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EDITORIAL

FRYING THE FISH.

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Labor is the sole producer of wealth.

Wealth has two values—"use value" and "exchange value."

Use value depends upon the quality of an article to supply human wants.

Exchange value depends upon the amount of human labor crystallized in an article, and socially necessary for its reproduction.

Price and exchange value are two different things, tho' at times they may happen to coincide. Price depends upon the oscillations of the market, due mainly to supply and demand.

OUR last article—in the course of the economic discussion carried on with the Lincoln, Neb., *Independent*—entitled "Landing of the Fish," showed our populist adversary thoroughly committed, well hooked and landed. In its issue of the 6th instant, the *Independent* returns to the charge. We shall now proceed to "fry the fish."

In opposition to some of the Socialist principles quoted at the head of this article, the *Independent* says:

"The manna had no value—but who can doubt that it was wealth to the wandering Jews?... The expenditure of human energy in overcoming the form or location of natural resources results in the production of wealth."

The second of these two sentences knocks out the first.

"Expenditure of human energy in overcoming the form or location of natural resources" is a diffuse phrase to express a concrete idea—"labor." What else is that "expenditure," etc., but "labor"? Accordingly, the one word "labor" may be

substituted for the 14-worded phrase beginning with “expenditure.” And what is the result?

1st. No labor, no wealth;—correct!

2d. Consequently, the manna itself was not wealth until it had crystallized labor in its composition—correct!

Manna, no more than wild berries growing on a bush, is wealth. A woman may become a wife and mother, but is only potentially such. All wives and mothers are women, but not all women are wives and mothers. So is manna, or wild cherries on a bush, only potential wealth, not wealth itself. The manna became wealth only when it was sanctified by human labor, the labor of picking up and gathering,—or as the *Independent* with diffused verbiage would put it, by “the expenditure of human energy in overcoming the form or location of that natural resource”—and there goes the *Independent’s* claim about the manna being wealth, knocked out by itself. Stick a pin there.

In opposition to some other of the principles quoted at the head of this column, the *Independent* says:

“The expenditure of human energy in overcoming the adverse possession of another in an article of wealth, results in the force of demand for that article, and ‘value’ is simply human appraisal or ‘valuation’ of the intensity of that force of demand at the given time and place.”

Again, “expenditure of human energy,” etc., in this sentence is likewise a diffuse phrase to express a concrete idea—“demand,” or “supply and demand.” What else is this second “expenditure,” etc., but “supply and demand”? It can mean, it means nothing else. Accordingly these three words, being the equivalent of the 27-worded phrase beginning with this second “expenditure,” the 3 may be substituted for the 27, and the passage is then boiled down to read:

“Value is simply human appraisal or valuation of the force of supply and demand at a given time.”

Time was when the *Independent* talked about the “money of our daddies”: its arguments were then based upon social conditions that had ceased to exist, never to return, any more than the social conditions of the cave-dwellers. But the

Independent is retreating still further back into antiquity. The illustration that it now uses takes us even back of our “daddies”; it takes us to the Jews wandering in Arabia Petrea. Above we indulged it in its “manna” just long enough to establish out of its own unwilling mouth the first cardinal principle of sound economics, that is, “labor is the sole producer of wealth.” The “manna” silliness having done its work, may now be dropped. The terms “exchange value,” “price,” “supply and demand” are strictly technical terms in political economy. They have no application outside of a social stage that produces for sale. They imply the existence of merchandise. When the principles that regulate exchange value, price, etc., are spoken of nothing can be had in view but commodities that are produced and the quantity of which can be increased by man (labor). The “manna” social stage is out of court.

Now, then, what is it that determines the exchange value of a commodity? Is it demand and supply? Admittedly, if the demand exceeds the supply the commodity will fetch a longer figure; if the supply exceeds the demand the figure fetched will be shorter. Is that figure the exchange value of the commodity? The pendulum will move to the right if the force pulling it thither is stronger than that pulling it to the left; inversely, it will move to the left if the force pulling it leftward is stronger than that which pulls it to the right. But what if both forces are equal, cancel themselves? Will the pendulum fly into the azure? No. If left unaffected by any such perturbing forces, the pendulum WILL POINT TO THE CENTER OF THE EARTH. Similarly with commodities. The perturbing influences of supply and demand will cause a commodity to fetch in the market different figures at different times. But these figures do not register its “exchange value,” they register its temporary “price.” Supply and demand being equal, canceling themselves, what then? A commodity, that is, wealth will then point to its EXCHANGE VALUE—to the amount of that thing crystallized in it, and socially necessary for its reproduction, that alone raises it to the dignity of wealth, to wit, LABOR.

When the *Independent*, in its criticism of Socialist economics, defines “value” as the “human appraisal of the force of supply and demand” it not only confounds “price” with “value”; it not only throws itself into hopeless contradiction with its own definition of wealth; it betrays to the joy of the Socialist Labor Party the scientific bankruptcy of the forces arrayed against it.

Seeing that labor is the sole producer of all wealth, it follows with relentless logic:

1st. Not as the *Independent* wrongly quotes *The People* as holding that “labor is the sole product of all wealth values,” but that labor is the sole measure of value, meaning exchange value;

2d. That the capitalist system, with its private ownership of the land on and the tools with which to work, can not choose but lead to the subjugation and demoralization of the nation;

3d. That the Socialist Republic is the only goal and haven of refuge for the human race; while free coinagism, free trade, high tariff, gold standard, silver standard, paper standard, tax reform, expansion, anti-expansion, capitalist government nationalization and municipalization, trust, anti-trust, etc., etc., are all so many different patent sauces in which to fry the working class,—and of one of these patent sauces the Lincoln, Neb., *Independent*, with its populism, is one of the few surviving cooks.

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