

DAILY PEOPLE

VOL. 12, NO. 323.

NEW YORK, SATURDAY, MAY 18, 1912.

ONE CENT.

EDITORIAL

SKELTON ON MARX'S LAW OF VALUE—IV.

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THE fourth buttress that Prof. Skelton raised in order to steady his “refutation” of the Marxian law of value, and that we are iconoclastic enough now to pull down is couched in these three jaunty sentences:

“The theory that labor is the source of value finds few defendants to-day. In the face of the overwhelming criticism which has been directed against it, even good Marxists are being forced to abandon it or explain it away. It is not an explanation of the facts of the existing industrial system, Engels declares, but holds good as an analysis of value in the more primitive industrial organization of the pre-capitalist era,” etc., and there is a reference to a foot note that refers one, in corroboration, presumably, to an article by Engels in *Die Neue Zeit* of 1895.¹

Although, by this time, having considerable experience regarding the degree of reliance one can attach to Prof. Skelton’s statements and citations, one will hunt up Engels’s 1895 article. But it takes some time to go through the files of the *Neue Zeit*, seventeen years back. While taking the trip one is apt to reason:

“Suppose Engels does say something to the effect that the exchange of commodities at their value is not a feature of capitalist society; not an unlikely thing for Engels to say; and if he does, he will have said no more than Marx’s *Capital* is a long thesis on, step by step demonstrating that the practice in capitalist society confuses and conceals fundamental facts very much in the manner that the performances of a skilled Japanese juggler seem to set the laws of gravitation at naught. But that Engels should in that article have abandoned or explained away the theory that labor is the source of value—hardly.” By the time one has got so far,

¹ [“Ergänzung und Nachtrag zum dritten Buch des *Kapital*”; cf. Marx, *Capital*, iii, pp. 207–208. (Skelton, pg. 122.) See Karl Marx Frederick Engels Collected Works, vol. 27, pp. 873–894.—*Editor*.]

the 1895 Engels article has been reached. The hunt was worth the trouble. The worst that was expected regarding the utter unreliability of Prof. Skelton is verified:—

1st. The passage quoted by Prof. Skelton as an evidence that even so good a Marxist as Engels has abandoned the theory that labor is the source of value, or explains away the theory, is not Engels at all, but is a passage that Engels quotes, and quotes in quotation marks, from a rough, unfinished sketch left by Marx himself on the history of exchange, and the spirit of which, as stated above, repeatedly appears and reappears in Marx's *Capital* itself indicative, of the "salto mortale" that, as Marx expresses it, capitalism performs at every turn, or indicative, as he puts it elsewhere, of the optic illusions that money raises before the eyes of Vulgar Economy. If Prof. Skelton thought he could make out of that passage an abandonment of the theory that labor is the source of value, there was no need of his loading the passage upon Engels. He could have charged Marx himself, the author of the passage, with the abandonment. Venturesome, even reckless tho' Prof. Skelton is in his charges, he was not quite venturesome and reckless enough to do that.

2nd. The Engels article of 1895 in the *Neue Zeit* to which Prof. Skelton refers specifically and generally in support of his allegation that even so good a Marxist as Engels abandons the theory that labor is the source of wealth, and explains away the theory,—that article expressly does the exact opposite.

In the course of his elaboration of Marx's short and unfinished sketch regarding the history of exchange, Engels reviews original production, as found even at the beginning of the XIXth Century on the continent where exploitation had not yet become the dominant factor in production, and exchange was still within the community. Following the course of history, he sketches production and exchange as it reached the gold and money stage, as it passed through the stage of exchange between the urban and the rural population, as it reached the Hansa period of commercialism, and as it finally swung itself up with the discovery of America. At the start Engels emphasizes the obvious prominence of the fact that labor is the source of value; step by step he elucidates the manner in which the more and more complicated system of exchange and production itself concealed the once obvious

fact of labor being the source and measure of value, until, the intervals between which value and price coincided being more and more prolonged, the fact of labor being the source and measure of value was lost sight of by all superficial observers, and was left for scientific political economy to re-establish. The point is clinched in this passage: “From the moment money obtrudes itself into this economic system, the tendency of adjustment to the law of value (according to the Marxian formula, *nota bene!*) becomes, on the one hand, more marked, on the other hand, however, it is broken through by the inroads of the usurer’s capital and of fiscal extortions; and the periods when, on an average, prices approximate values to within a negligible point, are put further off.”²

And the man who writes this, and the article in which this appears, are expressly referred to in proof that “in the face of the overwhelming criticism which has been directed against” the theory that labor is the source of value, the theory has been abandoned or explained away “even by good Marxists.”—And there goes buttress number 4.

Transcribed and edited by Robert Bills for the official Web site of the Socialist Labor Party of America.
Uploaded January 2007

² [See *Marx-Engels Collected Works*, Vol. 37, p. 885. De Leon made his own translation.—*Editor*.]