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EDITORIAL

ARE THE RICH GETTING RICHER AND THE POOR POORER?

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THE upholders of capitalism are very vigorous in combatting the declaration that the rich are getting richer and the poor poorer, meaning by the rich the capitalist, and by the poor, the working class. They point to the great increase in bank deposits to prove their assertion to the contrary. In so doing they overlook the fact, proclaimed by a well-known financial authority, that the most important cause in this increase, amounting to four billions of dollars, is the conversion of trust stock into bank collateral. In other words, this stupendous increase, which exceeds by a billion and a quarter the estimated total wealth of the entire working class in 1890, is primarily due to the overcapitalization and “watering” of stock that is so conspicuous a feature of the modern trust movement. These bank deposits then are mainly an evidence of the increase in capitalist and not working class wealth. They are proof that the rich are getting richer and the poor poorer.

There is still more proof which helps to substantiate this point, in fact, to emphasize it more strongly. We refer to the comparative increase in the value of manufactured products and the comparative decrease in the wages paid during the decade of 1892–1902. The increase in the value of manufactured products has been 39.13 per cent. during the period mentioned. The increase in wages has been 19.80 per cent., while the increase in the number of employes has been 21.37 per cent. This is equivalent to a reduction of wages amounting to nearly 2 per cent.

Who is there, who will have the hardihood to assert in the face of this great increase in the value of manufactured products, which goes to the capitalists’ accumulation of wealth, and this two per cent. decrease in wages, which is subtracted from labor’s earnings, that the 4 billion bank deposits could have been made by the working class?

He who believes that will believe the less one earns the more he will have to save. And who will believe, in view of these greater returns for the capitalists and the lesser returns of the wage-earners, the capitalist claim, that the rich are not getting richer and the poor are rolling in affluence? He who will believe that must be a gudgeon, indeed.

These facts give no support to capitalist claims. The present period of prosperity is a period of prosperity for the capitalists. They reap larger returns while the workers receive lower wages than a decade ago. Not only have the workers lower wages but harder work, as the increase of accidents show.

This condition of affairs will continue so long as capitalism continues. Under capitalism the poor—the workers: labor—is a merchandise that is exploited by the rich—the capitalists—according to the law of exchange value, which in this age of invention is constantly militating against labor. Only when labor secures control of the powers of state and takes the means of production and distribution from the capitalist class, will labor cease to be a merchandise. Then labor will control the means of production and distribution, and receive thereby the full fruits of its toil. Then will the question are the rich getting richer and the poor poorer cease to be asked.

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