LABOR PROBLEMS

A BOOK OF MATERIALS FOR THEIR STUDY

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PREFACE

THIS book is the result of many years of experiment in teaching the subject of Labor Problems in Yale College. Any attempt to cover this subject in a single comprehensive course of study presents a textbook problem of unusual difficulty. The field is a broad one, including many groups of problems which are more or less distinct from each other and more or less technical in character. During recent years, materials dealing with these special phases of the subject have multiplied rapidly, but chiefly in the form of technical monographs of limited scope which cannot be used as texts. The manuals which attempt to cover the entire field are too often superficial in many parts and leave important phases of the subject untouched. This book has been prepared in the belief that other teachers, like the authors, have found the existing materials unsatisfactory for classroom use.

The basis of this book is a collection of readings from the monographs which deal with special branches of the subject. It is the conviction of the authors that this material should be presented to the students since it represents the best work of technical experts. But in its present form it is not available for this purpose. Accordingly, the authors have attempted, through careful selection and editing, to bring its most useful parts together in compact form within the space of a single volume.

The book should be viewed, however, not as a collection of isolated excerpts from other writers, but as a textbook developing a continuous and connected course of study. All teachers are familiar with the faults of the ordinary collection of readings. It is too often scrappy and disjointed, confusing the student and leaving no coherent impression upon his mind. In this book, an effort has been made to avoid these errors. In the first place, the selections are all of considerable length, each a complete study in itself, and none duplicates of others. In many cases, a single selection will suffice for an ordinary class assignment. Where this is not true, the readings have been grouped together so that a given subject may be covered by a continuous series of selections.

In the second place, a large part of the book has been written by the editors for the purpose of filling gaps in the available materials and of welding the entire collection into a consistent whole. Finally, the collection has been assembled in logical order designed to carry the student through a progressive course of study until the entire field has been covered. In this way it is hoped that the book may possess the merit of containing the best thought of the authorities in the various technical phases of the subject without sacrificing the continuity and coherence essential to a successful textbook.

No claim is made that the authors have contributed anything new on the subject of Labor Problems. Their task has been only that of making available what is already known. Before publication the materials comprised in this book were used for two years in mimeographed form in the classroom at Yale. The present content and arrangement are the result of these experiments. All things considered, the authors are convinced that, both in subject-matter and in arrangement, the volume serves adequately the needs of the student in general courses of study in Labor Problems. It is published in the hope that other teachers will find it equally useful.

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EDITOR'S INTRODUCTION

PROFESSOR FURNISS'S book really needs no introduction. It carries its own credentials. Teachers of economics will be quick to appreciate the judgment and skill with which it has been put together.

Books of selected readings have come to be important adjuncts of the teaching of the social sciences. They have one outstanding advantage: they convey a just impression of the diversity of opinions, the opposition of interests, the range of concrete problems, which characterize this field of study and inquiry. Furthermore, with classes as large as they have come to be in many American colleges, it is difficult, often impossible, to give every individual student convenient access to all of the separate books which he ought to consult. The book of readings is a practicable and convenient partial substitute.

Economic problems, however, have their unity as well as their diversity. There is no mastery of them except as they can be seen in their relations and brought together into a consistent and manageable body of knowledge. A defect of some books of readings has been that they have emphasized diversity at the expense of unity. A collection of short excerpts, each torn from its own context, provides neither an alluring nor a profitable introduction to economic studies. A scrapbook is not a book.

The present volume is not a scrapbook. True, Professor Furniss has brought together a generous measure of excerpts, judiciously selected and skillfully arranged. But these, one might say, are no more than the building materials which have gone into a structure of which he is the architect. The sections that his own pen has furnished are not merely supplementary material, designed to fill up gaps. They bind the other materials together, so that the whole book has continuity and unity.

The unity thus achieved, the reader will find, is in no way artificial. The book begins by describing and defining a problem. Its successive chapters are concerned with the unfolding of the various aspects of that problem. Nowhere do the advantages of this method of approach appear more clearly than in the study of the particular problem, or related group of problems, with which Professor Furniss deals. Some economic problems, one may surmise, could be brought to a solution if all the pertinent facts were available and if correct reasoning could be assured. Not so with

the labor problem. It calls, of course, for adequate information and for clear thinking. But it calls also for understanding.

Unfortunately, outside of the ranks of the special students of the labor problem and of men who are in close personal touch with the labor movement, any adequate comprehension or sympathetic understanding of the realities of that problem is rare. Professor Furniss's book is so planned as to give insight as well as knowledge.

ALLYN A. YOUNG

LABOR PROBLEMS

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PART ONE

PROBLEMS OF THE MODERN INDUSTRIAL WAGE-EARNER

LABOR PROBLEMS

CHAPTER I

THE BACKGROUND OF THE LABOR PROBLEM

The Labor Problem. When we speak of The Labor Problem, we have in mind a case of serious maladjustment which has developed in our industrial order. The desires, the policies, the mores of a large mass of the members of society are in conflict with certain basic institutions of society's economic structure. In the form of movements with conscious purposes, or of the irrational reactions of individuals, pressure is brought to bear upon these institutions. Conservative forces in society rally to their defense. Out of this develops a conflict which affects a wide range of economic activities and personal relationships. The future evolution of our economic institutions will be greatly affected by the outcome of this conflict. And in the meantime, the friction, bitterness and waste energy resulting from this disharmony reduces the efficiency of the industrial system and affects the economic welfare of all members of society. The chief purpose of the collection of materials contained in this book is to set forth the causes, present tendencies, and probable future results of this great problem of maladjustment.

Labor problems. Back of this major social problem, however, lies a complex of forces commonly called "labor problems." These are life problems of the individual worker — hazards, menaces, unpalatable conditions of life brought to bear upon him as a consequence of his position as a wage-earner. Unemployment, low wages, hazardous conditions of employment, exhausting hours, the labor of women and children may be cited as examples. Each of these problems arises from causes peculiar to itself, exerts its own peculiar effect upon the wage-earner, and, therefore, constitutes a special field of study. A preliminary study of these specific problems is indispensable to an understanding of the broader social aspects of the industrial conflict; for it is in reaction against their influences upon his life that the worker adopts practices which place him in opposition to a social order founded on the institutions of private property and individual enterprise.

The propertyless wage-earner is born to a life beset by many

evil forces whose causes he does not understand and whose consequences he is, in general — especially if unaided by organized social support — powerless to escape. Even if he is so fortunate as to escape the most devastating of these menaces, the monotony and dreariness of his work may condemn him to a life from which he can draw no contentment. To the drabness of his labor is added an oppressive feeling of insecurity. Dependent for his existence upon his success in obtaining and retaining a job, he has neither the power of self-employment nor a guarantee of employment for others. In the case of many occupations, mutilation, sickness, sudden death are a commonplace experience of his group — by-products of machine industry. Labor spent under such conditions can return no psychical or spiritual rewards in partial compensation for the costs involved. The reward of the wage-earner consists solely in his wages; and these, in too many cases, are merely sufficient to maintain his family above the poverty line of existence.

Modern competitive society creates these problems for the propertyless worker, but makes little organized effort to lighten their effects upon him. Their solution is left to his own ingenuity. It is natural, therefore, that these facts of experience should constitute the determining forces shaping the worker's outlook on life, and his attitude toward his social environment.

It is the attempt of the great mass of industrial workers to guard against the hazards of life and to open up avenues of escape from the dreariness and misery of their lot that creates the conflict within society known as 'The Labor Problem.' The problem assumes many different aspects according to the standpoint from which it is viewed. To the employer it is evident in the disposition of his labor force to shirk and soldier on the job, to render inefficient service, to waste time, materials, equipment. The lawyer sees it in the tendency among common men to flout the law and the courts when they touch upon the relations of employee to employer; and to challenge the right of certain of our most honored judicial institutions — e.g., the Supreme Court — to exist. The general public cannot disregard it in these days of nation-wide strikes in essential industries. To the student of society these phenomena are manifestations of a single condition — a serious maladjustment within our order. Our institutions of contract, free competition, property rights are working badly because the mass of mankind upon whom their functioning depends either refuses outright to accept them, or else works them in such a spirit of resentment and antagonism that their functioning is crippled.

When we search for the roots of the modern labor problem we are led back to the Industrial Revolution out of which sprang our industrial order. The typical economic institution of to-day is the factory. The life of the typical wage-earner is confined within the walls of the factory and subjected to its discipline. Therefore, we may well begin our study of the labor problem with the following summary of the effects of the modern factory system in the words of an able student of the subject.[1]

The Social Revolution. The rise of the factory was coincident with a political and social revolution. In attempting to estimate the effects of mechanical industry upon the well-being of workers, it is accordingly necessary to distinguish between these two influences. It is manifestly impossible to say what might have happened to workers had water-power and the energy of steam never been harnessed to machines, but it is entirely clear that even prior to the invention of the basic machines which served to create the beginnings of the factory age the position of wage-workers in society had begun to be altered. Political and social tendencies were conspicuous, even though they had not already borne their full fruit when the first factories were built. These liberating political and social movements followed the logic of their own nature in spite of the sometimes conflicting influences generated by the new industrial system. The position of workers to-day is consequently the resultant of these diverse forces.

Artisans, mechanics, and laborers were largely unfree when the foundations of the first factories were being dug. No wage-earner, unless he was also a property-owner, could vote. South of Mason and Dixon's line artisans were slaves or indentured servants. In Pennsylvania much work was done by the so-called redemptioners, the German immigrants who paid for their passage overseas by giving four years' labor or more to employers who advanced the funds required for emigration. Industrially the United States was half slave and half free at the end of the eighteenth century, and the first President of the new nation was himself the master of an establishment where under the ancient handicraft system cloth was fabricated by bondswomen. Artisans of various crafts were offered for sale, the black men as slaves and

[1] From *Industry and Human Welfare*, by W. L. Chenery. Copyright by The Macmillan Company. Reprinted by permission.

the white as indentured servants. The unfree worker who quit his appointed tasks could be disciplined, and the man who ran away might be arrested and returned. The free workers of the Northern States were not represented politically and, if one may judge by the expressions of members of Congress and of delegates to constitutional conventions where suffrage was being considered, they were not highly regarded. The social and political status of workers has been revolutionized. Universal manhood and womanhood suffrage obtain and while in practice casual laborers and negroes are often deprived of the vote, race and a wandering life, rather than caste or property distinctions, maintain the barriers.

In the North the first manufacturers were often artisans who with money loaned by merchants or farmers were able to begin business in a small way. Reporting for Connecticut in 1832, H. L. Ellsworth, for example, informed Louis McLane, Secretary of the Treasury, that "many of the manufactories are small and carried on by the owner and his family, with little additional help." The figures submitted by Mr. Ellsworth substantiated this statement. Establishments employing three, four, five and six operatives were characteristic. In the North, merchants in the larger towns were the chief possessors of wealth. The rise of factories created a new and property-holding class, who in time were to dispute the supremacy of the merchants. The artisans who became the proprietors and managers of factories were obviously enormously bettered by the mechanical revolution but it is not with the well-being of those who rose to affluence that society is now chiefly concerned.

The fortunes of the men and women who did not emerge, and who in the mass have no prospect of emerging, are immediately significant. Not only, however, do the artisans and laborers of to-day enjoy political and social rights which were denied their forefathers, but also for them education has become general. A hundred years ago workers yearned vainly for the dignifying influence of a system of public schools. To-day attendance at school is compulsory, and certainly in the larger cities the opportunity for education is all but universal. The laborer of to-day thus not only exercises political privileges which were denied his predecessors four generations ago, but also through education he

has been assisted in utilizing more intelligently the political opportunity accorded him. In saying this one does not forget the confusions and imperfections of the political and educational systems which have been created. Each falls far short of the desires of generous men and women, but each marks a vast advance over what existed at the beginnings of the factory age, and each has had a potent influence in determining the status of workers. In truth, it may be added that, with all their defects, the public schools and the democratic political system occasion much of the hope of the present. In them lies the inspiration and the avenue to release from unredressed evils. These gains, however, are mainly attributable to the political tendencies which exploded in the American and French revolutions. Had there never been a factory system, it is possible that manhood, if not womanhood, suffrage would have been established, and even popular education might have come. Such a leader as Thomas Jefferson was an advocate of these things. But how did industry itself affect the position of those workers who continued to be laborers and artisans?

The factory system. In general it is fair to say that the factory system has depressed the economic status of artisans and elevated the position of laborers. The experiences of the shoemakers or of the iron molders illustrate this. The extension of markets and the gradual adoption of machinery both tended to degrade the quality of the work done by journeymen cobblers. Prices were reduced in a competitive market and artisans found themselves in an impossible rivalry with factory-made goods and with the products of semi-skilled workers who were able and willing to live at a lower standard. Machinery hastened the process of substituting laborers for artisans. This has been accomplished unequally and at various times in different industries. As late as 1851 all labor on shoemaking was handwork. The McKay sole-sewing machine, introduced in 1862, however, did in one hour what the journeyman had required eighty hours to accomplish. At a stroke the skill of the shoemaker for manufacturing purposes was rendered obsolete. The spectacular development of the labor organization known as the Knights of St. Crispin, following the Civil War, was the protest of these craftsmen against the loss of a market for their skill, the substitution of laborers for craftsmen,

and the consequent reduction of wages. The artisan able to perform all the operations of his craft has tended to disappear in many trades. Shoe factories ultimately divided the cobbler's work into many operations. Yet the manufacturing system itself created a demand for a new kind of skill. Specialized operations, such, for instance, as cutting, require an expertness in a limited field scarcely attained by the general workers of the handicraft days. The iron molders are an example of belated transfer from a handicraft to a machine basis of operation. The long and bitter struggle between the Iron Molders' Union and the National Founders' Association arose over the question of the installation of machinery and the resultant wage changes.

With a few exceptions, such as printers, artisans whose trades have been revolutionized by the invention of machines have been unable to maintain their relative position in the industrial community. It is indeed a curious and significant fact that the craftsmen of to-day are very largely men whose trades have not been seriously affected by the introduction of machinery, and that these handicraft workers compose the backbone of organized labor. The building trades workers have nearly the same skill as that attained by their forefathers, and the building trades workers are the most powerfully unionized. Other groups which have obtained great power are chiefly those who under machine conditions have still been able to acquire skill. The railroad brotherhoods are among the most potent labor organizations in the country. The strength of the railroad unions is to be found in the fact that locomotive engineers and trainmen are possessed of a peculiar skill which is not quickly imparted and which is not widely distributed. The miners are another instance of men securing skill and solidarity under new conditions. The clothing makers have completed a cycle. Tailors originally ranked in the aristocracy of artisanship. The introduction of machine methods and the extension of the competitive market made conditions worse for the workers, who largely lost their skill as journeymen to become specialists in particular operations. Trade union organization has in their case very recently restored much of the dignity and of the economic advantage which belonged to journeyman tailors. The textile industries, which first felt the influence of the factory system, show from the standpoint of craftsmanship