

# EDITORIAL

Remember not too long ago when OPEC was the whipping boy for inflation, depression, fuel shortages and all sorts of other maladies? It was convenient to blame our ills on an exotic collection of sheiks and other potentates while we justified our own role as beleaguered consumers. Try as we may, OPEC is no longer a compelling villain and, given its recent failure to fix oil prices, we may have to fold that monopoly act altogether.

The current glut may vanish and fuel prices may well rise to another level but the forces of free trade have demonstrated a real power against the assertion of monopoly. Price remains the chief distributor of resources with appropriate resistance by consumers even for essentials, like fuel, when the market is defied. Nor is there unity among producers with varying concerns for profits, future supplies or present politics. While commodity cartels continue to exercise inordinate control over our economic lives, there is hope that the fundamental superiority of freedom will continue to demonstrate that such evil is not inevitable.

While the national claimants to natural resources are receding somewhat, new aspirants to the pinnacle of monopoly ownership are more active than ever. The Conoco confrontation gave the public a first-hand view of the size of the stakes, the speed of mobilization and the credit commanded by corporate giants in the race to acquire additional resource controls. For there is no question that the attraction of the ninth largest oil company was not in its superior management, technology or marketing systems but the vast reserves it already commands. The financial analysts will determine whether Seagram, Dupont or Mobil made the "best" offer or ended with the "best" deal. The public will recognize that for all the sums expended and the lines of credit extended, not one more drop of oil, not one new advance in production or technology, not a single job has been added or will be. The likelihood that other, perhaps bigger, mergers and acquisitions will now go forward is perhaps the most serious threat to free trade now and into the future. Concentration of resources in multinational entities is inherently more dangerous than controls by smaller national governments, however authoritarian. We have learned how to resist and even combat the predatory excesses of national controls. When do we begin resisting the controls that know no borders?

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