

EARLY EFFORTS—AND FAILINGS

In this first section, we present an array of documents concerning early literary and philosophical treatments of the subject of ethics (or “morals”) in business and related areas. We also include several concrete examples of commercial activities in the nineteenth century that raise questions about ethics and legality in that era and describe how people approached such questions and found solutions.

Literary and Philosophical Works

We begin with an examination of a seminal work, *The Prince*, by a famous Renaissance writer, Niccolò Machiavelli. Although focusing primarily on the leadership qualities needed by a European prince in the 1500s, the work remains relevant today to those interested in the subject of executive leadership. Machiavelli himself worked in the military and politics for a time and was intimately familiar with the Medici family, who then ran the great commercial city of Florence.

Next, we jump to the 1700s and consider two thinkers from that period: Benjamin Franklin and Adam Smith. Franklin, of course, is well known as a Founding Father, diplomat, inventor, and printer. He was also deeply interested in commercial affairs and enjoyed writing about a number of different topics. Here, he combines his interests in a piece offering “Advice to a Young Tradesman.” His Scottish contemporary, Adam Smith, was and is just as well known as a founder of the field of political economy and as a “moral philosopher” of note. He published *The Theory of Moral Sentiments* (1759) and *The Wealth of Nations* (1776). It is from the former work that we draw here to illustrate Smith’s vision of “the prudent man” in business and in life.

Moving to the 1800s, we present works by two iconic American figures: the writer Herman Melville and the showman-entrepreneur P.T. Barnum. Although Melville is best known for his classic *Moby Dick*, he published

other works as well. In his story “Bartleby, the Scrivener” (1853) Melville tells of a clerk in a law office who refuses to carry out the tasks assigned to him—and the effect that his refusal has. In the year after “Bartleby” was penned, the famed sideshow operator P.T. Barnum issued his autobiography, telling how he rarely refused anything if it looked like it could turn a profit. Barnum’s life and story raise numerous questions about ethics in business and beyond.

We round out the selection of philosophical and literary reflections with a deep reflection by philosopher John Stuart Mill on the topic of “utilitarianism,” or the doctrine that, that which serves the public interest best is that which satisfies most of the people most of the time—as opposed to that which satisfies fewer people to the same degree or greater. Mill’s *Utilitarianism* (1863) is a landmark statement in the field, and we present an excerpt of it in the present section.

Concrete Examples/Questions

In this category we have the U.S. Supreme Court decision *Fletcher v. Peck* (1810), concerning a massive land fraud in Georgia—the Yazoo land scandal—and the fault the Court found in the deal. The Yazoo scheme benefited politicians and business investors but negatively impacted Native American tribes.

In “Lowell Mill Girls” we look at work life in a New England textile mill in the 1830s, when business owners reigned supreme and workers had few if any rights.

In “Documents Relating to Black Friday 1869” we present a cartoon poking fun at one of two “robber barons”—Jay Gould—involved in market manipulation, along with a record of the crashing the price of gold, which gave this day (September 24) its name. Similarly, in “Verse and Cartoon about Boss Tweed and Tammany Hall, 1871,” we show how the famed New York City political operator and his moneymaking “machine” were exposed in the

press and came to be reviled by the public. Ethics, and legality, mattered, and Tweed was caught out as a result.

One of the most notable corruption cases of the nineteenth century is the *Crédit Mobilier Scandal* of 1872, a major railroad stock scheme involving elected officials who were in cahoots with businessmen to drive up the

value of their investments and receive the dividends. Ten years later, the *Pendleton Civil Service Reform Act* sought to address one major aspect of this same problem, the reliance of politicians on hired “cronies” rather than on professional civil servants.

■ From *The Prince*

Date: 1513–1520

Author: Niccolò Machiavelli

Genre: Political treatise

Summary Overview

Niccolò Machiavelli was a writer and politician who lived and worked in Florence, Italy during the Renaissance period. He was an influential military and political leader during a chaotic political period for the city, and his most famous writings are treatises on the goals and methods of successful leaders. His most famous work, *The Prince*, is a treatise on the methods by which leaders can maintain control over their subjects. Machiavelli lived in a tumultuous political world, and the books he wrote after he left his political career are aimed at teaching leaders the best way to control a city. The apparent cynicism and immorality of this work led people to use the term “Machiavellian” to describe manipulative political practices.

Defining Moment

Renaissance Florence was a place of growth and change in political, artistic, and military spheres. The city was one of the largest and most economically significant cities in western Europe and, though the government was technically an elected council, a small group of powerful merchant families effectively controlled the political system. Florence was also home to many famous writers and artists of the late Medieval and early Renaissance periods, and it was known worldwide as a center of commerce and culture.

The city underwent huge political changes during Machiavelli's lifetime. In the early 1400s, a series of military leaders took control as the city waged wars against its neighbors. Eventually, the banker Cosimo de Medici established a political dynasty that allowed his family, the Medicis, to rule the city for decades. Three generations of Medicis managed the city's affairs from 1434 to 1492, though they maintained the illusion of a representative government. Lorenzo de Medici, Cosimo's grandson, was the patron of artists such as Botticelli, Leonardo da Vinci, and Michelangelo, and the family spent huge sums on construction and beautification projects.

After Lorenzo de Medici died, his son Piero was unable to maintain political control. The Medici family was exiled in 1494. In their absence, a charismatic preacher named Girolamo Savonarola briefly took power and encouraged the citizens of Florence to reform the government. His sermons encouraged the people to live spiritual and abstinent lives and he criticized what he saw as the excessive worldliness and greed of the Medicis and their followers. He was popular in the city until the government in Florence and the pope in Rome grew concerned that his preaching was destabilizing their institutions. Florence banned him from preaching and Pope Alexander VI excommunicated him. He lost his sway with the people and was arrested, tortured, and executed.

Savonarola's death left a temporary power vacuum in Florence. For the first time in decades, the government was a democratic republic led by a council of mostly elected officials. One politician who rose to prominence during the republican period was a young aristocrat named Niccolò Machiavelli.

Author Biography

Niccolò Machiavelli was born in Florence in 1469 to a prominent but poor family. During his youth, Florence expelled the Medici family, a powerful dynasty that had ruled Florence since the early 1400s. Shortly after this, Machiavelli took office as a high-ranking official in charge of the city's foreign affairs and diplomatic relationships.

Machiavelli went on numerous diplomatic missions to Rome and was a respected politician during his time in office. He also had success as a military leader—his army of Florentine citizens defeated the neighboring city of Pisa in a major victory—but his political career did not last. The Medici family came back to power in 1512 and overthrew the republican government, taking power back into the hands of the family. The new leaders imprisoned and tortured Machiavelli and then exiled him from the city.

His political career over, Machiavelli turned to writing. He spent the next several years working on his major works, *Discourses on Livy* and *The Prince*, though neither were published during his lifetime. In his works, he attempts to guide and advise political leaders in Florence by drawing on his own experience as a leader in the republic.

In the 1520s, he was given the position of official historian of Florence and was commissioned to write

a history of the city by Pope Clement VII, who was a member of the Medici family and one of Machiavelli's old enemies. Meanwhile, Florence was again shifting between rule by the Medicis and a republican government. Machiavelli hoped for another political position, but his recent patronage by the Medici Pope meant that he was viewed with suspicion by the new generation of politicians. He died in 1527 in Florence.

HISTORICAL DOCUMENT

XVII. Of Cruelty and Clemency, and Whether It Is Better to Be Loved or Feared

PASSING to the other qualities above referred to, I say that every Prince should desire to be accounted merciful and not cruel. Nevertheless, he should be on his guard against the abuse of this quality of mercy. Cesare Borgia was reputed cruel, yet his cruelty restored Romagna, united it, and brought it to order and obedience; so that if we look at things in their true light, it will be seen that he was in reality far more merciful than the people of Florence, who, to avoid the imputation of cruelty, suffered Pistoja to be torn to pieces by factions.

A Prince should therefore disregard the reproach of being thought cruel where it enables him to keep his subjects united and obedient. For he who quells disorder by a very few signal examples will in the end be more merciful than he who from too great leniency permits things to take their course and so to result in rapine and bloodshed; for these hurt the whole State, whereas the severities of the Prince injure individuals only.

And for a new Prince, of all others, it is impossible to escape a name for cruelty, since new States are full of dangers. Wherefore Virgil, by the mouth of Dido, excuses the harshness of her reign on the plea that it was new, saying:—

'A fate unkind, and newness in my reign
Compel me thus to guard a wide domain.'

Nevertheless, the new Prince should not be too ready of belief, nor too easily set in motion; nor should he himself be the first to raise alarms; but should so temper pru-

dence with kindness that too great confidence in others shall not throw him off his guard, nor groundless distrust render him insupportable.

And here comes in the question whether it is better to be loved rather than feared, or feared rather than loved. It might perhaps be answered that we should wish to be both; but since love and fear can hardly exist together, if we must choose between them, it is far safer to be feared than loved. For of men it may generally be affirmed, that they are thankless, fickle, false, studious to avoid danger, greedy of gain, devoted to you while you are able to confer benefits upon them, and ready, as I said before, while danger is distant, to shed their blood, and sacrifice their property, their lives, and their children for you; but in the hour of need they turn against you. The Prince, therefore, who without otherwise securing himself builds wholly on their professions is undone. For the friendships which we buy with a price, and do not gain by greatness and nobility of character, though they be fairly earned are not made good, but fail us when we have occasion to use them.

Moreover, men are less careful how they offend him who makes himself loved than him who makes himself feared. For love is held by the tie of obligation, which, because men are a sorry breed, is broken on every whisper of private interest; but fear is bound by the apprehension of punishment which never relaxes its grasp.

Nevertheless a Prince should inspire fear in such a fashion that if he do not win love he may escape hate. For a man may very well be feared and yet not hated, and this will be the case so long as he does not meddle with the property or with the women of his citizens and subjects.

And if constrained to put any to death, he should do so only when there is manifest cause or reasonable justification. But, above all, he must abstain from the property of others. For men will sooner forget the death of their father than the loss of their patrimony. Moreover, pretexts for confiscation are never to seek, and he who has once begun to live by rapine always finds reasons for taking what is not his; whereas reasons for shedding blood are fewer, and sooner exhausted.

But when a Prince is with his army, and has many soldiers under his command, he must needs disregard the reproach of cruelty, for without such a reputation in its Captain, no army can be held together or kept under any kind of control. Among other things remarkable in Hannibal this has been noted, that having a very great army, made up of men of many different nations and brought to fight in a foreign country, no dissension ever arose among the soldiers themselves, nor any mutiny against their leader, either in his good or in his evil fortunes. This we can only ascribe to the transcendent cruelty, which, joined with numberless great qualities, rendered him at once venerable and terrible in the eyes of his soldiers; for without this reputation for cruelty these other virtues would not have produced the like results.

Unreflecting writers, indeed, while they praise his achievements, have condemned the chief cause of them; but that his other merits would not by themselves have

been so efficacious we may see from the case of Scipio, one of the greatest Captains, not of his own time only but of all times of which we have record, whose armies rose against him in Spain from no other cause than his too great leniency in allowing them a freedom inconsistent with military strictness. With which weakness Fabius Maximus taxed him in the Senate House, calling him the corrupter of the Roman soldiery. Again, when the Locrians were shamefully outraged by one of his lieutenants, he neither avenged them, nor punished the insolence of his officer; and this from the natural easiness of his disposition. So that it was said in the Senate by one who sought to excuse him, that there were many who knew better how to refrain from doing wrong themselves than how to correct the wrong-doing of others. This temper, however, must in time have marred the name and fame even of Scipio, had he continued in it, and retained his command. But living as he did under the control of the Senate, this hurtful quality was not merely disguised, but came to be regarded as a glory.

Returning to the question of being loved or feared, I sum up by saying, that since his being loved depends upon his subjects, while his being feared depends upon himself, a wise Prince should build on what is his own, and not on what rests with others. Only, as I have said, he must do his utmost to escape hatred.

GLOSSARY

Cesare Borgia: a Roman leader and contemporary of Machiavelli; he is a frequent example of leadership in *The Prince*

Dido: a queen in Virgil's epic poem *Aeneid* who rules the new city of Carthage in northern Africa

Fabius Maximus: another Roman general who was less successful than Scipio against Hannibal

Hannibal: a Carthaginian general in the 200s BCE who fought and almost conquered the Locrians

Locrians: a Greek tribe eventually conquered by the Romans

patrimony: inheritance

Pistoja: a small town near Florence

rapine: destruction and looting

Scipio: the ancient Roman general who eventually defeated Hannibal



Cover page of 1550 edition of Machiavelli's *Il Principe* and *La Vita di Castruccio Castracani da Lucca*. (By omslagsbild)

Document Analysis

In *The Prince*, Machiavelli discusses the correct way for a ruler to behave if he wishes to keep power. The actions he suggests have often been considered immoral or tyrannical. Throughout the work, he treats the maintenance of power, rather than virtue or goodness, as the most important goal for a leader. According to this philosophy, tyrannical, cruel, and dishonest actions are acceptable if they allow one to keep control. The ruthless practicality of his work led to the use of the term “Machiavellian” to describe cunning and unethical political behavior.

In this passage, Machiavelli discusses the distinction between love and fear. He asserts that they “can hardly exist together”; therefore, since love is a more selfish and changeable motivation, fear is a better way for the prince to motivate his subjects to do what he wants. Machiavelli also cautions against trust: if the leader believes what his subjects say and “builds wholly on their professions” of loyalty, he will be overthrown. In addition, Machiavelli believes strongly that “men are a sorry breed” and that they are fundamentally guided by greed, not loyalty. His statement that “men will sooner forget the death of their father than the loss of their patrimony” shows his belief that self-interest is the governing principle of humanity and therefore the best way to keep subjects in line.

Essential Themes

The Prince is the work that gave rise to the word “Machiavellian” to describe immoral, self-centered political manipulation. In this passage, Machiavelli suggests several such actions: he says that a prince can “quell disorder by a very few signal examples” and that a general should

“disregard the reproach of cruelty” and accept that cruel actions are necessary. Machiavelli’s prince does not treat his subjects with kindness but takes actions that can injure and frighten citizens. He suggests that it is better to be feared than loved because love is more fragile than fear, and a successful prince will not derive his power from something that can be easily broken.

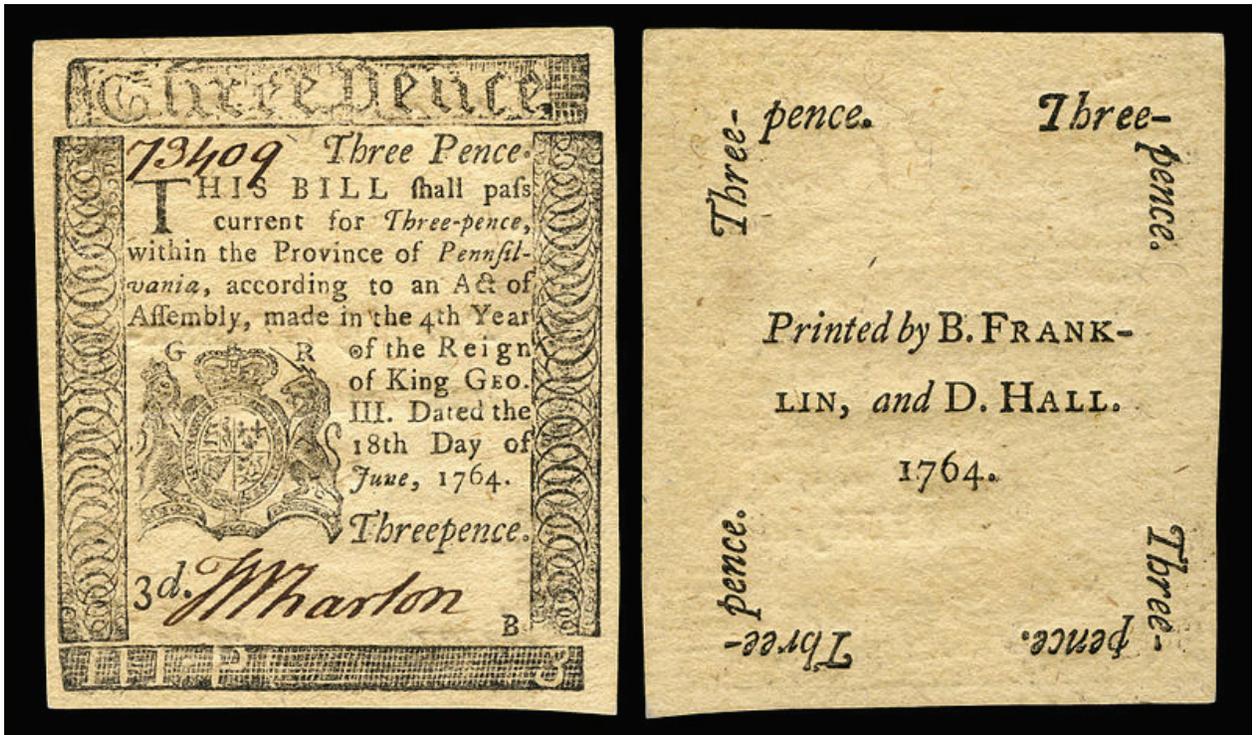
Another central theme is the appeal to historical precedent as a way to justify political action. Throughout the passage, Machiavelli calls on ancient and modern Roman examples to demonstrate times when his philosophy has been correct. He begins by discussing the Roman Cesare Borgia, who had recently died when *The Prince* was written, and contrasts his actions with Florence’s. He also uses a fictional poetic character, Dido (a character of the Roman poet Virgil), to justify the idea that a new leader will definitely acquire “a name for cruelty.”

For these and other reasons *The Prince* continues to be read today by students of leadership, politics, business, history, and the humanities.

—Hannah Rich

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Pennsylvania colonial currency printed by Franklin in 1764.

■ “Advice to a Young Tradesman”

Date: 1748

Author: Benjamin Franklin

Genre: Essay

Summary Overview

Benjamin Franklin’s 1748 essay giving “Advice to a Young Tradesman” offers us a glimpse into the financial and occupational world of Britain’s American colonies in the mid-eighteenth century. Perhaps surprisingly, much of the financial wisdom Franklin conveys in this brief essay is broadly applicable to modern life (or is, at least, recognizable). In the twenty-first century, financial experts encourage business owners and consumers alike to live within their means, save for the future, and manage credit wisely. Franklin’s examples of behaviors that can damage a tradesman’s financial reputation are analogous to modern activities that might damage one’s credit rating.

Despite these parallels, Franklin’s essay shows us an America where communities are smaller—where personal reputations could be damaged and business growth shattered because the wrong person saw you in the tavern at the wrong time of day. At the same time, it helps establish a line of thought that would persist in Colonial America, and ultimately in the United States: namely, that a person’s wealth and status are the direct result of individual decisions made and actions taken. Franklin’s essay presents an early America where, for the independent tradesman, the possibilities are nearly limitless.

Defining Moment

This essay first appeared in 1748 as part of a book entitled *The American Instructor: or Young Man’s Best Companion*. *The American Instructor* was one example of the several handbooks aimed at adolescent and young adult males that served as a guide not only to general business knowledge but also topics such as grammar, writing, mathematics, accounting, and penmanship—all useful subjects to a young man finishing his apprenticeship and beginning a career as a tradesman. This particular book was an Americanized version of *The Instructor*, compiled by George Fisher in Britain. For this American edition, publisher Benjamin Franklin replaced some chapters or

essays with ones that spoke directly to issues that men would encounter in the American colonies. Franklin also added a brief discussion and historical account of the colonies as well as his own summary of advice for young men entering a trade.

“Tradesmen,” in the context in which Franklin composed his advice, were artisans in a number of fields who had undergone a lengthy apprenticeship and were prepared to enter the workforce on their own. In the British American colonies, these trades ranged from carpenters to dressmakers and from printers (like Franklin had been) to tavern keepers. Thus, any advice directed at tradesmen had to be sufficiently broad as to be applicable to this wide variety of occupations.

Books such as these are one indication of the rapid growth the British colonies in America were experiencing in the mid-eighteenth century. In cities like Franklin’s Philadelphia, new arrivals to the colonies and internal migrants moving from rural areas to the city for new opportunities provided plenty of customers and laborers. Franklin’s reprinting of a British book demonstrates the close cultural connection between the mother country and the colonies while his Americanization demonstrates the persistent cultural differences between the two lands.

Author Biography

One of the most well-known, multifaceted figures in the history of the United States, Benjamin Franklin has long served as a model for entrepreneurial spirit and civic engagement. Born in Boston in 1706, Franklin never completed a formal education but would nonetheless enter the worlds of publishing, science, politics, and diplomacy. Franklin initially made an impact in the newspaper business; a career that began when he was fifteen years old when he worked as an apprentice for his brother James. James had founded the first independent newspaper in the colonies, the *New-England Courant*.

Benjamin eventually abandoned his apprenticeship and, as a fugitive from the law because of this, moved to Philadelphia at age 17. It was in Philadelphia that he and other young men who sought to learn and improve themselves, established a library for their benefit—this collection of books would evolve into a library that would allow members of the public to purchase membership and, after being incorporated as the Library Company of Philadelphia would be the first library in the American colonies and is an example of the way in which much of Franklin's work blended business management with public benefit.

In 1728, Franklin took charge of the *Pennsylvania Gazette* and began publishing other newspapers, religious

books, and pamphlets. He attempted to build a network of newspapers that would stretch across the many British colonies but the project never achieved the success he desired. Despite not achieving these ambitious goals, Franklin published the first monthly news magazine in the Americas, the *General Magazine and Historical Chronicle for All the British Plantations in America*. Franklin also found success as an author, with his *Poor Richard's Almanack* being incredibly popular. He used his skills for promotion to generate publicity for evangelist George Whitefield during the Great Awakening. Franklin's broad experience made him an ideal advisor to young tradesmen.

HISTORICAL DOCUMENT

Remember that Time is Money. He that can earn Ten Shillings a Day by his Labour, and goes abroad, or sits idle one half of that Day, tho' he spends but Sixpence during his Diversion or Idleness, ought not to reckon That the only Expence; he has really spent or rather thrown away Five Shillings besides.

Remember that Credit is Money. If a Man lets his Money lie in my Hands after it is due, he gives me the Interest, or so much as I can make of it during that Time. This amounts to a considerable Sum where a Man has good and large Credit, and makes good Use of it.

Remember that Money is of a prolific generating Nature. Money can beget Money, and its Offspring can beget more, and so on. Five Shillings turn'd, is Six: Turn'd again, 'tis Seven and Three Pence; and so on 'til it becomes an Hundred Pound. The more there is of it, the more it produces every Turning, so that the Profits rise quicker and quicker. He that kills a breeding Sow, destroys all her Offspring to the thousandth Generation. He that murders a Crown, destroys all it might have produc'd, even Scores of Pounds.

Remember that Six Pounds a Year is but a Groat a Day. For this little Sum (which may be daily wasted either in Time or Expence unperceiv'd) a Man of Credit may on his own Security have the constant Possession and Use of an Hundred Pounds. So much in Stock briskly turn'd by an industrious Man, produces great Advantage.

Remember this Saying, *That the good Paymaster is*

Lord of another Man's Purse. He that is known to pay punctually and exactly to the Time he promises, may at any Time, and on any Occasion, raise all the Money his Friends can spare. This is sometimes of great Use: Therefore never keep borrow'd Money an Hour beyond the Time you promis'd, lest a Disappointment shuts up your Friends Purse forever.

The most trifling Actions that affect a Man's Credit, are to be regarded. The Sound of your Hammer at Five in the Morning or Nine at Night, heard by a Creditor, makes him easy Six Months longer. But if he sees you at a Billiard Table, or hears your Voice in a Tavern, when you should be at Work, he sends for his Money the next Day. Finer Cloaths than he or his Wife wears, or greater Expence in any particular than he affords himself, shocks his Pride, and he duns you to humble you. Creditors are a kind of People, that have the sharpest Eyes and Ears, as well as the best Memories of any in the World.

Good-natur'd Creditors (and such one would always chuse to deal with if one could) feel Pain when they are oblig'd to ask for Money. Spare 'em that Pain, and they will love you. When you receive a Sum of Money, divide it among 'em in Proportion to your Debts. Don't be asham'd of paying a small Sum because you owe a greater. Money, more or less, is always welcome; and your Creditor had rather be at the Trouble of receiving Ten Pounds voluntarily brought him, tho' at ten different Times or Payments, than be oblig'd to go ten Times to

demand it before he can receive it in a Lump. It shews, besides, that you are mindful of what you owe; it makes you appear a careful as well as an honest Man; and that still increases your Credit.

Beware of thinking all your own that you possess, and of living accordingly. 'Tis a Mistake that many People who have Credit fall into. To prevent this, keep an exact Account for some Time of both your Expences and your Incomes. If you take the Pains at first to mention Particulars, it will have this good Effect; you will discover how wonderfully small trifling Expences mount up to large Sums, and will discern what might have been, and may

for the future be saved, without occasioning any great Inconvenience.

In short, the Way to Wealth, if you desire it, is as plain as the Way to Market. It depends chiefly on two Words, Industry and Frugality; i.e. Waste neither Time nor Money, but make the best Use of both. He that gets all he can honestly, and saves all he gets (necessary Expences excepted) will certainly become Rich; If that Being who governs the World, to whom all should look for a Blessing on their honest Endeavours, doth not in his wise Providence otherwise determine.

GLOSSARY

groat: a small amount of money, usually four pence

stock: in this context, money retained in savings

trifling: seemingly small or insignificant

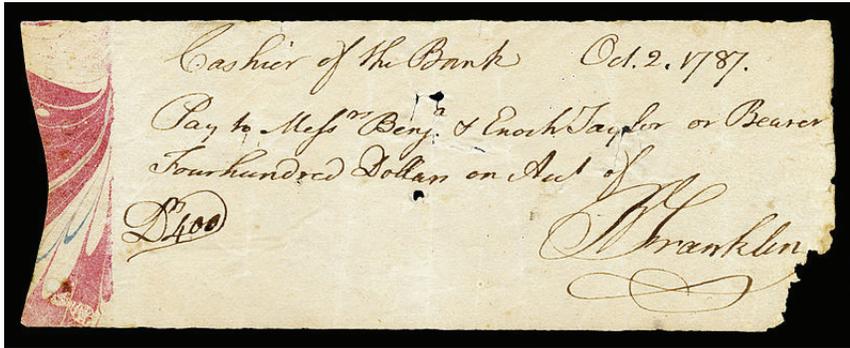
Document Analysis

Franklin begins his advice with the aphorism “time is money.” He expands on this by specific amounts of time and money as an easily understandable object lesson—illustrating that time spent away from profitable work results in more lost money than one might expect. The second piece of advice, rhetorically, echoes the first. Time is money, but credit is money as well. Here, Franklin explains the dangers of credit and interest for the debtor and the benefits to the creditor—the nature and use of credit is a theme on which Franklin will spend a great deal of time in this essay, giving modern readers some indication of the financial arrangements into which young artisans in the American colonies would enter when they launched their careers.

Franklin moves away from the subject of credit for the next two pieces of advice. He discusses the “prolific generating Nature” of money. As he talks about the “turning” of small amounts of money into larger ones, we can understand this in terms both of interest that can be earned on money that is deposited in banks or loaned out but also the benefit that can be gained through the investments in equipment that might be made by artisans and tradesmen who were making an effort to grow their businesses. The illustration of the shortsightedness of killing a breeding sow would very likely

resonate with the largely agricultural British American colonies. Next, Franklin breaks down the virtues of saving even a small amount of money on a regular basis. In his example, he points out that a groat a day will total six pounds a year. A groat was—even in 1748—an outdated amount of currency. While it originally was valued at around four pence, more generally it denotes a small amount of money. Regardless of the mathematics of Colonial currency, Franklin’s larger point is that small amounts of money, managed carefully, would build to larger amounts over time; the discipline of saving would eventually pay off. With additional careful management of credit, a scrupulous saver could build a great deal of wealth over time.

From here, Franklin moves into an extensive discussion of credit, beginning with the admonition to repay borrowed money on time, if not earlier. Doing so, he explains, will make it more likely that one would be able to borrow money when necessary in the future. Paying late—or not at all—will close off avenues of borrowing. Paying borrowed money back in a timely manner is not the only behavior to follow. Franklin next discusses activities that will set a creditor’s mind at ease, and behaviors that will cause concern. The wise borrower, Franklin explains, will be diligent in his work, earning money to repay his debts on time. Unwise borrowers will waste their time—engaging in leisure activities when they should be working. Franklin’s examples emphasize that creditors will learn of



Franklin autograph check signed during his Presidency of Pennsylvania. (National Museum of History)

these activities, and either be satisfied that the borrower is a good bet and that his money is safe or be suspicious that the money lent may be in jeopardy and demand early repayment. In the same way, Franklin warns that those in debt should not spend money more extravagantly than they should—particularly, not more extravagantly than the people to whom they owe money.

Essential Themes

Franklin also recommends making payments on debts on a regular basis, even if one cannot repay the entire amount. Doing so demonstrates good management of income but also mindfulness of what today we might call “debt to income ratio.” Following this, Franklin concludes with some more general advice. He emphasizes the importance of living within ones’ means and not becoming overly reliant on credit. He closes with a brief discus-

sion of the need for both industry and frugality: working hard at one’s trade and managing one’s money carefully. Echoing his advice earlier in the essay, he reiterates the importance of careful saving as the foundation of wealth. His final sentence, which he presents almost as a caveat, is that—basically—even the most careful planning can be upset by unexpected disasters, described spiritually here as the determination of God’s providence. Throughout, we see the wit and wisdom of this founding figure at

work, and can appreciate why he continues to be read as a “popular author” even today.

—Aaron Gulyas

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