



Zeke, the Capitalist

Before we can be certain that a man is receiving his full wages, and that the owner of Capital is getting nothing more than that which is his due, we must know: 1-where Wages and Interest come from, 2-what Wages are, and 3-what Interest is. Unless Wealth is produced, there can be neither Wages nor Interest; so, the Polekotist says, Wages and Interest must come from Wealth produced. And Wages is that part of the product that resulted from Labor, while Interest is the part that results from the use of Capital.

To illustrate, let us imagine Zeke farming a small patch of free land. He used no Capital except a rude plow which he had hitched to his wife, and some seed he had saved from the last harvest. At season's end, Zeke was able to harvest 105 bushels of corn. Let us say 5 bushels resulted from the use of the Capital Zeke employed; those 5 are Interest. The remaining 100 bushels must be Wages because they were the result of Zeke's Labor.

In time, Zeke's wife became noticeably less efficient. She became sway-backed, and didn't digest her feed very well; especially since so many of her teeth had been broken by the iron bit. Her husband, still very much in love with her -- and beneath it all a rather humane fellow -- finally retired the old girl and replaced her with a horse. Perhaps his last harvest which amounted to only 80 bushels influenced him somewhat

With his new horse (Capital) Zeke was able to cultivate twice as much land; and at harvest time he had 200 bushels to sell! (Imagine how jealous of the horse's efficiency Zeke's wife became!) Since Zeke did not use any more energy to produce the greater crop, the extra 100 bushels cannot have been Wages. It was produced by the horse, so it must have been Interest.

Some say it was Zeke's greediness, while others whisper that Mrs. Zeke, overcome by jealousy, poisoned the horse. At any rate, Zeke worked his farm the following year with a tractor (Capital). As a result, he was able to take 300 bushels to market. Zeke didn't work any harder than formerly, so wages remained at 100 bushels; while the remainder, 200 bushels, the result of his Capital, was Interest.

The Commies might say that the above story proves that Capital robs Labor; for the return to Capital kept increasing, while Wages, in spite of increased production, stayed at 100 bushels. Republicans and Democrats might say the story proves that under our system Zeke was able to collect everything he produced: Interest and Wages; and that's more than anyone can do in Russia. As usual, Democrats, Republicans, and Commies are all wrong, and so are the Socialists.

Find out why next week when Zeke's stirring story will be continued.