

## CHAPTER XII

### THE UNEMPLOYMENT QUESTION

#### LABOR VALUE

What is the labor value of an unemployed man or woman? This is a question which seems to bother many people. It was indeed a matter of much controversy when I was a young man. I have heard the question debated over and over again in the days when debates were conducted by people sufficiently intelligent to learn something about economics. But latterly the humanitarian virus has been injected into the subject, and has caused something of an eruption which no amount of debate will allay. Nevertheless, it may be to the advantage of some few people, who are unable to think things out for themselves, to go over the ground once more, and try to find if an unemployed man has any labor value at all.

A fairly intelligent young man carried my clubs on the golf links the other day. By no stretch of the imagination could he be called a caddie, for his actions on the first green were quite sufficient to prove that he knew nothing about what he called "the profession." His deficiencies as a golf-bag carrier were compensated for by the conversation on socio-economic affairs which he started. He was most apologetic for his condition. The depression was to blame for it. He thought carrying clubs was "a pretty poor job for a man," and he was desirous of getting out of it as quickly as possible; to

find work that would enable him to save enough to take a trip to the old country. For four years he had searched everywhere for a proper job but had been unable to find it, and that was hard, because he had no doubt that he was "worth a lot to somebody." I asked what value he put upon his services, if he found the proper job, and he told me that he considered every man was worth the price that is charged for living according to the American standard. This exorbitant notion of his value as a laborer was after a while whittled down to the cost of the necessities of existence. He confessed the weekly average of fees and tips, during the busy weeks of the winter golf season in the southwest, amounted to about twelve dollars, and that this was sufficient to enable him to live. When I told him that several times in my career I had been glad to have six dollars a week, and make it do for my immediate needs, he was amazed, and thought I was joking. Then I told him that when I was one in the labor market, I had soon to realize that the unemployed man had no labor value, none whatever. If no one desired his labor, then his labor had no value. When I was unemployed I quickly discovered that the notion which I sometimes held that I had a right to work, was cold comfort when I did not know where I would lodge or how I should get a meal. I heard many of my fellows talk about "the right to work," and the value of an unemployed man, but it never got them anywhere; and like most phrases, which are rife today in the ranks of the unemployed, this will not bear analysis either of a social or of an economic kind. "Right to work" is merely a phrase. It is an unsubstantial substitute for the phrase "right to use the earth," which is quite another matter.

My club carrier was shocked when he admitted that

no matter what value he put upon his unemployed potential services, the question of value would not be determined by him but, if he got a job, by the person who employed him. He thought it was shameful that desire should give value, and that men could not, themselves, determine the value of their services. He thought it was unfair that the consumer of labor work should have any say about the matter at all. My young friend was a fairly good specimen of the type of a large section of the community that is reared today, and upon whom the future of the country may rest in a few years.

#### TRADE UNIONS

The change that has taken place, since the coming into force of the trade unions, has given quite another slant to this matter. Indeed, it has given an utterly false view of labor worth. Such is the power of organization against the consumers, that nearly all labor union values have either an humanitarian or an artificial worth. The consequence is that the poor laboring man now proceeds from one week to another under the delusion that society is convinced that the individual himself in the labor market has an intrinsic value, that the nominal wage paid to him is in the nature of a compromise, and that he is the one in the bargaining who makes the concessions. But this is not so; for all the concessions, it can be easily proved, are made by the consumer, and the whole matter amounts to nothing more than robbing Peter to pay Paul. Yet, both Peter and Paul are consumers.

In the 'eighties, both in this country and in England, it would have been rather difficult to convince a body of working men that advantage should be given to a producer to the detriment of the consumer. High protective

tariffs, here and elsewhere, have done their dirty work in atrophying the economic intelligence of not only the laborers, but the consumers also. Desire gives value, and when there is neither humanitarian, nor artificial impediment, every consumer, no matter at what he labors, wishes to buy in the best and in the cheapest market. This is demonstrated every day of the week in all countries, but such is the stupidity of politicians and producers that they do everything they possibly can, so far as foreign competition is concerned, to see that the consumer buys in the dearest and, not always, the best market. It is a species of robbery which is waged under the banner of patriotism and nationalism. It is the policy of corsairs, for it is said the word "tariff" derives from "Tarifa," in Spain, where the buccaneers and pirates found a harbor of refuge. Take away the humanitarian attitude to this question, and strip it of the artificial restrictions imposed by trade unionism, leave the labor market severely alone, and it will very quickly be found that the old economic pressure is once more restored, and that men themselves will do now what they did in the past, namely, work out a solution of their labor problems to their own satisfaction.

#### PATERNALISM

The reason why things are going from bad to worse, while each depression gains in severity, is that everything is now done under a paternal government to minimize the drive of economic pressure which was the most potent force behind mankind. It was the force which drove early man to subdue the earth and to conquer the animal kingdom. It was the force that made culture builders, and to which the men of today owe

thanks for the comparatively light exertion required to earn their subsistence. It is neither here nor there to say in rebuttal that there are millions of men unemployed and that there are other millions who, when they are employed, gain no more than a mere subsistence wage. Such manifestations in no way change the principle of the matter. Moreover, there are the hundred and one questions of desire for jobs; capacity to perform them; intelligence, to better one's position; thrift, to enable one to exist during a depression and, most important of all, the ambition and inspiration which are essential for a man who is desirous of becoming a cultured citizen. All these affect the unemployment question, and must be taken into consideration when a solution of the problem is discussed. And then there remains the larger question of man's natural right to use the earth.

#### THE JOBLESS

The unemployment question, in principle, has not changed in my lifetime. Certainly it is aggravated by such problems as town life, factory congestion, the value of land, and the inclination of men and women to enjoy the bright lights and all the time-wasting accessories of the movie, the radio, and such other distractions when they are used to excess. The system of education, too, has much to answer for. The librarians of institutions of instruction have declared that when the youth leaves the school or the university, in the vast majority of cases, he is illiterate. This goes a long way to prove that the system of education which some psychologists and philosophers have criticized so severely, is responsible for driving from its compounds this thoughtless generation. A system of education which does not explain man to man, which gives him no inkling at all

of the natural rights that have been filched from him, leaving him ignorant of his relationship to the universe, and sending him forth into a congested labor market, is not only a thing to be abhorred, but to be abolished as speedily as possible—before it is too late.

There is nothing so pathetic as the jobless man who is totally ignorant of his rights to use the earth. He is a blot on the social escutcheon. An aimless, wretched, hungry man is a blasphemy, and a contradiction of the intention of the Creator! Yet, he is tolerated until he becomes dangerous, and most of the humanitarianism of which we hear today arises not out of pity for the miserable man himself, but out of the potential danger which lurks in his suffering. Even the government itself, as an excuse, declared that if it had not taken the matter of relief from the States, and presented the dispensation of it to the party organizers, there would have been a revolution of the empty stomachs or, in plain terms, landless men.

#### FEAR OF REVOLUTION

It is this fear of revolution, whether real or put forward as a pretext for nefarious political tricks, that is spreading all over the world, and is largely responsible not only for the extraordinary fluctuations in trade, but also for the universal unrest. On the one hand, it is the principal pawn in the political game, for here, in this country, the dominant thought in granting relief is the vote; on the other hand, it is responsible for the movement of what is called capital, from State to State. Here, during the past three years we have been startled by what takes place in other countries in connection with exchange, by the news that the export of capital would mean the liquidation of stocks and bonds. Every such

rumor affects the markets, not only of securities, but those commodity markets in which long term orders and contracts are essential for making purchases for the future, either in raw material for manufactured articles, or for foodstuffs. And this is the best that the up-to-date economist can do for labor. Yet, with all this financial and labor fear, and instability of markets and trade, we are told by the same people who fear revolution that the vast majority of working men are enjoying wages which give them a taste of the more abundant life. Those who are members of the cult of Janus have it both ways, that is, they see both ways at one and the same time, and they have it both ways at one and the same time—a facial manipulation, equal in dexterity to the legerdemain of giving relief with one hand, and taking it back with the other.

It is recognized in England that the increased dependence on public subsidy in various forms has become a serious menace, and there is an agitation in progress now to bring the whole matter before the House of Parliament. The dole threatens to become as great a menace as war itself. If a change is not made very shortly in this system, the next generation may see the industrious minority working for an idle majority. But in England, the menace is not nearly so serious as is the one which confronts us here on all sides. Nine years ago the late Lord Snowden, in a debate in the House, said "Unless social reforms develop a greater sense of responsibility and bring forth greater individual cooperation, our social measures will establish a pauper State." This seems to be the ideal the party managers of the present administration in this country are striving to attain!