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EDITORIAL

AN ERRONEOUS TRUST VIEW.

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THERE is prevalent in Europe mainly, and also in this country largely, a view that attributes the growth of the trust to the overmastering ambition of a financier or a set of financiers, who wish to become Napoleons of industry, and have devised the trust as a means to that end. Tagged on to this view is another which sees in the deaths of these Napoleons, the death of the trusts, which will be thereby deprived of the mainsprings of their existence.

This view, with its accompaniment, may be said to be a survival of the old theological idea, which attributes everything in life to the individual, and seeks to hold him responsible for all of life's occurrences, either here or in the great hereafter, especially in the great hereafter. As such it is opposed to the evolutionary idea, which attributes all phenomena to gradual growth and environment acting on the individual and causing him in turn to react on them.

The trust is not the creation of industrial Napoleons: the industrial Napoleons are the creation of the trust. The trust is an outgrowth of competition. It has its beginnings in small production. Its motive is ever cheaper production and the preservation of capital from competitive destruction. These ends are attained by the economies and the power arising from combination and concentration. They are seen at first in the results of the combination of two competing, or, two friendly, individuals in the same line of business, who form a partnership or firm. This firm unites with other firms into a stock company or companies; these companies into trusts and the trusts into the modern consolidation. At the same time, the form of ownership undergoes a corresponding change, until we no longer see the individual proprietor in possession, directing and taking part in the labor of his plant, but in his stead a set of financiers, who, through the capital invested, own and control industry, leaving its practical workings to a body of

hired workmen of varying degrees of skill and ability. It is thus that the trust creates the Napoleons of industry, instead of the Napoleons of industry creating the trust.

Now the growth of the trust, as rudely outlined above, does not proceed as smoothly as pen and ink would have it appear. It is the result of endless experimentation, to which many generations have contributed, and the course of which is marked by innumerable failures, technical and industrial, as well as commercial and financial. This experimentation was not primarily actuated by personal ambition. It was compelled by economic stress. Competitors must be defeated, or staved off, and invested capital saved by hook or crook. Consequently inventions were created, bought or stolen, very often the latter. Labor was sub-divided and re-subdivided, massed and re-massed, and reduced in numbers or entirely eliminated as circumstances demanded or permitted. New commercial organizations were introduced and financial systems devised to meet the requirements. Even now Europe, especially Germany and England, is undergoing a phase of this process, in its attempt to so readjust industry as to be able to combat the American invasion. From all of which it may be seen that though the Napoleons of industry cease breathing, the trust will go right on developing, for the trust is a social and not an individual creation.

All that remains now, is to make the trust social property, as proposed by Socialism.

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