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Andrew Carnegie

When US Steel was created with a market cap of \$1.4 billion at the turn of the century, Andrew Carnegie sold them his steel company for \$492 million. His personal wealth must have been in the order of five to ten billion dollars by today's standards. How did Andrew Carnegie amass so much wealth? By selling steel rail to the railroads.

The Internet is today's railroad and JDS Uniphase and Qualcomm are selling the rails needed to build it. These two companies will be the fastest growing companies in the next 5 to 10 years. JDSU and QCOM are not the Intel of Telecosm, they are the US Steel (circa 1901) of Telecosm.

Next time someone asks me if these two stocks have gone up too much to be a good investment I am going to answer: "Remember Andrew Carnegie."

Andrew Carnegie, in his essay "The Gospel of Wealth" stated that a rich man should, after acquiring his wealth, distribute the surplus for the general welfare. Before you accuse me of preaching charity and altruism, let me remind you of the works that Carnegie financed: the Carnegie Institute of Technology of Carnegie-Mellon University, the Carnegie Institution of Washington, the Carnegie Foundation for the Advancement of Teaching, the Carnegie Corporation of New York amongst others. He also financed public libraries in the US and other English speaking countries. The central theme of Carnegie's philanthropy was to help people help themselves through culture and education. This certainly contributes to the general welfare in a lasting and meaningful way as no soup-kitchen can.

If, with GG's help, things continue the same way, pretty soon most of us will have all the wealth we need for our own use. I reached that stage in December (thanks GG!). That is why I am writing about Andrew Carnegie. When you reach the same stage, I hope you too will "Remember Andrew Carnegie."

Denny