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EDITORIAL

THE GENESIS OF THE TRUST.

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A SENSATIONAL story of the criminal wrecking of Beaumont corporations by the Standard Oil Co., is going the rounds of the press. The Trust is charged with having ruined numerous wells by pumping salt water into them over a pipe line owned and controlled by itself. As fast as a company went to the wall its property was bought up by the Trust, which restored the wells to their actual condition, and secured good fuel oil as the ruined company had done before it. The owners of many independent companies were entirely bankrupted, while the Trust was immensely enriched, by this criminal proceeding.

Such criminal conduct, at first, tends to fire one with indignation. To so act towards a competitor seems reprehensible and unworthy a human being. But upon calm reflection, criminal conduct on the part of corporations will be found to be a logical concomitant of capitalism. Indignation against them will, consequently be found to be misplaced.

Under capitalism the excessive profits of monopoly invite competition. Capital ever on the alert for profitable investments finds them in a monopolized industry producing excessive profits. Hence one witnesses the feverish exploitation of every new oil field, and the fierce contest for the enormous dividends that are now enjoyed by the Standard Oil Co.

Under capitalism, it is also inversely true that the losses of competition invite monopoly, so that the genesis of monopoly is often found in the very conditions meant to encompass its destruction. In no industry is this so true as in the oil industry of this country. In the growing inability of competing oil concerns to reap profits can be traced the origin of the great and criminal Standard Oil Trust. Rockefeller early in his capital career realized that no profits could accrue to the capital invested in the oil industry until the planless production prevailing gave

way to order and system, and the wastes of competition were saved by concentration. This idea, consistently advanced in and out of season, and by fair means and foul by Rockefeller, has become the capitalist idea of the age. Accordingly, one can observe that criminal actions have become characteristic of all Trusts. Competition, crime and concentration are inevitable concomitants under capitalism.

It follows from the foregoing that it is a waste of sentiment, a futile expenditure of emotion, to feel outraged at the methods of the Standard Oil Co., while perpetuating capitalism. We should place the responsibility where it belongs, and determine that we will stop crime by uprooting capitalism. This can be done by encouraging the evolution of industry from competition to concentration. It is but a step from concentration to Socialism. Socialism by eliminating competition and substituting emulation will refine concentration and make it a social blessing, instead of a social curse, as it is at present.

The genesis of the Trust is competition. The end of the Trust is Socialism.

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