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Intriguing title! Capitalism: Foe of the Working-Class Laborer

From the Reconstruction period after the Civil War to the present day, capitalism's centralized production created mass-produced goods, and ultimately gained a stronger foothold in the livelihoods of working-class Americans. In Thomas DiLorenzo's *How Capitalism Enriched the Working Class*, capitalism is seen as the god who answered working-class prayers, while Melvyn Dubofsky's *Industrialism and the American Worker* and Douglas Blackmon's *Slavery by Another Name* give significant evidence to think otherwise. Dubofsky's portrayal of late 19th and early 20th century working conditions and Blackmon's depiction of southern African-American convict mines paint a clear picture of who capitalism actually enriched; DiLorenzo's broad generalizations fail to do the same. Capitalism did not improve the lives of American working-class citizens as DiLorenzo suggests, but instead created a system of exploitation and danger, elaborated on by Dubofsky and Blackmon.

Dubofsky discusses how inflation and unemployment canceled out the wage raises and job creation hailed by DiLorenzo for working-class laborers. While DiLorenzo claims that capitalism "provided new, better-paying jobs" (DiLorenzo, p. 97), Dubofsky argues that "at best, real wages stagnated between 1890 and 1926....[P]rosperity of course, boosted wages but that after the outbreak of World War I prices rose even more rapidly and workers found themselves breathless on an economic treadmill" (Dubofsky, p.19, 20). While not breathless on the treadmill, unemployment and financial panics threatened working-class livelihoods. "In 1913, owing to the onset of depression and to a series of strikes, unemployment averaged 40% among

Comment [A1]: great turn of phrase!

New York's clothing workers and 25% among building tradesmen" (p. 26). DiLorenzo fails to mention anything about unemployment in his writings.

Dubofsky shoots another bullet into DiLorenzo's discussion about how capitalism raised living standards by presenting statistics about the minimum wage during the Progressive era required to earn a sufficient living versus what the average working-class American actually made. "These estimates, ...ranged from a necessary yearly income of \$800 to \$876 for a family of four, to \$505 for a single man, and \$446 for a working woman" (Dubofsky, p. 22). However, "[i]n a sample of 10,000 male wage earners compiled by the United States Commission on Immigration, the average yearly income approximated \$413, and nearly half the group earned under \$400 "(p. 22). In a survey by the same commission, women "earned roughly half as much as the men, two-thirds receiving less than \$300 annually" (p. 22). These numbers tell a different story about working-class 'enrichment' than what is presented by DiLorenzo.

DiLorenzo's claims about shorter working hours and how they were the result of capitalism is largely mythical. DiLorenzo writes that "one way in which employers competed — and compete today—is to offer workers shorter hours. Once a few employers started recruiting the best employees in this way, others followed suit" (DiLorenzo, p. 100). Dubofsky discredits DiLorenzo by demonstrating that "as late as 1920, steelworkers labored on average 63.1 hours per week, and some of the basic processes required laborers to work twelve hours a day, seven days a week..." (Dubofsky, p. 24). DiLorenzo's analysis does not provide any real-life evidence, whereas Dubofsky writes that even the basic tasks of steelworkers took 12 hours.

DiLorenzo makes the case that workplace accidents have been reduced because of capitalism, but evidence by Dubofsky tells a different story. DiLorenzo asserts that "overall, the profit incentive embedded in capitalism is the strongest driving force leading to a safer work

environment. And the workplace is indeed safer now” (DiLorenzo, p. 102). This is only partially true. Dubofsky truncates this reasoning by presenting stats about railroad men: “in the year 1901, one of every 399 was killed; one of every twenty-six was injured; among operating trainmen, one of every 137 was killed, and one of every eleven injured” (Dubofsky, p. 25). If the profit incentive led to a safer work environment, then there would not be as many injuries, accidents, and deaths as there were in 1901.

Excellent transition to Blackmon The profit incentive for capitalists acknowledged by DiLorenzo did eventually reduce work-related accidents, but this incentive would cease to exist without some sort of legislation protecting workers. This legislation was absent for imprisoned African Americans and a trivial number of white workers working in mines after the Civil War. Blackmon (2008) writes that “[i]f they died while in custody, there was no financial penalty to the company leasing them. Another black laborer would always be available from the state or a sheriff. There was no compelling reason not to tax these convicts to their absolute physiological limits” (Blackmon, pg. 96). Although the laborers were convicts, without a legal financial penalty most employers were remorseless and saw no need to protect their workers, convict or free.

DiLorenzo’s remark about the integrity of child labor in developing countries is a fallacy. DiLorenzo suggests that “[t]hose who deplore ‘child labor’ and ‘sweatshops’ fail to recognize or acknowledge that...these people are *much better off* for having the opportunity to work in a higher-paying factory” (DiLorenzo, p. 94). Blackmon refutes DiLorenzo’s biased claim by reminding us that while the South was developing “children..., were to be ‘apprenticed’ to their former masters...[with] stringent laws to control the negroes” (Blackmon, p. 53), “[d]uring 1888 and 1889, seven of the black laborers forced into the Slope No. 2 mine were children under the

age of ten..., [and] [o]f the 116 prisoners who died, a large number were teenagers (p. 97).

Regardless of time period or country, children are far from better off by being *forced* to work.

In DiLorenzo's analysis, excellent point there is a complete ignorance of African-American populations; his optimism is geared toward white workers. He remarks that "[a]lthough the products of capitalism almost invariably benefit the 'wealthy' first, these goods become commonplace as capitalism enriches the working class and mass production allows for lower and lower costs of production" (DiLorenzo, p. 96). Blackmon shows that working-class benefits were not shared equally. During Reconstruction "[a]n 1865 Mississippi statute required African American workers to enter into labor contracts with white farmers by January 1 of every year or risk arrest. Four other states legislated that African Americans could not legally be hired for work without a discharge paper from their previous employer..." (Blackmon, p. 53). Mass production enriched *some* working class citizens, but many African Americans were cut out of this equation.

If capitalism enriched the working class, at all, it unequally benefitted skilled workers, only a portion of the total workforce. DiLorenzo argues that "[s]killed, reliable workers are always in demand, which means that employers must pay more to keep their more productive employees or else risk losing them to competing employers" (DiLorenzo, p. 95). This is true, but Dubofsky writes that the highly skilled "[n]ot only...earn[ed] more than skilled workers in other countries; the gap between their earnings and those of the less skilled was wider than anywhere else. Taking into account differences in the cost of living, much evidence suggests that less skilled workers in the United States earned little more than their counterparts in Europe" (Dubofsky, p. 20). DiLorenzo ignores this wage gap between skilled and unskilled workers.

Dubofsky and Blackmon unambiguously present the most convincing arguments in their depictions of working-class life in capitalist institutions. Their topics are not perfectly aligned,

but they often complement each other's ideologies. For instance, in reference to Blackmon's African-American labor contracts, Dubofsky notes that "not all workers were free to move and...regionally distinct labor markets continued to exist...where employers and public officials eager to develop a more industrial 'new South' advertised the docility and low cost (wages) of Southern workers." (Dubofsky, p. 21). Additionally, in support of Dubofsky's writings about industrial death rates, Blackmon addresses real-life accounts of "the appalling amt (*sic*) of deaths that have occurred at the mines, both from disease and accidents...[and] the great number of cripples" (Blackmon, p. 76). The two authors are a winning combination against DiLorenzo.

Capitalism may be America's most efficient economic ideology, but it is a financial mechanism wrought with necessary evils and an unequal distribution of wealth to highly skilled (mostly white male) workers, elites, and industrialists. A system designed to provide large concentrations of labor and machinery could have not enriched anyone else but the owners of that labor and machinery. A large portion of the working class was made up unskilled immigrant and native-born workers, women, children, African Americans, and other minorities whose life chances were not improved by a wage-earner economy; workplace accidents, unemployment, and financial panics disproportionately affected these workers.

DiLorenzo blindly believes that "[b]etter working conditions, better pay, and a mix of pay and fringe benefits that is to the employees' liking are all the products of capitalism and not any kind of government program or labor union demands" (DiLorenzo, p. 102), while Dubofsky shows with evidence that "[a]n examination of the testimony of working men and women and the reports and records of various public and private investigating bodies concerning the impact of industrialization presents a different and gloomier picture" (Dubofsky, p. 21). Additionally, Blackmon's written illustration of the brutal conditions in 'slave' mines at the expense of

African-American liberty solidify Dubofsky's position that working class life in late 19th century

America was far from a bed of roses. Peter—This is a fiercely argued paper, packed with carefully selected quotations from Dubofsky and Blackmon, strategically deployed to demolish DiLorenzo's argument. Well done! (24/25)

Works Cited

Douglas A. Blackmon. *Slavery by Another Name: The Re-enslavement of Black People in America from the Civil War to World War II*. Doubleday, 2008.

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