

MONOPOLIZATION BY INDUSTRIAL CONSPIRACY NOT POSSIBLE

Adam Smith, in 1776, in his *Wealth of Nations* commented that people in the same trade seldom meet, even for purposes of amusement, but that the talk will turn to some device to raise prices or conspiracy against the public. However, no matter how hard the effort, there has always been "chisellers" who breach agreements to increase prices. And therefore, attempts to stabilize prices by governmental action has often been attempted. In June, 1933, Franklin Delano Roosevelt signed the National Recovery Act which he called, "the most important and far reaching law ever passed by the American Congress. It was strangely similar to the National Council of Corporations Act enacted by Mussolini in 1933.

The NRA provided that representatives of management and labor draw up "codes of fair competition" which were supposed to increase employment, reduce hours, raise wages, and prevent "ruinous" price cutting. Each industry was empowered to control its "chisellers," as Roosevelt labeled them. Every code had the force of law and was enforced by a "code authority" appointed by the President. About 600 codes were drawn up covering 22 million workers and 9/10's of American business concerns.

The NRA was launched with parades, and speeches. Businesses signing code agreements were allowed to display a blue eagle stating, "We do our part." The writer's father was appointed code administrator for the macaroni and spaghetti industry with the support of the larger firms for whom he had acted as attorney. Inevitably, the NRA failed, prices increased more rapidly than wages, monopolistic practices increased and big business expanded at the expense of small concerns. Finally, the Supreme Court declared the entire NRA to be an unconstitutional delegation of legislative power in the famous Scheckter (sick chicken) decision.

So much for the "monopoly is good for you" theory of Roosevelt's New Deal. He labeled the Supreme Court as nine old men, and demanded legislation allowing him to appoint additional Supreme Court justices who might vote his way. This crusade to pack the Supreme Court was unsuccessful.

We suggest that it be made clear that monopoly is not good for us, We now need to inquire into the justice of the supreme monopoly—the usurpation of our common heritage in land and natural resources. 