

150 YEARS OF THE ATLANTIC

# Markets & Morals

*This is the third in a series of archival excerpts in honor of the magazine's 150th anniversary. This installment is introduced by Joseph Stiglitz, a professor of economics at Columbia University and a winner of the Nobel Prize in economics.*



IN THE YEARS SINCE *The Atlantic's* founding, the national and global economies have changed dramatically. A predominantly agrarian society has given way to an industrial society, which in turn has given way to a globally networked information society. Through all these dramatic transformations, written commentary in magazines like *The Atlantic* has provided context, insight, and occasional pointed criticism, to help ordinary people make sense of the shifting economic climates affecting them.

In some instances—as in the case of Henry Demarest Lloyd's compelling written attack on the infamous Standard Oil monopoly—the urgent eloquence of a critical essay has mobilized citizens to amend the rules governing the prevailing economic system. In other cases, economic thinkers have availed themselves of the essay form to buoy readers during times of financial crisis, or to provoke them to demand more from capitalism than mere fulfillment of their material needs. Still others have sought to alert readers to major social and economic changes being wrought by new technological advances, or to celebrate the heady (and

lucrative) possibilities available to the savvy entrepreneur in a free market.

Taken together, the five articles excerpted here exemplify the ways in which large-minded thinkers can illuminate the complexities of the sometimes mysterious-seeming economic world—dispelling harmful myths, opening readers' eyes to insidious abuses or unrecognized potentials, and equipping ordinary citizens with tools not merely for weathering the prevailing economic system but for engaging with it in a positive and strategic manner.

As recently as four years ago, America again went into recession, and globalization has caused increasing anxiety among workers about competition from cheap labor abroad. The system has delivered enormous benefits for those at the top, but incomes at the bottom have stagnated, or even declined. Given such realities, it is more important than ever for people to be armed with economic knowledge.

Though economic science has advanced and the language we use to discuss it has changed, the issues raised in the following pages are as salient today as they were when the articles were written. They articulate the struggle to create an economy that not only functions well and efficiently but is in service to the highest human ideals.

—JOSEPH STIGLITZ

For the full text of these articles, visit [www.theatlantic.com/ideastour](http://www.theatlantic.com/ideastour).

---



---

## MONOPOLY ON THE MARCH

March 1881

BY HENRY DEMAREST LLOYD

.....

*This was one of the earliest pieces of progressive muckraking to be published in a national, well-respected magazine—and the first exposé of the Standard Oil Trust to be taken seriously. The issue in which the article appeared sold out seven printings, and it helped bring antitrust legislation to the forefront of national debate, auguring the passage of the Interstate Commerce Act of 1887 and the Sherman Antitrust Act of 1890.*

**K**erosene has become, by its cheapness, the people's light the world over ... Very few of the forty millions of people in the United States who burn kerosene know that its production, manufacture, and export, its price at home and abroad, have been controlled for

years by a single corporation—the Standard Oil Company. This company began in a partnership, in the early years of the civil war, between Samuel Andrews and John Rockefeller in Cleveland. Rockefeller had been a bookkeeper in some interior town in Ohio, and had afterwards made a few thousand dollars by keeping a flour store in Cleveland. Andrews had been a day laborer in refineries, and so poor that his wife took in sewing. He found a way of refining by which more kerosene could be got out of a barrel of petroleum than by any other method, and set up for himself a ten-barrel still in Cleveland, by which he cleared \$500 in six months. Andrews' still and Rockefeller's savings have grown into the Standard Oil Company. It has a capital, nominally \$3,500,000, but really much more, on which it divides among its stockholders every year millions of dollars of profits ...

The Standard produces only one fiftieth or sixtieth of our petroleum, but dictates the price of all, and refines nine