

EDITORIAL

## MARX, ONCE MORE, “KNOCKED OUT.”

By DANIEL DE LEON

**H**ENRY B. ASHPLANT of London, Ont., sends to this office an issue of the Winnipeg, Man., *The Voice* containing an article by himself entitled “The Blunders of Karl Marx.” The article is the third of a series, and deals exclusively with the Marxian tenet that “money is a standard of value”—the “blunder” therein tackled.

As “a test of the theory of money as standard of value and a measure of equivalents in exchange,” Mr. Ashplant requests his readers to “take the situation in Canada.” On that subject he says:

“There is no gold in circulation in Canada. There is, roughly speaking, about \$100,000,000 (one hundred million dollars) in paper currency in Canada, for which there is no metal or any other commodity, that represents labor time, deposited with the government or held in reserve by the chartered banks. When a ton of coal is exchanged for six dollars of that kind of stuff is there equivalent values in exchange?”

And Mr. Ashplant clinches his question by addressing several persons by name, the Editor of the *Daily People*, among them, with the challenge: “Answer that!”

We shall certainly answer—and straight from the shoulder, too.

1st. Be the looseness of the statement noticed. A country may have no gold in circulation, but, even if its finances be monometallic, it may have silver, appraised by the gold standard. In discussions of this sort, preciseness is a prerequisite. The omission of silver in the sentence to the effect that “there is no gold in circulation in Canada” is characteristic looseness.

2nd. In a country in which the only circulating medium is a paper currency for which there is no metal, or any other commodity, deposited with the Government, and in which a ton of coal is paid for with “six dollars of that kind of stuff”—in such

a country there is no equivalent values in exchange. If such is financial status of Canada, then, when "six dollars of that kind of stuff" pays for a ton of coal, there is no equivalent values in exchange.

3rd. The test misstates the facts concerning Canada.

The *World's Almanac* for the current year gives on its 259th page the table of the "monetary systems and approximate stocks of money in the aggregate and the per capita in the principal countries of the world, January 1, 1909," compiled from the "Report of the Director of the Mint." According to this table, Canada's monetary system consists in:—

Stock of gold .....	\$66,300,000
Stock of silver, limited, tender .....	6,700,000
Uncovered paper .....	61,200,000

In other words:—

Canada enjoys a metallic (gold and silver) circulating medium;

The silver contingent is expressly stated to have only limited tender power. Where the legal tender power of certain money is expressed, the expression amounts to an accentuation of the value in exchange of certain other money;

Finally Canada has a certain amount of "uncovered paper," mainly representing credit.

All of which presents a status very different from the monetary status presented in Mr. Ashplant's Canadian test.

It would take too long to follow Mr. Ashplant through the long and involved windings of the argument he pursues in order to reach his conclusion regarding Marx's "blunder"—the looseness of gentleman's terminology, the resulting confusion of terms, his defective reasoning, his historic incoherence. The Socialist Labor Party leaflet on Money covers the ground in compressed form; readers of *The People* are referred to the same. Moreover, they may form an opinion of Mr. Ashplant's argumentation by the knock-kneed anatomy of the test he offers. The test of reliableness having caused his own chosen test of his reasoning to fall together, the reasoning that was to be tested by such a test likewise collapses.

Once on the subject of Money in exchange, the same may be summarized in a few short sentences, to serve as aids in more detailed study of this vast subject:

Money has its roots in individual production for sale;

Where production is individual, and for sale, commerce or exchange is barter;

Direct barter hampers exchange;

Exchange is facilitated by the differentiation of one category of commodities, which, uniting the requisite qualities thereto, serve as the standard of the exchange value of all;

That category of commodities is the precious metals—gold especially, and silver;

The differentiation of the precious metals, as the standard of the exchange value of all commodities, changed direct barter into indirect barter;

The change of direct barter into indirect greatly facilitated exchange, and led to a further step in the same direction—coinage;

Coinage saves the time of weighing: the seal of organized society takes the place of scales and weights.

When society reaches the minimum stage of organization requisite for coinage, Money is born;

Although indirect, the exchange of goods remaining barter—no longer skins for food, but skins for gold or silver, and silver or gold for food—it is, afterwards as it was before, equivalent for equivalent in exchange value that passes hands. Thus, Money, the coined precious metal, must needs retain the requisites for the barter that it is a link in—exchange value; finally,

Not all the cheating, that is an accompaniment of individual production and barter, changes the normal fact of goods being exchanged for equivalents. Hence, not all the cheating, or other acrobatic feats of finance, can affect Money's natal quality of being a depository of exchange value, and, being an intermediary of exchange, being also a standard of value.

From this sequence, another follows:—

Money, as known to-day, must last as long as individual production lasts—a commodity having by reason of the metal it is coined of, exchange value upon the same principle that all other commodities have exchange value; and, being the differentiated commodity, via which all others are exchanged, a commodity that performs the function of standard.

Only when production shall have ceased to be individual can Money cease; only then is its function at end. Then time-vouchers for labor-performed in any one direction will be entitled to the fruits of labor performed in any other direction.

That consummation awaits the Socialist or Industrial Republic—pointed out by Marx’s “blunders.”

Transcribed and edited by Robert Bills for the official website of the Socialist Labor Party of America.  
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[slpns@slp.org](mailto:slpns@slp.org)