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EDITORIAL

SKELTON ON “MARX’S CONTRADICTION”—ACT III.

By DANIEL DE LEON

IT often happens at theatrical performances that not a few people leave before the last act. The last act of a play usually is the solution of the tangled plot in the previous acts. People who go to plays only for the sake of the plot know what the “solution” is before the last act is unrolled; and they leave. We hope there will be none such at this play. Tho’ they may know, and surely should know, by this time, what Act III of Prof. Skelton’s melodrama is to be about, it will pay to wait to the end. There may be some unexpected scene.

Of course, Marx not having promised any “solution” of the contradiction, imagined by “experience based upon appearance,” which he pointed out in *Capital*, and having promised none for reasons already made clear, Act III will have nothing concerning the mass of surplus-value in different industries.

Of course, Engels having made in the so-called “IId volume” no promise for the so-called “IIId volume” concerning the mass of surplus-value in different industries, the said so-called “IIId volume,” and, along with it this Act III, will be silent on the subject.

Finally, Engels—having challenged the Rodbertians to “show in what way an equal average rate of profit can and must come about, not only without a violation of the law of value, but by means of it,” and having promised to produce Marx’s simple answer in the material which Marx left unfinished and which was to constitute the next volume—keeps his word.

The drafts left by Marx indicate what Marx had, in a way, and *apropos* of another subject matter, amply elaborated in his pamphlet *Value, Price and Profit*. In the measure that profits are high in an industry, that is, in the measure that the

mass of surplus-value, yielded by the variable capital in an industry, is preserved as profit,—in that measure other capital, less advantageously employed, or lying idle, rushes to that industry. The attraction of competition necessarily lowers the rate of profits in that industry. The lowered rate of profit in that industry, in turn, sprouts wings in capitals therein employed to search for fields where, competition being less intense, the rate of interest is higher; and so forth, and so on. Thus, by no means because the law of value is untrue, on the contrary, ever pivoted upon that law, the rate of profit drops in the long run to an average level, regardless of the different variable capitals employed.

The challenge, that Engels issued to the Rodbertians in the so-called IId volume of *Capital*, was issued with the condescending contempt for his whipper-snapper critics that Columbus may be supposed to have entertained for the crew when he formulated the “problem” to set up an egg on its end. The parallel ends there. History tells us how the supercilious courtiers “caught on” when Columbus “solved” the “problem.” Forthwith all of them duplicated the trick. Engels, on the contrary, tells us (*Neue Zeit*, 1895–96, No. 1) that “quite a few, who had prepared themselves for a perfect miracle, felt deceived: instead of the expected hocus-pocus, they saw a simple-rational, prosaic-sober answer before them.”¹

This set Prof. Skelton joins—and he joins them by “speaking a piece” at the close of his drama in that part of his “Analysis.”

The piece that Prof. Skelton speaks we shall suppose to be spoken, not as the Professor expected, before an audience of lunk-heads and sausage-skins, anxious to be stuffed; we shall suppose the piece spoken before an audience of men and women, fairly well acquainted with Marx; not disposed to be stuffed; and, having reverence for Knowledge, utterly irreverent toward Ignorance, or Word Jugglery. Accordingly we shall suppose the piece spoken before an audience that butts in with questions and commentaries.

The Professor’s closing piece is:

“The third volume did not appear until 1894, twenty-seven years after the publication of the first, although the greater part of it had been drafted in the

¹ [*Marx-Engels Collected Works*, vol. 37, p. 876.—*Editor.*]

sixties. Great was the astonishment when the oracular solution [A voice: “Solution of what?” Another voice: “Marx promised no solution!”] turned out to be a virtual abandonment of the earlier value theory [Several voices: “Never!” “A positive confirmation of the value theory!”] in favor of an ordinary cost of production [Loud laughter. A voice: “This is your latest interpolation!” Another voice: “‘Cost of production,’ nothing!”] Profits, Marx now declared, are equalized by competition. [A voice: “You’re again misquoting Marx!” Another voice: “Marx said ‘rate of profit!’” A third voice: “Don’t you know the difference between ‘mass of profit’ and ‘rate of profit?’”] Originally the rates differed in accordance with the proportion of variable capital employed [A voice: “Why, Professor, you’re going back on your own words! Do you forget that on page 126 of your ‘Analysis’ you correctly quoted Marx as stating that ‘the rate of profit is determined by the proportion between surplus-value and the total capital,’ not as you now claim ‘in accordance with the proportion of variable capital employed?’] but through the working of competition capital is withdrawn from the sphere with low profit rates and thrown into the industry with the higher rates, so that rates are reduced to an average throughout the whole field of industry. [A voice: “Why, man, you are a professor and you don’t know the difference between ‘surplus-value’ and ‘profits!’” Another voice: “Don’t you know that the profits may be next to nothing, and yet the surplus-value that the same capitalist extracted from his wage slaves was huge?”] It follows that commodities are not sold at their values, but in accordance with their cost price plus the average profit.” [The audience rises, roars, and in chorus sings out: “Professor, you mistook your calling. You should apply to the Barnum and Bailey Circus. Disguise yourself as a Jap. You can give the expertest Japanese juggler card and spades—and win out.]

And the curtain drops on the third and last act of the play. Nor do we now care whether Prof. Skelton is now left within or without the curtain.

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

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