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# XXII.7 How the price of things is set in the variation of symbolic wealth

- The Spirit of Law - Book XXII. On laws in their relation to the use of money -

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## XXII.7 How the price of things is set in the variation of symbolic wealth

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Silver is the price of merchandise or commodities. But how shall this price be set ? In other words, by what portion of silver shall each thing be represented ?

If we compare the mass of gold and silver which is in the world with the sum of merchandise it contains, it is certain that each commodity or item taken separately can be compared to a certain portion of the entire mass of gold and silver. As the total of one is to the total of the other, will part of one be to part of the other. Let us suppose that there is but one commodity or product in the world, or only one that is purchased, and that it is divided like silver : this part of this product will correspond to a part of the mass of silver, half the total of the one to half the total of the other, the tenth, hundredth, or thousandth of the one to the tenth, hundredth, or thousandth part of the other. But as what constitutes property among men is not all at the same time in the market place ; and as the metals or the moneys which are its signs also are not in the market at the same time, the prices will be set in compound ratio to the total of things with the total of signs, and to that of the total of things which are in the market with the total of signs that are also in the market ; and as the things which are not in the market today can be tomorrow, and the signs which are not in the market today can similarly return to it, the establishment of the price of things always depends fundamentally on the proportion of the total of things to the total of signs.

Thus the prince or magistrate can no more set the value of merchandise than they can establish by decree that the ratio of one to ten is equal to the ratio of one to twenty. Julian, by lowering the cost of commodities in Antioch, [1] caused a terrible famine there.

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[1] *History of the Church*, by Socrates [Scholasticus], book II.