

# Andrew Carnegie, Unique Among Multimillionaires

**A**NDREW CARNEGIE'S recent communication in the Echo de Paris, advocating the triple alliance between the United States, England and France has not only attracted much attention, but has demonstrated once more that the great steel maker is no trivial dabbler in matters of international policy. It has also established another fact—that there is little likelihood that the name of this premier "captain of industry" will disappear from public view as long as his owner is able to wield the pen.

The man who bears the name, moreover, has no cause of complaint that it has received scant publicity. It is doubtful whether any other, not even excepting those of the most famous rulers, statesmen and fighting men of recent times, has been so conspicuously brought to the front and kept there so continuously. If there is a suspicion extant that Mr. Carnegie has not been displeased with the efforts of English speaking journalists to do him justice, it does not in any way detract from his real greatness or belittle the marvelous fabric which his Scottish sagacity has reared in the land of his adoption.

Andrew Carnegie, born in poverty in Dunfermline in 1837, was eleven years of age when the family came to America, and it was so necessary for him to become self supporting at once that he was glad to be a bobbin boy in a Pittsburgh factory at a salary of 20 cents a day. Fifty-two years later, at the age of sixty-three, when he retired from further active money getting, he had accumulated \$166,250,000. He had gathered this almost incredible sum at the rate of over \$3,000,000 a year, but it was a good many years before the million dollar income began.

According to a published statement of Henry C. Frick, whose close association with Mr. Carnegie in his various steel enterprises gave him an excellent opportunity for observation, the little Scotch-American's income when the great steel trust was formed was more than \$24,000,000 a year. If that estimate of his income were correct, it means that his total wealth, based on the customary 5 per cent basis, aggregated more than \$480,000,000. There is no reason to believe, in spite of Mr. Carnegie's expressed disapproval of the man who dies rich, that he is worth less than that at the present time.

While he was getting together this vast amount of treasure Mr. Carnegie was one of the most active individual forces in the development of several industries which were just beginning when he stepped upon the stage. He did not remain long in the cotton mill, but left it to become a messenger boy in the Ohio Telegraph company at Pittsburgh. He was one of the first telegraph operators to learn to read messages by sound, and he became so expert at this new art that he was soon able to obtain good wages. He put his savings into the Pennsylvania Railroad company and showed so much ability that he was promoted to the superintendent of the Pittsburgh division.

This new position gave him an opportunity to take a survey of the field. He became acquainted with several men who were about to launch various inventive and industrial projects, among them Woodruff, the originator of the sleeping car. He put his savings into the company organized to build sleeping cars and in that way gained the nucleus of his fortune. The oil excitement followed with all its feverish

speculation and young Carnegie found many opportunities to add to his growing financial importance. He did not, like John D. Rockefeller, discover the secret of transmitting the crude natural product into streams of gold, but he profited largely by selling property "when the price was on."

During the civil war Mr. Carnegie was of great service to the government as superintendent of military railroads and telegraphs. It was after the war that he began to turn his attention to the expansion of the iron and steel industry. He was a pioneer in the substitution of iron bridges for wooden ones.

and he was also instrumental in replacing the iron rail with one of steel. He was one of the most active prime movers in making Pittsburgh the most important industrial wealth producing center in America.

Under the stimulus of his masterly oversight and almost unerring good judgment Mr. Carnegie's efforts in the development of the Pennsylvania iron and steel industry were successful beyond the dream of any other than himself. At the time his various properties were turned into the steel trust he was the largest individual employer of wage earners in the country. When J. Pierpont Morgan undertook the task of organizing all the leading steel and iron concerns with their allied industries in mining, coke making, bridge building, structural steel manufacturing and railroad building into one great concrete whole under the name of the United States Steel Corporation the preliminary step in the scheme was the forma-

tion of the firm of Carnegie Bros. & Co. limited. This was done in 1900, and it was followed almost immediately by the Carnegie Company of New Jersey, which was organized with a capital stock of \$100,000,000 and a bonded debt of a like amount. The par value of the shares was \$1,000 each, and Andrew Carnegie was the owner of \$86,482,000 of the stock and \$98,147,000 of the bonds. When the trust went into operation he retired from active participation in the business, leaving the details to the competent lieutenants whom he knew how to manage so well.

That is the open secret of his power

warded so generously that most of them became millionaires. "No favoritism and a share of the business for those who make it" was his oft repeated expression in the formative days. As a matter of course, power little short of actual sovereignty came with the expansion and an income which was greater than that of any wearer of the purple. There came also fierce and uncompromising conflicts with the other industrial and financial princes, some of whom antedated the steel potentate and many of whom were soaring contemporaneously with him. It was inevitable that out of these battles

Scottish university—will perpetuate his name long after most of his most persistent critics are forgotten. They are the deeds which grow more resplendent as time passes, and no one is more cognizant of that fact than Andrew Carnegie himself.

Like most philanthropists, and of course unlike a law, Mr. Carnegie does not shun publicity in the exercise of his generosity. On the contrary, he takes the public into his confidence and almost insists that it shall be accessory to his benevolent intent. In a recent public address he furnished a list of the various library buildings he had made

choose his intimates from a class entirely different from those who had always been close to him. He began to seek the fellowship of those men of brains who had not harnessed their energies to the amassing of huge fortunes, but had devoted their intellectual powers to loftier pursuits. In 1887, when he was fifty years of age, he married Louise Whitfield, an estimable New York woman not of the society set, but deeply intellectual and thoroughly sympathetic, and erected a magnificent residence in upper Fifth avenue. Although he is on amiable terms with many of the world's multimillionaires Mr. Carnegie

man's own peculiar hand, which he delights to exhibit. Curious as it may seem, many of these precious missives are written on postal cards in a text so small as to be undecipherable without a glass. Those who have kept track of the steel king's political attitude for the past thirty years will have no difficulty in recalling the fact that he was once an ardent advocate of a high protective tariff. More recently, however, he has been inclined to favor some of the theories involved in free trade. His enemies have been quick to point out that he has abandoned the doctrine of the protective tariff because he no longer has use for it, but his friends maintain that his intimacy with Mr. Gladstone, who was an enthusiast for free trade, worked the change in his sentiments.

He has a full measure of the Scotch love of argument and rarely accepts any statement without considering it thoroughly. It matters little what the subject may give to him, he is quite prepared to give it a proper fitting. He likes to be the central figure at a dinner party, and on those occasions he is apt to discourse rather ponderously. He holds peculiar ideas in theological matters, and it there happens to be a clergyman present he is very greatly inclined to air them. Quite recently he was put alongside an eminent divine at a college dinner and at once began to enunciate his religious views in a manner so highly characteristic that the disinterested ecclesiastical withdrew in horror, greatly to the amusement of the steel magnate and the distress of his amiable wife.

Mr. Carnegie does not commit himself unreservedly to the so-called "good things of life." The chief value of riches to the individual, he maintains, is not to be found in the increased capacity for personal comfort. He is exceedingly abstemious in his daily life, so markedly so, indeed, that he has been charged with penuriousness. It is not that, but the inherited influence of a Scotch ancestry, spendthrift never, prudent always. One luxury, however, he has permitted himself since he moved into the great Fifth avenue palace. Every morning as he crosses the stately hall of the great mansion on his way to the dining room an organist begins to play on the fine instrument which has been built at the farther end. It is the organist's duty to furnish a recital lasting an hour, and the retired steel manufacturer always remains until it is over. He is very fond of good music and is an intelligent listener and critic.

Even if Mr. Carnegie should succeed in relieving himself of the reproach of dying rich it is probable that he will provide liberally for the future of his daughter, Margaret, now in her early teens. Her father is devoted to her. He has deeded the great New York mansion to her and seems to be as anxious to shield her from publicity as he is willing to permit the details of his giving to be published to the whole world. Pictures of his castle and palace, both from without and within, are to be had for the asking, and neither Mrs. Carnegie nor himself is annoyed by seeing them reproduced in the papers, but applications for a picture of Margaret are met with a prompt refusal.

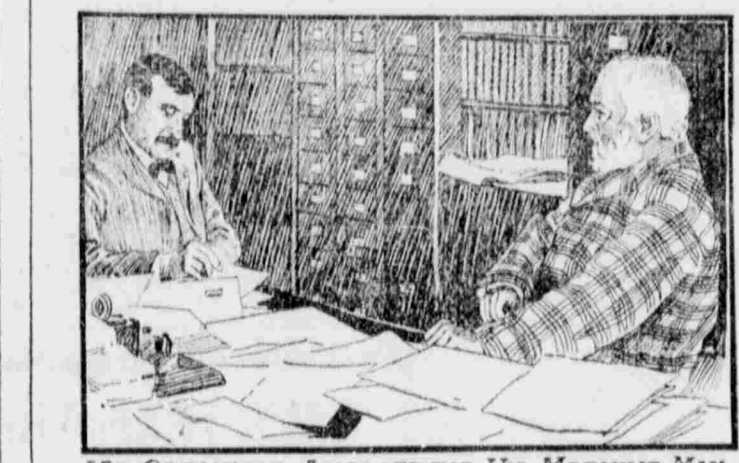
The young girl is being brought up in the value of money is scarcely a preliminary symptom of her father's so unendowed of poverty that he means to remove the burden of wealth from her pathway. There is a story current that Mr. Carnegie no longer bothers to write out stubs for his personal checks. Once his wife asked him to touch her hand to make her check stubs agree with her bank book balance. He replied that it was hardly worth while to learn.

"I never write out stubs at all," he said. "I just write the check and get the money. I'm not afraid of overdraw my balance."

Nor is there any one who believes that Andrew Carnegie will ever overdraw his balance. JAMES R. BENTLEY.



ANDREW CARNEGIE



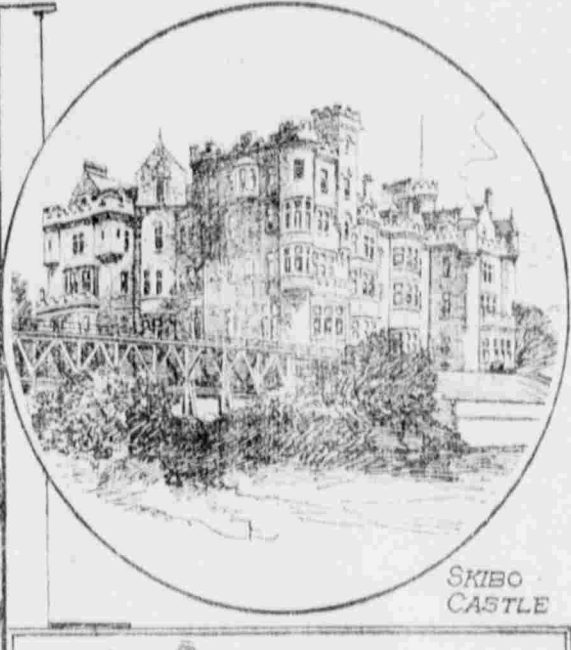
MR. CARNEGIE ANSWERING HIS MORNING MAIL



MRS. ANDREW CARNEGIE



THE CARNEGIE FAMILY



SKIBO CASTLE



THE CARNEGIE MANSION, NEW YORK

# A New form of Secret Service In the United States

**D**URING the annual convention of the American Street Railway Association, held recently at Philadelphia, an important move was made toward bringing into concrete form the various independent

commercial secret service bodies which have been in existence for many years, but have never been united in a national organization. The matter was not discussed openly at Philadelphia, but plans were made quietly for a subsequent meeting and representatives from all the known local bodies were appointed. More than fifty of the leading corporations of the country designated representatives to assist in the organization of a national secret service and the scheme is rapidly approaching realization.

Although it is a matter that has been discussed scarcely at all and concerning which very little has come to light, it is a fact, nevertheless, that the great trusts and corporations of America have brought into existence the most comprehensive and skillfully conducted secret service in the world. For reasons that are obvious the big commercial and industrial institutions have refrained from making public the details of the service, but more than 5,000 trained detectives are employed today in this work. Every large express company, insurance company, construction company or transportation concern is provided with its force of expert detectives, many of them trained in the government secret service and not a few from the police departments of the large cities. The Metropolitan Street Railway company of New York employs about a hundred, and the Standard Oil company and the beef and tobacco trusts require the services of an equal number.

This secret service is not identical with the system which was in force a generation ago. In those days railroads had their detectives and spotters, in-



INSTRUCTING A SPOTTER.



WATCHING A SUSPECT.

urance companies had their inspectors, bureau and express companies their tracers. The modern commercial secret service is entirely distinct from all of that and has been brought about by the craze for combination among commercial and industrial interests which has seized the American people during the last few years, and its sole office is to protect the great corporations against the army of professional

swindlers which followed the trusts and has camped in their wake intent on plunder. In spite of all their precautions these powerful business combinations have recently been the victims of numerous fraudulent schemes concocted by these often clever criminals. Gangs of swindlers are banded together for the purpose of establishing phony claims, and in league with them are physicians,

lawyers and not infrequently trusted employees of the very companies to be victimized. This species of imposture has become so common and the burden of self protection has become so great upon the individual corporations that organization of protective effort seems almost imperative—the establishment of a national secret service to be maintained by pro rata assessment according to the

capital invested and to be available to all members of the association. Under former methods it was possible for a clever swindler to work the same trick in several cities without being caught. A shrewd rascal who recently came to grief in California made a leisurely three year trip across the continent in the course of which he secured many thousand dollars from no less than seven insurance companies on

spurious claims. His scheme is known professionally as the "bathing trunk" and he began his operations in Providence, R. I., where he took out a large policy in an accident insurance company as the first step in the trick. Shortly afterwards a claim was sent in to the company representing that the holder of the policy had slipped on a piece of soap while bathing in a porcelain tub and had sustained serious internal injuries. A physician testified to the critical nature of the injuries, the company's medical man attested the report and the claim was paid. A few days later the same man "injured" himself in the same manner at Elmira, N. Y. Again, aided by physicians, he secured the amount of his claim. Precisely the same method was adopted in several other cities and the swindler was brought to justice only after one of his confederates had revealed the game to the police.

Under the contemplated system such a series of swindles could not have been worked. The account of the first claim at Providence would have been made known to all the other companies, and the second occurrence would have excited suspicion and brought about a thorough investigation. Under the old system each company bore its losses in silence. There are hundreds of these traveling swindlers who roam about the country in the disguise of mechanics of various kinds and after securing work on some job manage almost immediately to sustain some injury, usually claimed to be internal in character and often faked most admirably. A claim for damages against the employer is filed immediately and is frequently compromised to avoid litigation. At the same time a claim against an accident insurance company is collected and the alleged sufferer goes on to repeat the process of double knavery at some other place.

Illustrative of the growth of this species of imposture it may be mentioned that seven years ago there were only fifty-seven claims for damages brought against the New York Metropolitan Railway company in a single year, while last year there were no less

than 1,229. This remarkable increase, too, is in the face of the fact that the company employs the most thoroughly organized detective force of any corporation in the world. All sorts of persons are engaged in these schemes to extort money from this public carrier and the frequency with which they succeed is shown by the court records. Last year the supreme court made a special calendar for these cases, and their hearing lasted from the first Monday in October to the last Friday in June. The majority of them were brought by claimants whose injuries were not apparent to the unprofessional eye, but there was no lack of medical testimony on that account.

The big trusts' use for the secret service organization is not of precisely the same nature as that of the insurance and railroad companies, but it is equally imperative and quite as well defined. The Standard Oil speaks of its detective system, which has its headquarters at Cleveland, O., as the intelligence bureau. It is precisely the opposite of that—it swallows with avidity everything it can learn and reveals absolutely nothing to the outside world. Its employees are scattered all over the world wherever the Standard Oil interests require their services, and they are without exception men who are skilled in the art of hearing everything and saying nothing. It is their special duty to know what every employee in an important position is doing. In order better to accomplish their mission they sometimes are put into the positions of bookkeepers, clerks and even laborers.

## BRIEF AND TRUE.

Germany is said to feed about nine-tenths of her nearly 60,000,000 inhabitants on the products of her own soil. Shepherds believe the wool on a sheep's back is an unfailing barometer. The curlier the wool the finer will be the weather.

A machine that can be in the work of a hundred men may be seen in London.

that he fainted. When picked up he was found to have become insane. A dilapidated picture purchased at Reggio Emilia, Italy, for fourpence and sold again for five francs turns out to be a genuine Van Dyck, for which the present owner has refused \$6,000. Out of 77,500,000 of acres of land in the United Kingdom only 38,000 are under permanent pasture. The largest flag in the world was

made in San Francisco for Hawaii. It is eighty feet long and consumed 700 yards of bunting and flours from a pole 150 feet long. In every 1,000 marriages in England twenty-one are solemnized between first cousins. Among the nobility the rate is much higher, amounting to 45 in 1,000. The famous Tugela river, in South Africa, is said on one occasion to have

risen forty feet during a single night owing to thunderstorms on the mountains. In the churchyard of Grimston, Norfolk, an anvil may be seen at the head of the grave of a local blacksmith. No person in New Zealand may hold more than 640 acres of first class farming land. In Glasgow it is a well understood thing that any one posting an un-

stamped letter may by enclosing it in another envelope containing a penny for the stamp have the stamp affixed at the postoffice. A watch taken to the top of Mont Blanc will gain thirty-six seconds in twenty-four hours. Four shillings per annum was the rent of a fine roomed house in Henry VIII's time. The longest railway run in the world

without changing is on the Canadian Pacific, from Halifax to Vancouver, 2,662 miles. A carrot grown at Nifield, Sussex, is perfectly straight and about three inches in circumference. In Iceland horses are shod with sheep's horn, in the Sudan a kind of sock made of camel's skin is used for the purpose.