
Why Workmen Are Enemployed? An Answer to a Burning Question.

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How Does It Come?

A few years ago we had very hard times throughout the whole country; we call it a crisis, a business crisis; many, very many hundred thousands of workmen and working women in all branches of industry were out of employment and wandered from house to house, from city to city, and from one state to the other.

They would readily have accepted any kind of work, but there was none to be had; they could not find any. Factories were closed, or running only half time; business houses had nothing to do; there were but few buyers; on the farms there was some harvest work to do, but being without money, the unemployed could not in many cases reach the work offered at a distance. Besides, such employment was only temporary, and after a few weeks the former misery returned.

Naturally there were millions of workmen still in employment. But how were they paid? With the lowest wages possible; not enough to live on; too much to starve upon. The few dollars saved up were speedily spent. Many who had joined a building association with a view to getting a home of their own, could not keep up their payment. The home, built with their hard earnings (and loans at high rates of interest), for the sake of which they had silently accepted many reductions in wages (for they could not move as easily as before they became property owners), the little home had to be sacrificed. As the times were hard and no one wanted to invest in property unless it could be bought for a song, they were compelled to accept less for their homes than it cost to build it. And thus they lost all.

Misery Intensified.

Some of the few valuables which grace a workman's home found their way to the pawn shop, and the pall of darkest poverty fell upon the family. Exhausted from useless search for work, the father fails to return home. The few last cents are spent for drink in the vain hope of drowning sorrow in liquor, and another drunkard's name is added to the roll of the miserable. The family disperses. The father becomes a regular tramp; he wanders aimlessly into the world; becomes unfit for work, even if it were now obtainable, the wife and children suffer from day to day for the necessaries of life. The boys become street gamins, and the girls — the girls did not choose to starve, and became what they could not avoid.

Laws were now passed against "tramps," hundreds of thousands of whom filled the streets of our cities. They were treated like brutes, and hunted down like wild beasts. Legislatures vied with each other in their endeavors to excel in enacting the most strenuous and cruel laws. One monster in human form proposed to lock up the tramps in flooded prison chambers, and compel them to work the pumps or drown. In this way it was hoped to accustom them to work again.

The Innocent Must Suffer.

Oh, it was a reign of terror! Think of the misery: tens of thousands, hundreds of thousands of industrious, honest human beings all eager to work — to work for the lowest wages, and unable to find work. They became beggars; became so-called criminals — with-

out any fault of theirs. Were they to blame for the scarcity of employment? Was it their fault that even in "good times" their wages were so small that if they wanted to live like human beings, little could be saved? And that little saved up fund is speedily used up when the father of a family is without work for weeks and months at a time.

A beautiful world; benign human institutions those, under which such shocking conditions are possible.

A Famine, Amidst Abundance.

But the most astonishing circumstance was that, as the great business depression began, there was such a superabundance of all the good things of the earth on hand that it became a puzzle what should be done with them.

If there had been no flour with which to bake bread, no clothing or shoes, no furniture or utensils on hand; if the butcher had had no cattle or sheep to kill; if there had been no chickens, doves, and turkeys on the farms; no cigars or beer, linen or cloth, no carpets or articles of industry; if there had not existed enough rooms and dwellings to afford shelter for all the weary heads of mankind — then the great calamity could easily have been explained. Then one could have said: yes, it is very natural that the people waste away and hunger, for they have no homes, nor shoes, and their clothes are patches of rags because there has been no work done; the people are thriftless and lazy, and there is no wonder about their poverty.

But exactly the reverse has been the case. Long before the crash broke in, labor had been powerfully active for 10 to 14 hours per day; even overtime had been worked, and when there was a sudden cessation, all warehouses and storage rooms were stuffed full of goods from floors to rafters; in the elevators of the country there was an abundance of grain, and the farmers were puzzled to know what to do with all their fruit crop, their fowls, milk, and eggs.

The Enigma.

Many sought to find a solution to the great riddle, and tried to ascertain the reason why hundreds of thousands of people should suffer amidst plenty and

abundance. And some really found a solution and showed how such occurrences could be permanently prevented. But we shall relate later what they discovered and what they proposed; first let us show how the story further develops itself.

Most of the workmen were perfectly dumb-founded and had not the faintest idea of how it all came about. They had organized trade unions, that is, societies of craftsmen in which the members mutually assisted each morally and financially. When the boss tried to reduce their wages, all stood together and resisted. They endeavored to reduce their working hours and keep up wages. They often succeeded; indeed the labor unions were splendid institutions as long as times were good. But now, when the shops and factories shut down, and general idleness resulted, they became perfectly helpless. They tried in vain to keep up wages. There were so many hundreds of thousands of unemployed, that no demand could be enforced. Everybody wanted to secure a living, and many were compelled to accept the very lowest wages. Those unions which had strong treasuries materially assisted their members as long as the funds lasted; but such assistance had to finally cease, for where so many thousands are in need, the largest defence fund is soon swallowed up.

Better Times.

These conditions lasted for several years, and then a gradual improvement was noticeable. In the meantime large numbers of people had become completely impoverished; not only workmen, but also small traders and businessmen; many families had been separated and were completely broken up. The stored up goods were partially ruined: another portion had depreciated in value, but was after all mostly consumed.

Gradually orders began to flow in to manufacturers, and employment was given to labor. Money again began to circulate among the people, and they again became consumers. New buildings were again constructed. Many thousand small manufacturers, businessmen, and farmers had been hopelessly ruined and had to be content to find a place among the wage earners. But instead of the many thousand small business enterprises, we now see large manufacturing corporations, big jobbers and large buyers, and bonanza

farmers. Business is done on a larger scale, and with increased capital. Naturally large numbers of people became more dependent, as the number of big bosses increased. But times improved; work again became abundant, machinery spurred and seemed again to have dawned. The workmen reorganized their trades unions, and kept on voting the same old party tickets, just as though nothing had happened.

The hundreds of thousands who had been bankrupted were forgotten; the grave warnings of the wise, whose insight led them to realize that prosperity could not be permanent, unless better precautions should be made to prevent future crashes — all these warnings were unheeded.

The Crash Repeated.

Calamity strides like a Colossus. After a few years industry is again interrupted. First wages are reduced and strikes ensue. Orders being slack, the bosses are not inconvenienced, and persist in wage reductions; at the same time improved machinery is introduced and workmen are displaced; all at once, without any apparent cause, the crash overtakes us in a more acute form than before; misery is again rampant and triumphant, and shocking poverty engulfs the land.

And thus we witness for the third time during the short space of 20 years the frightful apparition of famine, of family separation, the wrecking of millions — and over all the land the path of the gaunt spectre is strewn with the debris of a million fortunes.

Why and Wherefore?

Why this endless repetition of universal misery? Shall this continue forever, and is there no remedy? These are the questions which every thoughtful man must seriously entertain and honestly endeavor to solve. Some contend that our financial conditions are at fault. Our government has coined too much silver which is actually worth less than its fictitious face value. For example: a silver dollar contains 70 cents worth, or less, of silver, and the people of Europe, especially, who do business with us and buy our goods have lost confidence in us. They will not accept our silver, but demand payment in gold, and hence our gold leaves the country and flows abroad. Because of this — many

imagine — our own businessmen also lose confidence, lock up their factories, and discharge their workmen. But this is all nonsense.

It is certainly true that a majority of our Congressmen, being but ordinary politicians, understand very little about how the affairs of the nation ought to be conducted. As many of them are wealthy men, or are intimately connected with the wealthy classes; some even being in the service of wealthy corporations, it is but natural that they should enact laws favorable to the rich, but detrimental to the workmen, and all poor people who live from hand to mouth.

The Silver Question.

And so they came to enact that foolish Sherman bill, whereby the government is compelled to buy great quantities of silver from western mine owners, stamp it at the national mints, and thus provide in fiat what the silver dollar lacks in value of the commercial rate of bullion. The politicians did this solely for the purpose of increasing the price of silver, thereby enriching the mine owners.

And yet there are a lot of people, especially farmers, and some wage earners, who imagine that it is good for our country if it is full of cheap money. But exactly the opposite is the case. Let us assume that in times when money is good and worth its face value, the workman receives \$10 per week. For this he can buy goods to the actual value of \$10. But when a depreciated currency, or a cheap silver dollar is put into circulation and \$10 are worth only the value of \$7, his wages are actually reduced \$3 per week. It is possible that at the start the difference may not be suspected. But as coinage is increased, the business world loses confidence in it. In order to equalize the purchasing power of his wages he ought to get \$13 per week instead of \$10. But every workman will readily see that in hard times and during periods of business depressions it is impossible to raise wages. Therefore a wage earner acts contrary to his interest when he goes in for free silver coinage.

On the contrary, it is in his interest and duty to do all in his power as a citizen and a voter to secure the circulation of honest money only, so that every dollar coined by the government shall be recognized and accepted over the wide world as a reliable dollar.

The Cause Not Yet Discovered.

But the silver coinage question cannot lie at the bottom of the great poverty and crisis, for as long as the employer can obtain orders, he will continue to manufacture goods and employ labor, exacting higher prices on sales, proportioned to the depreciated value of money taken in payment. And that long also the jobbers, workmen, and railroads will be kept busy. And the farmer, too, can dispose of his products, as long as millions of wage earners are employed and have money to spend. The Sherman Act will be repealed, and our gold is being returned from Europe in installments of several millions weekly and yet no improvement in the economic condition of the people is noticeable.

But there are people who say: No, the silver question is not the cause of poverty; but it is the question of free trade and protection.

Up to the present time, the largest part of the goods bought from Europe have been subject to a toll, or tariff. We have a so-called protective tariff. Now free trade is to be resorted to, that is, that all goods which we buy from Europe shall come in free, without paying toll, or tariff. The uncertainty which prevails as to the policy to be adopted by the present dominant political party, it is alleged depresses business.

But this is not entirely correct. For, in the first place, nothing effecting tariff changes has yet been done, and everybody knows that it will be a long time before any changes are likely to be made. Besides, business was exceptionally good immediately after the November elections of 1892, which showed the verdict of the American people to be in the direction of tariff reform or alleged free trade.

The best proof that neither free trade nor tariff is the real cause of the present crisis is the fact that the same widespread poverty and sudden crash startled the country in 1873 and 1884 when there was no messing with the silver question, and the trade and tariff were at least a less prominent political issue. A still further proof is the fact that similar sudden crashes visit Europe every few years and, as with us, continue to repeat themselves. And that, too, in countries having worthless as well as stable currency; in free trade as well as high tariff countries; in countries ruled by kings and queens, as well as in republics such as Switzerland, France, and the United States.

Many people mistake the occasion of a crash for the real cause thereof. Failures at the Stock Exchange, financial muddles, and such like factors may lead to, but are not the causes of, business depressions.

As with an individual, who through physical exhaustion and a dissolute life has become enervated. His whole constitution has become enfeebled, and his blood perhaps corrupted. But he may continue to prolong existence for quite a while. Accidentally he catches cold; and suddenly the symptoms of a fatal disease become manifest, and he is thrown off his feet. One might claim that the cold was the cause of the illness, but in reality the cold was only an occasion, and incident, which precipitated a disease, all the conditions of which had previously existed.

Precisely so it is with our extended poverty and sudden panic; the silver question, failures at the Exchange, the free trade bugaboo, all of which may have added their straws to the overburdened camel's load, but none of which singly caused it to break down on the highway. The cause of the breakdown was the weight of the previous load. So with our crisis; the real cause lies deeper.

The Real Cause.

As is generally known, modern production differs from all previous primitive efforts. Before the introduction of machinery when there were no railroads, no steam power or electricity, everything was produced by the slowest, crudes, and most laborious processes of hand labor. The boots needed were ordered of the shoemaker; ready made goods in a modern sense did not then exist. To the master of the cabinetmakers' guild was given an order for chairs, tables, etc., and these were made to order, or selected from the usual small stock which a few journeymen and apprentices had made under the overseeing eye of the master. The farmer carried his few sacks of grain to the mill, and it was generally well known what was needed in the small village settlements. Goods were made for the existing demand, and little was made which was not require for immediate consumption. People lived frugally, for their instruments of production were few and of the crudest construction, and the output was small. In the country similar conditions prevailed. The farmer sold or traded his small stock of grain, fruit, milk, and eggs

for other necessities, apparel, or furniture, and surplus margins on both sides remained small, so that vast storage rooms were unnecessary and were unknown.

The journeyman in time became a master; the merchant's assistant eventually opened a store of his own; the farmer's hired man, after many years of saving bought a few furlongs of land which he proudly called his own. Life was a struggle with indigence, and the few requirements were limited to necessities. But real hard times, as now understood, during which thousands are without food, were limited to times of warm, or when rulers and nobles ate up the substance of the people, or when crops successively failed.

But that in the midst of peace, without oppression of any kind, and in free countries, overwhelmed by superabundant crops, and with unsurpassed stores of all the good things on earth, humanity should be suddenly plunged in deepest misery — all this is a distinctively modern occurrence and has no historic parallel prior to the age of invention, the development of the factory system, and the introduction and extensive application of labor saving machinery.

The New Era.

Certainly much has been changed since then. Commerce and trade, manufacture and agriculture — all, all have been gigantically augmented, and magnificently enlarged and developed. The remnants of primitive, crude production are not worth mention. Modern production is *en gros*. Not with a few journeymen and apprentices does the guild master toil in an inferiorly equipped workshop; but hundreds, thousands, ten thousands of workers are all employed by one boss or one company or corporation; they finish, with the aid of improved machinery, steam power, and electrical appliances immeasurable stores of merchandise so that one would be forced to the conclusion that the people suffered from a superabundance, rather than from a scarcity of food, goods, or wares.

But serious disadvantages now become apparent. Formerly the workman produced almost exclusively custom work as ordered by people who needed said articles personally, and the merchant was fairly well conversant with the needs and the requirements of his custom trade. Surplus stock rarely existed; rather a scarcity of goods was the rule. Today, matters are

quite reversed. The New York and Philadelphia manufacturer sells his goods in the markets of the world; i.e., ships them as readily and impartially to Berlin, in Germany, or St. Petersburg, in Russia, as to San Francisco, in California.

He is compelled to seek customers everywhere, for his machinery and factory deteriorate from inactivity. Though machinery is idle and factories are closed down, interest, insurance, tax, clerical and guard services, etc., are not decreased, and expenses outrun income. He desires to retain his skilled and preferred workmen in order to maintain the standard excellence of product. But all of his competitors are in the same predicament; all are bent on distancing, surpassing, outbidding, underselling, and overtoppling each other. The big fish eat up the little ones.

This commercial trade rivalry and industrial strife is not confined to domestic manufacturers, but the struggle is international, and nations far apart vie with each and all others. The manufacturers of England prefer that their goods find exclusive sale in South America, in various European countries, in Australia, and even among the wild tribes of darkest Africa. In close competition and hot pursuit we find the manufacturers of the United States, Germany, France, etc.; and England finds herself close pressed to maintain her industrial preeminence. In order to gain trade and increase customers, manufacturers resort to every possible resource. New machinery is invented and applied to reduce cost of production; wages of workmen are reduced, in order to manufacture cheaper. Goods are adulterated and quality is sacrificed.

Manufacturers no longer sell, like the old time craftsmen, direct to the consumer, but to large jobbers and distributors, who transport wares to all parts of the country and supply smaller dealers, traders, and shopkeepers. In order to retain or hold the trade of these large buyers, every conceivable concession is made by rival manufacturers. They sell goods on long credit; i.e. let them have manufactured articles on tick, so that they need not make settlement for 3, 6, or 9 months. After one manufacturer has given a business firm quarterly credit, there comes another who offers 6 months' credit, simply to unload goods. Jobbers know how to play their game; they require small means, little capital, and order and sell goods largely on credit, that is, on debts. Business is done not with capital,

but on liabilities.

The Collapse.

This free-for-all hippodrome endures for a while. It is a great tournament, in which each endeavors to unhorse his combatant. Every manufacturer is the antagonist, opponent, and rival of all others; each seeks to surpass or conquer all others in the gauzily disguised industrial battle.

Immense masses of goods are produced for which there is not the least demand. Manufacturers must keep on turning out goods to keep machinery and works in action; the businessman places orders in anticipation of new orders, and in this way pays his old debts by contracting new ones.

Finally all trade becomes blockaded; business stagnates; industry languishes; orders slow up, for stocks are abnormally large. Workmen are suspended, laid off, discharged. With payment of wages also suspended, they buy little, and pay for less. Business becomes duller.

Artificial incidents are added to real causes; rumor lends her lying tongue and mouths threats of impending war; a few bank failures add increased fear to the general distrust; financial conditions become shaky, cranks rally round the silver dollar, and lo! suddenly we are startled by a spectral confrontation of an immense

Crash!

As the stores are stuffed full of all kinds of goods for which there is no demand, there is a scarcity of orders at the business houses. For this reason manufacturers are compelled to shut down their works, or produce only half time. Businessmen cannot pay their old debts, for they cannot contract new ones. Banks refuse to loan money, some of them even burst because they have loaned out too much. Railroads and ships have nothing to do. Hundreds of thousands and millions of workmen are unemployed. Had they received good wages when employed, matters would not have been so bad, for they would have been enabled to have saved up something. Or better still, they could have purchased more goods right along and thus have kept stocks reduced, which now cannot be disposed

of, and the crash could not have been so severe.

What is the real cause, therefore, of the crisis, the cause of so many workmen being unemployed?

It is not the gold and silver question; not free trade or tariff, etc., but solely and exclusively the fact that

primarily in our present senseless and planless system of production: in trade and commerce, there are created, in a state period, more goods than can possibly be consumed, and therefrom results stagnation, and the crash overtakes us.

Men call this *overproduction*, (to produce *over* and *above* actual demand.)

And secondly, it results from the fact that the great majority of the people, namely the wage earners, do not receive the full value of their product, but that a part of it is retained to enrich the bosses, while the workmen receive low wages and are therefore not able to buy the abundant goods which they actually need.

Men call this *underconsumption* (to consume, i.e. *use under* or *less* than what is produced and stocked up.)

This all explains why these crashes (or crises, as they are called) make their appearance in all countries of the earth in precisely the same manner, and then again gradually disappear, regardless of forms of government, for in both points, namely (a) in the senseless manner of the production of goods, and (b) because the workmen receive less wages than they earn and is necessary to buy back the goods they produce — in these two points the same system prevails in every industrial country of the world.

Is There a Remedy?

Is there no remedy for the workmen, so as to prevent the ever recurring misery? That the workmen suffer most, almost solely from such conditions, few sensible men will deny.

A permanent remedy can be expected when the evil is plucked up by the roots and the whole ruinous system of overproduction and underconsumption is annihilated and replaced by a more sensible system.

As long as every country has hundreds of thousands of bosses who engage in suicidal and self-destructive competition, so long also will they keep on

manufacturing goods regardless of actual demand, and so long will business be conducted on tick, and so long the whole swindle system which inevitably leads to bankruptcy, will endure. And so long also, the workmen will never receive the full value of their products, for the bosses must have profits, and very naturally can only “make money” in proportion as they skin labor, and pay them less wages than they should have in order to buy back the goods they produce.

If now the socialized methods of production were adopted, which would make all workmen equal sharers in all manufacturing and business branches, and would conduct all business transactions without bosses for the exclusive benefit and use of all participant producers, an overproduction of goods would be a simple impossibility, for

Competition, as understood today, would cease to exist;

Production would be regulated by natural and necessary demand;

The demands of the world's markets would be definitely known, for all orders instead of being, as now, divided among a hundred thousand petty bosses, would reach central offices established by labor, where knowledge and experience would be mutually exchanged for the common good of all, not secretly guarded and hidden for private gain.

Then all producers, i.e., every individual who worked directly for the common weal as well as indirectly for himself, would actually receive all he produces. For there would be no more parasitic bosses who must make profits; and all participants in the collectively conducted factories, industries, mines, farms, etc. would receive, fully and completely, all that had been produced under the most favorable conditions.

Toward such a condition of affairs we are inevitably tending; for the small businessmen and manufacturers are constantly being crushed out in the competitive struggle, and unless there is a complete transformation, there will eventually remain only a few enormously wealthy individuals, and millions of indigent, pauperized workmen.

But this unavoidable effectual transformation will not take place instantaneously, and will not occur in a year or two from now.

The question therefore which presses for solution is, how can

Immediate Relief

be provided for the hundreds of thousands of unemployed.

The attempt to provide immediate relief can be made in two directions; direct charitable relief to alleviate present distress; or, work for the unemployed. The latter method, if possible and practical, would be the most effective. Money and the distribution of food — though always better than nothing — are but as a drop of water upon a hot stone; regardless of the fact that the most intelligent and deserving workman would rather pawn his last coat than humiliate himself by the acceptance of beggar soup.

But where find, and how provide work for the unemployed?

Manufacturers and businessmen are powerless, for their trade is stagnated.

The powerful hand of the state or municipality alone can provide ample relief.

The nation and the community even as constituted today are amply competent to provide powerful ways and means for immediate relief, *if they were only honestly willing*, that is, if the public officials, who represent the nation and municipality, were possessed of “good will toward all men” and women who toil.

Public works of various kinds, which accrue to the benefit of the Commonwealth, would afford work to hundreds of thousands of unemployed.

Why is this not done? Why have our officials, who have been humbly approached and politely requested by labor leaders to provide such public work for the unemployed, made evasive answers, coupled with the lamest possible excuses?

Very naturally

They Have No Respect for Labor!

And why should they have? When men are to be elected to make or enforce the laws of the people, candidates from all phases of our population are selected — *but none from the ranks of labor!* The workmen themselves cast their votes for candidates whom they know will enact and execute laws beneficial to the bosses, manufacturers, and capitalists, but to the detriment of labor.

Of the 356 so-called representatives of the people

in Washington, 207 are attorneys at law, or some sort of “legal lights,” 14 are manufacturers; 21 are merchants; 8 are bankers; 3 are railway magnates; the remainder are farmers, cattle kings or ranchers, doctors, etc.

There is among them *not one labor representative!*

And so it is everywhere, in all states of the Union, in all city councils — everywhere where there is anything to officially discuss, to do or undo, *labor is not in it.*

How, under these circumstances, can wage earners expect that anything will ever be done for them, even in times of their direst necessity? What do lawyers know about the requirements of labor, even if they were honestly concerned about their welfare? And the representatives of capital know very well that at the next election labor votes will re-elect them, in spite of all adverse acts of the past on their part.

In order to secure immediate relief, it is absolutely necessary that politicians be compelled to recognize the rights of, and beget

Respect for Labor!

And this can only be done by organizing themselves into a separate political party which shall elect men to office who know what the workers need, have the set purpose and honest intention to vote, originate, and enact laws favorable to the interests of the toilers.

Such a political labor party is already in existence. It is the *Socialist Labor Party*, organized in every country on earth, and has practically demonstrated that it perfectly understands the needs of the workers.

Workingmen, identify yourselves in a body with this party, and relief will be afforded quicker than many of you dare anticipate. If the politicians find that the

workers are joining the Socialist Labor Party by tens and hundreds of thousands, they will realize that you have aroused yourselves from your Rip Van Winkle nap and political indifference and frightened at the certainty of losing their positions, will immediately do all that is possible in the way of affording public work to relieve present distress.

Many of you may say: “Our most urgent need is work, and you talk glibly to us about politics; we want bread and you give us a cold stone!”

But he who argues thus is a simpleton. Workingmen, we cannot and will not endeavor to deceive you. Whoever tells you that your case can be cured with beggar soup or by spaniel-humbleness before old party claquers is trying to deceive you, as you may speedily ascertain.

Profit by the experience of the past. Whosoever desires the object must also adopt the means necessary for its attainment. You want immediate work, from the nation or the municipality, because private capitalistic enterprise cannot furnish it. The state and city are political institutions, and he who desires to exercise control over them, and derive benefit from them, must do so through political action, the elections and the ballot.

Join the Socialist Labor Party at once, and then you can move for immediate relief from your dire need — you will then be on the highway to permanent improvement of your condition and the establishment of the Cooperative industrial system, in which crises, like the present, with their frightful train of woe and misery, will be impossible.

Earnestly consider your condition in the light of the arguments we have advanced, and then determine to pursue the path outlined, for there is no other means whereby emancipation from industrial slavery can be achieved, but political action.

Edited by Tim Davenport.

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