

DAILY PEOPLE

VOL. 8, NO. 234.

NEW YORK, WEDNESDAY, FEBRUARY 19, 1908.

ONE CENT.

EDITORIAL

FOOLING WITH DEATH.

By DANIEL DE LEON

AT the joint hearing before the Senate and Assembly Committee on Banks in Albany, held on the 18th of this month, it was shown that, within four months, twelve banking institutions of New York City alone, having a combined capital of about \$10,000,000, and a combined surplus of about \$11,000,000, with about 50,000 individual depositors, closed their doors, and thereby jeopardized depositors' money to the extent of over \$100,000,000. All this in New York City alone. If all the banks that "closed their doors" within four months in all our cities were counted, then the area of devastation would be found larger by many scores of millions. It is just such gigantic catastrophes that reveal structural defects in social systems. Money and banking are the flowers of the capitalist tree. The tree that can produce such poison flowers, after all these generations of "pruning," "fertilizing," and untold schemes to "keep out vermin" from rotting it—such a tree had better be hewn down and the soil itself plowed over.

Money and banking are the inevitable results of individual production, or the capitalist system. Where production is carried on individually, "Money" (metallic money or its token) becomes a necessary medium of exchange. So long as the area of capitalism is limited, limited also are all its evil results; and the belief arises that the evil is like a skin disease, and not constitutional. In the measure that the area of capitalism extends, the evils are aggravated. One of these is the necessary evil of value-money or metallic money. The original fatal constitutional defect of capitalist society is announced by the high fever and hemorrhages of financial crises.

Socialism demands the abolition of "Money," and, along with it, the abolition of Banks. But as insane as would it be to demand the stoppage of the increasing temperature of a person afflicted with the tubercular bacillus, without endeavoring to eradicate the bacilli, and heal the wound they have made, just so insane is the

notion of stopping “Money” and Banks, as some try to do, or tinkering at Money and Banks as the capitalist class proposes, while leaving intact the individual or capitalist system of production.

Money, as the thing must be understood under capitalism, has two, among other, features:

1. It is a token of labor, presumably performed;
2. It is a token of wealth, or must be wealth itself.

The present financial hemorrhages, suffered by the body social, proceed from the second feature, which in turn falsifies the first.

Socialism needs no money. Sanely constructed society requires only vouchers for service performed. The necessity of the vouchers being in themselves articles of value is thereby eliminated. But the omission is not possible until production ceases to be individual and becomes collective. With Socialist production established, the tubercular bacillus is killed, and the wound from which the hemorrhages flow is healed.

Legislative committees that seek to prevent financial catastrophes, while they strain to uphold individualist production, are gatherings of quacks who listen to quacks.

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

Uploaded December 2009

slpns@slp.org