

Let's Try Capitalism

BABIES born out of wedlock—the original custom—did not acquire a secondary position in social life until the right of inheritance loomed large. Just as the offspring of promiscuous quadrupeds are not estopped by the accident of birth from winning championships, so bastards, even as late as the eighteenth century, could attain positions of prominence. The odium came upon the descriptive word by way of profit.

That is a way with words. When someone has an end to gain, a purpose to pursue, he attaches a moral connotation to some altogether descriptive symbol; its original meaning is lost in the emotional coloration which, by usage, becomes its definition. Take the word capital or, particularly, its derivatives, capitalist and capitalism. Before Karl Marx hooked on to it the morally-loaded idea of exploitation, capital described an accumulation of wealth. It was a thing, utterly amoral. It was not a man or a class of men. It was a herd of cattle, an axe, a stock of goods or gold, a house, a machine or store fixtures. The word was used to differentiate wealth which satisfied the immediate needs of the owner from wealth he set aside for further production. The shoes which the cobbler offered for sale constituted his capital, while the shoes he wore were not in that category. His anvil was the blacksmith's capital, but not the nails he used to fix his wife's cupboard. When a man spoke of his capital he referred to the surplus he had accumulated for the purpose of increasing his output. That was all it was. That is all it is today.

The germ of capital is man's capacity for taking thought. The fellow who domesticated the wild animal was a simon-pure capitalist. He put himself to that trouble in order to profit by an abundance of milk, or to reduce the labor of hauling firewood. The one who first made use of the wheel was the arch-capitalist of all time, for he fathered mankind's most important labor-saving devices. A capitalist was he who observed nature's fecundity at certain times of the year and, recalling the unpleasantness of scarcity, thought up the principle of storage.

Nor can we overlook the first trader, the man who learned that he could better his lot by giving up some of his abundance to obtain possession of what he lacked; thus arose the cooperative system known as the marketplace.

We cannot know when capitalism began, but we can be sure it is rooted in the gift of reason which identifies *homo sapiens*. Therefore, it is probably as old as man. Let us say it began when the first human being went in for "overtime" work. Aiming to short-cut the irksomeness of labor, or seeking to better his enjoyment of life, he put in effort over and above that required for his immediate necessities in making devices which would lighten tomorrow's chores or yield him an increased output for the same exertion. He stored up labor in what he called capital, with the intent of bettering his circumstances. Anything immoral in that?

Marxist usage has twisted this human tendency to save for increased enjoyment, for delayed and greater consumption, into something reprehensible. This it accomplished not only by the misuse of words but more so by unscientific inference. Observing the prevalence of poverty when capital came into great use, Marx made the ready inference of cause and effect. The enigma of accumulations and destitution existing concurrently had to be explained, and what was more obvious than that the means for accumulating was the cause for the destitution? It was easy to infer that the instrument by which labor increased its output is the instrument by which labor is deprived of its output. Capital then, is exploitative. The plausibility, by providing a culprit, fitted in with the bitterness which involuntary poverty induces. Something definite, visible could be blamed and hated.

The purpose served by this perversion of words was to prove a hypothetical notion—namely, that socialism is inevitable. It is predestined in a theory of history. According to this theory, the story of man is a succession of "modes of production."

Each mode results in a conflict between the haves and have-nots; the conflict is resolved by a new mode. The machinery-mode is capitalism, and the conflict is between those who own capital and those who do not. Out of the conflict between these two will come socialism, the final mode, in which there will be no conflict; that is, the millenium.

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Capitalism was not a "new" mode of production, as the Marxist thesis contends. The use and ownership of capital, as has been noted, began when man first learned how to employ means toward ends; it is a mode of production indigenous to man and will continue to be his method of getting along until he ceases to be man.

Furthermore, poverty prevailed long before machinery (and trade) came into great use, and exploitation, which is the robbery of the producer's products, was common practice long before the Marxist "discovery." What is the essence of slavery, a very ancient institution, but the exploitation of labor? Ages before the invention of the steam engine, which to Marx definitely dated the advent of pure capitalism, the custom of collecting tribute for permission to work on land had been in use. And since earliest times armed bands collected tolls on controlled highways. Exploitation, as Marx himself finally saw, antedates by untold centuries the widespread use and private ownership of "the means of production and distribution." The association of exploitation with capitalism was gratuitous and unfounded in fact. It was done by legerdemain in logic, by giving descriptive words moral values, by appealing to passion rather than thought—and all for the purpose of proving an historical theory.

In the final, predestined mode of production there will be no conflict because by substituting public for private ownership of capital its exploitative power will vanish. Here again words are used to confuse thought and moralisms are used to obscure facts. What is "public" ownership? Is it not in practice the

control of property by persons wielding political authority? If capital has the capacity for exploitation cannot these persons use it to better themselves at the expense of others? What warrant have we that a political person is more moral than a private person or is, in fact, a different kind of person? Is man in the mass—the "public"—transformed into an all-wise, all-good being? That is the ethical thought which socialism implies in its defamation of capitalism. The evil of it is transmitted into good by a mere transference of title from private to political persons. What could be simpler—or more appealing to the exploited? Let's steal from the thieves and stop thievery.

Socialists, however, have not been alone in this befuddlement of language; they have had some powerful, though *sub rosa*, confederates. As might be expected, the confederates took to the socialistic jargon because it suited a purpose of their own, which happens to be—exploitation. When we define exploitation as any means of robbing labor of its products we can see how non-socialists find socialistic usage convenient; it diverts the attention of the robbed from the real culprits. Now robbery involves the use of sufficient coercive power to overcome resistance. The quintessence of coercive power is vested in the State. It follows that every kind of effective and continuing exploitation must in some way make use of that power; occasional illegal robbery does not count in the long run because it cannot compete with the State. The exercise of State power is regularized by the

law, acquiescence to which becomes habitual by the common inclination to let things be. Thus, exploitation in the final analysis is legalized robbery, and the exploiters are those who gain control of the power vested in the State.

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These are the allies of socialism. Like Bismarck, the wily aristocrat who recognized in socialism an instrument useful to his purpose, the fellows who profit by use of State-power are strong for any increase of

it. Since they are not essentially owners and operators of capital, although that may be a side-line with them, the scapegoat provided by socialistic usage has proven quite convenient.

In the first instance, the gang who live on taxes are by trade the vanguard of socialism. How can they suffer by the proposed transfer of title into their hands? Then there are those who by virtue of legalized deeds hold possession of natural resources and are thus in position to demand tribute from laborers; for life without access to land is impossible. Since what they own is not capital they can well go along with the socialists. Those who profit by monopolies or subsidies of one sort or another, are to that extent in favor of the centralized power; State-capitalism, whatever it may do to them ultimately, is in line with their present interests. When we see how during the last fifty years the growing acceptance of socialistic usage has kept pace with an increase in the emoluments of those who profit by privilege, it is easy to understand why capital and its derivatives have fallen into disrepute.

True capitalism—the undisturbed ownership and use of capital—has never been man's lot. For never, except among primitive peoples, whose employment of capital is extremely limited, has the human race been free of the political means of acquiring economic goods. We ought to try out capitalism and see how it works. As a preliminary step, we should rid our minds (and our schools) of its Marxist bastardization.