

It is gatherings such as this that give us hope for our civilization. The reason America is in its dangerous situation lies in the fact that such a large proportion of our people have no economic principles by which to be guided either in their thoughts or in their actions. They do not know where they are headed, they drift hither and yon, swayed by every new theory which happens to catch the public fancy and hope by experiments or by chance to stumble upon the truth.

In every country today we find distressed, confused and discontented populations, hoping for a change which they do not know how to bring about. Even in normally democratic countries we see the growth of state policies of regulation and regimentation, of wage fixing and price fixing, of policies which not only destroy personal liberties, but which oppose and counteract the operation of the very natural laws which would bring us out of our troubles if they were but given a chance to operate.

Instead of economic conditions approaching a state of justice, liberty and plenty for everyone as generation succeeds generation the condition of the working people everywhere is gradually becoming more and more desperate. Everywhere we find the great majority of the people, employers as well as employees, living in constant fear; fear that they may fail in their businesses; fear that they may lose their jobs; fear that they may not be able to pay their rent, or interest, or taxes; fear that they may not be able to educate their children; fear that they may need to reduce their standard of living, or that they may lose their savings; fear of a dependent old age. Fear of some economic disaster lies always in the background of most lives.

The fact that these problems constantly become more and more acute in spite of all that is being done with the hope of improving conditions shows that their underlying cause has not been removed. The whole world today stands on the edge of an abyss, where, if peoples or nations do not find the way across, they and their civilizations will go down to disaster. And yet, the great majority of the people feel that this road to plenty for everyone without the destruction of individual liberty is either a van Utopian dream, or that the possibility of finding it is so hopeless that they will not even search for it.

But, for every effect there must be a cause, and thoughtful people realize that if we will but search diligently enough, with open minds, the cause for our economic troubles probably can be found. And this is the reason for this class. We believe that by examining carefully the symptoms of our economic troubles, tracing each one back to its beginning there we will find its cause; and when we have done this, then we will know why it is that society is sick.

Since it is society which is sick, the place for us to begin our search is in the realm of Political Economy.

Political Economy are two words taken from the Greek; "Politics" means relating to the body of citizens, or the commonwealth; "Economy" means relating to the laws for the supply of the house. Taken together they might be liberally translated as meaning "the laws for the supplies of the body politic. Or, as those things which society uses

are called "wealth" Political Economy is defined as "the science which treats of the nature of wealth and of the laws governing its production and distribution.

Political Economy then is that kind of economy which relates to society as a whole, as distinguished from the personal economy of individuals. It has to do only with the supplies of society, that is those things which the members of society must have in order to live. Now it would seem natural to expect to find that the science which treats of those things which everyone must have in order to live would be the one science which would be of vital interest to every individual, but instead of this Carlyle called Political Economy "the dismal science" and all down through the years since then, we find people echoing his sentiment. Why should this be?

When the word "wealth", or capital or some other primary term is used on one page of a text book to include certain things, and on another page to include often contradictory things, and in another chapter in still another sense (which is what occurs in most of our present day text books on Political Economy), is it any wonder that the study of Political Economy is commonly found confusing and thought to be beyond the comprehension of the average man?

It is as though an Englishman and an American in discussing birds were to refer to the cuckoo. The Englishman might refer to it as a bird which never built its own nest, never hatched its own eggs nor reared its own young. The American might bring proof to show that the Englishman was wrong on every point. They might dispute all day and agree about nothing, their whole trouble would be caused by the fact that they were not talking about the same bird at all. The bird which is called a cuckoo in England is not the same bird which is called a cuckoo here. If in the beginning each had told just what he meant by a cuckoo they would not have disagreed at all; but as soon one word is used to mean two different things in any discussion there is bound to be confusion and disagreements and misunderstandings.

In order to avoid such confusion in this class we will begin in our study by defining the seven principal terms around which our discussions will centre all through this course, and we will try to outline the definitions so precisely that there will be no question in the minds of anyone of us as to just what is and just what is not covered by each of these terms.

This is going back to elementals, and you are anxious to know what new social organization we can suggest which will cure the hopeless poverty of the poor which now stands side by side with the luxury of the rich. I imagine all of you know the story of the man who was shingling his roof, but the fog was so dense that he shingled six feet out from the edge of the roof and did not know it until the fog cleared away. I do not want to suggest a remedy to you which you may feel is supported only by foggy ideas, therefore, I am going to go back to the very beginning of our philosophy and build it up step by step, in order that when we come to discuss the remedy you will be able to judge for yourselves whether or not the foundation is sound.

Not even the definition of our terms will we accept without analysis. Nowhere in this course do I want you to take anything for granted, nor to accept anything as true because someone says it is true. I would like each one of you to weigh and analyze every thought as it is

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presented and to form your own conclusions as we go along. In this way, if, at the end of the course we should disagree we will at least have an intelligent idea as to just where our opinions diverge, and why. And if at any time there is anything in our discussions not made perfectly clear, let us stop everything right there until the matter is cleared up. Please never hesitate to ask questions at any time. The person sitting beside you may be hoping someone will ask the very questions you have in mind.

We will try to face facts all through the course and to realize that an idea is something to be met, not something to be run away from. If it be a false idea we want to know it; if it be a true idea we want to make it part of our philosophy.

Now for our definitions:

If there were but one man in the world, or a few men so they did not come into contact with each other, there could be no political economy because there would be no society; within the limits set by natural laws each man could do absolutely as he pleased without infringing on the person or property or opportunity of any other.

But there are two billion people in the world, and man is a gregarious animal; he likes to be with his fellows and association with others makes it easier for each man to earn his own living. Two men working together can produce more than can two men each working alone.

Here then we have a world of men living together in society. Each man has certain desires and needs. First must come some measure of food, clothing and shelter; but even before these desires are fully satisfied men are reaching out for comforts and luxuries and beauty.

Where will men get the things with which to satisfy their desires? There is but one source. Every one of these tangible things which men want has its beginning in what we often refer to as "nature". Therefore, in beginning the study of Political Economy we divide the universe into two parts, with man on one side, and all of nature, excepting man, on the other.

What should be included in the term "nature"? Air, water, land, harbors, natural forests, wild animals, mineral deposits, oil fields, electrical forces, radio and cosmic waves,--all of these things which would exist unchanged even if man had never existed or should cease to exist.

There is no reason that I know of why the word "nature" should not have been used in discussing these things in Political Economy and in fact these things are sometimes referred to as "natural resources" but there has grown up in economic discussions the custom of referring to all of these things as "land", and if we would understand the ordinary discussions of Political Economy we must remember that the word land is here used not to refer to the dry surface of the earth, but rather to the natural resources of any country. Air, water, etc. are just as true land as is land itself.

Land, then, is the whole universe excepting man and the things man has made.

What do we mean by the term "man." We do not mean simply a body with whatever physical strength it may have, but also man's skill

and intelligence, his education and abilities of all kind. These are all a part of man, and as incapable of working separated from man as would be his hands.

Here then is the great storeroom of nature, containing everything man can wish for, and here is man with his desires and his abilities. How is man to get the things he wants? The only way man can get anything out of that storeroom is by the application of energy, both mental and physical, to the task. This application of human energy to nature we call labor, and the man who supplies the energy is called laborer. There is often a tendency to feel only the man who does manual work is a laborer. There is often a tendency to feel only the man who does manual work is a laborer, but in F. F. the mental energy used in producing objects supplying man's needs is just as truly labor as the physical energy. The President of the U. S. Steel, for instance, just as truly a laborer as is the man who washes the windows, or the man who digs the ore from the ground.

The miner digs the ore, but probably there is not one miner of U. S. Steel in a million who wants that ore in the form in which it is dug from the ground. The business of the president of the corporation is to see that this ore is made into such things as his customers desire. The miner may use principally physical energy, the president may use principally mental energy, but both are using their energies for the same purpose--to help satisfy human desires for things made from iron and steel, - they both are laborers, as also are the people helping them, the men at the blast furnaces, the firemen, the superintendents of plants, the office workers, the salesmen, the men on the railroads carrying the ore to the factories and the finished products away: all of these are working to satisfy the desires of customers for products of iron and steel. All of them are laborers. One cannot separate brain labor from muscular labor, because any form of exertion used in producing wealth requires both, though the percentage of each may vary from one extreme to the other.

To use another illustration. An architect is planning a bridge. He may sit for hours with his feet on the desk and his eyes closed considering the forces with which he has to deal, measuring in his mind's eye the stress and pull and balance of each part against every other part. At last he decides what he wants, down come his feet and he draws his blueprints. He was helping in the construction of the bridge just as truly while his feet were on the desk as he was when he drew his blue prints, or while he superintends the work itself. His planning was just as necessary as is the work of the riveter in fastening the plates together. The bridge could not have been built without either one.

But energy spent which does not aid in producing some tangible thing is not labor. (Daily lesson, etc). If the architect spends hours dreaming about a bridge he hoped to build, but which he never did anything to help bring into existence, this mental energy would never have been used to produce some tangible object to satisfy a human desire; therefore, it would not be labor.

Every day there is a great deal of energy exerted in the world which directly satisfies human desires, but which does not do it producing tangible things. Under this heading must be classed much of the work of the doctors, the lawyers, insurance men, opera singers,

teachers, etc. These people perform personal services, but these services do not come within the scope of P. E.

Labor then can be defined as human energy, mental or physical applied to the production of tangible things to satisfy human desires. Man in the field of production supplies Labor.

Suppose that now a man desires a table. He would go first to the wild forest, which is land and by his exertion would cut down a tree. This tree then is no longer in a state produced by nature, it has had human energy applied to it, it has become a felled tree. It is cut up into up-rights and boards and planed and fastened together and brought to the place for use as a table. But what is it really. Its form has been changed, its location moved, but it is still only a tree which has been changed by human energy into something to satisfy some human desire.

Thus we see that when men apply their energies to nature they produce a third class of objects; objects which do not belong in the class of land any longer because they could not exist without man. They are they objects which represent human energy alone (of course no one could do that) but these are objects which have taken shape because of a combination of land and labor. Sometimes the land element may form the greatest part of their value and sometimes the labor element. If a section of the tree stump had been sawed off and used as a stump seat, the labor element in the value of this seat would have been small, but if an elaborate chair had been made, the labor element in the value of that seat would have been proportionately great, but both the stump and the chair would be nothing but the combination of labor with the tree to form seats to satisfy human desires.

Every tangible thing which men produce in order to satisfy human desires belongs in this class, and these are the things we call wealth. But not everything made by human energy from land can be termed wealth. Remember that Political Economy is a science which deals with things in their relation to society and not in their relation to any one man. Objects created for which society has no use would not be called wealth. To illustrate: formerly there was in Overbrook Hospital a feeble minded man who felt that his mission in life was to make mud pies. Every day if permitted, he would spend hours at this task he set for himself. Nor was it any hap-hazard task with him, often it took him hours to get something to suit him; the earth might be added by pinches and the water by drops. No one else could tell when the pie was finished, but in his own mind was some standard. When his pie was set aside to ripen was it of any value to society? It was land, to which human energy both mental and physical, had been applied, but so far as it satisfied any need of society it might just as well never have existed. But if the earth used for these pies had been clay, another individual might have taken this same clay, and this same water, and using no more energy, made from them platters and bowls and pitchers, which, when baked in the kiln would have formed implements of value to others besides himself; others would have been glad to exchange their produce for things they could use. Therefore, the pottery would be wealth, but the mud pies were not. And this is the measuring rod by which we can tell whether or not any particular thing belongs in the class of wealth. Does it have a selling value? Will anyone give anything in exchange for it? If the object will sell in the market place for anything at all, it is proof that others besides the maker believe that it will be of use to them.

to them.

Wealth then can be defined as any exchangeable product of labor applied to land.

Remember that Wealth is any "material thing" produced by labor which has exchange value. This will exclude from wealth many of the most important things usually classed as wealth - including stocks and bonds; deeds and mortgages, and money. Suppose this bundle of papers in my hand were composed of ten shares of stock, each worth \$100.00. The exchange value of these stocks would be \$1,000. - what would be the value of the wealth I hold in my hand? Possibly one cent! Not a bit more than that, for these pieces of paper sell for as old paper. The material thing which has value is the paper only. When an individual buys one of the shares of stock, what he really buys is a certain proportion of some business. If a company has issued a million shares of stock, and I buy one of them he then owns a one-millionth part of that business; this is what he buys. The share of stock is only an evidence to the world that he owns this millionth part of this business; share of stock might be burned but the wealth which the man owned would be just the same as before, minus the value of the paper burned. The stock as a thing is true of bonds, and mortgages and deeds, - they are merely evidences to the world that their owners possess wealth in some other form.

And this is also true of money. Money is only a tool which society has used for itself in order to make exchanges easier. To the extent of the actual market value of the paper or of the metal in the piece of money handled, that money is wealth; beyond this the value represented by a piece of money is only a credit value, and represents the faith an individual has in the soundness of the government which issued the money. Here are some Confederate bills. As antiques they may have some value, but as money they have no value at all because the government which issued them has disappeared. Take 100 paper bills, if they are \$1.00 bills, they will have an exchange value of \$100.00. If they have been printed with the picture of a \$10,000. bill instead of with a picture of a \$1.00 bill, then their exchange value would be \$1,000,000, but the actual wealth value (the value of the paper in the bills) would be the same in both cases.

Therefore, in order for an object to be wealth, it must be some tangible object, something the production of which will increase the amount of wealth in the world, and the destruction of which will decrease the amount of wealth in the world.

Here we have the three prime factors in economics clearly outlined, and everything with which political economy has to deal can be classed under one of these three headings:

- Land: the whole universe excepting man and the things man has made;
- Labor: human energy mental or physical applied to the production of material things to satisfy human desires;
- Wealth: Any product of labor applied to land which has exchange value.

The line separating these three is very sharp, and it not only separates them mutually, but each excludes the other two. Land can never be man nor can it be wealth (that which has been produced from the land); neither

man nor man's energy, labor, can be either land or wealth, nor can objects properly classed as wealth be either land alone nor labor alone.

Land exists irrespective of man's exertions. Wealth for its existence depends upon man's exertions. Wealth tends to disappear very quickly. Stop labor and most of wealth will vanish almost overnight, start labor and Wealth reappears. These distinctions between land, labor, wealth seems to be very simple distinctions regarding which there should be no question, but as our classes continue, it will be shown that most of the economic troubles in the world today are caused by the fact that our law-makers and economists either do not know, or do not keep these distinctions clearly in mind. So long as slaves were thought of as wealth instead of as men, there was little chance of solving the problem of chattel slavery. We might say that our Civil war was largely caused by incorrect definitions, and the same is true of our problems of today.

The next term to consider is one regarding which there is probably more misunderstanding than there is of any other of the seven and this term is Capital. What is Capital and what is its function?

If a man can go to the land and get wealth with his own hands, to be used for his own consumption, such as fruits, or roots or seeds, while he can live, still he can never raise his condition very far above that of the other animals. But if he will spend part of his time in making tools such as baskets, or fashioning a bent stick for digging the soil, or a net to catch fish; by the help of these tools he can produce much more wealth than he could without the use of tools. By using these things, he can raise his standard of living, or give himself more leisure, or both. These tools he makes are wealth just as are the fruits and nuts he picks, or the fish he catches, but after making these tools he will not eat them, nor wear them, nor burn them but rather he will set them aside from the wealth he intends to consume, and will use them to help him produce more wealth some other day.

Wealth which is thus saved and set aside to aid in producing more Wealth is called Capital. All tools are Capital, but there are also other forms of Capital; wealth in any form which is used to help in producing other wealth is capital. This wealth may be used as a tool, it may be used in exchange, it may be set aside to have its form changed, or possibly it may only be moved from one place to another. All of these processes add value and therefore the wealth so used is Capital.

To illustrate again: A farmer has an orchard which he has planted and raised, and from which he expects to make his living. The trees are the product of this farmer's labor applied to the land, and, therefore, they are Wealth, but he expects them to produce fruit which he can sell or exchange, and, therefore, his orchard is Capital; his baskets and ladders, and spraying apparatus are also called Capital. They help him raise more and better fruit than he could raise without them. After the fruit is gathered it has a certain value at the orchard, but it will be more valuable when it is in the market, therefore, the trucks which take the fruit to the market, as well as the fruit itself are also Capital. When the fruit is sold it will cease being Capital for the farmer, but it may then become Capital to the commission merchant and later for the shop-keeper; and not until that fruit is in the hands of the person who is to eat it, is it fully produced from an economic point of view.

There can be production without Capital; in fact there must have been production without it also it could not have appeared in the first place; but life without Capital of any kind would be the crudest possible. Society and civilization as we know them today could not exist without Capital. Probably civilization began when some two primitive men overcame their fear of each other sufficiently to come together to barter for an exchange of products each had made. Our enormous possibilities of wealth production today are due largely to the fact that such a great percentage of the wealth produced by society not immediately consumed, but is saved to be used as Capital.

But in spite of this Capital is always a secondary factor in production, because of itself it can do nothing. Capital can be effective only when it is used by Labor. There may be wealth valued at billions which its owners wish used as Capital, but if labor cannot or will not use this wealth, what becomes of it? It can only decompose. But it is always the initiatory factor in production, and always uses Capital? Capital never uses labor.

This is true also of the man who owns wealth which he wishes used as Capital, this is the Capitalist. In order for this wealth to be used as Capital, he must either himself assume the position of a laborer and so use his own Capital, or must hire his capital out to those who will act as Laborers and so use it.

A farmer with a threshing machine, or a business man with a store or a factory, must either use these himself, or hire them out to someone else to use; if he uses them himself he must do it as a laborer, he then is both a Capitalist and a Laborer.

Wealth used to produce more wealth becomes Capital, but Wealth having become Capital does not necessarily stay Capital until it is consumed. Your automobile which you use in the morning to call upon your trade is part of your Capital, it assists you in your business, it is being used to help produce more wealth; in the afternoon you decide to call upon a sick friend. Now your automobile is no longer aiding you to produce wealth, it falls back into the class of mere Wealth. On your way home you stop to collect a bill, your auto is, for a time, again Capital. After dinner, you take your family to the theatre, and your auto is again now only wealth. A grocer's stock upon his shelves is his Capital; he takes a few cans home with him at night for family use, and the stock being Capital and become only Wealth.

By keeping in mind the fact that Capital is that part of wealth used to produce more wealth, it is never difficult to distinguish between what is Capital and what is not Capital. Land cannot be capital because it was never wealth, and therefore, the man who owns only land is not a Capitalist. Human attributes, skill, education, etc. cannot be Capital. Nothing can be Capital which was not first wealth, and if nothing can be Capital which is not used by Labor to aid in production. And this is the only function Capital has. Capital does not pay wages, nor does it fix the rate of wages, in spite of the popular belief to the contrary.

Our great economic problem today is to discover way it is, in spite of the ability of our people to produce enormously, do wages tend over to a minimum. The answer so often given or taken for granted that wages must be fixed by the ratio between the amount of capital used in production and the number of laborers employed. We see this thought



expressed in many ways. Many feel that more people can be employed at low wages than could be employed at high wages; many argue that we should restrict immigration in order that the foreigners, by their numbers, shall not lower the wages of people now employed. If the ratio between the number of laborers and the amount of capital in existence fixed wages, then when Capital was abundant wages would be high, and where Capital was scarce, wages would be low. For the past few years wealth which its owners wished to have used as Capital has been very abundant. On every hand we have seen idle factories and dormant industries, but are wages excessively high now, and what of the millions who cannot have work at any wage at all, even yet?

The truth is that wages are not drawn from Capital at all, and bear no ratio to the amount of Capital in use at any given time. The wages of aborigines, the berries, seeds and roots they gather, eating them as they pick them, cannot be drawn from Capital, because they have no Capital. Later one of these men may find some stones with which he can grind his seeds into flour. His wages would be the flour he produced each day, and this he can use, by paying it to himself as wages, but his grinding stone, his capital, he saves for use another day. He consumes his wages, but his capital remains unchanged.

Whenever a man produces something for himself, it is usually quite easy to see that his capital remains intact, even though his wages may be constantly consumed. But it is sometimes contended that illustrations drawn from primitive times do not apply to our complex everyday problems. Let us look at a great flour mill. Here is Capital in a more elaborate form, but is capital necessary here to pay wages?

The capital here at the beginning of any day would be represented by the buildings, the machinery for grinding, the unground grain, the flour stock in hand, office fixture, etc. etc., the corporation also having a certain stock of money in the bank. If an inventory were taken in the morning, a certain value would be given these.

Now the workers come to work and all day grain is ground, bolted, packed, etc. Let us suppose for the sake of illustration that nothing either goes out or comes into the mill all day. If another inventory is taken in the evening, after the mill has been running all day, would not the value there be greater than in the morning? Instead of tons of unground grain, would there not be tons of flour, which is more valuable than the grain it replaces? This difference in value between the unground grain of the morning and the flour of the evening would have been produced by the workers of that day, and if each worker were paid out of the flour he had produced that day, at the end of that day, would there be any less capital at the end of the day in the flour mill than there had been in the morning? Or would the wages in any way be fixed by the ratio between the number of workers and the amount of capital owned by the corporation? The company might be a small one with but one grinder and operating on a shoe string, but the men would be paid approximately the same wages as if they were working for one of the greatest flour corporations with immense amounts of capital at its disposal. The wages in each place would have been made by the men as they worked, and this is true in every business. We will find that labor always produced its own wages as its works; wages are never paid out of capital.

It is probable that in the flour mill the wages will be paid, not in flour, but in money from the bank. But this is done only because it is more convenient for everyone, and the amount paid will not

exceed the value of that portion of the flour which each man has produced by his own labor during that day. Therefore, the amount of capital has not been lessened one iota by the wages paid, - only its form has been changed, and the company has more flour but less cash. No employer ever pays wages greater than the value which has been produced by the worker, unless he does it by accident.

When the flour mill pays its men in money instead of flour, what it is really doing is buying from its men the flour which is their true wages. If the owner of the flour mill sells, or believes he can sell, to some wholesaler or jobber or shipper some carloads of flour, he must accumulate this flour before he can deliver it. If he were to pay the wages of his men in flour, it might take him quite a little while longer to collect the flour he needs for his customers. Therefore, if he pays his men in some other way, he can keep for his own uses the flour ground. The thing most generally acceptable for payment of wages and other things is money, because it can so easily be exchanged for other things; therefore, the mill owner exchanges with his workmen his money for the flour they have produced.

Every employer who pays wages in money really buys from his employees the things they have made. A girl in a dress shop makes dresses; a part of these dresses are really her wages, but her employer ~~xxx~~ buys from her her share of the dresses she makes in order that he may sell them to someone else.

If each laborer, then, as he works, creates the fund from which his wages are drawn, then Capital will not be diminished by any increase in the number of laborers; and since the greater the number of laborers, the greater their efficiency if co-ordinated, then the greater the number of laborers, the higher their wages should be, not less. You say "it does not seem to work out that way in real life". Later we will show very clearly why this is so. What I would like now to have you see is that it is not due to any relation between the number of laborers and the amount of capital in use.

All the while the laborer is working, he is increasing the stock of wealth in the hands of his employer, but the employer never advances him anything out of his stock of capital, unless he pays him in advance.

Capital does not pay wages to labor. It has but one function; to help labor employ itself more efficiently. If it does not do this it will not be used by labor. Its use makes possible greater production, it makes exchanges possible, it permits division of labor and aids co-operations,--these are all included in increased effectiveness to labor.

Land, labor, and capital, these are the three factors necessary to the production of all the wealth in the world. Can you think of any other factors? There must be land before any labor can be exerted; labor must be exerted before wealth can be produced; wealth must be produced before any of it can be set aside to be used as capital in the producing of more wealth. Capital is not a necessary factor in production, but Land and Labor are. Labor, working on land, with or without the aid of Capital, produces all wealth.

What becomes of this wealth after it has been produced? These things we call wealth have been produced in order to satisfy some

human desire, and these desires will not be satisfied until all of the things produced are in the hands of the people whose desires caused them to be produced.

If land, labor, and capital are the only factors in the production of wealth, then the wealth after it has been produced must be divided among these factors, since there are no others. Give to the laborer that which he has earned (which we call wages) Give to the capitalist that which is due him for the use of his capital (which we call interest). and give to the landowner that which must be paid for the use of his land (which we call rent) and the whole of wealth will have been distributed.

In common usage, we speak of rent being paid for buildings, but in economics this is not rent at all--rent is only that which is paid for the use of land. Also the word interest is used to cover a multitude of things which are not interest at all. Interest is only that which is paid for the use of capital. Insurance, compensation for risk and other things are often included in the payment to the capitalist, but these are not interest. A man borrows money with which to buy land, and then speaks of paying interest on the mortgage he gives. This is not interest he pays, but really rent for the use of land, and so all through our business world, <sup>we find things</sup> which are miscalled from an economists point of view, and these confuse us and hide the truth; but if we will keep our definitions in mind, much of this confusion will be cleared away.

The laws which govern the portion of wealth which shall be paid as rent, wages, and interest will be considered in our next lesson.