

DAILY PEOPLE

VOL. 12, NO. 62.

NEW YORK, THURSDAY, AUGUST 31, 1911.

ONE CENT.

EDITORIAL

THE MIDDLEMAN.

By DANIEL DE LEON

THE evidence is plentiful—it appears in questions to the Letter-Box; speeches, even some delivered in Congress; and frequently in articles published in the press named reform—that the term “middleman” is a stumper. With one and all the middleman is considered an evil, a parasite, which, according to the degree of the reformer’s radicalism, is unsparingly denounced, and should be uprooted.

No doubt, in some instances, the denunciation of the “middleman,” or, at least, the inclination to look upon him as something transitory, a sort of transitory rubbish, the disappearance of which would be a step progressward, proceeds from the confusion of “middleman” with “middle class man.”

The great Utopian Fourier was “rough” on the middleman. Only a few weeks ago, the president for nigh to a generation of the British Co-operative Societies, unfolding before an audience in this city the beauties of the co-operatives, said: “We bring the producers together—the shoemaker who works here, the farmer who raises wheat there—we bring them together, we wipe out the middleman, and have them both enjoy the full fruit of their labors without middleman exploitation.”

The error of those who take the “middleman” for a “middle class man” lies in confusing a status with a function. A man may be a citizen and of age, and at the same time be a shoemaker; but not all citizens are shoemakers, nor all shoemakers citizens. A “middleman” may be a “middle class man,” but not all middlemen are of the middle class, nor all middle class men middlemen. A medium retail shopkeeper is a middleman, and also is he a middle class man; but the wage slaves whom he employs also are middlemen without being of the middle class.

The special error of the element whom Fourier typifies lies in their blindness to the important, the necessary part played in the mechanism, of production by the

wheel of the middleman. This element fails to perceive that production does not begin and end with what may be called creation. The coal dug at the mine is produced by the miner. Nevertheless, that same coal is virtually non-existent to the factory in New York, or the farmer in the fields unless it is brought thither. The coal at the mouth of the mine is only partially produced for the factory and the home. The production of the coal is not complete until brought “within the tackles,” so to speak, of what has well been called the “ultimate consumer.” The function of bringing wealth created in one place “within the tackles” of the ultimate consumer is the province of the middleman. Within this province are a number of links—the transporter and the retailer prominent among them. Hence, “production” proper, is not limited to the “creator”; the “exchanger” (a necessarily separate individual) is a co-producer.

Failure to realize these pregnant facts is a fruitful source of serious economic and political vagaries. For instance:

It is no uncommon thing to hear the farmer, or the “farmer’s friend,” inveigh against the middleman as “a greedy parasite,” and to prove the case, as they think they do, by citing market figures—a load of farm products, for which the farmer received \$10, fetched in the retail market \$25—lo the robbery of \$15 out of the farmer’s pockets! An absurd bit of reasoning. The farmer, considering normal conditions, received every cent that was coming to him. Had he received the other \$15 he would have pocketed what belonged to others—to the fillers of middlemen’s functions. Everyone of these—railroads, retailers, forwarders of communication, etc., etc.—added value to the goods as the goods passed through their hands.

Co-operative labor demands the middleman. No middleman, no co-operative labor upon the large scale that civilization demands. The function of the middleman is useful and indispensable. The middleman is no social rubbish; he is of permanent usefulness.

The special error of the element, typified by the venerable president of the British Co-operatives above cited, is an offshoot of the element typified by Fourier. Filled to the muzzle with the economic, or social, or socio-economic error of Fourier regarding the middleman, the president of the British Co-operatives imagines he is “wiping out” the middleman. The fact is that what he is “wiping out” is not the middleMAN, which would mean “the function of the middleman,” but a superfluity of

middleMEN. By the elimination of the superfluous middlemen, the FUNCTION OF THE MIDDLEMEN IS CONCENTRATED, NOT ABOLISHED. The retail stores in which the goods produced by distant British Co-operatives are deposited, and whence they are distributed to the ultimate consumer, are middleman depots, and those who administer these depots are middlemen.

In the course of the concentration of capital, with the inevitable result of the wiping out of the small concerns, middlemen by the shoals are being smoked out. But the smoking out of these, on the field of distribution, abolishes the middlemen no more than does, on the field of manufacture, the concentration of capital, hence wiping out of the small factories, abolish the manufacturer. As a matter of course, the identical economic law which concentrates capital, with the consequence of the wiping out of small retail stores and small factories, is also steadily bringing the functions of manufacturing (producing in the narrow sense of the word) and distributing (the middleman) under one hat. But the process does not, it could not, eliminate the cost of middlemanship. To do so would be to eliminate values. The only difference is that the values formerly collected by a large number of middlemen become collectable by the all-embracing capitalist.

A score of ramifications result from the understanding of these facts. Of these, three should here be cursorily pointed out:

1st.—The proletariat is ONE, whether employed in middleman or in creative functions.

2d.—The notion that the proletariat is exploited as a retail buyer is visionary.

3d.—It is not possible to gauge the degree of exploitation to which any individual proletarian or set of proletarians is exploited. Exploitation is a class-act upon a class. It is the proletariat as a class that is exploited.

Economic laws are not worth shucks but for the practical conclusions, or tactics, they lead to; hence, inversely, correct tactics, or practical conclusions, require economic laws for their foundation.

Transcribed and edited by Robert Bills for the official website of the Socialist Labor Party of America.
Uploaded June 2012

slpns@slp.org