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EDITORIAL

THE WICKERSHAMMIAN THEORY.

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THE George Washington University was on last Washington's birthday the stage from which Attorney-General Wickersham announced a historico-political-economic theory that must have caused Queen Bess to groan in her grave with anger at her hastiness, and the shelves of the Federal Bureau of Corporations simultaneously to rattle with indignation. On the day, and at the place aforementioned, the Attorney-General declared that the issue of Trusts, now confronting the country, is identical with the Monopolies issue that "embarrassed Queen Elizabeth of English history and other rulers of more remote ages."

If the modern issue of Trusts presents the identical problem presented by Monopolies in the days of Queen Elizabeth, then the identical methods that disposed of Monopolies then should be able to dispose of Trusts now. Queen Bess silenced the outcry against Monopolies. Why does not the Government to-day silence the outcry against the Trusts? The question disposes of the Wickershammian theory.

The circumstance that charters are the starting point of some of the modern Corporations has superinduced the error of believing that the Trust gets its power from above, and has caused the fact of the concentrative power of capital to be concealed. A comparison of the monopolies of old with the Trusts of to-day dispels the error, and tells the tale of "Capital."

Not a single Monopoly in Queen Bess's reign but was a creature of her own sweet will, bestowed upon some palace creature, who had earned her favor. Not a single Monopoly in Queen Bess's reign but was conjured into life by the royal conjurer's wand of a patent. The grantee of the patent was, by the royal will, vested with the right to sell a certain necessary of life, salt, for instance, and the same patent deprived all others from dealing in the same goods. No Patent, no Monopoly.

The many, who, though able to deal, say, in salt, were forbidden from so doing by the patent which bestowed the exclusive right upon Sir Walter Raleigh, for instance, set up a howl. The howl of these was swelled by the howls of traders in other necessities whom a patent in favor of some other favorite likewise forced out of the market. *Every new patent weakened the patent system.* The chorus of howls became national, and, the source of the trouble being the Crown, the Crown found it advisable to silence the outcry by removing the provocation. The revocation of the patents ended monopoly.

Otherwise with the Trust. The shelves of the Federal Bureau of Corporations heave with tomes upon the history of the Trusts. Some of these started with a charter, 'tis true; that, however, the charter was no basic cause of such Trusts appears from the fact that, despite numerous charter revocations, such Trusts have continued to "do business at the old stand." The Standard Oil is an instance in point. No modern charter is the equivalent of the old time patent. At best the modern charter is a rung of the ladder up which Concentrative Capital climbs, and which, having attained the upmost rung, Concentrative Capital may comfortably kick over. But many a modern flourishing and "grasping" Trust never had a charter to start with. Of these the Tobacco Trust is as good an illustration as any.

The Trust is the logical outcome of the law of value as the law works itself out in commerce, or under the system of modern production for sale. The more concentrated capital can produce with less consumption of labor power; that cheapens goods; cheaper goods crowd out the dearer, and, along with the goods, their owners; competition becomes suicidal; the combination arises;—and, leaping over obstructions thrown in its path, and smashing through others, the Trust puts in its appearance—an appearance different from that of Monopoly, big with beneficent possibilities. Hence, *every new Trust strengthens the Trust system*; hence, also, the sting of the Trust is not, like the sting of the Monopoly of old, to be drawn by revoking it out of existence, but by turning it into collective property, being, in fact, a creature of the collectivity.

The root of Monopoly lies in the mists that "hedge in the Crown"; the root of the Trust lies deep in the earth. The two are formations of different nature. As such they demand different methods of treatment. The Wickershamian theory knows

nothing of all this. Hence Wickershamian speeches that must cause the bones of the Virgin Queen to groan with anger—if her Monopolies were of the nature of the Trust then she rashly forsook her favorites; and that must cause the shelves of the Federal Bureau of Corporations to rattle with indignation—if the Trust is like the Monopolies of old then those shelves are loaded with fiction.

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