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EDITORIAL

## THE “BEST OF ALL POSSIBLE SYSTEMS.”

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**T**HE petition in bankruptcy brought by Waterbury and others against Coolidge and Stowe of the suspended stock exchange house of W.L. Stowe & Co., calls attention to, and illuminates one of the false claims oftenest made in support of the capitalist system. The claim is that this social system is beautiful in its guarantee of safety and security to the individual citizen. In exemplification of this claim, the defenders of capitalism point to the fortunes, the pinnacles of success, accumulated by their model citizens. The inference is drawn that capitalism affords complete protection to the individual in his possession of the accumulated fruits of his effort and ability, and that thereby is guaranteed to the individual the greatest possible safety and security.

The Stowe & Co. bankruptcy proceedings and the results that will follow in their wake serve to illustrate the utter insecurity that obtains under capitalism. Whether Coolidge and Stowe, the members composing the firm, have actually gone bankrupt in the dealings of Stowe & Co., or whether they have committed fraud, we do not know; and, if they are bankrupt, whether that condition is due to acts of their own, or resulted from the failure of some of their debtors, is a matter we cannot inquire into. Beginning, however, with the knowledge of Stowe & Co. going into bankruptcy, we may watch from this point a wave of property losses sweeping over those who are not responsible for, and who could not by any possible movement of theirs have protected themselves from those losses. Waterbury's claim against Stowe & Co. is \$125,839. He, and each of the other depositors, loses and loses heavily, all through no fault of their own. As a result of these losses many of these claimants, no doubt, will themselves become insolvent, involving, in turn, their creditors in losses and failures. Thus the capitalist system leaves every individual property owner broadly exposed to losses he cannot possibly ward off. Under

Capitalism we have "Communism of Loss."

Due to its very largeness, modern property cannot be personally possessed and taken care of by the owner, as the Indian possessed and took care of his bow and arrows, nor even possessed as the civilized wealth producer possessed his small shop a few decades ago. Modern property is possessed by the possession of a title to it, in the shape of stocks, bonds, certificates of bank deposit, bills receivable, etc. Out of this system of ownership (a system unavoidable if modern institutions are to be owned at all in private) there arises an insecurity that is inescapable. The failure of any considerable business concern sets in motion a succession of losses and failures; creditors, and the creditors of creditors, tier after tier, they fall like bricks in a row. A system under which one's possessions would be more exposed can hardly be imagined. And this situation, precarious as it is, is aggravated and its evils increased a hundred fold by the fact that when one is despoiled of his property under capitalism he is thereby thrown into wage-slavery, with hardly a possibility of ever again being possessed of more than a meagre living, though bound to incessant toil. So far from guaranteeing security to the individual, it is seen that capitalism menaces all with constant danger, and is continuously putting many upon the rack.

One may have great wealth. That cannot make his condition secure. He may lose it, and to lose it under capitalism is irrecoverable disaster. Socialism only can afford security to the individual, for security rests not mainly upon the protection afforded the individual in the possession of what he has. Security can flow only from the establishment of a social system under which work will produce wealth for the worker.

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