

\$2,400 to \$13,000, 154%, and incomes of \$13,000 or over, 272%.

The Labour Theory of Value Given Up.

The ideas on which Marx based his Socialism must, therefore, be given up. His labour theory of value is erroneous, and has now been generally abandoned. If labour is the measure of value, say his critics, what decides the value of labour itself? Or in the case where a shoe goes through fifty hands in the process of manufacture, who shall decide on the Marxian doctrines what amount each of the men has contributed to produce the finished article? One can estimate the total value added to the leather in manufacturing the shoe, but one cannot estimate how much of the added value is due to each of those who have aided in the process. Yet, that, according to Marx, is what should decide their reward.

Again, if labour is the measure of value, why is it that no one will buy at any price a disused railroad? It cost a very great deal of labour to build the railroad, perhaps as much labour as it cost to build a much used and productive line of railway; yet no one but a lunatic would be willing to give the latter for the former. Clearly, the labour theory of value will not square with the elementary facts of life. If we compare it with the utility theory of value (Lesson 1) we shall easily realize which of the two coincides with our experience.

It is, however, a great mistake to suppose that because we have refuted the Labour Theory of Value we have thereby disposed of Socialism. We have, indeed, disposed of the pure Marxian or "Scientific" Socialism, but there are other varieties, less revolutionary, indeed, but on that account all the more pervasive and, as the opponents of Socialism would say, all the more dangerous, because, like some of the most deadly diseases, they are insidious.

The Fabian Society.

The type of Socialism which is to-day producing the greatest practical effect is probably that whose influence