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EDITORIAL

COMPETING MONOPOLY.

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THERE is a deal of timeliness—just in the midst of this presidential campaign when, with the single exception of the Socialist Labor Party, all the political parties in the field, aye, even the Taft party, with its twaddle about “bad Trusts,” are yelling “Monopoly!” and thereby promoting the delusion about competition being at end—there is a deal of timeliness at such a season in the documents wherewith Assistant United States Attorney Knapp opened the Government’s dissolution suit against the Sugar Trust.

The documents tell of the negotiations between the American Sugar Refining Company (the Sugar Trust) and the Pennsylvania Sugar Refining Company a competing concern. The agreement arrived at was that, in consideration of the Pennsylvania Company’s discontinuing to run, the Trust would pay to the same the sum of \$1,500,000. And it was so done.

The genius of Marx which, proceeding from the rock-bottom foundation of the economic and sociologic facts which he gathered and ranged, projected itself far beyond his own days, indicated that economic “monopoly,” tho’ theoretically a thing that would come about, was, in point of fact, a thing so far remote, and was bound to meet with such obstacles to its perfection, that its consideration was of no practical value. The Marxian principle, accordingly, was: “Competition breeds Monopoly; Monopoly, in turn, breeds Competition.”

Experience is proving the dictum.

Incautious Socialists love to inveigh against Monopoly. They fall into the habit due to their bourgeois affinities. On the other hand, the Plutocracy, together with its professional and kindred agencies, delight in maintaining that “Competition liveth.” The half-truths in the two opposite views, along with the positive falseness imbedded in both, raise such heavy mists over the question, that such treaties as

the one between the American and the Pennsylvania sugar refining companies are welcome rays of mist-dispelling light.

The economic sequence upon which the Marxian principle is grounded runs this wise:—

At first there is a large number of competitors. The largeness of the number is due to the smallness of the capital required to enter the competitive field.

The next step is the step loosely termed “Monopoly.” The wastefulness involved in the competitive warfare enlightens the more clear-sighted of the belligerents. These combine, eliminate competition among themselves and thereby are able to undersell “the field,” until a point is reached when “the field” is practically wiped out, and the combine goes it practically alone, or, in common parlance, enjoys a “monopoly.”—Competition bred “Monopoly.”

But matters do not rest there—can not—at least not so soon. The large profits made by the “Monopoly” whets the appetite for profits of moneys lying idle. These gather themselves together and enter the competitive field.—“Monopoly” now bred competition. But mark—the competitors in the secondary stage of competition are more powerful concerns than those who mutually cut their throats at the primary stage.

The same experience that was made by the primary competitors is, in turn, made by the secondary competitors; the same insight that drove the primary ones to combine now drives the secondary competitors to do likewise.—Again competition bred “Monopoly.”

The process goes on. Again the large profits of “Monopoly” stirs further accumulations of idle money. Again these equip themselves and walk into the competitive arena. Again “Monopoly” breeds competition. But, again, mark—for the same reason that the secondary competitors were more powerful concerns than the primary, the tertiary competitors must be more powerful than the secondary ones, in other words, competition requires the competitors to the {to be} progressively powerful.

Accordingly—

As to the Plutocracy, when it maintains that “Competition liveth,” it utters a truth that is broken off in the middle. The full-length truth is: “Competition liveth for those only who are to-day equipped with an abundance of money; in other words,

Competition, alive to the rich, is dead as a doornail to the masses, and the number of these who are excluded from the competitive arena grows ever larger, while the number of those who can pass through the gate becomes relatively ever smaller. Relatively smaller are the wielders of \$1,500,000.

A new dispensation does the Bible of Capital enunciate. While the dispensation of the Bible of Christianity makes entry into the Kingdom of Heaven proportionally hard to the rich man, as hard as for a camel to thread a needle's eye, the dispensation of the Bible of Capital makes entry into the Kingdom of Competition proportionally hard for the poor, and proportionally easy for the increasingly rich.

As to the reformers, or incautious Socialists, they use the term "Monopoly" in an unwarranted sense; a sense, moreover, that, on the one hand, gives the Plutocracy a club with which to hit them, and, on the other, deprives themselves of a powerful club with which to knock to pieces the Plutocratic card-house of false pretenses.

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