

The Labor Theory of Value

By F. J. McNEY.

Marx states that if the worker only requires to labor half a day to earn his keep, that doesn't prevent him from continuing to work another half a day for the man who bought his power to labor at its full value, and adds,—"Capital," chap. vii.—that such an arrangement "is no means an injury to the seller." Indeed, the worker has a vague idea that if the buyer got no advantage out of the bargain, the seller (the worker) couldn't "make a sale" and, therefore, wouldn't get any employment.

Should the workers begin to wonder if they could not stop this leakage and manage to get back a larger share of the wealth they produce, as well as to escape the evils of competition, poverty, long hours, total or partial unemployment, etc., they would learn that the only way out of the difficulty is by employing themselves—becoming their own masters. But, that is the same as saying, by establishing Socialism in place of Capitalism; when they would both possess, and have the fruits of the use of their own labor-power.

The point, however, we would emphasize is, that RIGHT NOW, the workers in the best organized Capitalist country, merely get on an average 17c. out of every \$1.00 they produce; and, therefore, earn their keep in less than 2½ hours a day.

So, with still completer organization and under a Socialist system, the estimate is well within the mark that four hours daily labor and longer holidays, would be sufficient to support workers very much better than at present; and allow of pensioning off every worker, if they so desired, at the age of 42, as veterans (to use the late Daniel de Leon's words) in the "War Against Want,"—the only kind of "war" that would then be necessary!

For either the workers, as the sellers of labor-power; or the employers, as the buyers and users of, and profit-gainers from labor-power to wilfully allow themselves to remain ignorant on this important question is a serious injury to themselves, and a hindrance to the progress of Civilization.

This may be easily avoided at a small cost, by sending 25c. to the office of "The Western Clarion," Vancouver, B.C., for the following explanatory works by Karl Marx: "WAGE-LABOR AND CAPITAL," and "VALUE, PRICE AND PROFIT."

"PROGRESS."

PARTY TACTICS.

AS I am not a member I have no right to interfere in Party matters, but this long-winded discussion can and should, I think, be brought to a head.

The S. P. of C. should take its place alongside the "Plebs League," and become the "Labor College of Canada," and I am sure it would then be more free to carry on the educational work which is its proper function, and I think the advantage would be very great.

As a Parliamentary Party it butts into paradox after paradox.

The Locals would be Clubs and the members should make it their duty to take some active part in Labor Affairs. Of course they do so now more or less.

The segregation of the Left Wingers in one Party must be very comforting to the Capitalist Politicians.

I would suggest the following resolutions for the next Party Convention.

That the name of the organization be changed to "Labor College of Canada."

That it shall not name any Parliamentary Candidates.

That the Platform be dropped.

That the Manifesto be altered, etc.

H. J. B. H.

IT has been asserted, insinuated or hinted by various persons, at various times and in various places, that Karl Marx accepted the labor theory of value merely because it happened to fit in with his communistic theories. In other words, we are informed that he did not accept it because he was convinced that it was the only logical and scientific method of explaining value, but simply because he was a revolutionist and wished to make all the trouble he could for the poor innocent capitalists. If this is the only reason why Marx accepted the labor theory it would be interesting to know why the classical economists before him not only accepted it but originated it as well. Was it because they also were communists?

As far as I can see there are just two reasons why the labor theory of value is not accepted by every person of any intelligence who considers the question of value at all. In the first place, it is not in the interests of those who do no labor themselves, but who live as parasites on the wealth produced by others, that it should be accepted. In the second place, it is difficult to convince those who do labor that labor is value, or "that the amount of necessary labor crystallized in a commodity constitutes its value," when they can see that those who do no labor whatever own most of the wealth of the world, while those who produce all the wealth of the world own very little.

Let us examine this question of labor as value in its simplest form. In modern society the process of wealth production and distribution is so complicated that it is difficult to find a simple practical demonstration of the labor theory of value, and those who attempt to refute the theory take full advantage of this complicated process. However, it is possible even today to find something that will illustrate the point. To begin with, why is it that when a person has something useful that he does not need himself he is willing to let somebody else have it, provided he gets something in exchange for it, and not otherwise? And why is it that in the great majority of cases both articles exchanged are either products of labor themselves or represent the value of a quantity of labor performed? The point involved here is not that the two articles exchanged must represent equal quantities of labor, but that each must represent a quantity of labor. It is easy to imagine a person who has something useful that he does not need himself exchanging it for something else that he does need, although it may not represent more than half the quantity of labor, but it is almost impossible to imagine anybody exchanging a product of labor for something that represents no labor whatever, or cannot be made valuable by the application of labor. Of course a person may give an article of value away, but that is not an exchange and does not help to explain value. And right here I anticipate a couple of objections. One is our old friend the gag about the man who finds some unique or antique object, and if it is old enough, or rare enough, although it may represent little or no labor, he can sell it for an enormous amount of money. The other involves the question of property rights. When I get around to it I aim to examine a few of the objections to the labor theory of value, so we will let them rest for the present. What I am trying to make clear now is that the natural resources of the earth have no value and very few of them are of

any use until labor has been applied. We cannot make use of even the most simple gifts of nature, with the exception of air, no matter how abundant they may be, without expending a certain amount of labor. Even wild fruit that is free to any person who may wish to gather it, is useless until it is gathered. But suppose a person goes out to some swamp where wild berries are abundant, gathers a few gallons and packs them into town. He will have no difficulty selling them, provided his price is not too high. Nobody will expect him to give them away. Now, why should people be willing to pay good money for berries after they are gathered and brought into town that they may gather themselves for nothing? Why is it that the berries have exchange value in town and none on the bushes? Is it a question of scarcity or utility? It is true that the berries are more useful in town than they are on the bushes, but what has made them more useful? The only difference is that a certain amount of labor has been expended to get the berries into town and, therefore, we are justified in assuming that it is the labor that gives them exchange value.

Let us take another instance. It is possible for a man to make use of a natural cave as a dwelling place, but the chances are that he would have to apply a certain amount of labor before it would be a very comfortable habitation, and it is a cinch that he could not peddle it to anybody else for a mansion unless he had improved it a little in some way.

No doubt it will be pointed out that we can make use of water and air without the application of labor. It is true that to a limited extent we can make use of water without the application of much labor, and where this is possible water has no exchange value whatever, but as soon as we apply labor for the purpose of conveying water into a city it becomes a commodity and possesses exchange value. Would it be possible to find a better illustration of the correctness of the labor theory of value than this?

Now, a few words about air will be in order. It is rather amusing that about every economist who makes an attempt to refute the labor theory of value, or to defend any other theory, feels called upon sooner or later to make a little song about air, regardless of the fact that air requires no labor, either for production or distribution, and, consequently, has no exchange value. The reason why air has no exchange value, generally speaking, is not because of its abundance, but because it is equally distributed all over the world and requires no transformation to make it useful, and is therefore accessible to all people at all times without the need of labor. There are, however, places into which it is necessary to pump air and in such cases it costs money. But in general use air is not subject to the process of production and distribution at all, and consequently it is not a commodity, it is not wealth, and cannot be used to explain value. And for this reason it is excluded from the science of economics altogether as I will explain further on.

This article, it will be noticed, deals only with the rudiments of the subject, something too often ignored in the study of economics. It is quite correct to start from the premise that the only thing common to all commodities is labor, and therefore it must be on the basis of labor that all commodities exchange. But it requires more logic to understand such a proposition than is generally supposed, and furthermore, it leaves a loophole for those who don't want to understand. If we wish to get anywhere in the study of any subject we must first get down to bed-rock and prove that our theories correspond with facts.