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EDITORIAL

COMPETITION AND MONOPOLY.

By DANIEL DE LEON

MORE than forty years ago Karl Marx pointed out that not only does competition promote monopoly, but monopoly promotes competition. Even under the trust production of to-day this holds good. The large profits of the trusts tempt other outside and powerful capitalists to set up competing concerns to pluck some of the profits for themselves. Thus we have seen the coffee Arbuckles successfully enter the field of sugar refining, and the sugar trust in retaliation as successfully enter the field of coffee roasting.

The trust, even the international trust, eliminates competition only in one branch of industry, and in doing so provokes greater antagonism between itself and the trusts producing other commodities. In the nature of things it so happens that every trust is also a consumer as well as producer. The cotton mill trust, for instance, consumes cotton, coal, machinery, oil and other requisites of cotton mills. While the cotton mill trust strives to produce as little as possible and supply the market at the highest prices obtainable, it wants on the other hand an “overproduction” of the articles which it consumes in manufacturing.

The failure of one trust to free itself by ordinary means from the “tyranny” of another trust, leads it to enter the field as the producer of its own raw material. An interesting fight of this kind is just at present being waged by two of the industrial giants of the country—the American Tobacco Company and the American Sugar Refining Company. The American Sugar Refining Company is one of the most prosperous industrial combinations in the country. It has a capacity of 40,000 barrels of sugar per day. At its mercy are such as the canning industry, candy manufacture, the grocery trade, etc., etc., and in the manufacture of tobacco, sugar plays a prominent part.

For the active fall trade of 1904 three new sugar refineries will be ready, viz.,

the Segall plant at Philadelphia, output 4,000 barrels per day. The Segall people contemplate erecting a second plant in New Jersey, and a third in Boston. They seem to have ample capital, and the sugar trade was long puzzled to know who was backing the enterprise, most of them now think they can see the hand of the tobacco interests. They will know later when the tobacco purchase of trust sugar begins to fall off.

In Yonkers a new plant, with a capacity of 5,000 barrels per day, will be watched with interest. It purposes to produce sugar by a new process. On the west bank of the Hudson is the third new refinery. It is a small affair, having a capacity of about 1,000 barrels per day. It has been built by a company composed largely of Cleveland wholesale grocers who will take much of its output.

Of course, the “competition” is only among the giants. The masses figure only with their backs on which the giants stand and fight it out—to the greater glory of?

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

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slpns@igc.org