

MONOPOLY

Monopoly is the cause of nearly all unjust social conditions, and to all who wish to understand why these conditions exist a correct comprehension of the meaning of the term is very important. Monopoly is not a thing but a relation between people. Many people confuse monopoly with capital and regard them as two names for the one thing. This is a mistake, as capital is one of the factors in production and is a highly necessary thing.

Monopoly is a power used by those who are determined to get wealth without earning it. In certain forms it is the result of an arrangement between some power or group and the government, or as the taking advantage of bad laws. Capital and monopoly have no necessary connection, although a capitalist may be a monopolist. Any undesirable power he may possess is by virtue of his monopoly, not his capital.

A trades union may have and exercise monopolistic powers over some forms of labor. The aim of monopoly is to avoid competition, and so give it a free field to restrict production or raise prices. In industry and trade this condition is brought about mainly by protective tariffs and embargoes. These help to create an artificial scarcity. These are just the conditions the monopolist wants -- no competition. Free trade would destroy this form of monopoly at once. This is why all vested interest and special privilege groups oppose free trade so fiercely.

Land monopoly -- that is, the holding of land out of use for speculative purposes -- is the worst form of this evil. This strangles production at the source, and is the cause of nearly all the social trouble, and combined with trade monopoly, gives rise to wars between countries who would otherwise live at peace if they had freedom to produce and freedom to exchange the products of labor -- that is, wealth. If land value or ground rent is taken by the community for revenue purposes, and all other taxes abolished, land monopoly and all other forms of monopoly would cease to exist.

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