obligation, we cannot undermine the state’s obligation.” But this is changing now. All over they’re providing tax incentives for philanthropy, all this, so I’m optimistic.

Q: How did the library, the NYPL, get out of the requirement to stay open six days a week nine to nine?

VARTAN GREGORIAN: We should ask Paul LeClerc. **(laughter)** No, I’m joking. Simply, city, state, reneged on their commitment. Librarians are wonderful people. Many of them are here this evening. They do what they must do with as little they do. If I were a librarian, I would say, “This does not meet our professional standards, and we’re not going to open the Library.” But I’m afraid politicians would say, “Good, close it down.” So there’s no pressure can be built and be put against people’s interests. And that’s one of the reasons which has always been frustrating, my period, Tim Healy’s period, now Paul’s period. Because public does not know that 22 percent of the funds come from public sources for this institution, and therefore they think that it’s Paul LeClerc or the trustees who don’t want to open.

So, main thing is the public has to put pressure, as we did in the past, as they're doing now, on elections and elected officials, that this is your institution. One of the things during my period, I threatened to do, to put on the front of every library the voting records of all the politicians about the library, **(laughter)** but I was told that's blackmail. I said, "So be it." But we have to do it. We have to do it. Because if you don't do it you will not get it. And we also, libraries should be interested in the formula funding, not lump sum. Lump sums disappear. Formulas are the best thing that bureaucrats have invented. Give us one-tenth or one percent of the revenue. My argument with the mayors of New York was, put New York Public Library in the arithmetic error column of your budget. Less than 1 percent, which allows, nobody would notice it, libraries would be open, and so on. **(laughter)** But it's political pressure, and it's the politicians' fault, not librarians' fault, that Library is not open every day. During Depression, we were open every day, during the Depression, because that was number-one value of the society. Now we consider this a luxury, not a necessity.

Q: The bulk of this lecture you've established Mr. Carnegie as this world-class entrepreneur and a world-class philanthropist. My curiosity lies in a couple things. What two or three ingredients or traits set him apart from his economic peers of that era and secondly what were the roots of his philanthropic, his deep-seated philanthropic outlook? It seems by listening that it wasn't religious in nature. Was it some outlook he developed in childhood, or strictly based on ascetic of readings of philosophy? You know, where did he get these deep-seated beliefs from?

DAVID NASAW: Two very interesting questions. Let me try to answer them quickly. First, he saw into the future. He saw what was coming. Before any other manufacturer knew that steel was going to replace iron, he built a steel mill and then he built another one. And before any other steel manufacturer understood that the railroads' boom was over, but that steel could be used to build skyscrapers, and to build cities, he retooled Homestead to build structural steel. He had the courage to put his money where his vision was, and he didn't believe in corporations. He never went public, because he didn't want to have to deal with stockholders. He knew what he wanted and pursued it. His partners—he had a partnership—his junior partners were always angry at him, because he never gave back a large enough percentage of the profits to the partners. He kept plowing it back in. You know, when I read this book I got the sense—when I read this book? When I wrote this book! **(laughter)**—I haven't read it yet, it's much too long. **(laughter)** When I did my research and I saw the way he ran these steel mills on two or three hours a day from a distance, you know, it occurred to me that if he had stayed in the business instead of selling out, we would not now be importers of steel, we would continue to be self-sufficient and maybe exporting something.

As far as the philanthropy, I just think he saw clearly. He knew that he had grown up with people in Dunfermline who worked really hard. He knew there were people in Pittsburgh who worked really hard and didn't make the money he did. He knew that there were people in Pittsburgh who were every bit as smart as he was. So he understood, again, that wealth was not created by the individual, and if the individual collects a lot of it in his

portfolio or in his bank account, it's as a trustee, it's his to spend on behalf of the community, not on behalf of himself or his family.

PAUL HOLDENGRÄBER: David, Dr. Gregorian was, I think, very generous in the way he approached the subject of Carnegie, and you were talking about the contradictions that were inherent in Carnegie's life and you alluded to that, too, but one of the contradictions that didn't come forward tonight was the way Carnegie actually treated his own workers. And I think it might be interesting to say something about that, because it wasn't always quite as kind as you might imagine.

DAVID NASAW: No, I think it's very important to understand, and I made this very clear in the book, as clear as I could, that becoming a philanthropist did not make him a kinder, gentler, less exploitative employer. On the contrary, once he determined that he was going to give away all his money, he became *more* ruthless, because the more money he could *squeeze* out of his steel mills—

VARTAN GREGORIAN: The more he could give.

DAVID NASAW: Yeah, the more he could *squeeze* out of his workers, the more he could give back. And he was very clear. He had learned from Herbert Spencer that if you're going to make this world a better place, you've got to make tough decisions, and people get hurt, and he hurt people, and he knew it. He knew it.

And he said when asked, “Why don’t you give some of this money back to your workers? Raise their wages.” He said, “One, can’t raise wages, because then I won’t be competitive with Chicago,” which was not entirely true, “And two, even if I *could* give more money to my workers, I wouldn’t do it, because”—and he said this to their faces in Pittsburgh, when he dedicated one of this libraries. He said, “If I gave my workers more money, they’d spend it on better cuts of meat, on drink, and on clothing, and that’s not what they need. What they need and what the community needs are things of the spirit—libraries, colleges, concert halls, art galleries, a natural history museum, so that they can learn about the world, and he was very clear on that. He knew best.

VARTAN GREGORIAN: Let me add another thing. Those of you who have weekends free, you want to visit Sleepy Hollow Cemetery. I recommend you go see Andrew Carnegie’s grave, because what you have there, Mr. and Mrs. Carnegie are there, and all of their servants are buried with them, there’s no separate one, and, right in front of it, there is Samuel Gompers’s statue, **(laughter)** as if labor and capitalism are still studying each other, but Gompers does not have any union members buried.

(laughter)

Q: Could you just comment on what Mr. Carnegie’s opinion of lawyers was, if he held one.

DAVID NASAW: I don’t know if there are a lot of lawyers here.

VARTAN GREGORIAN: There are.

DAVID NASAW: There are. Okay. **(laughter)**

VARTAN GREGORIAN: So be careful.

DAVID NASAW: I'll be careful. He signed his name for a long period of time Esquire, and I've never figured out what that meant. I guess you didn't have to be a lawyer to sign your name Esquire.