case in other commodities, which accounts largely for the so-called "high cost of living."

The minor fluctuations in prices that are continually taking place are due mainly to supply and demand. In a staple market, such **that the supply of, and demand for, all commodities** exactly balanced one another, prices and exchange values would be equivalent. But, as such is not the case, as supply and demand do not balance, prices of commodities continually fluctuate above and below their exchange values. When the demand for a commodity is greater than the supply, its price rises. When the supply is greater than the demand, the price falls. But, whenever from this cause, the price rises anywhere, a flow of commodities takes place in that direction and the price is brought down to its level, and wherever the price falls, production is retarded until the normal level is resumed. So that these fluctuations in process of time, cancel one another, and commodities exchange, **on the average,** at their cost of production, that is, according to the socially necessary labor involved in their production.

Fluctuations in Wages.

The money wage, being the price of the commodity labor power, is subject to the same fluctuations as is the price of any other commodity. That the supply of labor power exceeds the demand at all times, and often to such an extent as to produce a veritable glut, is so patent that it may be taken as proved. **This excess of**