

The People.

VOL. V, NO. 46

NEW YORK, SUNDAY, FEBRUARY 9, 1896

PRICE 3 CENTS

EDITORIAL

Coxeyism—Dodging Socialism

By DANIEL DE LEON

Socialism maintains that the lot of the masses who toil, or would toil, is increasing poverty, while increasing affluence is the lot of a small and decreasing class that toils not. This evolution proceeds from the economic laws that underlie the private ownership of the things necessary to production—land and tools—and it manifests itself in its full force under capitalism, the present social system. The concern that holds the largest aggregate of capital overmatches him who holds a smaller quantity; he cannot compete with his better equipped rival, and is stripped of his property. If he could not hold his own before, much less can he do so when he is propertyless, and he must henceforth work for wages. The wage-working class is thus steadily recruited. So long as it does not exceed the demand for its labor, things are not at their worst. But owing to the rapid concentration of capital, small holders are smoked out of the property-holding class in increasing numbers, while at the same time the perfection of machinery displaces wage workers and throws them into the army of the unemployed. Thus the labor market becomes steadily overstocked, and a sediment is formed at its bottom—men suffering of enforced idleness.

The sliding scale of degradation, from the opulent idle capitalist down to the tramp, follows closely the extent to which the machinery of production—land and capital—is held by private hands. The larger the holdings, the greater the enjoyment of life and freedom; the smaller the holdings, the less of these, until we reach the low level of the wage slave.

From these facts, together with the nature of the machinery now in use, necessitating extensive co-operation and minute subdivision of labor, as prerequisites for a plentiful yield of wealth, Socialism establishes the principle that society must be re-organized upon the bases {basis?} of collective ownership by the people of the land and the capital of the nation; that only in that way can progress in mechanical arts be stopped from throwing increasing numbers of people into misery, and can be turned into a source of happiness for all.

Socialism faces the issue squarely in the face; it recognizes that no flank movement or trick will stand; it demands the unconditional surrender of the landlord and the capitalist class; and it works for the Social Revolution.

* * *

The attempts to dodge the Revolution and patch up a truce with capitalism have been numerous. The most recent and conspicuous is the Free Silver Movement. The plan is to coin silver dollars without limit at the ratio of 16 to 1. Apart from the economic fallacy that underlies this idea, it limps on another foot. The question: "How will the wage slave get these new dollars?" could not be answered. The small holders have some property on which they can raise loans from the Government; but the wage slaves are propertyless, they own nothing on which to raise a loan. To get anything they would have to work as before for a boss at starvation wages; and seeing that free coinage could not stop the progress of machinery, neither could it stop the displacement of labor, and the increasing of the army of the unemployed.

After fully four years of public debate, this fact has become pretty generally recognized. The result is that the free coinagists have become more and more clearly a party of silver mine barons and desperate middle-class bankrupts; they have ceased to bait their hooks for workingmen's votes; and these, together with the ideologists, who had previously followed them, have turned their backs upon the "white metal."

* * *

At this stage of the proceedings, steps up the second dodge—Coxeyism.

It recognizes the presence of the unemployed; it perceives the fallacy of expecting that these would get work and that the wages of the wage earners could rise if the middle class got some more silver through free coinage. Perceiving all this, but being yet uninformed upon the full extent of the social question, Coxeyism steps forth with a good roads bill, according to which the United States shall employ in building roads and other public works every citizen who applies; his wages shall be not less than \$1.50 a day; and in order to pay him the United States shall print, as a starter, five hundred millions of dollars of Treasury notes, these to be a legal tender for all debts public and private.

Coxeyism explains its working thusly:

1. Four million unemployed would immediately apply.
2. That day they will have earned six millions.
3. That evening they will invest in food, clothing, etc.

4. Increased consumption will bring on a demand for increased production.
5. The labor market being drained, the employer will go around hunting for workingmen whom he will attract by offers of higher wages; and
6. Presto everybody is at work and happy.

Coxeyism tumbles into a ditch right after its No. 2., and when it reaches No. 5. it is fast aground, and lost.

A legal tender affects only debts; it does not affect purchase and sale or exchange. The \$1.50 in paper which the worker receives may go to pay a debt, and his creditor will be bound to accept; but neither the butcher, baker nor any other trader will exchange a dollar-and-a-half worth of goods for a piece of paper called a dollar-and-a-half. They can and they will refuse point blank.

True enough, the legal tender power of such money will give it a certain value. The result would be that a stock brokerage would be established, the bills would be discounted, and the workers would or might, under certain circumstances, get \$1.00 for \$1.50, and as time passed they would receive less and less.

Nor is this all. "However little the workers receive," it might be argued, "is more than they now get; is not something better than nothing?" Yes. But even that "something" they would not get.

Capitalism now rules society. The moment pure paper, unredeemable by values, is made legal tender, gold and silver would hide into the vaults of the banks; production would be struck as with paralysis, the country turned into pandemonium, and all the 17,000,000 workers of the land would be dumped on Coxey's roads.

* * *

Coxeyism ignores the fact that production, transportation and distribution are a unit. The workers, under Coxeyism, could use their scrip as fare on the roads they build, but that is neither food, clothing nor housing. Coxeyism proposes a money that can accomplish only a partial exchange. It can exchange only with him who issues it. The United States issued it, and it may be paid over to the United States. But for the same reason that the United States would take it the capitalist would refuse it.

* * *

The ideal money, money such as Coxey has an imperfect vision of, is a voucher for labor performed. No one will take a voucher without serious limitations, who did not issue it. The ideal money, therefore, is possible only in the Socialist or Co-operative

Commonwealth, where the people's central directing authority, say the Government, is the employer of ALL labor, consequently the recipient of ALL wealth produced.

Only then can labor, performed in any direction, be exchangeable with the needed products of labor performed in any other direction. Only then would the capitalists—gold and silver bugs—be outflanked. Only then could their fright at “fiat money” blow over our heads without injury to the people. If the capitalists then refused to operate their food and clothing producing machines, they could go hang. Other machines could be promptly set in motion; or if those which the capitalists now happen to hold are absolutely needed, they could be appropriated by the people, because they it is who produced them, and, furthermore, in the language of Franklin, private property is the creature of society, and society is entitled to it, down to the last farthing whenever society should need it.

* * *

When Socialism is in power it will immediately give work to all who apply, and it will pay them with labor vouchers; but it will not employ all applicants on the roads, it will employ them in the production of bread, clothing, shoes, houses, etc. Only then will the scrip it issues in payment be worth its face value to the worker because only then could the worker exchange it for what he needs.

* * *

If one can imagine a man ignorant of the law of gravitation scheme a scheme whereby featherweight trains will be swiftly run, he will have an idea of what Coxeyism is. The featherweight trains would fly up into the air. So would the Coxey system.

* * *

Socialism can't be dodged. We are bound to come to it. Dodge after dodge will start up and go down; Socialism alone can gain ground.

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

Uploaded March 24, 2003