

# DAILY PEOPLE

VOL. 1, NO. 258.

NEW YORK, FRIDAY, MARCH 15, 1901.

ONE CENT.

EDITORIAL

## HEAPING WRONG ON WRONG.

By DANIEL DE LEON

**T**HE capitalist press on Thursday morning was resplendent with Carnegie. It was Carnegie at every turn. It was “Carnegie endowed this library,” and “Carnegie endowed that library,” and “Carnegie started this other library,” and among the lot, the leading item, festooned with quadruple and quintuple headlines, was the one announcing a “\$4,000,000 endowment fund for old and disabled Carnegie Company Employees.” The public, particularly the working class, is to be dumbfounded out of all reasoning power by such huge figures, it is expected to melt in gratitude,—and see nothing. No doubt many will succumb; unfortunately too many. But there is in the land a tangible number, however small as yet, that refuses to be dumbfounded; that refuses to stop to reason; that insists upon seeing; and will be the saving leaven.

The subject of “Charity” has recently been often on the tapis in these columns. It is no redundancy to take it up again. It presents itself this time with claws longer and sharper than ever before, and withal covered with so much more velvet that the claws are all the better hidden.

This \$4,000,000 “Carnegie benefaction” is not of the ordinary capitalist Charity stamp. It is not of the stamp we are so familiar with. It is not a case of returning the giblets, after the goose is stolen. Had Carnegie appropriated \$4,000,000 in cash out of his mammoth pile of fleecings from the working class, then his false pretence to benevolence would have been of the every day, the vulgar sort, so amply exposed in these columns. But his \$4,000,000 benevolence falls under a brand new category.

It is known that Carnegie has recently sold his active interests in the vast iron, steel and kindred interests that bear his name. It was a case of consolidation on a gigantic basis. Whether on a gigantic or any other basis, such consolidations ever are accompanied by a huge inflation of values in the shape of stocks. The process is called “capitalization.” The concerns are estimated at a certain value and stocks are issued for the amount. The process of capitalization in such cases never takes place

upon actual values. The earning capacity of the plants for years to come frequently appears in stock purporting to represent values in existence. The stocks, issued after such consolidations, partake essentially of the nature of watered stock. Now then, it is this watered stock, that, to the amount of \$4,000,000, Carnegie has endowed his future old and disabled employees with. What they will get—provided they are passed upon as having been meek slaves long enough—will, accordingly, be the profits, the (because of the inflation) greatly reduced profits of the individual stocks. In short, they will have to work like drag-horses producing profits before little drops of “Charity” can ooze out of “their stocks,” their watered stocks!

Some time ago, when the Westchester County, N.Y., Board of Supervisors devised the scheme of putting every tramp caught into a reservoir, into which water poured in bucketfuls; of placing in the hands of the tramp a dipper; and thus forcing him to perpetual motion, bailing out the water lest he drown;—when that scheme was announced, a cry of horror went up from all parts of the community at such refined inhumanity. Has anyone heard from the same sources any similar protest against this Carnegie endowment scheme,—a scheme strictly analogous to that of the Westchester County Board of Supervisors in its inhumanity, and all the more heinous because clad in the robes of Charity?

Capitalist Charity is the worst of hypocrisy. It seeks to benumb the working class and it now seeks to make profit out of the very process. Is it not natural that the Social Democracy and Carnegie should now be good friends, the former begging and accepting gifts from the latter?

Transcribed and edited by Robert Bills for the official Web site of the Socialist Labor Party of America.  
Uploaded January 2006