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raised on mortgage debentures and the estate is to be legally vested in the names of four gentlemen of responsible position. The entire revenue of the Garden City is to be derived from rents. Out of these rents the interest on the purchase money is to be paid; a sinking fund for paying off the principal is to be provided, all municipal buildings are to be constructed and maintained, and a surplus is to be left over for "other purposes, such as old age pensions or insurance against accidents or sickness." The success of the first Garden City is to lead to the erection of many others, so that large towns, including London, will no longer be over-crowded and rents will fall. In this way vested interests will be peacefully evaded.

If capitalists could be found to advance the money and trustees to accept the responsibility; also if 80,000 inhabitants could be found, capable of carrying out the plan of the city and its administration, the experiment might be successful. In that case if Garden Cities became the fashion the author's hopes might be realised, and high rents and slums quietly disappear.

F. M. BUTLIN

Value, Price, and Profit. By KARL MARX. Addressed to Working Men. Edited by his Daughter ELEANOR MARX AVELING (vi., 94 Pp. 8vo. Sonnenschein. London, 1898).

THIS paper, which is now published for the first time, was read by Marx to the General Council of the International Association in 1865. The subject of the paper is wages. The title is therefore rather misleading, for value, price and profit are only considered in their relation to wages.

In 1865 there was an epidemic of strikes on the Continent. One of the delegates at the General International Congress, by name Citizen Weston, had maintained that "the amount of real wages, that is to say, of wages as measured by the quantity of commodities they can buy," is a fixed amount, that "if the working class forces the capitalist class to pay five shillings instead of four shillings in the shape of money wages, the capitalist will return in the shape of commodities four shillings worth instead of five shillings worth." Marx opposes this theory. He argues that "a general rise in the rate of wages would result in a fall of the general rate of profit, but, broadly speaking, not affect the prices of commodities." In support of this view he brings forward his theory of value of which it is the logical outcome. In developing this theory Marx explained to his audience that in an address he could only touch upon the main points, yet, one cannot but think, that unless those working men were prepared to take everything on faith they must have been somewhat dazed. Here are a few examples of the way in which Marx hurries over the weak parts of his argument:—

"Taking one single commodity, wheat, for instance, we shall find that a quarter of wheat exchanges in almost countless variations of proportion with different commodities. Yet, *its value remaining always*

the same, whether expressed in silver, gold, or any other commodity, it must be something distinct from, and independent of, those different rates of exchange with different articles."

"But how does one measure *quantities of labour*? By the *time the labour lasts*, in measuring the labour by the hour, the day, &c. Of course to apply this measure, all sorts of labour are reduced to average or simple labour as their unit." "Rent, Interest, and Industrial Profit are only different names for different parts of the surplus value of the commodity, or the unpaid labour enclosed in it, and they are equally derived from this source and this source alone.

"If wages fall profits will rise; and if wages rise profits will fall."

"By what laws this division of the total amount of surplus value amongst the three categories of people is regulated is a question quite foreign to our subject."

If Marx's hearers were willing to take for granted that the value of wheat or of any commodity always remained the same, that any meaning can be attached to "simple or average labour," and that the laws which govern the use and fall of rent, interest and industrial profits are "foreign to the subject" of value, then Marx must have found it easy to convince them of the truth of the conclusions which were founded on these assumptions. It is interesting to find that these obviously weak points correspond with the weak points which critics have found hidden under the dialectic of "*Das Kapital*." While criticism would naturally be directed against the latter work, this comparatively concise statement will be of great assistance to the student.

Marx sums up his practical advice to Trade Unionists on the subject of wages in three resolutions.

"Firstly. A general rise in the rate of wages would result in a general fall of the rate of profit, but, broadly speaking, not affect the price of commodities."

"Secondly. The general tendency of capitalist production is not to raise, but to sink the average standard of wages."

"Thirdly. Trades Unions work well as centres of resistance against the encroachments of capital. They fail partly from an injudicious use of their power. They fail generally from limiting themselves to a guerilla war against the effects of the existing system, instead of simultaneously trying to change it, instead of using their organised forces as a lever for the final emancipation of the working class, that is to say the ultimate abolition of the wages system."

F. M. BUTLIN

Ueber das Verhältniss von Wert und Preis im ökonomischen System von Karl Marx. Von Prof. Dr. KARL DIEHL, in Halle a. S. (Pp. 44, 8vo. Fischer. Jena. 1898.)

THIS pamphlet contains yet another criticism of the third volume of "*Das Kapital*." It deals with the light which this third volume has thrown on the relation, in Marx's theory of value, between value and