

SYSTEM OF ECONOMICAL CONTRADICTIONS:

OR,

THE PHILOSOPHY OF MISERY.

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TRANSLATED FROM THE FRENCH BY THE EDITOR.

CHAPTER II.

OF VALUE.

§1. — *Opposition of value in USE and value in EXCHANGE.*

VALUE is the corner stone of the economic edifice. The divine artist who has intrusted us with the continuation of his work has explained himself on this point to no one; but the few indications given may serve as a basis of conjecture. Value, in fact, presents two faces: one, which the economists call value in *use*, or intrinsic value; another, value in *exchange*, or of opinion. The effects which are produced by value under this double aspect, and which are very irregular so long as it is not established, — or, to use a more philosophical expression, so long as it is not constituted, — are changed totally by this constitution.

Now, in what consists the correlation between *useful* value and value in *exchange*? What is meant by *constituted* value, and by what sudden change is this correlation effected? To answer these questions is the object and end of political economy. I beg the reader to give his whole attention to what is to follow, this chapter being the only one in the work which will tax his patience. For my part, I will endeavor to be more and more simple and clear.

Every thing which can be of any service to me is of value to me, and the more abundant the useful thing is the richer I am: so far there is no difficulty. Milk and flesh, fruits and grains, wool, sugar, cotton, wine, metals, marble; in fact, land, water, air, fire, and sunlight, — are, relatively to me, values of use, values by nature and function. If all the things which serve to sustain my life were as abundant as certain of them are, light for instance, — in other words, if the quantity of every valuable thing was inexhaustible, — my welfare would be for ever assured: I should not have to labor; I should not even think. In such a state, things would always be *useful*, but it would be no longer true to say that they ARE VALUABLE; for value, as we shall soon see, indicates an essentially social relation; and it is solely through exchange, reverting as it were from society to Nature, that we have acquired the idea of utility. The whole development of civilization originates, then, in the necessity which the human race is under of continually causing the creation of new values; just as the evils of society are primarily caused by the perpetual struggle which we maintain against our own inertia. Take away from man that desire which leads him to think and fits him for a life of contemplation, and the lord of creation stands on a level with the highest of the beasts.

But how does value in use become value in exchange? For it should be noticed that the two kinds of value, although coexisting in thought (since the former becomes apparent only in the presence of the latter), nevertheless maintain a relation of succession: exchangeable value is a sort of reflex of useful value; just as the theologians teach that in the Trinity the Father, contemplating himself through all eternity, begets the Son. This generation of the idea of value has not been noted by the economists with sufficient care: it is important that we should tarry over it.

Since, then, of the objects which I need, a very large number exist in Nature only in moderate quantities, or even not at all, I am forced to assist in the production of that which I lack; and, as I cannot turn my hand to so many things, I propose to other men, my collaborators in various functions, to yield me a portion of their products in exchange for mine. I shall then always have in my possession more of my own special product than I con-

sume; just as my fellows will always have in their possession more of their respective products than they use. This tacit agreement is fulfilled by *commerce*. Here we may observe that the logical succession of the two kinds of value is even more apparent in history than in theory, men having spent thousands of years in disputing over natural wealth (this being what is called *primitive communism*) before their industry afforded opportunity for exchange.

Now, the capacity possessed by all products, whether natural or the result of labor, of serving to maintain man, is called distinctively value in use; their capacity of purchasing each other, value in exchange. At bottom this is the same thing, since the second case only adds to the first the idea of substitution, which may seem an idle subtlety: practically, the consequences are surprising, and beneficial or fatal by turns.

Consequently, the distinction established in value is based on facts, and is not at all arbitrary: it is for man, in submitting to this law, to use it to increase his welfare and liberty. Labor, as an author (M. Walras) has beautifully expressed it, is a war declared against the parsimony of Nature; by it wealth and society are simultaneously created. Not only does labor produce incomparably more wealth than Nature gives us, -- for instance, it has been remarked that the shoemakers alone in France produce ten times more than the mines of Peru, Brazil, and Mexico combined, -- but, labor infinitely extending and multiplying its rights by the changes which it makes in natural values, it gradually comes about that all wealth, in running the gauntlet of labor, falls wholly into the hands of him who creates it, and that nothing, or almost nothing, is left for the possessor of the original material.

Such, then, is the path of economic progress: at first, appropriation of the land and natural values; then, association and distribution through labor until complete equality is attained. Clasms are scattered along our road, the sword is suspended over our heads; but, to avert all dangers, we have reason, and reason is omnipotence.

It results from the relation of useful value to exchangeable value that if, by accident or from malice, exchange should be forbidden to a single producer, or if the utility of his product should

suddenly cease, though his storehouses were full, he would possess nothing. The more sacrifices he had made and the more courage he had displayed in producing, the greater would be his misery. If the utility of the product, instead of wholly disappearing, should only diminish, -- a thing which may happen in a hundred ways, -- the laborer, instead of being struck down and ruined by a sudden catastrophe, would be impoverished only; obliged to give a large quantity of his own value for a small quantity of the values of others, his means of subsistence would be reduced by an amount equal to the deficit in his sale: which would lead by degrees from competency to want. If, finally, the utility of the product should increase, or else if its production should become less costly, the balance of exchange would turn to the advantage of the producer, whose condition would thus be raised from fatiguing mediocrity to idle opulence. This phenomenon of depreciation and enrichment is manifested under a thousand forms and by a thousand combinations; it is the essence of the passional and intriguing game of commerce and industry. And this is the lottery, full of traps, which the economists think ought to last for ever, and whose suppression the Academy of Moral and Political Sciences unwittingly demands, when, under the names of profit and wages, it asks us to reconcile value in use and value in exchange; that is, to find the method of rendering all useful values equally exchangeable, and, *vice versa*, all exchangeable values equally useful.

The economists have very clearly shown the double character of value, but what they have not made equally plain is its contradictory nature. Here begins our criticism.

Utility is the necessary condition of exchange; but take away exchange, and utility vanishes: these two things are indissolubly connected. Where, then, is the contradiction?

Since all of us live only by labor and exchange, and grow richer as production and exchange increase, each of us produces as much useful value as possible, in order to increase by that amount his exchanges, and consequently his enjoyments. Well, the first effect, the inevitable effect, of the multiplication of values is to LOWER them: the more abundant is an article of merchandise, the more it loses in exchange and depreciates commercially. Is it not true that there is a contradiction between the necessity of labor and its results.

I adjure the reader, before rushing ahead for the explanation, to arrest his attention upon the fact.

A peasant who has harvested twenty sacks of wheat, which he with his family proposes to consume, deems himself twice as rich as if he had harvested only ten; likewise a housewife who has spun fifty yards of linen believes that she is twice as rich as if she had spun but twenty-five. Relatively to the household, both are right; looked at in their external relations, they may be utterly mistaken. If the crop of wheat is double throughout the whole country, twenty sacks will sell for less than ten would have sold for if it had been but half as great; so, under similar circumstances, fifty yards of linen will be worth less than twenty-five: so that value decreases as the production of utility increases, and a producer may arrive at poverty by continually enriching himself. And this seems unalterable, inasmuch as there is no way of escape except all the products of industry become infinite in quantity, like air and light, which is absurd. God of my reason! Jean Jacques would have said: it is not the economists who are irrational; it is political economy itself which is false to its definitions: *Mentita est iniquitas sibi*.

In the preceding examples the useful value exceeds the exchangeable value: in other cases it is less. Then the same phenomenon is produced, but in the opposite direction: the balance is in favor of the producer, while the consumer suffers. This is notably the case in seasons of scarcity, when the high price of provisions is always more or less factitious. There are also professions whose whole art consists in giving to an article of minor usefulness, which could easily be dispensed with, an exaggerated value of opinion: such, in general, are the arts of luxury. Man, through his æsthetic passion, is eager for the trifles the possession of which would highly satisfy his vanity, his innate desire for luxury, and his more noble and more respectable love of the beautiful: upon this the dealers in this class of articles speculate. To tax fancy and elegance is no less odious or absurd than to tax circulation: but such a tax is collected by a few fashionable merchants, whom general infatuation protects, and whose whole merit generally consists in warping taste and generating fickleness. Hence no one complains; and all the maledictions of opinion are reserved for the monopolists who, through genius succeed in raising by a few cents the price of linen and bread.

It is little to have pointed out this astonishing contrast between useful value and exchangeable value, which the economists have been in the habit of regarding as very simple: it must be shown that this pretended simplicity conceals a profound mystery, which it is our duty to fathom.

I summon, therefore, every serious economist to tell me, otherwise than by transforming or repeating the question, for what reason value decreases in proportion as production augments, and reciprocally what causes this same value to increase in proportion as production diminishes. In technical terms, useful value and exchangeable value, necessary to each other, are inversely proportional to each other; I ask, then, why scarcity, instead of utility, is synonymous with dearness. For—mark it well—the price of merchandise is independent of the amount of labor expended in production; and its greater or less cost does not serve at all to explain the variations in its price. Value is capricious, like liberty: it considers neither utility nor labor; on the contrary, it seems that, in the ordinary course of affairs, and exceptional derangements aside, the most useful objects are those which are sold at the lowest price; in other words, that it is just that the men who perform the most attractive labor should be the best rewarded, while those whose tasks demand the most exertion are paid the least. So that, in following the principle to its ultimate consequences, we reach the most logical of conclusions: that things whose use is necessary and quantity infinite must be gratuitous, while those which are without utility and extremely scarce must bear an inestimable price. But, to complete the embarrassment, these extremes do not occur in practice: on the one hand, no human product can ever become infinite in quantity; on the other, the rarest things must be in some degree useful, else they would not be susceptible of value. Useful value and exchangeable value remain, then, in inevitable attachment, although it is their nature continually to tend towards mutual exclusion.

I shall not fatigue the reader with a refutation of the logomachies which might be offered in explanation of this subject: of the contradiction inherent in the idea of value there is no assignable cause, no possible explanation. The fact of which I speak is one of those called primitive, — that is, one of those which may

serve to explain others, but which in themselves, like the bodies called simple, are inexplicable. Such is the dualism of spirit and matter. Spirit and matter are two terms each of which, taken separately, indicates a special aspect of spirit, but corresponds to no reality. So, given man's needs of a great variety of products together with the obligation of procuring them by his labor, the opposition of useful value to exchangeable value, necessarily results; and from this opposition a contradiction on the very threshold of political economy. No intelligence, no will, divine or human, can prevent it.

Therefore, instead of searching for a chimerical explanation, let us content ourselves with establishing the necessity of the contradiction.

Whatever the abundance of created values and the proportion in which they exchange for each other, in order that we may exchange our products, mine must suit you when you are the *buyer*, and I must be satisfied with yours when you are the *seller*. For no one has a right to impose his own merchandise upon another: the sole judge of utility, or in other words the want, is the buyer. Therefore, in the first case, you have the deciding power; in the second, I have it. Take away reciprocal liberty, and exchange is no longer the expression of industrial solidarity: it is robbery. Communism, by the way, will never surmount this difficulty.

But, where there is liberty, production is necessarily undetermined, either in quantity or in quality; so that from the point of view of economic progress, as from that of the relation of consumers, valuation always is an arbitrary matter, and the price of merchandise will ever fluctuate. Suppose for a moment that all producers should sell at a fixed price: there would be some who, producing at less cost and in better quality, would get much, while others would get nothing. In every way equilibrium would be destroyed. Do you wish, in order to prevent business stagnation, to limit production strictly to the necessary amount? That would be a violation of liberty: for, in depriving me of the power of choice, you condemn me to pay the highest price; you destroy competition, the sole guarantee of cheapness, and encourage smuggling. In this way, to avoid commercial absolutism, you would rush into administrative absolutism; to create equality, you would destroy liberty, which is to deny equality itself.

Would you group producers in a single workshop (supposing you to possess this secret)? That again does not suffice: it would be necessary also to group consumers in a common household, whereby you would abandon the point. We are not to abolish the idea of value, which is as impossible as to abolish labor, but to determine it; we are not to kill individual liberty, but to socialize it. Now, it is proved that it is the free will of man that gives rise to the opposition between value in use and value in exchange: how reconcile this opposition while free will exists? And how sacrifice the latter without sacrificing man?

Then, from the very fact that I, as a free purchaser, am judge of my own wants, judge of the fitness of the object, judge of the price I wish to pay, and that you on the other hand, as a free producer, control the means of production, and consequently have the power to reduce your expenses, absolutism forces itself forward as an element of value, and causes it to oscillate between utility and opinion.

But this oscillation, clearly pointed out by the economists, is but the effect of a contradiction which, repeating itself on a vast scale, engenders the most unexpected phenomena. Three years of fertility, in certain provinces of Russia, are a public calamity, just as, in our vineyards, three years of abundance are a calamity to the wine-grower. I know well that the economists attribute this distress to a lack of markets; wherefore this question of markets is an important one with them. Unfortunately the theory of markets, like that of emigration with which they attempted to meet Malthus, is a begging of the question. The States having the largest market are as subject to over-production as the most isolated countries: where are high and low prices better known than in the stock-exchanges of Paris and London?

From the oscillation of value and the irregular effects resulting therefrom the socialists and economists, each in their own way, have reasoned to opposite, but equally false, conclusions: the former have made it a text for the slander of political economy and its exclusion from social science; the latter, for the denial of all possibility of reconciliation, and the affirmation of the incommensurability of values, and consequently the inequality of fortunes, as an absolute law of commerce.

I say that both parties are equally in error.

1. The contradictory idea of value, so clearly exhibited by the inevitable distinction between useful value and value in exchange does not arise from a false mental perception, or from a vicious terminology, or from any practical error; it lies deep in the nature of things, and forces itself upon the mind as a general form of thought, — that is, as a category. Now, as the idea of value is the point of departure of political economy, it follows that all the elements of the science — I use the word science in anticipation — are contradictory in themselves and opposed to each other: so truly is this the case that on every question the economist finds himself continually placed between an affirmation and a negation alike irrefutable. ANTINOMY, in fine, to use a word sanctioned by modern philosophy, is the essential characteristic of political economy; that is to say, it is at once its death-sentence and its justification.

Antinomy, literally *counter-law*, means opposition in principle or antagonism in relation, just as contradiction or *antilogy* indicates opposition or discrepancy in speech. Antinomy, — I ask pardon for entering into these scholastic details, comparatively unfamiliar as yet to most economists, — antinomy is the conception of a law with two faces, the one positive, the other negative. Such, for instance, is the law called *attraction*, by which the planets revolve around the sun, and which mathematicians have analyzed into centripetal force and centrifugal force. Such also is the problem of the infinite divisibility of matter, which, as Kant has shown, can be denied and affirmed successively by arguments equally plausible and irrefutable.

Antinomy simply expresses a fact, and forces itself imperatively on the mind; contradiction, properly speaking, is an absurdity. This distinction between antinomy (*contra-lex*) and contradiction (*contra-dictio*) shows in what sense it can be said that in a certain class of ideas and facts, the argument of contradiction has not the same value as in mathematics.

In mathematics it is a rule that, a proposition being proved false, its opposite is true, and *vice versa*. In fact, this is the principal method of mathematical demonstration. In social economy, it is not the same: thus we see, for example, that property being proved by its results to be false, the opposite for-

mula, communism, is none the truer on this account, but is deniable at the same time and by the same title as property. Does it follow, as has been said with such ridiculous emphasis, that every truth, every idea, results from a contradiction, — that is, from a something which is affirmed and denied at the same moment and from the same point of view, — and that it may be necessary to abandon wholly the old-fashioned logic, which regards contradiction as the infallible sign of error? This babble is worthy of sophists who, destitute of faith and honesty, endeavor to perpetuate scepticism in order to maintain their impertinent uselessness. Because antinomy, immediately it is misunderstood, leads inevitably to contradiction, these have been mistaken for each other, especially among the French, who like to judge every thing by its effects. But neither contradiction nor antinomy, which analysis discovers at the bottom of every simple idea, is the principle of truth. Contradiction is always synonymous with nullity; as for antinomy, sometimes called by the same name, it is indeed the forerunner of truth, the material of which, so to speak, it supplies; but it is not truth, and, considered in itself, it is the efficient cause of disorder, the characteristic form of delusion and evil.

An antinomy is made up of two terms, necessary to each other, but always opposed, and tending to mutual destruction. I hardly dare to add, as I must, that the first of these terms has received the name *thesis*, position, and the second the name *anti-thesis*, counter-position. This method of thought is now so well-known that it will soon figure, I hope, in the text-books of the primary schools. We shall see directly how from the combination of these two zeros unity springs forth, or the idea which dispels the antinomy.

Thus, in value, there is nothing useful that cannot be exchanged, nothing exchangeable if it be not useful: value in use and value in exchange are inseparable. But while, by industrial progress, demand varies and multiplies to an infinite extent, and while manufactures tend in consequence to increase the natural utility of things, and finally to convert all useful value into exchangeable value, production, on the other hand, continually increasing the power of its instruments and always reducing its expenses, tends to restore the venal value of things to their

primitive utility: so that value in use and value in exchange are in perpetual struggle.

The effects of this struggle are well-known: the wars of commerce and of the market; obstructions to business; stagnation; prohibition; the massacres of competition; monopoly; reductions of wages; laws fixing maximum prices; the crushing inequality of fortunes; misery, — all these result from the antinomy of value. The proof of this I may be excused from giving here, as it will appear naturally in the chapters to follow.

The socialists, while justly demanding that this antagonism be brought to an end, have erred in mistaking its source, and in seeing in it only a mental oversight, capable of rectification by a legal decree. Hence this lamentable outbreak of sentimentalism, which has rendered socialism so insipid to positive minds, and which, spreading the absurdest delusions, makes so many fresh dupes every day. My complaint of socialism is not that it has appeared among us without cause, but that it has clung so long and so obstinately to its silliness.

2. But the economists have erred no less gravely in rejecting *a priori*, and just because of the contradictory, or rather antinomical, nature of value, every idea and hope of reform, never desiring to understand that, for the very reason that society has arrived at its highest point of antagonism, reconciliation and harmony are at hand. This, nevertheless, is what a close study of political economy would have shown to its adepts, had they paid more attention to the lights of modern metaphysics. It is indeed demonstrated, by the most positive evidence known to the human mind, that wherever an antinomy appears there is a promise of a resolution of its terms, and consequently an announcement of a coming change. Now, the idea of value, as developed by J. B. Say among others, satisfies exactly these conditions. But the economists, who have remained for the most part by an inconceivable fatality ignorant of the movement of philosophy, have guarded against the supposition that the essentially contradictory, or, as they say, variable, character of value might be at the same time the authentic sign of its constitutionality, — that is, of its eminently harmonious and determinable nature. However dishonorable it may be to the economists of the various schools, it is certain that their opposition to social-

ism results solely from this false conception of their own principles; one proof, taken from a thousand, will suffice.

The Academy of Sciences (not that of Moral Sciences, but the other), going outside of its province one day, listened to a paper in which it was proposed to calculate tables of value for all kinds of merchandise upon the basis of the average product per man and per day's labor in each branch of industry. "Le Journal des Economistes" (August, 1845) immediately made this communication, intrusive in its eyes, the text of a protest against the plan of tariff which was its object, and the occasion of a re-establishment of what it called true principles:—

"There is no measure of value, no standard of value," it said in its conclusions; "economic science tells us this, just as mathematical science tells us that there is no perpetual motion or quadrature of the circle, and that these never will be found. Now, if there is no standard of value, if the measure of value is not even a metaphysical illusion, what then is the law which governs exchanges? As we have said before, it is, in a general way, *supply and demand*: that is the last word of science."

Now, how did "Le Journal des Economistes" prove that there is no measure of value? I use the consecrated expression: though I shall show directly that this phrase, *measure of value*, is somewhat ambiguous, and does not convey the exact meaning which it is intended, and which it ought, to express.

This journal repeated, with accompanying examples, the exposition that we have just given of the variability of value, but without arriving, as we did, at the contradiction. Now, if the estimable editor, one of the most distinguished economists of the school of Say, had had stricter logical habits; if he had been long used, not only to observing facts, but to seeking their explanation in the ideas which produce them, — I do not doubt that he would have expressed himself more cautiously, and that, instead of seeing in the variability of value the *last word of science*, he would have recognized unaided that it is the first. Seeing that the variability of value proceeds not from things, but from the mind, he would have said that, as human liberty has its law, so value must have its law: consequently, that the hypothesis of a measure of value, this being the common expression, is not at all irrational; quite the contrary, that it is the denial of this measure that is illogical, untenable.

And indeed, what is there in the idea of measuring, and consequently of fixing, value, that is unscientific? All men believe in it; all wish it, search for it, suppose it: every proposition of sale or purchase is at bottom only a comparison between two values, — that is, a determination, more or less accurate if you will, but nevertheless effective. The opinion of the human race on the existing difference between real value and market price may be said to be unanimous. It is for this reason that so many kinds of merchandise are sold at a fixed price; there are some, indeed, which, even in their variations, are always fixed, — bread, for instance. It will not be denied that, if two manufacturers can supply one another by an account current, and at a settled price, with quantities of their respective products, ten, a hundred, a thousand manufacturers can do the same. Now, that would be a solution of the problem of the measure of value. The price of every thing would be debated upon, I allow, because debate is still our only method of fixing prices; but yet, as all light is the result of conflict, debate, though it may be a proof of uncertainty, has for its object, setting aside the greater or less amount of good faith that enters into it, the discovery of the relation of values to each other, — that is, their measurement, their law.

Ricardo, in his theory of rent, has given a magnificent example of the commensurability of values. He has shown that arable lands are to each other as the crops which they yield with the same outlay; and here universal practice is in harmony with theory. Now who will say that this positive and sure method of estimating the value of land, and in general of all engaged capital, cannot be applied to products also?

They say: Political economy is not affected by *à priori* arguments; it pronounces only upon facts. Now, facts and experience teach us that there is no measure of value and can be none, and prove that, though the conception of such an idea was necessary in the nature of things, its realization is wholly chimerical. Supply and demand is the sole law of exchange.

I will not repeat that experience proves precisely the contrary; that every thing, in the economic progress of society, denotes a tendency toward the constitution and establishment of value; that that is the culminating point of political economy — which by this constitution becomes transformed — and the supreme in-

dication of order in society: this general outline, reiterated without proof, would become tiresome. I confine myself for the moment within the limits of the discussion, and say that *supply* and *demand*, held up as the sole regulators of value, are nothing more than two ceremonial forms serving to bring useful value and exchangeable value face to face, and to provoke their reconciliation. They are the two electric poles, whose connection must produce the economical phenomenon of affinity called EXCHANGE. Like the poles of a battery, supply and demand are diametrically opposed to each other, and tend continually to mutual annihilation; it is by their antagonism that the price of things is either increased, or reduced to nothing: we wish to know, then, if it is not possible, on every occasion, so to balance or harmonize these two forces that the price of things always may be the expression of their true value, the expression of justice. To say after that that supply and demand is the law of exchange is to say that supply and demand is the law of supply and demand; it is not an explanation of the general practice, but a declaration of its absurdity; and I deny that the general practice is absurd.

I have just quoted Ricardo as having given, in a special instance, a positive rule for the comparison of values: the economists do better still. Every year they gather from tables of statistics the average prices of the various grains. Now, what is the meaning of an average? Every one can see that in a single operation, taken at random from a million, there is no means of knowing which prevailed, supply—that is, useful value,—or exchangeable value—that is, demand. But as every increase in the price of merchandise is followed sooner or later by a proportional reduction; as, in other words, in society the profits of speculation are equal to the losses,—we may regard with good reason the average of prices during a complete period as indicative of the real and legitimate value of products. This average, it is true, is ascertained too late: but who knows that we could not discover it in advance? Is there an economist who dares to deny it?

Nolens volens, then, the measure of value must be sought for: logic commands it, and her conclusions are adverse to economists and socialists alike. The opinion which denies the existence of this measure is irrational, unreasonable. Say as

often as you please, on the one hand, that political economy is a science of facts, and that the facts are contrary to the hypothesis of a determination of value, or, on the other, that this troublesome question would not present itself in a system of universal association, which would absorb all antagonism,—I will reply still, to the right and to the left:—

1. That, as no fact is produced which has not its cause, so none exists which has not its law; and that, if the law of exchange is not discovered, the fault is, not with the facts, but with the *savants*.

2. That, as long as man shall labor in order to live, and shall labor freely, justice will be the condition of fraternity and the basis of association; now, without a determination of value, justice is imperfect, impossible.

§2. -- Constitution of value; definition of wealth.

We know value in its two opposite aspects; we do not know it in its TOTALITY. If we can acquire this new idea, we shall have absolute value; and a table of values, such as was called for in the memoir read to the Academy of Sciences, will be possible.

Let us picture wealth, then, as a mass held by a chemical force in a permanent state of composition, in which new elements, continually entering, combine in different proportions, but according to a certain law: value is the proportional relation (the measure) in which each of these elements forms a part of the whole.

From this two things result: one, that the economists have been wholly deluded when they have looked for the general measure of value in wheat, specie, rent, etc., and also when, after having demonstrated that this standard of measure was neither here nor there, they have concluded that value has neither law nor measure; the other, that the proportion of values may continually vary without ceasing on that account to be subject to a law, whose determination is precisely the solution sought.

This idea of value satisfies, as we shall see, all the conditions: for it includes at once both the positive and fixed element in useful value and the variable element in exchangeable value; in the

second place, it puts an end to the contradiction which seemed an insurmountable obstacle in the way of the determination of value; further, we shall show that value thus understood differs entirely from a simple juxtaposition of the two ideas of useful and exchangeable value, and that it is endowed with new properties.

The proportionality of products is not a revelation that we pretend to offer to the world, nor a novelty that we bring into science, any more than the division of labor was an unheard-of thing when Adam Smith explained its marvels. The proportionality of products is, as we might prove easily by innumerable quotations, a common idea running through the works on political economy, but to which no one as yet has dreamed of attributing its rightful importance: and this is the task which we undertake to-day. We feel bound, for the rest, to make this declaration in order to reassure the reader concerning our pretensions to originality, and to satisfy those minds whose timidity leads them to look with little favor upon new ideas.

The economists seem always to have understood by the measure of value only a standard, a sort of original unit, existing by itself, and applicable to all sorts of merchandise, as the yard is applicable to all lengths. Consequently, many have thought that such a standard is furnished by the precious metals. But the theory of money has proved that, far from being the measure of values, specie is only their arithmetic, and a conventional arithmetic at that. Gold and silver are to value what the thermometer is to heat. The thermometer, with its arbitrarily graduated scale, indicates clearly when there is a loss or an increase of heat: but what the laws of heat-equilibrium are; what is its proportion in various bodies; what amount is necessary to cause a rise of ten, fifteen, or twenty degrees in the thermometer; — the thermometer does not tell us; it is not certain even that the degrees of the scale, equal to each other, correspond to equal additions of heat.

The idea that has been entertained hitherto of the measure of value, then, is inexact; the object of our inquiry is not the standard of value, as has been said so often and so foolishly, but the law which regulates the proportions of the various products to the social wealth; for upon the knowledge of this law depends the rise and fall of prices in so far as it is normal and legitimate.

In a word, as we understand by the measure of celestial bodies the relation resulting from the comparison of these bodies with each other, so, by the measure of values, we must understand the relation which results from their comparison. Now, I say that this relation has its law, and this comparison its principle.

I suppose, then, a force which combines in certain proportions the elements of wealth, and makes of them a homogeneous whole: if the constituent elements do not exist in the desired proportion, the combination will take place nevertheless; but, instead of absorbing all the material, it will reject a portion as useless. The internal movement by which the combination is produced, and which the affinities of the various substances determine — this movement in society is exchange; exchange considered no longer simply in its elementary form and between man and man, but exchange considered as the fusion of all values produced by private industry in one and the same mass of social wealth. Finally, the proportion in which each element enters into the compound is what we call value; the excess remaining after the combination is *non-value*, until the addition of a certain quantity of other elements causes further combination and exchange.

We will explain later the function of money.

This determined, it is conceivable that at a given moment the proportions of values constituting the wealth of a country may be determined, or at least empirically approximated, by means of statistics and inventories, in nearly the same way that the chemists have discovered by experience, aided by analysis, the proportions of hydrogen and oxygen necessary to the formation of water. There is nothing objectionable in this method of determining values; it is, after all, only a matter of accounts. But such a work, however interesting it might be, would teach us nothing very useful. On the one hand, indeed, we know that the proportion continually varies; on the other, it is clear that from a statement of the public wealth giving the proportions of values only for the time and place when and where the statistics should be gathered we could not deduce the law of proportionality of wealth. For that, a single operation of this sort would not be sufficient; thousands and millions of similar ones would be necessary, even admitting the method to be worthy of confidence.

Now, here there is a difference between economic science and

chemistry. The chemists, who have discovered by experience such beautiful proportions, know no more of their how or why than of the force which governs them. Social economy, on the contrary, to which no *à posteriori* investigation could reveal directly the law of proportionality of values, can grasp it in the very force which produces it, and which it is time to announce.

This force, which Adam Smith has glorified so eloquently, and which his successors have misconceived (making privilege its equal), — this force is LABOR. Labor differs in quantity and quality with the producer; in this respect it is like all the great principles of Nature and the most general laws, simple in their action and formula, but infinitely modified by a multitude of special causes, and manifesting themselves under an innumerable variety of forms. It is labor, labor alone, that produces all the elements of wealth, and that combines them to their last molecules according to a law of variable, but certain, proportionality. It is labor, in fine, that, as the principle of life, agitates (*mens agit*) the material (*moles*) of wealth, and proportions it.

Society, or the collective man, produces an infinitude of objects, the enjoyment of which constitutes its *well-being*. This well-being is developed not only in the ratio of the *quantity* of the products, but also in the ratio of their *variety* (quality) and *proportion*. From this fundamental datum it follows that society always, at each instant of its life, must strive for such proportion in its products as will give the greatest amount of well-being, considering the power and means of production. Abundance, variety, and proportion in products are the three factors which constitute WEALTH: wealth, the object of social economy, is subject to the same conditions of existence as beauty, the object of art; virtue, the object of morality; and truth, the object of metaphysics.

But how establish this marvelous proportion, so essential that without it a portion of human labor is lost, — that is, useless, inharmonious, untrue, and consequently synonymous with poverty and annihilation?

Prometheus, according to the fable, is the symbol of human activity. Prometheus steals the fire of heaven, and invents the early arts; Prometheus foresees the future, and aspires to equality with Jupiter; Prometheus is God. Then let us call society Prometheus.

Prometheus devotes, on an average, ten hours a day to labor, seven to rest, and seven to pleasure. In order to gather from his toil the most useful fruit, Prometheus notes the time and trouble that each object of his consumption costs him. Only experience can teach him this, and this experience lasts throughout his life. While laboring and producing, then, Prometheus is subject to an infinitude of disappointments. But, as a final result, the more he labors, the greater is his well-being and the more idealized his luxury; the further he extends his conquests over Nature, the more strongly he fortifies within him the principle of life and intelligence in the exercise of which he alone finds happiness; till finally, the early education of the Laborer completed and order introduced into his occupations, to labor, with him, is no longer to suffer, — it is to live, to enjoy. But the attractiveness of labor does not nullify the rule, since, on the contrary, it is the fruit of it; and those who, under the pretext that labor should be attractive, reason to the denial of justice and to communism, resemble children who, after having gathered some flowers in the garden, should arrange a flower-bed on the staircase.

In society, then, justice is simply the proportionality of values; its guarantee and sanction is the responsibility of the producer.

Prometheus knows that such a product costs an hour's labor, such another a day's, a week's, a year's; he knows at the same time that all these products, arranged according to their cost, form the progression of his wealth. First, then, he will assure his existence by providing himself with the least costly, and consequently most necessary, things; then, as fast as his position becomes secure, he will look forward to articles of luxury, proceeding always, if he is wise, according to the natural position of each article in the scale of prices. Sometimes Prometheus will make a mistake in his calculations, or else, carried away by passion, he will sacrifice an immediate good to a premature enjoyment, and, after having toiled and moiled, he will starve. Thus, the law carries with it its own sanction; its violation is inevitably accompanied by the immediate punishment of the transgressor.

Say, then, was right in saying: "The happiness of this class (the consumers), composed of all the others, constitutes the gen-

eral well-being, the state of prosperity of a country." Only he should have added that the happiness of the class of producers, which also is composed of all the others, equally constitutes the general well-being, the state of prosperity of a country. So, when he says: "The fortune of each consumer is perpetually at war with all that he buys," he should have added again: "The fortune of each producer is incessantly attacked by all that he sells." In the absence of a clear expression of this reciprocity, most economical phenomena become unintelligible; and I will soon show how, in consequence of this grave omission, most economists in writing their books have talked wildly about the balance of trade.

I have just said that society produces first *the least costly, and consequently most necessary, things*. Now, is it true that cheapness of products is always a correlative of their necessity, and *vice versa*; so that these two words, *necessity* and *cheapness*, like the following ones, *costliness* and *superfluity*, are synonymes?

If each product of labor, taken alone, would suffice for the existence of man, the synonymy in question would not be doubtful; all products having the same qualities, those would be most advantageously produced, and therefore the most necessary, which cost the least. But the parallel between the utility and price of products is not characterized by this theoretical precision: either through the foresight of Nature or from some other cause, the balance between needs and productive power is more than a theory, — it is a fact, of which daily practice, as well as social progress, gives evidence.

Imagine ourselves living in the day after the birth of man at the beginning of civilization: is it not true that the industries originally the simplest, those which required the least preparation and expense, were the following: *gathering, pasturage, hunting, and fishing*, which were followed long afterwards by agriculture? Since then, these four primitive industries have been perfected, and moreover appropriated: a double circumstance which does not change the meaning of the facts, but, on the contrary, makes it more manifest. In fact, property has always attached itself by preference to objects of the most immediate utility, to *made values*, if I may so speak; so that the scale of values might be fixed by the progress of appropriation.

In his work on the "Liberty of Labor," M. Dunoyer has positively accepted this principle by distinguishing four great classes of industry, which he arranges according to the order of their development, — that is, from the least labor-cost to the greatest. These are *extractive industry*, — including all the semi-barbarous functions mentioned above, — *commercial industry, manufacturing industry, agricultural industry*. And it is for a profound reason that the learned author placed agriculture last in the list. For, despite its great antiquity, it is certain that this industry has not kept pace with the others, and the succession of human affairs is not decided by their origin, but by their entire development. It may be that agricultural industry was born before the others, and it may be that all were contemporary; but that will be deemed of the latest date which shall be perfected last.

Thus the very nature of things, as well as his own wants, indicates to the laborer the order in which he should effect the production of the values that make up his well-being. Our law of proportionality, then, is at once physical and logical, objective and subjective; it has the highest degree of certainty. Let us pursue the application.

Of all the products of labor, none perhaps has cost longer and more patient efforts than the calendar. Nevertheless, there is none the enjoyment of which can now be procured more cheaply, and which, consequently, by our own definitions, has become more necessary. How, then, shall we explain this change? Why has the calendar, so useless to the early hordes, who only needed the alternation of night and day, as of winter and summer, become at last so indispensable, so unexpensive, so perfect? For, by a marvelous harmony, in social economy all these adjectives are interconvertible. How account, in short, by our law of proportion, for the variability of the value of the calendar?

In order that the labor necessary to the production of the calendar might be performed, might be possible, man had to find means of gaining time from his early occupations and from those which immediately followed them. In other words, these industries had to become more productive, or less costly, than they were at the beginning: which amounts to saying that it was necessary first to solve the problem of the production of the calendar from the extractive industries themselves.

Suppose, then, that suddenly, by a fortunate combination of efforts, by the division of labor, by the use of some machine, by better management of the natural resources, — in short, by his industry, — Prometheus finds a way of producing in one day as much of a certain object as he formerly produced in ten: what will follow? The product will change its position in the table of the elements of wealth; its power of affinity for other products, so to speak, being increased, its relative value will be proportionately diminished, and, instead of being quoted at one hundred, it will thereafter be quoted only at ten. But this value will still be always be none the less accurately determined, and it will still be labor alone which will fix the degree of its importance. Thus value varies, and the law of value is unchangeable: further, if value is susceptible of variation, it is because it is governed by a law whose principle is essentially inconstant, — namely, labor measured by time.

The same reasoning applies to the production of the calendar as to that of all possible values. I do not need to explain how, — civilization (that is, the social fact of the increase of life) multiplying our tasks, rendering our moments more and more precious, and obliging us to keep a perpetual and detailed record of our whole life, — the calendar has become to all one of the most necessary things. We know, moreover, that this wonderful discovery has given rise, as its natural complement, to one of our most valuable industries, the manufacture of clocks and watches.

At this point there very naturally arises an objection the only one that can be offered against the theory of the proportionality of values.

Say and the economists who have succeeded him have observed that, labor being itself an object of valuation, a species of merchandise indeed like any other, to take it as the principal and efficient cause of value is to reason in a vicious circle. Therefore, they conclude, it is necessary to fall back on scarcity and opinion.

These economists, if they will allow me to say it, herein have shown themselves wonderfully careless. Labor is said to *have value*, not as merchandise itself, but in view of the values supposed to be contained in it potentially. The *value of labor* is a figurative expression, an anticipation of effect from cause.

It is a fiction by the same title as the *productivity of capital*. Labor produces, capital has value: and when, by a sort of ellipsis, we say the value of labor, we make an *enjambement* which is not at all contrary to the rules of language, but which theorists ought to guard against mistaking for a reality. Labor, like liberty, love, ambition, genius, is a thing vague and indeterminate in its nature, but qualitatively defined by its object, — that is, it becomes a reality through its product. When, therefore, we say: This man's labor is worth five francs per day, it is as if we should say: The daily product of this man's labor is worth five francs.

Now, the effect of labor is continually to eliminate scarcity and opinion as constitutive elements of value, and, by necessary consequence, to transform natural or indefinite utilities (appropriated or not) into measurable or social utilities: whence it follows that labor is at once a war declared upon the parsimony of Nature and a permanent conspiracy against property.

According to this analysis, value, considered from the point of view of the association which producers, by division of labor and by exchange, naturally form among themselves, is the *proportional relation of the products which constitute wealth*; and what we call the value of any special product is a formula which expresses, in terms of money, the proportion of this product to the general wealth. — Utility is the basis of value; labor fixes the relation; the price is the expression which, barring the fluctuations that we shall have to consider, indicates this relation.

Such is the centre around which useful and exchangeable value oscillate, the point where they finally are swallowed up and disappear: such is the absolute, unchangeable law which regulates economic disturbances and the freaks of industry and commerce, and governs progress. Every effort of thinking and laboring humanity, every individual and social speculation, as an integral part of collective wealth, obeys this law. It was the destiny of political economy, by successively positing all its contradictory terms, to make this law known; the object of social economy, which I ask permission for a moment to distinguish from political economy, although at bottom there is no difference between them, will be to spread and apply it universally.

The theory of the measure or proportionality of values is, let

it be noticed, the theory of equality itself. Indeed, just as in society, where we have seen that there is a complete identity between producer and consumer, the revenue paid to an idler is like value cast into the flames of Etna, so the laborer who receives excessive wages is like a gleaner to whom should be given a loaf of bread for gathering a stalk of grain: and all that the economists have qualified as *unproductive consumption* is in reality simply a violation of the law of proportionality.

We shall see in the sequence how, from these simple data, the social genius gradually deduces the still obscure system of organization of labor, distribution of wages, valuation of products, and universal solidarity. For social order is established upon the basis of inexorable justice, not at all upon the paradisaical sentiments of fraternity, self-sacrifice, and love, to the exercise of which so many honorable socialists are endeavoring now to stimulate the people. It is in vain that, following Jesus Christ, they preach the necessity, and set the example, of sacrifice; selfishness is stronger, and only the law of severity, economic fatality, is capable of mastering it. Humanitarian enthusiasm may produce shocks favorable to the progress of civilization; but these crises of sentiment, like the oscillations of value, must always result only in a firmer and more absolute establishment of justice. Nature, or Divinity, we distrust in our hearts: she has never believed in the love of man for his fellow; and all that science reveals to us of the ways of Providence in the progress of society—I say it to the shame of the human conscience, but our hypocrisy must be made aware of it—shows a profound misanthropy on the part of God. God helps us, not from motives of goodness, but because order is his essence; God promotes the welfare of the world, not because he deems it worthy, but because the religion of his supreme intelligence lays the obligation upon him: and while the vulgar give him the sweet name Father, it is impossible for the historian, for the political economist, to believe that he either loves or esteems us.

Let us imitate this sublime indifference, this stoical *ataraxia*, of God; and, since the precept of charity always has failed to promote social welfare, let us look to pure reason for the conditions of harmony and virtue.

Value, conceived as the proportionality of products, otherwise

called *CONSTITUTED VALUE*, necessarily implies in an equal degree *utility* and *venality*, indivisibly and harmoniously united. It implies utility, for, without this condition, the product would be destitute of that affinity which renders it exchangeable, and consequently makes it an element of wealth; it implies venality, since, if the product was not acceptable in the market at any hour and at a known price, it would be only a non-value, it would be nothing.

But, in constituted value, all these properties acquire a broader, more regular, truer significance than before. Thus, utility is no longer that inert capacity, so to speak, which things possess of serving for our enjoyments and in our researches; venality is no longer the exaggeration of a blind fancy or an unprincipled opinion; finally, variability has ceased to explain itself by a disingenuous discussion between supply and demand: all that has disappeared to give place to a positive, normal, and, under all possible circumstances, determinable idea. By the constitution of values each product, if it is allowable to establish such an analogy, becomes like the nourishment which, discovered by the alimentary instinct, then prepared by the digestive organs, enters into the general circulation, where it is converted, according to certain proportions, into flesh, bone, liquid, etc., and gives to the body life, strength, and beauty.

Now, what change does the idea of value undergo when we rise from the contradictory notions of useful value and exchangeable value to that of constituted value or absolute value? There is, so to speak, a joining together, a reciprocal penetration, in which the two elementary concepts, grasping each other like the hooked atoms of Epicurus, absorb one another and disappear, leaving in their place a compound possessed, but in a superior degree, of all their positive properties, and divested of all their negative properties. A value really such,—like money, first-class business paper, government annuities, shares in a well-established enterprise,—can neither be increased without reason nor lost in exchange: it is governed only by the natural law of the addition of special industries and the increase of products. Further, such a value is not the result of a compromise,—that is, of eclecticism, *juste-milieu*, or mixture; it is the product of a complete fusion, a product entirely new and distinct from its components, just as water, the product of the combination of hydrogen and oxygen, is a separate body, totally distinct from its elements.

The resolution of two antithetical ideas in a third of a superior order is what the school calls *synthesis*. It alone gives the positive and complete idea, which is obtained, as we have seen, by the successive affirmation or negation—for both amount to the same thing—of two diametrically opposite concepts. Whence we deduce this corollary, of the first importance in practice as well as in theory: wherever, in the spheres of morality, history, or political economy, analysis has established the antinomy of an idea, we may affirm on *à priori* grounds that this antinomy conceals a higher idea, which sooner or later will make its appearance.

I am sorry to have to insist at so great length on ideas familiar to all young college graduates: but I owed these details to certain economists, who, *à propos* of my critique of property, have heaped dilemmas on dilemmas to prove that, if I was not a proprietor, I necessarily must be a communist; all because they did not understand *thesis*, *antithesis*, and *synthesis*.

The synthetic idea of value, as the fundamental condition of social order and progress, was dimly seen by Adam Smith, when, to use the words of M. Blanqui, "he showed that labor is the universal and invariable measure of values, and proved that every thing has its natural price, toward which it continually gravitates amid the fluctuations of the market, occasioned by *accidental circumstances* foreign to the venal value of the thing."

But this idea of value was wholly intuitive with Adam Smith, and society does not change its habits upon the strength of intuitions; it decides only upon the authority of facts. The antinomy had to be expressed in a plainer and clearer manner: J. B. Say was its principal interpreter. But, in spite of the imaginative efforts and fearful subtlety of this economist, Smith's definition controls him without his knowledge, and is manifest throughout his arguments.

"To put a value on an article," says Say, "is to *declare* that it should be *estimated* equally with some other designated article. . . . The value of every thing is vague and arbitrary *until it is recognized*. . . ." There is, therefore, a method of recognizing the value of things,—that is, of determining it; and, as this recognition or determination results from the comparison of things with each other, there is, further, a common feature, a prin-

ciple, by means of which we are able to *declare* that one thing is worth more or less than, or as much as, another.

Say first said: "The measure of value is the value of another product." Afterwards, having seen that this phrase was but a tautology, he modified it thus: "The measure of value is the *quantity* of another product," which is quite as unintelligible. Moreover, this writer, generally so clear and decided, embarrasses himself with vain distinctions: "We may *appreciate* the value of things; we cannot *measure* it,—that is, *compare* it with an invariable and known standard, for no such standard exists. We can do nothing but *estimate the value* of things by comparing them." At other times he distinguishes between *real* values and *relative* values: "The former are those whose value changes with the cost of production; the latter are those whose value changes relatively to the value of other kinds of merchandise."

Singular prepossession of a man of genius, who does not see that to *compare*, to *appraise*, to *appreciate*, is to *measure*; that every measure, being only a comparison, indicates for that very reason a true relation, provided the comparison is accurate; that, consequently, value or real measure and value or relative measure are perfectly identical; and that the difficulty is reduced, not to the discovery of a standard of measure, since all quantities may serve each other in that capacity, but to the determination of a point of comparison. In geometry the point of comparison is extent, and the unit of measure is now the division of the circle into three hundred and sixty parts, now the circumference of the terrestrial globe, now the average dimension of the human arm, hand, thumb, or foot. In economic science, we have said after Adam Smith, the point of view from which all values are compared is labor; as for the unit of measure, that adopted in France is the FRANC. It is incredible that so many sensible men should struggle for forty years against an idea so simple. But no: *The comparison of values is effected without a point of comparison between them, and without a unit of measure*,—such is the proposition which the economists of the nineteenth century, rather than accept the revolutionary idea of equality, have resolved to maintain against all comers. What will posterity say?

I shall presently show, by striking examples, that the idea of the measure or proportion of values, theoretically necessary, is constantly realized in every-day life.

§3.—*Application of the law of proportionality of values.*

Every product is a representative of labor.

Every product, therefore, can be exchanged for some other, as universal practice proves.

But abolish labor, and you have left only articles of greater or less usefulness, which, being stamped with no economic character, no human seal, are without a common measure, — that is, are logically unexchangeable.

Gold and silver, like other articles of merchandise, are representatives of value; they have, therefore, been able to serve as common measures and mediums of exchange. But the special function which custom has allotted to the precious metals, — that of serving as a commercial agent, — is purely conventional, and any other article of merchandise, less conveniently perhaps, but just as authentically, could play this part: the economists admit it, and more than one example of it can be cited. What, then, is the reason of this preference generally accorded to the metals for the purpose of money, and how shall we explain this speciality of function, unparalleled in political economy, possessed by specie? For every unique thing incomparable in kind is necessarily very difficult of comprehension, and often even fails of it altogether. Now, is it possible to reconstruct the series from which money seems to have been detached, and, consequently, restore the latter to its true principle?

In dealing with this question the economists, following their usual course, have rushed beyond the limits of their science; they have appealed to physics, to mechanics, to history, etc.; they have talked of all things, but have given no answer. The precious metals, they have said, by their scarcity, density, and incorruptibility, are fitted to serve as money in a degree unapproached by other kinds of merchandise. In short, the economists, instead of replying to the economic question put to them, have set themselves to the examination of a question of art. They have laid great stress on the mechanical adaptation of gold and silver for the purpose of money; but not one of them has seen or understood the economic reason which gave to the precious metals the privilege they now enjoy.

Now, the point that no one has noticed is that, of all the various articles of merchandise, gold and silver were the first whose value was determined. In the patriarchal period, gold and silver still were bought and sold in ingots, but already with a visible tendency to superiority and with a marked preference. Gradually sovereigns took possession of them and stamped them with their seal; and from this royal consecration was born money, — that is, the commodity *par excellence*; that which, notwithstanding all commercial shocks, maintains a determined proportional value, and is accepted in payment for all things.

That which distinguishes specie, in fact, is not the durability of the metal, which is less than that of steel, nor its utility, which is much below that of wheat, iron, coal, and numerous other substances, regarded as almost vile when compared with gold; neither is it its scarcity or density, for in both these respects it might be replaced, either by labor spent upon other materials, or, as at present, by bank notes representing vast amounts of iron or copper. The distinctive feature of gold and silver, I repeat, is the fact that, owing to their metallic properties, the difficulties of their production, and, above all, the intervention of public authority, their value as merchandise was fixed and authenticated at an early date.

I say then that the value of gold and silver, especially of the part that is made into money, although perhaps it has not yet been calculated accurately, is no longer arbitrary; I add that it is no longer susceptible of depreciation, like other values, although it may vary continually nevertheless. All the logic and erudition that has been expended to prove, by the example of gold and silver, that value is essentially indeterminable, is a mass of paralogisms, arising from a false idea of the question, *ab ignorantia elenchi*.

Philip I., King of France, mixed with the *livre tournois* of Charlemagne one-third alloy, imagining that, since he held the monopoly of the power of coining money, he could do what every merchant does who holds the monopoly of a product. What was, in fact, this adulteration of money, for which Philip and his successors are so severely blamed? A very sound argument from the standpoint of commercial routine, but wholly false in the view of economic science, — namely, that, supply and demand being

the regulators of value, we may, either by causing an artificial scarcity or by monopolizing the manufacture, raise the estimation, and consequently the value, of things, and that this is as true of gold and silver as of wheat, wine, oil, tobacco. Nevertheless Philip's fraud was no sooner suspected than his money was reduced to its true value, and he lost himself all that he had expected to gain from his subjects. The same thing happened after all similar attempts. What was the reason of this disappointment?

Because, say the economists, the quantity of gold and silver in reality being neither diminished nor increased by the false coinage, the proportion of these metals to other merchandise was not changed, and consequently it was not in the power of the sovereign to make that which was worth but two worth four. For the same reason, if, instead of debasing the coin, it had been in the king's power to double its mass, the exchangeable value of gold and silver would have decreased one-half immediately, always on account of this proportionality and equilibrium. The adulteration of the coin was, then, on the part of the king, a forced loan, or rather, a bankruptcy, a swindle.

Marvelous! the economists explain very clearly, when they choose, the theory of the measure of value; that they may do so, it is necessary only to start them on the subject of money. Why, then, do they not see that money is the written law of commerce, the type of exchange, the first link in that long chain of creations all of which, as merchandise, must receive the sanction of society, and become, if not in fact, at least in right, acceptable as money in settlement of all kinds of transactions?

"Money," M. Augier very truly says, "can serve, either as a means of authenticating contracts already made, or as a good medium of exchange, only so far as its value approaches the ideal of permanence; for in all cases it exchanges or buys only the value which it possesses."¹

Let us turn this eminently judicious observation into a general formula.

Labor becomes a guarantee of well-being and equality only so far as the product of each individual is in proportion with the mass; for in all cases it exchanges or buys a value equal only to its own.

¹ "History of Public Credit."

Is it not strange that the defence of speculative and fraudulent commerce is undertaken boldly, while at the same time the attempt of a royal counterfeiter, who, after all, did but apply to gold and silver the fundamental principle of political economy, the arbitrary instability of values, is frowned down? If the administration should presume to give twelve ounces of tobacco for a pound,¹ the economists would cry robbery; but, if the same administration, using its privilege, should increase the price a few cents a pound, they would regard it as dear, but would discover no violation of principles. What an imbroglio is political economy!

There is, then, in the monetization of gold and silver something that the economists have given no account of; namely, the consecration of the law of proportionality, the first act in the constitution of values. Humanity does all things by infinitely small degrees: after comprehending the fact that all products of labor must be submitted to a proportional measure which makes all of them equally exchangeable, it begins by giving this attribute of absolute exchangeability to a special product, which shall become the type and model of all others. In the same way, to lift its members to liberty and equality, it begins by creating kings. The people have a confused idea of this providential progress when, in their dreams of fortune and in their legends, they speak continually of gold and royalty; and the philosophers only do homage to universal reason when, in their so-called moral homilies and their socialistic utopias, they thunder with equal violence against gold and tyranny. *Auri sacra fames!* Cursed gold! ludicrously shouts some communist. As well say cursed wheat, cursed vines, cursed sheep; for, like gold and silver, every commercial value must reach an exact and accurate determination. The work was begun long since; to-day it is making visible progress.

Let us pass to other considerations.

It is an axiom generally admitted by the economists that *all labor should leave an excess.*

I regard this proposition as universally and absolutely true; it is a corollary of the law of proportionality, which may be regarded as

¹ In France, the sale of tobacco is a government monopoly. — Translator.

an epitome of the whole science of economy. But — I beg pardon of the economists — the principle that *all labor should leave an excess* has no meaning in their theory, and is not susceptible of demonstration. If supply and demand alone determine value, how can we tell what is an *excess* and what is a *sufficiency*? If neither cost, nor market price, nor wages can be mathematically determined, how is it possible to conceive of a surplus, a profit? Commercial routine has given us the idea of profit as well as the word; and, since we are equal politically, we infer that every citizen has an equal right to realize profits in his personal industry. But commercial operations are essentially irregular, and it has been proved beyond question that the profits of commerce are but an arbitrary discount forced from the consumer by the producer, — in short, a displacement, to say the least. This we should soon see, if it was possible to compare the total amount of annual losses with the amount of profits. In the thought of political economy, the principle that *all labor should leave an excess* is simply the consecration of the constitutional right which all of us gained by the revolution, — the right of robbing one's neighbor.

The law of proportionality of values alone can solve this problem. I will approach the question a little farther back: its gravity warrants me in treating it with the consideration that it merits.

Most philosophers, like most philologists, see in society only a creature of the mind, or rather, an abstract name serving to designate a collection of men. It is a prepossession which all of us received in our infancy with our first lessons in grammar, that collective nouns, the names of genera and species, do not designate realities. There is much to say under this head, but I confine myself to my subject. To the true economist, society is a living being, endowed with an intelligence and an activity of its own, governed by special laws discoverable by observation alone, and whose existence is manifested, not under a material aspect, but by the close concert and mutual interdependence of all its members. Therefore, when a few pages back, adopting the allegorical method, we used a fabulous god as a symbol of society, our language in reality was not in the least metaphorical: we only gave a name to the social being, an organic and synthetic unit. In the eyes of any one who has reflected upon the laws of labor and exchange (I disregard every other consideration), the

reality, I had almost said the personality, of the collective man is as certain as the reality and the personality of the individual man. The only difference is that the latter appears to the senses as an organism whose parts are in a state of material coherence, which is not true of society. But intelligence, spontaneity, development, life, all that constitutes in the highest degree the reality of being, is as essential to society as to man: and hence it is that the government of societies is a *science*, — that is, a study of natural relations, — and not an *art*, — that is, good pleasure and absolutism. Hence it is, finally, that every society declines the moment it falls into the hands of the ideologists.

The principle that *all labor should leave an excess*, undemonstrable by political economy, — that is, by proprietary routine, — is one of those which bear strongest testimony to the reality of the collective person: for, as we shall see, this principle is true of individuals only because it emanates from society, which thus confers upon them the benefit of its own laws.

Let us turn to facts. It has been observed that railroad enterprises are a source of wealth to those who control them in a much less degree than to the State. The observation is a true one; and it might have been added that it applies, not only to railroads, but to every industry. But this phenomenon, which is essentially the result of the law of proportionality of values and of the absolute identity of production and consumption, is at variance with the ordinary notion of useful value and exchangeable value.

The average price charged for the transportation of merchandise by the old method is eighteen centimes per ton and kilometer, the merchandise taken and delivered at the warehouses. It has been calculated that, at this price, an ordinary railroad corporation would net a profit of not quite ten per cent., nearly the same as the profit made by the old method. But let us admit that the rapidity of transportation by rail is to that by wheels, all allowances made, as four to one: in society time itself being value, at the same price the railroad would have an advantage over the stage-wagon of four hundred per cent. Nevertheless, this enormous advantage, a very real one so far as society is concerned, is by no means realized in a like proportion by the carrier, who, while he adds four hundred per cent. to the social value, makes personally less than ten per cent. Suppose, in fact, to

make the thing still clearer, that the railroad should raise its price to twenty-five centimes, the rate by the old method remaining at eighteen; it would lose immediately all its consignments; shippers, consignees, everybody would return to the stage-wagon, if necessary. The locomotive would be abandoned; a social advantage of four hundred per cent. would be sacrificed to a private loss of thirty-three per cent.

The reason of this is easily seen. The advantage which results from the rapidity of the railroad is wholly social, and each individual participates in it only in a very slight degree (do not forget that we are speaking now only of the transportation of merchandise); while the loss falls directly and personally on the consumer. A special profit of four hundred per cent. in a society composed of say a million of men represents four ten-thousandths for each individual; while a loss to the consumer of thirty-three per cent. means a social deficit of thirty-three millions. Private interest and collective interest, seemingly so divergent at first blush, are therefore perfectly identical and equal: and this example may serve to show already how economic science reconciles all interests.

Consequently, in order that society may realize the profit above supposed, it is absolutely necessary that the railroad's prices shall not exceed, or shall exceed but very little, those of the stage-wagon.

But, that this condition may be fulfilled, — in other words, that the railroad may be commercially possible, — the amount of matter transported must be sufficiently great to cover at least the interest on the capital invested and the running expenses of the road. Then a railroad's first condition of existence is a large circulation, which implies a still larger production and a vast amount of exchanges.

But production, circulation, and exchange are not self-creative things; again, the various kinds of labor are not developed in isolation and independently of each other: their progress is necessarily connected, *solidaire*, proportional. There may be antagonism among manufacturers; but, in spite of them, social action is one, convergent, harmonious, — in a word, personal. Further, there is a day appointed for the creation of great instruments of labor: it is the day when general consumption shall be able to maintain

their employment, — that is, for all these propositions are inter-convertible, the day when ambient labor can feed new machinery. To anticipate the hour appointed by the progress of labor would be to imitate the fool who, going from Lyons to Marseilles, chartered a steamer for himself alone.

These points cleared up, nothing is easier than to explain why labor must leave an excess for each producer.

And first, as regards society: Prometheus, emerging from the womb of Nature, awakens to life in a state of inertia which is very charming, but which would soon become misery and torture if he did not make haste to abandon it for labor. In this original idleness, the product of Prometheus being nothing, his well-being is the same as that of the brute, and may be represented by zero.

Prometheus begins to work: and from his first day's labor, the first of the second creation, the product of Prometheus, — that is, his wealth, his well-being, — is equal to ten.

The second day Prometheus divides his labor, and his product increases to one hundred.

The third day, and each following day, Prometheus invents machinery, discovers new uses in things, new forces in Nature; the field of his existence extends from the domain of the senses to the sphere of morals and intelligence, and with every step that his industry takes the amount of his product increases, and assures him additional happiness. And since, finally, with him, to consume is to produce, it is clear that each day's consumption, using up only the product of the day before, leaves a surplus product for the day after.

But notice also — and give especial heed to this all-important fact — that the well-being of man is directly proportional to the intensity of labor and the multiplicity of industries: so that the increase of wealth and the increase of labor are correlative and parallel.

To say now that every individual participates in these general conditions of collective development would be to affirm a truth which, by reason of the evidence in its support, would appear silly. Let us point out rather the two general forms of consumption in society.

Society, like the individual, has first its articles of personal

consumption, articles which time gradually causes it to feel the need of, and which its mysterious instincts command it to create. Thus in the middle ages there was, with a large number of cities, a decisive moment when the building of city halls and cathedrals became a violent passion, which had to be satisfied at any price; the life of the community depended upon it. Security and strength, public order, centralization, nationality, country, independence, these are the elements which make up the life of society, the totality of its mental faculties; these are the sentiments which must find expression and representation. Such formerly was the object of the temple of Jerusalem, real palladium of the Jewish nation; such was the temple of Jupiter Capitolinus of Rome. Later, after the municipal palace and the temple, — organs, so to speak, of centralization and progress, — came the other works of public utility, — bridges, theatres, schools, hospitals, roads, etc.

The monuments of public utility being used essentially in common, and consequently gratuitously, society is rewarded for its advances by the political and moral advantages resulting from these great works, and which, furnishing security to labor and an ideal to the mind, give fresh impetus to industry and the arts.

But it is different with the articles of domestic consumption, which alone fall within the category of exchange. These can be produced only upon the conditions of mutuality which make consumption possible, — that is, immediate payment with advantage to the producers. These conditions we have developed sufficiently in the theory of proportionality of values, which we might call as well the theory of the gradual reduction of cost.

I have demonstrated theoretically and by facts the principle that *all labor should leave an excess*; but this principle, as certain as any proposition in arithmetic, is very far from universal realization. While, by the progress of collective industry, each individual day's labor yields a greater and greater product, and while, by necessary consequence, the laborer, receiving the same wages, must grow ever richer, there exist in society classes which *thrive* and classes which *perish*; laborers paid twice, thrice, a hundred times over, and laborers continually out of pocket; everywhere, finally, people who enjoy and people who suffer, and, by a monstrous division of the means of industry, individuals who con-

sume and do not produce. The distribution of well-being follows all the movements of value, and reproduces them in misery and luxury on a frightful scale and with terrible energy. But everywhere, too, the progress of wealth — that is, the proportionality of values — is the dominant law; and when the economists combat the complaints of the socialists with the progressive increase of public wealth and the alleviations of the condition of even the most unfortunate classes, they proclaim, without suspecting it, a truth which is the condemnation of their theories.

For I entreat the economists to question themselves for a moment in the silence of their hearts, far from the prejudices which disturb them, and regardless of the employments which occupy them or which they wait for, of the interests which they serve, of the votes which they covet, of the distinctions which tickle their vanity: let them tell me whether, hitherto, they have viewed the principle that all labor should leave an excess in connection with this series of premises and conclusions which we have elaborated, and whether they ever have understood these words to mean any thing more than the right to speculate in values by manipulating supply and demand; whether it is not true that they affirm at once, on the one hand the progress of wealth and well-being, and consequently the measure of values, and on the other the arbitrariness of commercial transactions and the incommensurability of values, — the flattest of contradictions? Is it not because of this contradiction that we continually hear repeated in lectures, and read in the works on political economy, this absurd hypothesis: *If the price of ALL things was doubled. . . . ?* As if the price of all things was not the proportion of things, and as if we could double a proportion, a relation, a law! Finally, is it not because of the proprietary and abnormal routine upheld by political economy that every one, in commerce, industry, the arts, and the State, on the pretended ground of services rendered to society, tends continually to exaggerate his importance, and solicits rewards, subsidies, large pensions, exorbitant fees: as if the reward of every service was not determined necessarily by the sum of its expenses? Why do not the economists, if they believe, as they appear to, that the labor of each should leave an excess, use all their influence in spreading this truth, so simple and so luminous: Each man's labor can

buy only the value which it contains, and this value is proportional to the services of all other laborers?

But here a last consideration presents itself, which I will explain in a few words.

J. B. Say, who of all the economists has insisted the most strenuously upon the absolute indeterminability of value, is also the one who has taken the most pains to refute that idea. He, if I am not mistaken, is the author of the formula: *Every product is worth what it costs*; or, what amounts to the same thing: *Products are bought with products*. This aphorism, which leads straight to equality, has been controverted since by other economists; we will examine in turn the affirmative and the negative.

When I say that every product is worth the products which it has cost, I mean that every product is a collective unit which, in a new form, groups a certain number of other products consumed in various quantities. Whence it follows that the products of human industry are, in relation to each other, *genera* and *species*, and that they form a series from the simple to the composite, according to the number and proportion of the elements, all equivalent to each other, which constitute each product. It matters little, for the present, that this series, as well as the equivalence of its elements, is expressed in practice more or less exactly by the equilibrium of wages and fortunes; our first business is with the relation of things, the economic law. For here, as ever, the idea first and spontaneously generates the fact, which, recognized then by the thought which has given it birth, gradually rectifies itself and conforms to its principle. Commerce, free and competitive, is but a long operation of redressal, whose object is to define more and more clearly the proportionality of values, until the civil law shall recognize it as a guide in matters concerning the condition of persons. I say, then, that Say's principle, *Every product is worth what it costs*, indicates a series in human production analogous to the animal and vegetable series, in which the elementary units (day's works) are regarded as equal. So that political economy affirms at its birth, but by a contradiction, what neither Plato, nor Rousseau, nor any ancient or modern publicist has thought possible,—equality of conditions and fortunes.

Prometheus is by turns husbandman, wine-grower, baker, wea-

ver. Whatever trade he works at, laboring only for himself, he buys what he consumes (his products) with one and the same money (his products), whose unit of measurement is necessarily his day's work. It is true that labor itself is liable to vary; Prometheus is not always in the same condition, and from one moment to another his enthusiasm, his fruitfulness, rises and falls. But, like every thing that is subject to variation, labor has its average, which justifies us in saying that, on the whole, day's work pays for day's work, neither more nor less. It is quite true that, if we compare the products of a certain period of social life with those of another, the hundred millionth day's work of the human race will show a result incomparably superior to that of the first; but it must be remembered also that the life of the collective being can no more be divided than that of the individual; that, though the days may not resemble each other, they are indissolubly united, and that in the sum total of existence pain and pleasure are common to them. If, then, the tailor, for rendering the value of a day's work, consumes ten times the product of the day's work of the weaver, it is as if the weaver gave ten days of his life for one day of the tailor's. This is exactly what happens when a peasant pays twelve francs to a lawyer for a document which it takes him an hour to prepare; and this inequality, this iniquity in exchanges, is the most potent cause of misery that the socialists have unveiled,—as the economists confess in secret while awaiting a sign from the master that shall permit them to acknowledge it openly.

Every error in commutative justice is an immolation of the laborer, a transfusion of the blood of one man into the body of another. . . . Let no one be frightened; I have no intention of fulminating against property an irritating philippic; especially as I think that, according to my principles, humanity is never mistaken; that, in establishing itself at first upon the right of property, it only laid down one of the principles of its future organization; and that, the preponderance of property once destroyed, it remains only to reduce this famous antithesis to unity. All the objections that can be offered in favor of property I am as well acquainted with as any of my critics, whom I ask as a favor to show their hearts when logic fails them. How can wealth that is not measured by labor be *valuable*? And if it is labor

that creates wealth and legitimates property, how explain the consumption of the idler? Where is the honesty in a system of distribution in which a product is worth, according to the person, now more, now less, than it costs?

Say's ideas led to an agrarian law; therefore, the conservative party hastened to protest against them. "The original source of wealth," M. Rossi had said, "is labor. In proclaiming this great principle, the industrial school has placed in evidence not only an economic principle, but that social fact which, in the hands of a skilful historian, becomes the surest guide in following the human race in its marchings and haltings upon the face of the earth."

Why, after having uttered these profound words in his lectures, has M. Rossi thought it his duty to retract them afterwards in a review, and to compromise gratuitously his dignity as a philosopher and an economist?

"Say that wealth is the result of labor alone; affirm that labor is always the measure of value, the regulator of prices; yet, to escape one way or another the objections which these doctrines call forth on all hands, some incomplete, others absolute, you will be obliged to generalize the idea of labor, and to substitute for analysis an utterly erroneous synthesis."

I regret that a man like M. Rossi should suggest to me so sad a thought; but, while reading the passage that I have just quoted, I could not help saying: Science and truth have lost their influence: the present object of worship is the shop, and, after the shop, the desperate constitutionalism which represents it. To whom, then, does M. Rossi address himself? Is he in favor of labor or something else; analysis or synthesis? Is he in favor of all these things at once? Let him choose, for the conclusion is inevitably against him.

If labor is the source of all wealth, if it is the surest guide in tracing the history of human institutions on the face of the earth, why should equality of distribution, equality as measured by labor, not be a law?

If, on the contrary, there is wealth which is not the product of labor, why is the possession of it a privilege? Where is the legitimacy of monopoly? Explain then, once for all, this theory of the right of unproductive consumption; this jurisprudence of

caprice, this religion of idleness, the sacred prerogative of a caste of the elect.

What, now, is the significance of this appeal from *analysis* to the false judgments of the *synthesis*? These metaphysical terms are of no use, save to indoctrinate simpletons, who do not suspect that the same proposition can be construed, indifferently and at will, analytically or synthetically. *Labor is the principle of value and the source of wealth*: an analytic proposition such as M. Rossi likes, since it is the summary of an analysis in which it is demonstrated that the primitive notion of labor is identical with the subsequent notions of product, value, capital, wealth, etc. Nevertheless, we see that M. Rossi rejects the doctrine which results from this analysis. *Labor, capital, and land are the sources of wealth*: a synthetic proposition, precisely such as M. Rossi does not like. Indeed, wealth is considered here as a general notion, produced in three distinct, but not identical, ways. And yet the doctrine thus formulated is the one that M. Rossi prefers. Now, would it please M. Rossi to have us render his theory of monopoly analytically and ours of labor synthetically? I can give him the satisfaction. . . . But I should blush, with so earnest a man, to prolong such *badinage*. M. Rossi knows better than any one that analysis and synthesis of themselves prove absolutely nothing, and that the important work, as Bacon said, is to make exact comparisons and complete enumerations.

Since M. Rossi was in the humor for abstractions, why did he not say to the phalanx of economists who listen so respectfully to the least word that falls from his lips:—

"Capital is the *material* of wealth, as gold and silver are the material of money, as wheat is the material of bread, and, tracing the series back to the end, as earth, water, fire, and air are the material of all our products. But it is labor, labor alone, which successively creates each utility given to these *materials*, and which consequently transforms them into capital and wealth. Capital is the result of labor,—that is, realized intelligence and life,—as animals and plants are realizations of the soul of the universe, and as the *chefs d'œuvre* of Homer, Raphael, and Rossini are expressions of their ideas and sentiments. Value is the proportion in which all the realizations of the human soul must

balance each other in order to produce a harmonious whole, which, being wealth, gives us well-being, or rather is the token, not the object, of our happiness.

"The proposition, *there is no measure of value*, is illogical and contradictory, as is shown by the very arguments which have been offered in its support.

"The proposition, *labor is the principle of proportionality of values*, not only is true, resulting as it does from an irrefutable analysis, but it is the object of progress, the condition and form of social well-being, the beginning and end of political economy. From this proposition and its corollaries, *every product is worth what it costs*, and *products are bought with products*, follows the dogma of equality of conditions.

"The idea of value socially constituted, or of proportionality of values, serves to explain further: (a) how a mechanical invention, notwithstanding the privilege which it temporarily creates and the disturbances which it occasions, always produces in the end a general amelioration; (b) how the value of an economical process to its discoverer can never equal the profit which it realizes for society; (c) how, by a series of oscillations between supply and demand, the value of every product constantly seeks a level with cost and with the needs of consumption, and consequently tends to establish itself in a fixed and positive manner; (d) how, collective production continually increasing the amount of consumable things, and the day's work consequently obtaining higher and higher pay, labor must leave an excess for each producer; (e) how the amount of work to be done, instead of being diminished by industrial progress, ever increases in both quantity and quality—that is, in intensity and difficulty—in all branches of industry; (f) how social value continually eliminates fictitious values, — in other words, how industry effects the socialization of capital and property; (g) finally, how the distribution of products, growing in regularity with the strength of the mutual guarantee resulting from the constitution of value, pushes society onward to equality of conditions and fortunes.

"Finally, the theory of the successive constitution of all commercial values implying the infinite progress of labor, wealth, and well-being, the object of society, from the economic point of view, is revealed to us: *To produce incessantly, with the least possible*

amount of labor for each product, the greatest possible quantity and variety of values, in such a way as to realize, for each individual, the greatest amount of physical, moral, and intellectual well-being, and, for the race, the highest perfection and infinite glory."

Now that we have determined, not without difficulty, the meaning of the question asked by the Academy of Moral Sciences touching the oscillations of profit and wages, it is time to begin the essential part of our work. Wherever labor has not been socialized—that is, wherever value is not synthetically determined,—there is irregularity and dishonesty in exchange; a war of stratagems and ambushes; an impediment to production, circulation, and consumption; unproductive labor; insecurity; spoliation; insolidarity; want; luxury: but at the same time an effort of the genius of society to obtain justice, and a constant tendency toward association and order. Political economy is simply the history of this grand struggle. On the one hand, indeed, political economy, in so far as it sanctions and pretends to perpetuate the anomalies of value and the prerogatives of selfishness, is truly the theory of misfortune and the organization of misery; but in so far as it explains the means invented by civilization to abolish poverty, although these means always have been used exclusively in the interest of monopoly, political economy is the preamble of the organization of wealth.

It is important, then, that we should resume the study of economic facts and practices, discover their meaning, and formulate their philosophy. Until this is done, no knowledge of social progress can be acquired, no reform attempted. The error of socialism has consisted hitherto in perpetuating religious reverie by launching forward into a fantastic future instead of seizing the reality which is crushing it; as the wrong of the economists has been in regarding every accomplished fact as an injunction against any proposal of reform.

For my own part, such is not my conception of economic science, the true social science. Instead of offering *à priori* arguments as solutions of the formidable problems of the organization of labor and the distribution of wealth, I shall interrogate political economy as the depositary of the secret thoughts of humanity; I shall cause it to disclose the facts in the order of their

occurrence, and shall relate their testimony without intermingling it with my own. It will be at once a triumphant and a lamentable history, in which the actors will be ideas, the episodes theories, and the dates formulas.

THE WARFARE.

ALONG the battle's flaming van
 We mark the tried and true, —
 Defenders of the cause of man,
 A chosen, peerless few.
 Born to their mission and inspired,
 Oh, should they fall, we feel
 No spirit would like theirs be fired,
 No hand could wield their steel.

Yet, one by one, they step aside,
 Or on the red field lie,
 And still their places are supplied,
 Still rings the battle-cry;
 Still o'er the hoary walls of Wrong
 Truth's startling missiles fly,
 And still, with steady step and strong,
 Her hosts are marching by.

And so it shall be evermore,
 Until the trump is blown,
 Proclaiming Wrong's hard rule is o'er,
 And Right is on the throne.
 Oh, fear not for our cause sublime!
 Let hate do all it can;
 For in the darkest coming time
 The hour shall bring the man.

I. G. BLANCHARD

SO THE RAILWAY KINGS ITCH FOR AN EMPIRE, DO THEY?

BY "A RED-HOT STRIKER."

(Being a letter to Mr. W. M. Grosvenor, whose slander of working-people in the
 "International Review" has stirred me up mightily.)

SCRANTON, PA., September 15, 1877.

COMPLIMENTS to Mr. Grosvenor.
 So you and Jay Gould want an Empire, do you?
 I'm glad you've shown your hand. It's what I've been expecting that some of you fellows would do.
 You run up Tom Scott for "perpetual President," do you?
 "Railway managers not to resist, but to *run*, the government," are they?
 "Despotism," is it?
 Jay Gould will give a million, will he?
 And you and Tom will go him one better, I suppose?
 And there are a few others — you say "in every land the *rich* are the few" — that will go and do likewise?
 And you think you and these few will get what you want? I suppose you argue that these owners of "four thousand millions of capital" can play the devil with the country, unless they have their own way. They've already done it in many States, you say. They can buy up or crush Congress as they please, same as they have done the Legislatures. They "can make and unmake Senators and Representatives," can they?
 Well now, after all this, ain't you ashamed of yourself to go talking about "free institutions" and the "hope of patriotic citizens?"
 Hope?
 Your hope?