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EDITORIAL

## GREATER COMBINATIONS COMING?

By DANIEL DE LEON

**T**HE financial reviewers of the leading capitalist newspapers are just now laying great stress upon the interest shown in industrial stocks. To them, this interest indicates a renewal of trust activity, both in the matter of production and the creation of larger combinations. Referring to the former, one of the reviewers says: "The accumulating indications that organizations of the latter character will in most cases enjoy augmented prosperity during the present year has much effect upon the stock market sentiment in this connection." Again, this same reviewer says: "One of the features of the market has been the further advance of American Smelting and Refining stock, the movement in this case being accompanied by similar demonstrations in several allied properties, as well as by rumors that a larger combination than has been heretofore effected is in prospect among concerns of that class."

From the foregoing one is forced to conclude that the trusts have been through their first years of depression and are looking ahead to better times and larger growth. A new era for the trusts is at hand. This conclusion is reinforced by facts from other quarters than the stock reviews, viz., the recent history of German trust development, and the growing necessity for larger trust organizations in international competition. Recent German consular reports show that, despite the German industrial depression, "the most important and striking tendency manifested by incorporated interests in Germany during the past two years has been that of combination into cartels, syndicates and sales associations of various types, the general purpose of which has been to control competition between rival firms, limit and allot production in harmony with the normal requirements of the market, and to maintain home prices WHILE STRENGTHENING THE MORE IMPORTANT INTERESTS FOR AGGRESSIVE COMPETITION IN FOREIGN

MARKETS.” The latter need has also long been apparent to the capitalists of this country, especially in connection with the market of South America and the Far East. There has been a hurrying and a scurrying in the Southern, Northwestern and Pacific States as a result—all of which activity presages a readjustment and extension of the large corporate interests of the land.

Capitalism recognizes that in international competition, the contest is not one of corporation against corporation as in national competition, but of the corporate interests of one nation against the corporate interests of all other nations. Hence capitalism recognizes the necessity of organizing corporate interests on a national and international scale, that is, on a scale that will embrace national resources and capital in a manner that will command international alliances and success. Capitalism proceeds, accordingly, in all industrial nations. England and Japan are following Germany, and though this country has led them all in trust development its capitalist class is not oblivious, as the utterances of the Hills and the Vanderlips show, to the progress and advantages of foreign nations in this and other respects. Consequently, the members of the capitalist class recognize that still further development along trust lines, in all its phases, is necessary, if the vantage point is to be retained. Hence greater combinations of capital than have heretofore existed may be looked for in the future.

Domestic trade revival and foreign competition are stimuli that trust growth cannot fail to respond to—it is bound to come!

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

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