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EDITORIAL

SPEAKER CANNON'S "SIMPLE TALE."

By DANIEL DE LEON

"THE trust buster who is always 'busting' the trust by word, but never by action, would lead the people to believe that all the production of the country is under the direction of unlawful combinations. Behold, how a simple tale shall put that down. The statistics carefully and honestly gathered by the government show that competition is, after all, the great force that regulates production and the price of all the products. If you take all the alleged trusts' properties engaged in production in the year 1900, they employed only 8 per cent. of the factory labor, and had 14 per cent. of the factory product of the United States; while the independent factories employed 92 per cent. of the labor and had 86 per cent. of the factory product of the country."—From speech of Speaker Cannon, chairman of the Republican National Convention.

THE Socialist is not a "trust buster." The Socialist believes the trust an evolution and the forerunner of Socialism. The Socialist is, therefore, interested in the trust, and he wishes the whole truth told about the trust, so that it may be understood, lest the gravest social blunder be committed. Is Speaker Cannon's "simple tale" the whole truth about the trust? May not the worthy presiding officer of the House and the Republican convention have overlooked some facts in this simplicity? Let us see.

Mr. John Moody, in his book *The Truth About the Trusts*, gives a classified list of ALL the trusts in the United States at the beginning of the year. There are 318 important industrial trusts in the country, controlling 5,288 plants, and having a total capitalization outstanding of \$7,246,342,533. There are eight leading franchise trusts (telephone and telegraph) controlling 136 plants and having a capitalization of \$629,700,500. There are also 103 leading gas, electric light and street railway consolidations, making a total of 111 important franchise trusts, controlling 1,336 plants and having a total outstanding capitalization of \$3,735,456,075. There are six great steam railroad groups with a total capitalization of \$9,017,086,907. There are also ten allied independent systems having a capitalization of \$380,277,000.

The grand total of all trusts, industrial, franchise and transportation is \$20,379,162,511, or ONE FIFTH OF THE WEALTH, NOT CAPITAL, OF THE COUNTRY.

In commenting on these stupendous figures, at the time of their publication, *The Wall Street Journal*, after pointing out that this capitalization is merely nominal, and does not, therefore, represent the actual market value of the stocks and bonds of these trusts, goes on to say:

“But even accepting the nominal capitalization of these trusts as representing their financial strength, it appears that there is outside of the control of the trusts \$80,000,000,000 of independent wealth. In other words, the independent wealth of the United States, as compared with the trust-wealth, is as four to one. But it should be not be overlooked that the trust wealth is the most important, in that it controls all the other wealth. The trusts are in control of the transportation facilities of the country. They are practically in control of its banking facilities, and they control its main industrial systems. Through control of the banks, the railroad, and the leading industrial companies, the directors of these trusts practically direct the business of the country, and when it is said that of the \$20,000,000,000, of trust capital in the United States, upwards of \$1,000,000,000 is held by one family, and that the greater amount is represented by a group of perhaps a dozen capitalists, one gets some conception of the immense power which is wielded in this country by a few capitalists.”

Mr. John Moody and *The Wall Street Journal* are not “trust busters.” *The Wall Street Journal* is an undisguised admirer of the presidential candidate nominated by the convention over which Speaker Cannon presided. The testimony they give is that of friends of the trust. This testimony shows that the trust, like a well-generated army, occupies all the strategic points, and therefrom controls competition and production. It shows that Speaker Cannon's “simple tale” resembles a simple falsehood, calculated to make light of the trust problem for campaign purposes, an object unworthy any man alive to the great social dangers arising from the misrepresentation of social problems.

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

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slpns@slp.org