

EXCHANGE

The Practice of Primitive Barter of Products and Commodity Exchange Reviewed

As Preliminary to a Consideration of the Money-commodity—Its Properties and Functions

The production of commodities, while typical of the capitalist system is not peculiar to that system but has existed in some form or another during the whole historical period and, no doubt, for ages, anterior to that period. What, however, distinguishes the present system from the forms of society which preceded it is that commodity-production and exchange is the dominant mode of the distribution of products, while in earlier societies it was merely incidental to and existed alongside of the prevailing mode of distribution.

The fancy pictures drawn of primitive life in which the savage is represented as exchanging say a bow and arrows for a deer and in which each party calculates the time he took to produce the weapon or to capture the game, are not warranted by the facts. There is no reason to suppose that any such idea ever entered the savage mind. In the first place, the proceeds of the chase were not regarded as being the private property of the individual and were distributed more or less equally among the members of the tribe according to their needs.

On the other hand, primitive man has an objection to parting with anything he has made, say a weapon or personal ornament; these being regarded as in some way part of himself, so much so, that when he died they were buried with him. I am aware that a religious explanation has been given of the latter act but it is probable in this case as in many others, that later ages have placed a spiritual interpretation upon an act having a much simpler explanation. However, this may be, it is likely that we have here the origin of the idea of property and, if so, a confirmation of the view which bases the right of property on production rather than on possession. In any case the savage has no idea of time and little if any of value and such exchange as took place would not therefore be based on any such consideration. There is considerable probability in the view that the interchange of products arose out of the practice of giving presents, which being reciprocal, a feeling grew up that the presents should be equal in value or, rather, equal in desirability. As a matter of fact, we should not expect exchange of commodities to take place to any great extent, until the right of property was firmly established and considerable advance had been made in the division of labor.

We find, therefore, that barter, that is to say the direct exchange of products grew up not within the primitive societies, but on their confines. The tribes, self-contained and self-supporting, really formed the units of ancient society and between those units, though generally supposed to have been more or less hostile to each other, a certain amount of trade took place. A place was often set apart in the neutral ground between the tribal territories at which the tribes could meet. This place it appears, was called the "mark" and our word "market" is supposed to have this derivation. The goods traded in would naturally be such as could not, for geographical or climatic reasons, be produced in the district to which they were brought. We can, for instance, imagine the members of one tribe bartering certain natural pigments or the feathers of certain birds only found in their territory for some special stone, useful for weapons or tools only found in the district inhabited by some other tribe. The nomad or wandering tribes were probably the first to develop trading to any extent and, later on in history we find nations, such as the Phoenicians, who lived by this means and founded cities such as Tyre, Carthage and Cadiz for this purpose. These people, however, while in ancient society, were not of it, so to speak. Further, inasmuch as the ancient nations were based on kinship

rather than on territorial considerations, the laws and customs applicable as between members of the tribe were not held binding beyond their boundaries or in relations with strangers. For this reason all kinds of sharp practice were deemed admissible in trading and as the ancient traders were not averse to a little piracy or kidnapping when occasion offered, it is not surprising that neither the traders themselves nor the occupation they followed were held in any high repute. A consideration of the modern business man would seem to confirm this view. It is, no doubt, owing to this sentiment that the word "bourgeois," innocent enough in itself, has always been considered more or less as a term of reproach. This I take it, is why the early Socialists were so fond of using it.

Here, then, we have the beginnings of commodity production. At first there is production for use only; then the surplus, if any, is disposed of; finally we have goods produced for the express purpose of exchange. This process, however, can not go on very far on the lines of pure barter and we very soon find some one commodity, segregated out from the others and performing the functions of a measure of value and a circulating medium. It is important to note that these functions may be performed by different commodities, that is, one as a measure of value and the other as circulating medium. This process goes on spontaneously and more or less unconsciously, stimulated by the very real disadvantages of the barter system.

These disadvantages are generally described as:

(1) The inconvenience arising from the lack of coincidence in barter.

(2) The indivisibility of ordinary goods.

The first difficulty in barter is to find two persons whose disposable possessions mutually suit each others wants, for before barter can be effected a double coincidence must take place; the possessor of a certain commodity must not only find some one willing to acquire the object he possesses but that some one must be able and willing to give him in return precisely the object he wants. Even should this take place there is a third improbability—that the articles will be of equal value. This brings us to our second disadvantage. Many commodities are naturally indivisible; such as a coat or a sheep. The possessor of such a commodity must part with it as a whole, while the articles he wants may be of much less value individually and to be obtained from various people.

The use of some special commodity as a medium of exchange does away with these difficulties and separates the act of barter into two distinct operations, sale and purchase.

We shall next consider the money-commodity, its properties and functions.

GEORDIE.

AUSTRIA'S PROGRAM OF SOCIALIZATION.

(Special to The Christian Science Monitor from its Washington News Office.)

WASHINGTON, District of Columbia.—A statement by the Austrian Government concerning the socialization program has been received here. The government it says, purposes to socialize the coal-mining industry and the wholesale coal trade, the extraction of iron ore and production of pig iron, the electrical industry, exploitation of water power, forestry and the timber trade. There was talk of socializing the chemical industry. Special measures were planned for dividing the great estates. Legislation to make effective these schemes has been drawn, but no steps have been taken to make it effective.

AN APPEAL FROM FINLAND.

Militarists Insisting on the Russian War Against Wish of Masses.

COPENHAGEN, June 20.—The Central Committee of the Social Democratic Party of Finland have issued the following appeal:—

Finnish militarist and Imperialist circles, which were formerly supporting themselves on Germany, are now endeavoring to obtain support on the corresponding circles of the Entente countries, in seeking to provoke a participation by Finland in operations against Russia.

Any such participation would have disastrous consequences for Finland, because under cover of a state of war reaction would succeed in retarding the coming of great democratic reforms which would otherwise be at hand.

The Finnish Social Democracy with the enormous majority of the people, wishes to continue in peace its work of civilization, but these efforts would be prevented by the militarists, who pretend that it is necessary for Finland to take part in the war on behalf of the Entente.

The Entente Governments have rather encouraged than discouraged these views.

We beg the Socialist Parties of the Entente countries to do everything possible to obtain from their Governments an assurance that they will not insist on any participation by Finland in military operations, and to put no pressure on Finland.

DISSOLUTION OF THE PROLETARIAN FAMILY.

"Socialists are charged with the intent to abolish the family, but those who do destroy the family bonds—who not only mean to, but actually do destroy them right under our eyes—are not the Socialists, but the Capitalists. Many a slave holder has in former times torn husband from wife and parents from children, but the Capitalists have improved upon the abominations of slavery; they tear the infant from the breast of its mother and compel her to entrust it to strangers hands. And yet a society in which hundreds of thousands of such instances are of daily occurrence, a society whose upper classes promote "benevolent" institutions for the purpose of making easy the separation of the mothers from their babies, such a society has the effrontery to accuse the Socialists of trying to abolish the family, because they, basing their opinion on the fact that the family has ever been one of the reflexes of the system of production, foresee that further changes in that system must also result in a more perfect family relationship."

KAUTSKY.

CITIES RECAPTURED BY THE BOLSHEVIKI.

(Special cable to The Christian Science Monitor from its European News Office.)

LONDON, England, (Sunday.—The War Office announces increasing Bolshevik counter-attacks against General Denikin's advance in south Russia, particularly near Balashov, Bobrov and southwest of Kharkoff, near Valki. The Bolsheviks have recaptured Balashov and Bobrov. Volunteers are, however, successfully enlarging their hold on the western bank of the River Dniester and are fighting 40 miles northwest of Ekaterinoslav.

The recent serious rising of the Egyptians against the British rule is said to be due to the nonfulfillment of secret treaties made by Sir Edward Grey with representative Egyptians guaranteeing the complete independence of Egypt, Syria, Mesopotamia and Arabia on the condition that the Egyptian Committee would use its powerful influence to prevent any assistance being given to the Turks during the war. The Egyptian Committee carried out its part of the bargain, but the British Government refuses to fulfil its contract.