

Manager hot seat essay

[Profession](#), [Manager](#)



1. The power of standard oil had many changes to society due to the fact that the Rockefeller's company was possessed 90 percent of the nation's oil refineries and was on his way to controlling all aspects of oil production. This has shown how strong the economic power of Standard is oil. I would say this impact to a power of economic, cultural and political.

The Standard Oil Company built the facilities, employ workforce. At a deeper level, it can make fuels lead to the growth of an auto industry. Besides that, it can push up the American economy. Standard Oil's economic power was not exercised in keeping with the social contract of Rockefeller's era.

According to the article, it was illegal and immoral. In order to dominate oil production and assure the success of Standard Oil, he attempted to allegedly bribe politicians, forced the competitors out of the market by undercut the production cost and managed transportation rebate contracts with railroads.

2. The Standard Oil illustrates the limits of business power because eventually, the Supreme Court ordered its breakup under the Sherman Antitrust Act, holding that its monopoly position was an undue restraint on trade that violated the standard of reason. Before the time of the breakup, the Standard oil demonstrated the dominance theory, Standard Oil Company was more concentrate on the power and growth of their asset, creating monopoly or oligopoly in the markets that reduced competitors and harmed consumers rather than the welfare of the society.

However, when The Sherman Act made it illegal for anyone firm to obtain a monopoly that is to get complete control over the production of all the goods in one market . It was illustrated the pluralist theory because the

company??? s power was held and diffused. 3. By the standards of his day, there is no laws or regulation that he cheated or deceived. the modern period, however, monopolies are illegal if they are established or maintained through improper conduct, such as exclusionary or predatory acts.

This is known as anticompetitive monopolization. Rockefeller was simultaneously devout Christian. He believed the power to make money is a gift from God that might lead him to be ruthless in his business dealings. There was unparalleled between his personal and business ethics. For example, He donated \$5 million for the Lincoln Center for the Performing Arts in New York City, helped in the restoration of colonial Williamsburg, Virginia, and provided funding for the Museum of Modern Art. 4.

In my view, the Rockefeller??? s Standard Oil Company was a net plus due to a monopoly of the oil business in the U. S. Standard oil has overwhelming market power. The company was capitalized at \$70 million and produced 90 percent of the nation??? s refining output.

Therefore, Standard Oil could control the prices at levels that might maximize profit. Moreover, there was able to pressure pipelines, railroad tank cars, terminal facilities and barrel manufacturing factories into giving bargain rates. The Standard Oil Company claimed that their consolidation actually provided a low-cost by reducing costs, through the elimination of duplicate and inefficient facilities and through economies of scale attained from larger volumes of output. They also contended that the greater volumes of output made it possible to finance larger and more efficient

production facilities and to devote more funds to research and development.
5.

Rockefeller was greedy and believed in money, it might lead him to be ruthless personality. Even though Rockefeller's vision have not been fulfilled using "nicer" tactics but He was successful by used his fortune to fund ongoing philanthropic causes. Religion was a guiding force throughout his life, and Rockefeller believed in the importance of charitable activities to be the source of his success. For example, he established several major charitable organizations such as the Rockefeller Institute for Medical Research, the General Education Board, the Rockefeller Sanitary Commission and The Rockefeller Foundation. Rockefeller was also considered a supporter of capitalism based on a perspective of social Darwinism and is often quoted as saying " The growth of a large business is merely a survival of the fittest.

Reference <https://www.scribd.com/doc/51690349/case-studies-1> <http://www.girardgibbs.com/antitrust-monopoly/> http://www.huduser.org/Datasets/IL/IL08/in_fy2008.pdf