

CHAPTER II

REPRESENTATIVE TRUSTS

NOTE

SINCE the pool was primarily only a gentlemen's agreement and its provisions and regulations were unenforcible through the courts, it possessed certain disadvantages. But since the pool has persisted throughout the entire course of our industrial history since the Civil War and has been the form under which some of our more recent combinations have operated, it may be asserted that these disadvantages have been somewhat overestimated. Yet it is none the less true that there were certain undesirable features connected with it and very shortly a new form of combination was devised known as the Trust. For many years it was supposed that the Standard Oil Trust of 1882 was the first agreement of this character. More recent revelations, however, have shown that the original Trust agreement was made by this company in 1879. In consequence, both the agreement of 1879 and that of 1882 have been included under this group.

The Standard Oil Company did not long retain the monopoly of this new scheme of combination. Others saw plainly the advantages it afforded, and speedily adopted it. In the latter part of 1884 the American Cotton Oil Trust was organized in the State of Arkansas. It embraced some eighty-five concerns doing business throughout the South. In 1887 three other Trusts were formed. The Distillers' and Cattle Feeders' Trust was a successor to the Western Export Association, a pool of the whisky manufacturers north of the Ohio River which had been organized in 1881. The others organized in the same year were the National Lead Trust and the Sugar Trust. The technical name of the latter combination was the Sugar Refineries Company. It may also be noted that an abortive attempt was made to organize the Cordage Industry into a Trust. The Trust agreements reproduced here are all at the present time well known documents but it has none the less seemed advisable to include them in the space of this book for sake of completeness and for purposes of analyzation.—Ed.