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EDITORIAL

## ANOTHER STEP.

By DANIEL DE LEON

**A** LARGE number of important private concerns in various branches of industry and trade have lately been transformed into stock companies, whose shares have been eagerly taken by the “public at large.” While the apparent effect of such transformations is to distribute among a comparatively numerous class of small capitalists—including the better paid employes, agents, etc., who can afford to take some shares—profits that were heretofore pocketed by a few wealthy partners, they are in reality a part of the process through which greater concentration of industry and wealth is finally accomplished.

It was originally argued in favor of the corporate form of association that it afforded to the humblest but thrifty worker the means of becoming pecuniarily interested in the enterprises which his labor built up and made prosperous. Knaves asserted and fools believed that a tighter bond of union between capital and labor—that is, between the capitalist and the laboring classes—would thus inevitably be formed. And it must be granted that the immediate effect of throwing open to the public the subscription books of stock corporations to which public franchises and public functions had been granted, was to pour into the coffers of those companies the small individual savings of many, considerable in the aggregate, and without which, under our economic system, the first large enterprises could not have been so readily carried out. Another effect was also to convert every small shareholder—clerk, foreman, servant, etc.,—into a mean gambler, strongly attached to the capitalist system by the hope of profit without work. But we know the final result; we know how the corporation wrecker, the stock manipulator, the banker, the broker, the fellows who gamble with loaded dice, froze out the small fry and came into exclusive possession of the industries.

Not only is the transformation of private firms into stock companies, that is now going on at an unprecedented rate, a mere continuation of this same pickpocket process, but it is a further step toward trustification. Individual firms or partnerships are naturally averse to combinations in which their operations and affairs become more or less subject to the control of others; whereas corporations have a natural tendency to first combine, federate, and finally merge into one body under the management of the “fittest.”

It is safe to predict that within a few years no branch of industry or commerce will to any extent be carried on by individual firms. Corporations will have entirely taken the place of the latter, and the stocks of all will have passed into the hands of a few billionaires.

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