its main support from exchange practice based on popular belief in a lie regarding money and gold as a measure of values. **Gold is not a measure of values. Here, indeed, men should guard well the citadel of their thought, and keep it pure from the blasting contamination of error.** The church has not exposed this lie in economics. Christianity as a system of moral and spiritual truth has a message of saving value for society on this question that has not been delivered "up-to-date," and the workers of the world are still "hungering and thirsting for righteousness." There is an encouraging indication that the time is not far distant when "they shall be filled" by a truer interpretation of the Gospel of Jesus as a very real factor in the material affairs of this world "right here and now." It is gratifying to note that at least one branch of the Christian church in Canada is awaking to the call from the economic field, and turning its attention to the uplifting possibilities of redemptive work in this direction, as shown by the "Recommendations" of the General Assembly of the Presbyterian Church in Canada, endorsed at its meeting at Ottawa, Ont., in June, 1911.*

Regarding the Socialist theory of prices, as will be noted above, **Karl Marx accepts money as a standard measure of value,** and takes a decided stand in opposition to any argum[illegible] bas[illegible] or a theory that the prices of commodities in [illegible] metal are, on an average, above the level of their [illegible] of social labor-time. The main outlines of [illegible]ry on this point are accepted as correct by many [illegible]idely known Socialists in Europe and America; [illegible]ers including Karl Kantsky (Germany); Emile V[illegible]elde (B[illegible]gium); Keir Hardie and H. Hyndman (England), Dan[illegible] De Leon and others (United States).

In view of the general acceptance of a theory that makes money a measure of value and an equivalent term for gold, by so active a political force as the "International Socialist Organization," and by all orthodox political economists, it is a tremendously significant fact that

> "NINETY-FIVE (95) PER CENT. OF THE CHARTERED BANK NOTES ISSUED, AND NOW IN CIRCULATION IN CANADA, HAVE NOT ONE SOLITARY DOLLAR'S WORTH OF GOLD METAL OR EQUIVALENT VALUE, OR ANY SECURITY BACKING OF ANY KIND, EITHER COIN, BULLION, BONDS, STOCKS OR ANY FORM OF COLLATERAL, DEPOSITED WITH THE DOMINION GOVERNMENT, NEITHER ARE THEY SUPPORTED BY GOLD RESERVES IN ANY PLACE. THESE NOTES OF OUR CHARTERED BANKS OPERATE IN CIRCULATION JUST AS A BRASS DOLLAR—COUNTERFEIT OF GOLD—OPERATES TO TRANSFER PROPERTY, AND INFLUENCE PRICES AND WAGES, ETC. SURELY THE CANADIAN PUBLIC HAS NEVER REALIZED THE FULL MEANING OF THE FACT THAT THIS IS THE CHIEF MEDIUM OF EXCHANGE FOR PAYMENT OF SALARIES AND WAGES OF THE WORKING CLASSES IN CANADA, VIZ., EXCHANGING THAT WHICH COSTS MUCH TIME AND LABOR FOR THAT WHICH COSTS LITTLE TIME AND LABOR."

(The above was written before the revision of the Bank Act in 1913.)

(Reprint from the "Toronto Investigator"—Nov. 25, 1911)

VI. THE MEASURE OF VALUE (the Economist's "Slough of Despond")—by Henry B. Ashplant.

A measure is that by which the length, breadth, thickness, depth, or definite size of anything is ascertained.

A standard measure is that which is established by law or custom as a fixed measure.

A yardstick is a fixed standard measure for length.

A bushel is a fixed standard for dry measure.

A pound or ton (specified) is a fixed standard measure for weight.

These things are invariable, always, in all places, at all times; the same length, the same bulk, the same weight, alike in republics, monarchies or au[illegible]cies.

Nothing can be a standar[illegible] [illegible]sure that varies in itself.

Money could be a standard m[illegible]asure if money were itself invariable; but money is a variable thing. If Gold metal and Money were equivalent terms in finance practice, gold could be a measure of value for exchange purposes, but gold and money are no more equivalent terms than coal and fuel are equivalents. Other commodities, such as paper, are used for money, in the same market, besides gold; and money is thus a variable thing so far as labor cost is concerned. So that while it is quite correct to assert that the standard sovereign, or dollar, or other monetary unit is a fixed quantity of a specific quality of metal, it is not equally correct to assert that current money is the equivalent of such a standard unit, because current money is no such thing; as we have already shown in regard to Chartered Bank notes in Canada. Current yardsticks, bushels, or pound weights never vary from their legal standards; hence they are true measures in their respective spheres, at all times and in all places. Money, in practice, is no such true measure, because paper bank notes are in no way the same in labor cost quality as the standard gold coin. Orthodox political economy has declared that money is a measure of value in commercial exchange and finance practice. It would be monotonous reiteration to quote authorities in proof. They all do it. With tiresome unanimity, the "professors" follow a delusion caused by the illusion of false appearances in money. Gold and money are treated as equivalent terms. These are not equivalents. Strange to relate, but not less true than strange, the most heterodox of radical repudiators of orthodox economic theories, viz., Karl Marx, author of "Capital" (a book sometimes referred to as the German working-man's Bible) has swallowed whole the orthodox theory that "money is a standard measure of value;" the outstanding feature of "Capital" being acceptance of the theory.

MONEY IS NOT A MEASURE OF VALUE. MONEY IS SIMPLY A MEDIUM OF EXCHANGE. TIME IS THE MEASURE OF VALUE.

It is quite true that Karl Marx clearly perceived the truth that social labor measured by time is the real standard for a measure of values in commerce; he did not, however, follow the course of monetary practice correctly. Marx accepted gold and money as labor equivalents in Capitalist practice. Edward Aveling (a son-in-law of Karl Marx), in "The Student's Marx," ch. 3, sec. 1, says: "The first function of money is to be a universal measure of value."

That is as orthodox as you can get it anywhere.

In the same section of ch. 3, Aveling says: (1) "Money is the general equivalent," and (2) "Money is a fixed weight of metal." In Canada at any rate that is not true. A fine presentation of the Socialist position in regard to money is found also in Justice (London, Eng.), official journal of the Social Democrat Federation, Dec. 15, 1906. A reviewer of one of Mr. Arthur Kitson's pamphlets, says: "Money is an equivalent commodity. . . Money must, therefore, be a commodity to enable it to act as an equivalent. . . The basis of the exchange of gold and any other commodity is the equality of the labor substance existing between them." The same writer says in Justice, Oct. 27, 1908: "Mr. Kitson is prone to lose sight of the fact that money is an equivalent commodity." Money in Canada, as Prof. Johnson's report to the monetary Commission of the U. S. A. clearly shows, is almost exclusively paper, without actual gold reserves.

This wholly incorrect treatment of money and the measure of value has led a recognized teacher of the working class in America—the editor of the Weekly People (New York), in

*The now famous industrial and economic resolutions endorsed by the Methodist General Conference of Canada at Hamilton, Ontario, in 1918, indicate a signal advance in the right direction.