Problems of Anarchism.

LABOR

4. — Limitations of the Effect of Competition on Wages.

All Socialists and most labor reformers assert that competition as an industrial force is destructive of the interests of the working class, and believe that by its elimination alone can the laborer become free. A clear analysis of the working of competition, its effects and limitations, does not sustain this view. "To the absence of competition, as before intimated, we may with equal reason charge the economic disabilities of the wage-workers. As in other forms of Socialist economics, we believe that this is derived from the orthodox exponents of political economy." Competition is assumed by them to be a perfect operation under which they are pleased to accept as "infallible" freedom in modern capitalist society. Production and exchange are conducted in accordance with this principle, which operates with no less force in the field of distribution. But while we need not ignore the economic power of competition in capitalist production and exchange, when it comes to the distribution of wealth and the determination of the laborers' share no such general principle prevails. Yet the economists assume its existence, and thereupon justify the present result of distribution and wage system, while the Socialists find fault with distribution and the unjust reward of labor, and denominate competition as the source of the evil. At this point begins the confusion of ideas on the subject. Atmospheric pressure is equal to some fifteen pounds to the square inch, and no evil results, because it is distributed equally from every side; but once let this equality of pressure be destroyed, and the force of atmospheric weight at once becomes dangerous. In the same way competition with the economists is like the normal pressure of air; it is perfect when acting in all directions, but in reality it cannot be so, —a fact they too often forget. Moreover, it is impossible that competition could fulfill the theory under any conditions that have ever existed. Certainly the present system is far from such a consummation. So that those who exalt competition as a perfect economic regulator and those who assail it as the cause of existing wrongs are equally under a delusion.

A narrow view of the subject is displayed by those who see that low wages are connected with a particular aspect of competition, attack the whole principle in all its relations and demand its abolition, without studying the other elements that affect the price of labor and determine the extent of the operation of competition itself. So that, instead of treating a primary and natural force inseparable from the free relations of men as the source of the robbery of labor, a broader view would reveal monopoly as the various forms proposed up by authority, restriction of industry and the demand for labor chiefly through an inadequate medium of exchange, as more potent elements in the case.

The limited scope of competition under present conditions in the problem of securing the just reward of labor has been noted by a few economists. While it is practically inseparable between different industries and grades, it is wholly intensified between the members of each class, especially in the lower ranks of labor, wherein supply is artificially maintained beyond the effective demand and wages at the lowest point. Education, social position, and privileges arising out of the command of wealth determine the degree of competition to which the members of each class are exposed. Differences of income, even within the same industrial grade, are due neither to general competition nor the economic value of the services rendered. The higher grades have a monopoly of advantages not possessed by the classes below, which serves to explain the want of relation between the utility of services and their reward. Hence this social monopoly depending on the monopoly of wealth tends to defeat competition and prevents the equalization of the benefits it would otherwise produce.

This view is, however, applicable only to a transitional stage, and tends to become less important with the progress of the working society. In America it is of less account than in England, though competition continually grows more effective. Education as commonly understood becomes of less value in earning a living than the ability to perform almost any kind of manual labor. While no less requisite than formerly, it is now but an adjunct to some sort of specialized training, and more education in the academic sense, has no market value except in pedagogy. A literary man who is not able to get out of debt is worse off than the bank teller of the old days, worse off than the drayman or the porter. The eighteenth century glut is not large, but the combined returns of all who follow it for a living. Owing to the wide facilities open to almost all classes for acquiring the usual medical or legal training, these professions, resembling all who are in them, compare unfavorably with the average earnings of a skilled mechanic. In Canada, with the glut in the professions is not less than in the United States. Such are the leading tenets of a more general competition. Not the grade or calling that will in future count, but the individual qualities of each in the earning of a livelihood. And as there is no rank of business, whose services are of great utility in the conditions at the time prevailing, men of genius, great organizers, orators at the bar, and all whose peculiar qualifications supply excessive and increasing wants and whose services are great and necessary, the economic reforms, secure to themselves remuneration phenomenally high. I cannot accept the usual Socialist view, not uncommon among Anarchists, that the qualities of this kind will disappear.

The wages these classes obtain for their services are not likely, even under much freer conditions than now prevail, to be brought down by competition to the common level, though average work not specialized into individual monopolies must inevitably be equalized in value and remuneration. The effects of competition with regard to commodities may with safety be postponed, but not in the case of men. To identify labor and wages with commodities and their prices is the source of much confusion in theories on the subject. Nearly all the economists have done so, and with their "economic men" travestied the method and purpose of scientific investigation. Karl Marx, though setting up a criticism of the classic and vulgar thinkers, in working out his special theory adopts most of their pseudo laws, treating labor and commodities as essentially alike. He has in some cases made the parts of his work where his theory is not under discussion he recognizes this and many other fallacies,—such, for example, as the reduction of all labor to a common standard measured in terms of work, which are essential to the elaboration of the doctrine of surplus value.

WM. BALIUS.

A Problem for Mr. Schilling.

Friend Schilling: I am much interested in the controversy between you and Trinkaus, in which you contend that money is capital. I rather think Trinkaus is correct in charging that you confuse the symbol with the thing itself. Capital must be some form of wealth, under certain conditions. If you can show that money is a form of wealth, then you are right, for the conditions which segregate capital from other forms of wealth all inhere in the form of money. But you will find it hard to justify your contention that the representative of wealth is wealth.

Let me cite you an illustration: A has a business house, in which he also lives, but his business and family are growing, and he cannot longer be comfortable in the narrow confines of his shop. His property is worth $10,000. B has a residence, which he wants to sell, as he is about to remove from that community. The residence is worth $10,000. It is just the place A wants. But his business requires his ready capital, and, when B offers to sell him the residence, he is in a quandary.

But B is a member of a cooperative, and he suggests that the cooperative bank will take a lien on his business house and also on the residence, — the combined value of the properties being $30,000,— and will issue the notes of the bank in the amount of $10,000 on this security worth $30,000. A avails himself of this method: the negotiation and transaction are made: B owns both residence and store house, and B has the money. In the morning before the transaction, the combined "visible wealth" of A and B was $30,000. In the afternoon, after the transaction, there is, according to your view, extent $30,000 worth of wealth, fifty p. p. which was created in the twinkling of an eye, by my view, and Trinkaus's, the transfers of the d. or of created as an additional wealth. The issue of the money was merely a representative of wealth already in existence, and itself was not wealth, and, not being wealth, neither can it be capital, for, while all wealth is not capital, it is undeniable that all capital is wealth.

I may be wrong, and, if so, I wish you would set me right by clearing up any fog you may find in the above illustration.

Truly your friend,

HEINRICH KHAM.

Mr. Schilling's Solution.

To the Editor of Liberty:

If A and B negotiate with the cooperative bank, as indicated, to facilitate this transaction, and B is compelled to "put up" both residence and store as security in consideration for the money, then it is not true that "fifty per cent. was created in the twinkling of an eye," because the bank really parted with $10,000, which Mr. Schilling seems to forget. Further, B does not own the residence and store absolutely, but conditionally.

In the morning A has residence worth $10,000, B has store worth $10,000, Bank had cash.

Total: $30,000.

After the transaction the bank simply passes the money from its drawer to A's pocket, leaving the property in B's name conditionally, and places B's mortgage in the drawer which in the morning contained the money. Now, where is the fiction?

O. A. SCHILLING.

BUREAU OF LABOR, SPRINGFIELD, ILL.
The Capital Controversy.

Considering that the question whether money is capital is considered by so considerable a person as Mr. Waldo, and that Donisthorpe not worth considering, it will doubtless surprise him to find it considered in this issue of Liberty by a large number of considerable persons, including himself. Following his example rather than his precept, I join in this general consideration.

Here is my argument.

Major Premise. Everything not labor that plays a part in production is capital.

Minor Premise. Money is a thing not labor that plays a part in production.

Conclusion. Money is capital.

A weighty thing this should be borne in mind that by labor I mean known labor exclusively, and by production all the processes through which wealth passes in preparation for use in a given form.

Will my major premise—which happens to be also a definition of capital—be denied? If so, on what ground? It seems to me that the very purpose of the word *capital* is to distinguish the non-human factors in production from the human factor, and that its value in economic terminology lies precisely in this distinction. I do not think it possible to define the word so that it will clearly and definitely establish any other distinction, except by absolutely and arbitrarily severing it from all relationships to the idea of production; and such relationship is implied in all the definitions that I have ever seen.

Will my minor premise—which is not a definition of money, but only such partial description thereof as is essential to the syllogism—be denied? Hardly. At any rate, I do not think that it is denied by any of the participants in this discussion. Mr. Donisthorpe unquestionably admits it as capital money as a tool; Mr. Fisher does not dispute it; Mr. Porter expressly declares that money is indirectly productive; and Mr. Trinika by implication says the same, for his definition of capital, framed expressly to exclude money, is "only that which directly aids in production of substances." And indeed how could the statement that money is a factor in production be rationally disputed? If it is not, why do we not abolish it? We certainly could do as well without it, if it is of no service in production.

As for my conclusion, no one possessing the slightest logical faculty will maintain that there is any escape from it if neither premise be denied.

Whatever battle there may be against my position will doubtless wage around the major premise. Exceptions will be taken to the definition of capital. But show me another and a better one. Show me one as good. Show me a definition that defines.

Mr. Donisthorpe's certainly will not do. Capital, he tells us, is "that which has the value of which is due to the value of its products." He tries to show by analogy that this definition serves a practical purpose. But his analogy does not hold. The word "ripe," which he selects for comparison, does to some extent distinguish. We know the distinctly unripe peach from the peach which seems to us distinctly ripe. The latter may not be the perfection of ripeness, but, provided our senses detect it in neither unripeness nor decay, it is to us ripe. Although between the unripe and the ripe there are some cases to us doubtful, we do by the word "ripe" distinguish clearly between the peaches on one side of the doubtful cases and those on the other side. The distinctly unripe do not partake of ripeness; the distinctly ripe do not partake of unripeness. The two classes are mutually exclusive. But Mr. Donisthorpe's definition of capital reveals no mutually exclusive classes at all. All capital is fraudulent as some degree; all frauds are capital in some degree. We discover nothing that is distinctly capital, nothing distinctly fraudulent. Not only are there some doubtful cases; all the cases are doubtful. Mr. Donisthorpe's definition lacks the very merit which he claims for it; it is not practical. We may allow it a theoretical merit, since it is at least a clear conception; but it is certainly not a working definition, for it furnishes no actual classification of which we can speak securely.

Its author admits that "it would be a mockery to describe as capital some things which logically fall into that category," such as bicycles, "which may be used for production, but the price of which is determined by the demand for bicycles as a means of direct gratification." But would it not be equally a mockery to exclude from the category of capital the piano, when so many professionals are using it as the tool of their trade? Yet it is in precisely the same position as the bicycle. It may be used for production, but its price is determined by the amateur demand. The definition, moreover, leads to conclusions manifestly absurd. If I, a dealer in boots, have my store shelves filled with them, I have no capital, according to Mr. Donisthorpe; but, if I have thousands of pairs on the top of the Himalayas, then I have a large amount of capital. Clearly, under Mr. Donisthorpe's definition, it is better not to be a capitalist. Ridiculous!

Mr. Trinika's definition aims to distinguish between the direct factors in production and the indirect. I find this distinction difficult to grasp. Both Mr. Trinika and Mr. Porter, if I understand them, look upon manufacture as direct production and upon distribution as indirect production. To me, if there is any difference, the latter seems the more direct of the two. Certainly it more immediately precedes consumption, and that is most direct which is immediate. I see no sense or use in the distinction. It seems to me that the desire to make money arises from a failure to thoroughly realize that distribution is as true and essential a part of production as is manufacture. Moreover, I do not think that Mr. Trinika's definition expresses his real attitude. For instance, it is possible that he does not consider locomotive capital as capital, and yet, taking his conception of directness, the locomotive is as indirect a factor in production as is money, both being tools for saving time and labor in exchange.

Mr. Porter differs with Mr. Trinika in that he includes under the head of capital both the direct and the indirect factors in production. He says that the capital of a community is its accumulated savings. This may pass as equivalent in substance to my own definition, though less accurately framed; the definition, as Mr. Porter makes it, is strictly true unless it be assumed that the savings are consumed productively.

Mr. Porter's definition obliges him to class gold and silver money as capital. He does not see, however, that it also obliges him to class representative money as capital. This is the more strange because he affirms that representative money performs the same function that gold and silver money perform, and even in a superior manner. Now, capital being determined purely by function, it is obvious that whatever performs the function of gold and silver money is as truly capital as gold and silver money. But I see where Mr. Porter's difficulty lies. It is the same difficulty that besets Mr. Trinika and Mr. Kuehn. All of these gentlemen perceive that only actual wealth can be capital, and all of them agree in the opinion that representative money is not actual wealth. Now, this last opinion arises, in my judgment, from an erroneous conception of the nature of money, for which conception the term "representative money," which, strictly speaking, is a misnomer, is largely to blame. This term seems to warn the supposition that these gentlemen entertain that the paper representing wealth is itself the money (and indeed in every-day life there is no harm in so calling it), whereas in reality the money is not the paper, but is the monetary power, or function, or capacity, naturally inhering in the wealth which the paper represents. This monetary power is one of the uses of that wealth, and is therefore actual wealth. The discovery that all wealth having an appreciable and reasonably stable value is capable of this monetary use was in itself a vast addition to the wealth of mankind; for, when a new use is found for any article of wealth, there is just as truly an increase of wealth as if the article had increased in quantity. The true monetary capital of a community is measured, not by its actual coinage or by the amount of its actual paper issues, but by the extent of its power and the power of its members to coin and issue. A man who has one hundred thousand dollars' worth of machinery upon which he can issue and float fifty thousand dollars in paper has just as much monetary capital before the issue as after it. In issuing the paper he simply begins to use his wealth in an additional way. Previously to the issue he is in possession of just as much monetary wealth, but it is lying idle. Nevertheless, though living idle, its competitive
influence upon the money-market is as great, or
nearly as great, as that which it exercises when
in use.

This makes it plain that money, all money, is
actual wealth, and thereby is removed the only
obstacle to the conception of money as capital.
Mr. Kuenz may find here the solution of the
problem which he proposes to Mr. Schilling.
The ten thousand dollars in bank-notes which
he supposed to be issued by the bank to A and B
was not created by the twinning of an eye.
It had existed all the time as the monetary wealth
of A and B. Then merely transferred this mon-
etary power to the bank by mortgageing their
property to it, whereupon the bank began to use
the said monetary power by issuing notes in its
own name and handing them over to A and B,
the bank here performing the same service that
is performed by the registry of deeds office in
the case of land transfers,—that of making the
title more secure in the eyes of the parties inter-
ested or liable to become interested. Mr. Kuenz
is right in saying that the transaction created no
additional wealth, but he is wrong in thinking
that the bank created the wealth. The wealth of
A and B was not in part monetary wealth, and
therefore capital. Mr. Schilling, on the
other hand, is right in maintaining that money
is capital, but he is wrong in replying to Mr.
Kuenz that the bank parted with ten thousand
dollars, for this is contrary to Mr. Kuenz's hy-
thesis, which was that the bank did not have
any paper in its safe, but issued the paper
against the mortgages, without which it could
not have made any issue.

Money, then, is capital.
The principal cause of existing social injustices lies in the fact that
this capital, through chicanery and for purposes of
fraud, has been limited in amount, and given
an artificial value, by arbitrarily and tyrannically
forbidding every species of wealth, except gold
and, to some extent, silver, to exercise its natu-
ral and legitimate monetary function. These
injustices can only be wiped out by the liberation
or virtual re-creation of all this capital through
the demonetization of gold and silver, or,—what
is the same thing,—the monetization of all
wealth.

When is It "Mean" to Strike?
The recent railroad strikes in the United
States, as well as the strike of the Lancashire
cotton-spinners, are no longer matters of much
interest to the general public, but to the irresponsi-
ble would-be "labor-reformer" who battens
on them and to the parties directly concerned
are still affairs of considerable importance.
My justification, therefore, for my animadver-
sion and present reference to the topic lies in
the fact that there are some people still interested,
and in the fact that editorial utterance of the
New York "Evening Post":

"When do our railway strikers, Trinckaus and Schilling persist in
disputing about the correct meaning of the term "cap-
it" and as to whether money is or is not capital?
They should know by this time that the word "capital" is
popularly used, not for a single definite notion, but for
everything that is considered in the minds of men to be just, they would turn public opinion a long way
in their favor. We might then in time cease to regard
a labor union as a terror and a menace to all business.

This eminently proper advice to workmen is
perfectly worthy of Mr. Godkin. I can very
naturally imagine that a labor union is a "terror and a menace" to the business of the editor of the
"Post." Public opinion, every one knows, is
fickle. It cannot be coaxed or cajoled or even
induced by entreaty to look with favor upon
the cause of any organization or body of people
that does not pay some regard to the capitalist's
"right to a profit." This profit, this share of the
laborers' product which capitalist are able to
take but do not earn, is a fetich to which pub-
lic opinion, ever supple of the knee, gracefully
gives homage. And labor is patronizingly ad-
mirished to "pay some regard to" the theft, made possible andabetted by legal restrictions, of
a part of its product, in order that it may ob-
tain a modicum of the hypocrisy of subservi-
ent public opinion. What insolence! But I do not
suppose that this chcr ningly seductive coun-
sel will be very generally heeded by those to
whom it is tersified; I should be inclined to
opine, rather, that the "Post's" proposal will be,
quite seriously, treated with the profoundest
contempt.

But the most sententious parliamintariness is con-
tained in the "Post's" suggestion that laborers
not "take advantage of any opportunities that
may be presented to them during the World's Fair, for example." What does this amount to? Simply that laborers
should not strike when anything can be gained by
striking. Why is such an advantage a "mean"
one when it is obtained without the use of inva-
sive force or without any volition whatever of
the strikers? That there is anything "mean"
about strikes (otherwise definable) during the
World's Fair is all nonsense. To claim that
there is to assume that men are under obliga-
tion to work during the World's Fair. If they
are, to whom are they under obligation? Mani-
acs, in fact, are not bound by contract. If, then, a man is bound to work at
one time no more than at another, why should
he not take advantage of this inconvenience of
his employer or make use of this contingency
to better his condition? His doing so simply
shows that he is exercising ordinary common
sense; it is not even evidence of extraordinary
sagacity. A man who would postpone striking
until his employer could easily dispense with his
labors could be considered as nothing but a num-
skull. It is plain, therefore, that the "Post's"
gentle repentance that the World's Fair strikes will,
if the latter is still in possession of his normal
mental faculties and is naturally only half as
idiotic as the editor of the "Post" presumes him
to be, fall upon deaf ears.

Differing Concepts of Capital.
To the Editor of Liberty:

You do our railway strikers, Trinckaus and Schilling persist in
disputing about the correct meaning of the term "cap-
it" and as to whether money is or is not capital.
They should know by this time that the word "capital" is
popularly used, not for a single definite notion, but for
everything that is considered in the minds of men to be just, they would turn public opinion a long way
in their favor. We might then in time cease to regard
a labor union as a terror and a menace to all business.

If our American laborers would seek the advice of
competent men, would cease to take mean advantages (as by strikes during the World's Fair, for example),
would pay some regard to the capitalist and his right
to a profit, and in general would act like sensible men in
deciding what is not, the editors of the "Post" are the correct people to consult. For this reason even at" of a short book of economics a definition
that will embrace under one head those various meanings. The confusion is due to the attempt of ex-
clusive monetary causes of interest without giving the
true explanation.

The only possible reason for separating wealth into
two classes—wealth pure and simple on the one hand,
and wealth created by profitable effort on the oth-
er hand—is that some wealth on certain conditions can return a per-
sistent income to its owner. This is the basis of Adam
Smith's definition. But, since the attempt has been
made to trace interest to the assistance of wealth in pro-
duction, the definition has been modified to embrace
those products of labor used for further production.
The two definitions are heterogeneous. Money is em-
braced in Smith's definition and is excluded by Mill's
definition. Others have devised hybrid definitions;
hence the confusion. It is my opinion that every one
using the term "capital" in argument should first tell
what he means by it and should consistently use it, and
that he should not attempt to force his meaning
upon him.

H. H. NEWBRIGHT.

Philadelphia, May 9, 1868.

Whether Money is Capital.
To the Editor of Liberty:
The current issue of the "Post" (No. 260) contains an ar-
ticle by George Schilling entitled: "Is Not Money Capital?" in criticism of some words of Mr. Trinckaus. It
seems to me that, as it now stands and without further
explanation, this article may cause some confusion and
misunderstanding.

The difficulty, of course, arises in the use of the word
"capital." This word is the source of so much error
and mystification that in any discussion in which it is
of importance some definite meaning should first be as-
to it,—and carefully adhered to throughout.
As exemplification: in the second paragraph, after
speaking of "capital and other kinds of wealth," Mr. S.
Schilling says that money exchanges itself for capital
because it is "actual labor performed—wealth," im-
plying that money is not of that kind of wealth which is
capital, but of some other kind; yet the raison d'être
of the article is to prove that money is capital. Again,
Mr. Schilling consistently refers to "labor" as the produ-
cion of wealth, (c. e. plant of manufacture) add anything so wealth un-
less in cooperation with labor and money? Obviously
the answer is not "no," as Mr. Schilling would have us,
but "yes; money is tied to the production of wealth,
though under certain societary forms it may be of the
utmost importance. Production and its con-
comitant consumption might be carried on by direct
labor or in some way as the Communists adva-
cate, or Edward Bellamy in his "Looking Backward."
The economists say that the capital of a community
consists of its accumulated savings,—i.e., the total
wealth of the country at a given moment; their sub-
coludver and departure from this meaning may pass unnoticed as perhaps unintentionals.

Now, at any given moment, of the total unconsumed
products of post labor, part is directly productive,
c. e., factories, machinery, etc., used in transforming
or working upon raw material, and the rest only indi-
rectly productive, as, for example, food, clothing,
surgeon and other necessities or luxuries, partially
and in their turn raw materials which used in the busi-
ness of distribution (railways, roads, canals, shops,
warehouses, carts, etc., and gold and silver), in the pro-
fessions, and in other trades rendering services only.

The name of a capital is captured by manufac-
turers and agriculturists with the aid of directly pro-
ductive capital, and part of this produce goes to support
men who render services only, by the aid of indirec-
tly productive capital.

Hence by this definition money (gold and silver or actual wealth) is capital, albeit of the indirectly pro-
ductive kind. But it must not be forgotten that this
distributive function of facilitating and rendering equit-
ably distributed and, thus, fairly divided to the exchange of commodities and services, and of enabling a man
to ascertain his claims for wealth on the community in a
convenient and practically undistortings, may be
perhaps, and certainly, very much better, per-
formed (as it is in part today) by paper instruments,
suitably guaranteed at their face value. Gold and sil-
er, though actual wealth, are chiefly desired, not for
themselves, but because of their powers as go betweens in
the exchange of commodities and services. The fact
that the balancing of debts and credits is performed
largely by one or two specially chosen commodities,
while it is partial is and might wholly be performed by
other commodities, such as money, is responsi-
ble for the confusion that obtains as to the nature of
money.

Of course in the case of money which is not of itself
productive, and which, therefore, when part of wealth,
the term "capital" obviously cannot accurately be
applied to it: an order for produce is not of the same
nature as the produce itself. Hence money of this kind
which we believe to be the best, and which we hope to
establish universally, is not capital.

Finally, it is suggested that it would obviate much
confusion if (1) a new name were found for the particu-
lar designation of "produce directly devoted to pro-
Money is Capital.

To the Editor of Liberty:

In Liberty of May 6 (No. 570) Mr. Trinkhaus supports a statement made by himself previously that money is not capital, and also restates the opinion that only that is capital which aids in the production of useful substances. This definition, if true, may be said to settle the question; but it is true? If true, it limits the application of the term capital, restricting it to tools or fixed capital and excluding materials or circulating capital; it is practical in the raw state and is simply a part of the stock in trade of the world in general so long as it is not taken over for consumption by the holder; and further that, even when held for consumption, its utility is so prolonged that its mere presence in quantity exercises a force upon the markets which may be liberated if the store of metal pass into the hands of a person more desirous of other pleasures than of those which money commands. Money, then, while it may have pleasure to be surrendered for food, and, should famine be extreme, the prospect of good pleasure, either for the holder himself or for others to whom it is exposed and fails to provide, becomes infinite, and gold costs to be valuable. In all other circumstances gold is as truly capital as wheat, and possibly as truly as ships, ploughs, hats, lemons.

TRINKHAUS.

87 Harrogate Road, Leeds, England, May 19th, 1891.

A Question Not Worth Answering.

In reply to J. GEORGE FISHER.

To the four carded I would add a fifth,—half-splitting.

A peach is never gathered ripe, you say; it is either under-ripened or over-ripe. Very likely; and yet we know the difference between what we call a ripe peach and a peach or a little green peach the size of an olive. Practically the word is without a purpose. Again, above my head hangs a luscious peach,—say about ten feet above. In order to reach it, I must go into the house, bring out a chair, stand on it, and reach out my hand. I value my efforts at something. Therefore, you say, that peach is not directly enjoyable; it is capital. Very likely again. Here is a ribburee peach, so sour that no one will touch it. By the addition of sugar it is rendered worth of sufficient pleasure. Thefore, you say, it is capital, and not directly-enjoyable wealth. Possibly, but consider the proportion. I say that directly-enjoyable wealth (friends) and capital slide off one into another gradually and imperceptibly, just as a peach becomes more and more ripe. I eat the peach, and I blant the stone. There I have a potential peach-tree less four peaches. The enjoyment of that stone is det-rred and doubtful. If, however, you did not want it, then the value of the stone must be added to it from the envirionment than a thousand times its own value.

Your instance of boots on a shelf or sale is similar to the previous. A shoe you own is of use if you like. If they were on the top of the Himalayas, I should call them capital; because the value of the shoe before they became friends would be considerable, in proportion to their own use and the society.

As to whether gold-money is capital, the answer turns upon the further question: Would the value of gold fall perceptibly—considerably—if gold were de-monetized by national convulsion, or by the dis-covery of another commodity, or otherwise? I think not. If not, then gold is not capital. If it fell, it would show that its value had been dependent on the demand for it as an instrument of trade, and the demand for it is in reality perfectly elastic. The combination of rubber and cotton; the process of grinding and polishing vanishes from the class as soon as its value is found to be the pecuniary one of being more or less directly in the market for exchange, either in itself or in its products. The defect of such a view would be that the implement and stock of an isolated but industrious community can be rendered worthless by a single fatal defect, there would seem to be no room for any other conclusion than that all wealth is capital, or that implements alone are properly thus described,—ignoring or denying the difficulty of discriminating between tools and materials.

Of the two the former seems the more tenable. In any case it ought never to be forgotten that gold is a useful metal and it is coined, it is practically in the raw state and is simply a part of the stock in trade of the world in general so long as it is not taken over for consumption by the holder; and further that, even when held for consumption, its utility is so prolonged that its mere presence in quantity exercises a force upon the markets which may be liberated if the store of metal pass into the hands of a person more desirous of other pleasures than of those which money commands. Money, then, while it may have pleasure to be surrendered for food, and, should famine be extreme, the prospect of good pleasure, either for the holder himself or for others to whom it is exposed and fails to provide, becomes infinite, and gold costs to be valuable.

GEORGE FISHER.

72 Harrogate Road, Leeds, England, May 19th, 1891.

Everybody's Law Book.

It is the title of the new 786 page work issued by J. Alexander Komes, L.L.B., member of the New York Bar.

It enables every man and woman to be their own lawyer. It contains business forms of every useful lawyer as well as to all who have legal business to transact.

Indicate your number of copies, and enclose two cents postage stamp for a table of contents and terms.

Address: WHITLOCK & CO., 386 Sixth Avenue, New York.

Benj. R. Tucker.

A Brief Sketch of His Life and Work.

By George Schumm.

In the Freethinkers' Magazine for July together with a full page portrait. Single copies, 30 cents.

Address: H. L. Green, 386 Earl St., Buffalo, N. Y.