

WESTERN CLARION

Official Organ of
THE SOCIALIST PARTY OF CANADA

A Journal of
CURRENT
EVENTS

HISTORY
ECONOMICS
PHILOSOPHY

No. 841

Twice a Month

VANCOUVER, B. C., APRIL 16, 1921

FIVE CENTS

Concerning the Exploitation of the Farmer

FARMER'S LETTER.

Youngstown, Alta.,
March 14th, 1921.

Editor, "Western Clarion."

Dear Comrade,—I wish to ask you a question which I wish you would publish in the "Clarion" so that the ordinary farmer can understand it.

Marx says that all commodities exchange at their value, and that all exploitation takes place at the point of production. Now assuming this to be true, then where is the farmer exploited? Of course we understand where the laborer is exploited, and can show how, but this question as to the farmer being exploited at the point of production is cloudy to a good many, even to some of the propagandists who have visited us; they seem to give some kind of an explanation but they have not made it clear.

Taking the explanation of Marx, that all exploitation takes place at the point of production, and that all commodities exchange at their value, taking that theory for granted then, where and how is a farmer exploited—where? Supposing the case of a farmer who owns his farm and machinery and is doing all his own work, and he raises 1000 bushels of wheat; he naturally has the full product of his labor and consequently is not exploited as yet. Now if all commodities exchange at their value, then when he sells his wheat at its value he is not exploited at either one of these points; now if he is not exploited as yet then where is he exploited, and how is he exploited at the point of production?

P.S.—Please make this explanation as clear as possible, as there are a good many of the Comrades here who cannot give any explanation at all on this question.

I will now give you an idea how I see it, and I wish you would send me a typed letter in which you would give me corrections on my explanation. You can publish my questions above and also answer the same in the "Clarion," but as I am continually arguing on the Socialist movement, it becomes necessary that I should be in a position to give a thorough explanation, so I am going to tell you how I have tried to make this clear. Of course I have not openly explained or tried to explain this question, but in arguing with comrades who have studied more or less of social philosophy, I have explained the question as follows:

Taking for granted that all exploitation takes place at the point of production, then the farmer owning his farm and machinery is exploited by the parasites by the assistance of nature at the point of production owing to the fact that his occupation is very uncertain, e.g., the farmer works his land and machine himself, and owing to the elements of the weather he receives no returns. (Now this would seem that he had performed unnecessary labor, but this is not the case as the labor was necessary to produce a crop, but, owing to the fact that he had no control of nature and could not have been conscious of the fact that the weather was not going to be favorable to crop raising).

Now under the present situation he must stand the loss of his labor individually, and it is here where the parasites such as lawyers, judges, sheriffs, bailiffs, and collectors, etc., get in their work. So that when the farmer gets paid for his labor by nature, then he sells his commodities at their value and turns the proceeds of such a sale over to

the parasites; this is where and when the farmer is exploited at the point of production (not by nature but by the parasites, assisted by nature). This explanation is not quite satisfactory to me, because it seems to me that the parasites are robbing the farmers, owing to the fact that he received no value for his product from the parasites, but neither does labor get any value for the surplus labor power expended by them. Now in case you see any flaws in my explanation, I wish to have them made clear to me. Please refer my letter to the teacher of the economic class at Vancouver, as I should like his explanation on this question. Hoping to receive an early answer, I remain,

Your comrade,

H. A. WIERTZ.

"GEORDIE" EXPLAINS

It would appear that the farming community is discontented, and, in particular, that the small farmer has troubles of his own. This latter person loudly insists that he is being robbed and ordinary observation would seem to indicate that something is happening to him which has that effect.

It is notoriously true that his condition is worse than that of any town laborer who worked so assiduously or who had the good fortune to be employed so continuously. Many of him are of the opinion that co-operation, tariff adjustment, extension of government control and credit, or some other form of political thimblering will ameliorate these conditions. For these reasons farmers' associations and political parties are being formed. I am not at present concerned with this aspect of the question, except to say that it is to be expected that a class having such well defined interests would seek to express itself politically. What I am interested in is the fact that in a country such as this in which the class of small farmers is so numerous the Socialist movement has had to take an interest in the farmer question; has attempted to explain that question in the light of Socialist doctrines, and has conducted a certain amount of propaganda in the farming districts.

Now, as appears from a letter published in this issue a certain amount of confusion has been caused by the fact that much of this propaganda is based upon certain premises which, to my mind, are fallacious. It has been represented that the farmer is in some sense a wage-laborer or is to be classed with the wage-laborer and, as such, that he is exploited at the "point of production." It is further maintained that this is the only way in which he can be exploited, seeing that commodities exchange at their values.

Now, if the term "exploitation" be understood to cover any means by which the ruling class appropriates the surplus value produced by others, then we may admit that the farmer is exploited, but not in the same manner as the worker, seeing that he is quite obviously not a wage-laborer. Whatever may be the similarity in his condition he is not in the same economic position. He does not sell his labor-power for wages. On the other hand, he owns the land he works (the fact that he has a mortgage proves he is its legal owner); he finds his own capital; he employs labor (intermittently perhaps), and he sells his product in the (more or less) open market.

The small farmer is, therefore, an "independent small producer" (Marx) and, if he is to be classed with others at all, must be classed with that welter of small contractors, petty business men and what-not which ekes out an existence on the fringes of the capitalist class.

As to the second point, it is simply not true that commodities individually exchange at value. Speaking generally, such a thing is impossible. Theoretically, it would be a contradiction of the law of value and, in practice, the facts are against any such assumption.

Commodities are bought and sold at prices which fluctuate about what Marx calls the "price of production," that is to say, the expenses of production plus the average rate of profit. The effect of this is that in those industries, such as agriculture, which have a low composition of capital, the price of production and, consequently, the market price of the product is below value. On the other hand, in those industries which have a high composition of capital, such as the manufacture of machinery, transportation, etc., the product is sold above its value. A capital of "high composition" is one which employs a high proportion of constant to variable capital, and vice versa for a "low composition." All of which is to the effect that the farmer sells his product below its value and pays prices above value for what he buys.

The position of the farmer, however, is much worse than this. The price of production includes the average rate of profit and, as we shall see, the small farmer does not get this, not to speak of rent which, being a form of surplus profit arising under favorable circumstances, I shall, for the present, neglect.

The small farmer, in most cases is working at the margin of cultivation, on "no rent" land and his capital is limited by reason of his poverty.

On this point Marx observes that:

"Each line of business develops . . . a normal size of capital, which the mass of producers must be able to command. . . . Whatever exceeds this, can form extra profits; whatever is below this does not get the average profit." —"Capital," vol. iii., page 791).

Again on page 784 he says, speaking of differences in land:

"It is a mistaken assumption that the land in colonies, and in new countries generally, which can export cereals at cheaper prices, must for that reason be necessarily of a great natural fertility. The cereals are not only sold below their value in such cases, but below their price of production, namely below the price of production determined by the rate of profit in the older countries."

And again, page 936:

"For the small farmer the limit of exploitation is not set by the average profit of capital, if he is a small capitalist, nor by the necessity of making a rent, if he is a landowner. Nothing appears as an absolute limit for him, as a small capitalist, but the wages which he pays to himself, after deducting his actual costs. So long as the price of the product covers these wages, he will cultivate his land, and will do so often to the physical minimum of his wages."

One more quotation along this line from page 807:

"In the case of colonists and of independent small producers in general, who have no command at all over capital or at least command it only at a high rate of interest, that part of

(Continued on page 2)