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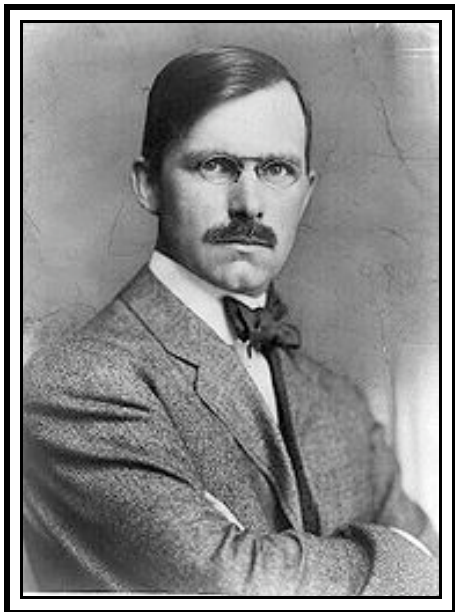
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EDITORIAL

THE “RISKS” OF CAPITAL.

By DANIEL DE LEON

THOSE who regard the capitalists as an heroic class risking their riches in promoting the material welfare of society, would do well to read “The Way of a Railroad with a Town,” as told by Ray Stannard Baker, in the July *McClure’s Magazine*. This article will dis-abuse their minds by making plain to them that the risk is on the side of society, which is exploited and sacrificed in the



RAY STANNARD BAKER (1870–1946)

interests of the capitalists, who reap enormous and easily-acquired fortunes from the process. Briefly told, the story is as follows: Dansville, Va., in the early seventies of the last century, desiring to enjoy the advantages of transportation facilities, raised \$100,000 in cash in order to help private railroad builders build the Virginia Midland road. In the '80's it contributed \$110,000 in the same way, for the building of the Dansville and Western. In 1886, it awoke to discover that these competing roads had formed a monopoly and had it by the throat. This riled Dansville; and, as a result, it beat all previous records by raising \$150,000 to build a competitor! But, alas and alack! This road was, in turn, gobbled up, so that now, with nearly \$300,000 worth of bonds to pay interest on, Dansville is at the mercy of the Southern Railway monopoly, which does with it as it pleases, regardless of Interstate Commerce Commission and court decisions and rate bill agitations. The author very truthfully remarks: “These facts may seem extraordinary, but they are not. Such has been the common experience of cities and counties in every part of the United States. The people of the United States have indeed contributed enough in

cash, in bonuses, and in lands (by millions of acres), to build a large portion of the railroads of the United States. All this money and land has been given to private individuals—the owners of the railroads—and these private individuals now not only regard the railroads as their private property but deny the right of the people to a voice in the control of the systems thus built up.” They do worse than that! They use the capital thus created by society to rob society; just as the robber uses his pistol to rob his victim. The risks that exist are on the side of society, for it places the power of life and death over itself in the hands of private individuals, to whom the results principally flow, as may be seen in the vast amount of Southern poverty compared to the enormous fortunes of J.P. Morgan and his associates in the Southern Railroad and allied monopolies.

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