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EDITORIAL

THE "WAGE FUND."

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RECENT special despatches to the *Daily People* from Goldfield, Nev., and Duluth, Minn., give zest to one of the favorite fables that bourgeois economists conceived to justify low wages, and, furthermore, to conceal the fact that the worker produces and thereby pays his own wages—the celebrated dogma of the "Wage Fund" theory. From Duluth, it is learned, that "scrip has been introduced by the Oliver Mining Company to take the place of currency in the payment of wages," and that the wages of the lumber-jacks in the State have been lowered from $40 and $35 to $26 and $20 per month; from Goldfield come the tidings that the employers are seeking to compel their wage slaves to accept various kinds of paper for their wages—all of which are so many plugs taken from under the "Wage Fund" fable.

According to the fable there exists—somewhere—a fund from which wages are payable. If the fund is large, wages will be plentiful, but if the fund is small, it would be as silly to demand from the sun greater heat in winter as for the workers to demand larger wages. The fable was obviously intended, primarily, to impart to low wages a feature of fatality, and to speak the capitalist free from blame for carrying out the fatality. The fund from whence wages come being, according to the fable, a fixed magnitude, the workers but sought to reach the moon with their hands when they strove after wages in excess of the fixed fund.

That the "Wage Fund" theory was and continues to be a mere fable, economic science amply establishes, and a minute's consideration proves. The alleged fixity of the magnitude of the "Wage Fund" depends exclusively upon the will of the capitalist as to the size of the respective heaps into which the social wealth is to be divided. The Duluth and Goldfield despatches throw light upon the subject from another and practical side.

If the fund from which wages are to come must be a fund in existence in advance of employment, and if that fund is, besides, a fixed one—what became of it in Duluth and Goldfield? Fixed things are not unfixed. If the fixity of the fund is such that, even if the capitalist wanted to, he could not enlarge, then it should follow that, even if he wanted to, the capitalist could not curtail it. That fund having existed, according to the theory, before work commenced, what became of it since? The scrip and other substitutes offered for wages is a flat denial of the pre-existence of a fixed fund from which the capitalist must draw the wages for his employes.

Again, according to the theory of the "Wage Fund," the individual wage depends upon the quotient obtained by dividing the number of wage earners into the fund. The fund is supposed to be fixed. Given the fund, the individual wage depends upon the number of employes among whom it is to be shared. Now, then, the number of employes among the Minnesota lumber-jacks is not reported to have increased. As a matter of fact it has not increased. How come wages to decline? Which is another way of framing the first question—What became of the "fund"?

It is the worker who himself produces his wage. The money payment of the same merely disguises, does not abrogate the principle. Wages are drawn from the lump of social wealth produced by Labor. THAT is the Fund, the only Fund from which wages flow. The Social Question may be summed up in the conflict between the Proletariat and the Capitalist Class—the latter seeking to exclude the former more and more from the Fund, the former seeking to appropriate its own Fund more and more to itself.

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