

The People.

VOL. II, NO. 5.

NEW YORK, SUNDAY, MAY 1, 1892.

PRICE 3 CENTS.

SECOND EDITORIAL

THE WASTING POWER.

By DANIEL DE LEON

THE ignorance of economic matters frequently displayed by the editors of great newspapers would hardly be pardonable in a grocery boy. According to the returns of the British Board of Trade, the imports of England exceed her exports to the amount of nearly 1,000 million dollars. In commenting on this statement the New York *Sun* flippantly observes: "The most impressive inference enforced by the Board of Trade comparative figures (namely, of export and import invoice values) is the worthlessness of all such showings. The usual returns of every civilized nation show an excess of imports over exports. Since they are dealing with one another, this result is visible moonshine."

In the first place it is not true that the imports of every civilized nation exceed her exports, for the very contrary is true of the United States, Russia, Austria-Hungary, Brazil and some other countries.

In the second place our "esteemed contemporary" does not seem to be aware of the fact that the interest and dividends on the foreign investments of British capitalists, added to the earnings of British vessels, insurance companies, commission merchants and bankers in the international trade, surpass greatly the excess of British imports over exports; so that, after taking from the world, in merchandise (that is, in products of labor), 1,000 million dollars more than she returns to it, England (namely, her capitalist class) has still a financial balance in her favor, with which she is still furthermore increasing her foreign investments.

In the same manner, for instance, the British lords who own the soil of Ireland and live in England get their rents in money through English bankers; but the potatoes and flax and other products of Irish agriculture have first to be shipped to England to be

converted there into money for the British lords, Ireland receiving nothing in return.

Likewise, an American plutocrat—say an Astor—who resides in England and spends there one tenth of the income of six million dollars derived from his real estate in New York city, gets this tenth in money through the agency of banks; but the amount thus paid out in London to Mr. Astor must be covered by shipments of wheat, or cotton, or other American products to England, America receiving nothing in return from Mr. Astor or from England. And while Mr. Astor has actually consumed, under various forms and in various ways, \$600,000 worth of American wheat, or cotton, or tobacco, he has still \$5,400,000 of his income left over and untouched in America, which he can reinvest by purchasing more real estate in New York city.

What is true of international accounts and financial balances under capitalism is equally true of domestic accounts. An American bondholder, stockholder, or real estate owner who lives upon his income imports goods into his house and exports nothing from it. People work for him, produce for him; but he works for nobody and produces nothing, even for himself. Yet, at the end of the year, if he has “saved money,” if he has been “abstinent”—that is, if he has not wasted as much of other people’s time, labor and products as his power of wasting gives him the right to do—he has a surplus left, which he may so invest as to increase his wasting power.

Transcribed and edited by Robert Bills for the official Web site of the Socialist Labor Party of America.
Uploaded April 2002