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DIALOGUE

UNCLE SAM & BROTHER JONATHAN. {213}

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BROTHER JONATHAN—How can Socialists claim that the capitalist defrauds the laborer of three-quarters of the product of his toil, when we see capital eagerly seeking investment at 3 per cent.?

UNCLE SAM—That is a most remarkable question!

B.J.—Why?

U.S.—Because I have rarely seen so many thoughts and terms jumbled about in quite that way.

B.J.—Jumbled about?

U.S.—You never heard any Socialist say what you claim, or claim what you say.

B.J.—Haven't I?

U.S.—No. No Socialist claims that “the capitalist defrauds the laborer of three-fourths of his toil.”

B.J.—I am quite certain I heard them say so.

U.S.—What you have heard them say is that “the CAPITALIST CLASS rob the WORKING CLASS of three-fourths of its product,” and even of more.

B.J.—What's the difference, “workingman” or “working class?”

U.S.—All the difference in the world. A capitalist may lose every cent of his capital, but not one cent's worth will fall into the hands of workingmen: it will be gobbled up by other capitalists. The loss suffered by one capitalist is the profit of another. One capitalist may be ruined under capitalism; but the capitalist class never is: it grows



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wealthier. To know what happens to the workingmen you must look, not at one workingman, but at the whole working class; to know what happens with capital you must look not at one capitalist, but at the whole capitalist class. Do you understand?

B.J.—Yes; accordingly, it is the capitalist class that defrauds the laborer of three-quarters of his product?

U.S.—But before going over to that, let me settle another point in your question. You seem to think that if a capitalist invests money at 3 per cent., the 3 per cent. he gets is 3 per cent. of the product of labor; you must mean that by your question. Now, “3 per cent. on investments” don’t mean that; it means 3 cents on every 100 cents invested. It means that, if a capitalist puts in 100 cents he pulls out 103 cents; but these 3 cents don’t represent the measure of exploitation of labor by capital.

B.J.—What does?

U.S.—Take an instance at random. You are working for \$1 a day in a shirt factory together with one hundred other hands. The shirts all of you produce in a year are 150,000; these are sold by the manufacturer to the jobber for \$90,000; the wages of the men are \$30,000—

B.J.—Then this capitalist steals two-thirds—

U.S.—No, sir. This individual capitalist, together with those directly and indirectly connected with him, does. He has to pay, we shall say, \$5,000 rent; say also \$2,000 interest on moneys loaned; say \$5,000 to bribe the courts and other branches of his capitalist government to enable him to break the factory and other laws with impunity; and in raw material and other such outlays he spends say \$18,000—that leaves him \$30,000 profits—

B.J.—According to this, the principle would be that the boss steals one-half, and the whole capitalist class steals two-thirds.

U.S.—We are not through yet. The one-third of your product that you get paid for as wages is one-third of the wholesale price of your product, is one-third of the price that the boss gets, not from the retail purchasing workingmen, but from the jobber who buys wholesale and then turns around and retails. Do you follow me?

B.J.—Yes.

U.S.—When you want one of the very shirts that you produce, you can’t go to the

boss for it; you must go to the retailer. He has to get out of the goods that he retails, not only his living, but his rent, the interest on the money he has borrowed, etc. All that you have to pay for, in other words, another set of the capitalist class now comes in for a further share of your hide. For the shirt you want you will have to pay \$1; in other words, you got 60 cents for it and have to pay for it 100 cents—you are skinned nearly one-half of what you got. This goes on all along the line; and thus the working class is robbed out of at least three-fourths of its product.

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