

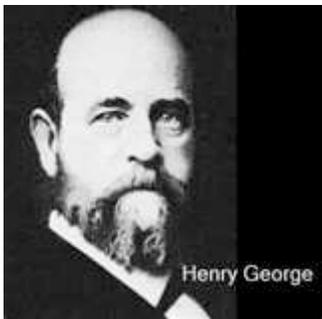


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Have Conditions in the Laboring Class improved from Henry George's Time to our Own?

By Scott Baker

Labor conditions were indeed often appalling in the nineteenth century, but are they any better now? Let's start with a specific example and broaden our findings from there. A comparison of Labor's life from a hundred years ago to today. Have things improved...or been offshored?



Henry George by Henry George School

Henry George defined Labor as simply all mental and physical effort used in production. And, in George's political economy, production is defined as all the processes involved in making wealth and bringing it from its place of origin to the consumer. It should go without saying that the only production that counts is that which satisfies consumer. As a counter-example, I may expend hours of labor whittling away a wooden toy car, but if there is no consumer willing to pay me for it, my labor is said to have no economic value.

So, let us confine ourselves to labor that has clear economic value when comparing conditions of Labor in Henry George's time to our own.

Labor conditions were indeed often appalling in the nineteenth century, but are they any better now? Let's start with a specific example and broaden our findings from there.

In "Social Problems," George talks about tailors in New York City who are able to find employment only part of the year and have to "beg, steal or starve" the rest^[1], or rely on a "charitable society." Certainly, the tailors of today, unless they out and out fail in business, and probably not even then, do not alternate between being profitably employed and begging, stealing or starving, so this is progress, right? But, wait a minute. In addition to mending my clothes, my neighborhood tailor also dry cleans them in fact, dry cleaning is now such a large part of their business that they are known chiefly by that title: Dry Cleaner, and tailoring is only a secondary line of work for them. In our modern society, we outsource our clothes-cleaning (now both more frequent and more complicated than in George's day of simpler garments), and occasional mending. This at least provides consistent employment for tailors, and a wider range of skill development (I don't know how to use Dry Cleaning chemicals to clean my clothes, do you?). So, onward and upward! As his customers benefit, so does the tailor"or does he?



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There is something the tailor is definitely *not* doing much of these days, unless he is very skilled and his customer very rich, and choosy, and that is making clothes out of whole cloth. Here is a list of Tailor-related jobs from the 1891 London Census:[\[2\]](#)

Tailor

Someone who made or repaired clothes

Tailor & Clothier

Someone who made or repaired clothes.

Tailor Coat Hand

A tailor's assistant.

Tailor Hand

A tailor's assistant

Tailoress

A female tailor

Tailor's Apprentice

Someone learning the tailor's trade

Tailor's Assistant

A tailor's assistant

Tailor's Cutter

A tailor's assistant - cuts cloth

Tailor's Labourer

A tailor's assistant

Tailor's Machiner

A tailor's assistant - machines cloth

Tailor's Machinist

A tailor's assistant - machines cloth

Tailor's Presser

A tailor's assistant - presses cloth



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There were fully a dozen jobs just in the lowly Tailor's shop in the nineteenth century. Today's tailors exist mostly with one or two assistants and delivery people, or work for a large clothing store where there is enough volume.

So, one must be careful to compare apples to apples and tailors of old to persons sometimes split across multiple professions - who perform the same function today, whatever their titles. One thing that is clear is that we still need the *products* of those who labor to make clothing indeed, our closets bulge with a quantity of garments that most people in George's day would not own in a lifetime. Whether we *need* so many items is for discussion outside this paper, though George did warn us that human desire is basically insatiable.

Perhaps our labor has become so efficient that machines do all the drudgery for us?

Three decades ago, I tagged along with a group of fashion students on a tour of the Jantzen Sportswear Company in Portland, Oregon (as a young man, I was curious about *everything*). There were machines to do all kinds of things, from spinning the cloth in so many vibrant colors! to cutting the cloth so efficiently! to producing the final garments in seemingly unlimited quantities, cheaply and powerfully. This indeed seemed to be the future of modern clothes-making. Yet, we are told in the late 1990s that:[\[3\]](#)

Today, Jantzen is the leading brand of swimwear in over 100 countries, *although a tough business climate forced the company to lay off workers, move some production operations to Latin America and the Caribbean, and discontinue its sportswear lines* (emphasis added).

The business decisions of a particular manufacturer are beyond the scope of this paper, but anyone who is even slightly aware of what's been going on since George's time, will understand that manufacturing as a whole has moved to the *lowest margin of production* that is, to the place where it is cheapest to produce the goods that will satisfy human desire. So, it is not accurate to say today's American tailor is better off than yesterday's he simply has a different job description. But what about that jettisoned function making clothes? What was life really like for people who actually made clothes, in large amounts, in George's day? I'll use an example from the turn of the twentieth century, slightly after George's time, for reasons that will become clear later the Triangle Shirtwaist Factory.

The Triangle Shirtwaist Factory took up the eighth, ninth, and tenth floors of the Asch Building. Under the ownership of Max Blanck and Isaac Harris, the factory produced women's blouses (known at the time as "shirtwaists"). The factory normally employed about 500 workers, mostly young [immigrant](#) women, who normally worked nine hours a day on weekdays plus seven hours a day on Saturdays. [\[4\]](#)

Says Pauline Newman, who actually worked at the factory:[\[5\]](#)

In the first place, it was probably the largest shirtwaist factory in the city of New York.

My own wages when I got to the Triangle Shirtwaist Company was a dollar and a half a week. And by the time I left during the shirtwaist workers strike in 1909 I had worked myself up to six dollars.

But you see hours didn't change. The hours remained, no matter how much you got. The operators, their average wage, as I recall"averaged around six, seven dollars a week. If you were very fast - because they worked piece work" and nothing happened to your machine, no breakage or anything, you could make around ten dollars a week.



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They were the kind of employers who didn't recognize anyone working for them as a human being. You were not allowed to sing. Operators would like to have sung, because they, too, had the same thing to do, and weren't allowed to sing. You were not allowed to talk to each other. Oh, no! They would sneak up behind you, and if you were found talking to your next colleague you were admonished. If you'd keep on, you'd be fired. If you went to the toilet, and you were there more than the forelady or foreman thought you should be, you were threatened to be laid off for a half a day, and sent home, and that meant, of course, no pay, you know?

Unfortunately, as most New Yorkers with a smattering of history know, the worst was yet to come.[\[6\]](#)

The Triangle Shirtwaist Factory Fire in New York City on March 25, 1911, was one of the largest industrial disasters in the history of the city of New York, causing the death of 146 garment workers, almost all of them women, who either died from the fire or jumped from the fatal height. It was the worst workplace disaster in New York City until September 11, 2001. Most women could not escape the burning building because the managers would lock the doors to the stairwells and exits to keep the workers from taking cigarette breaks outdoors during their shifts. Women jumped from the ninth and tenth stories as the ladders on the fire trucks could not reach these. The fire led to legislation requiring improved factory safety standards and helped spur the growth of the International Ladies' Garment Workers' Union, which fought for better and safer working conditions for sweatshop workers in that industry.

So, this tragedy national in significance led to improved worker conditions and unions to ensure workers' rights. If that was the end of the story of where clothing comes from, and if it was merely a dramatic example of a general trend towards better labor conditions overall in all industries over time, than the "iron law of wages" which determines wages to the minimum on which laborers will consent to live and reproduce"[\[7\]](#) would seem to be wrong. But, of course, as George points out, the true cause of the global minimum wage is "an inevitable result of making the land from which all must live the exclusive property of some."[\[8\]](#) Since this arrangement has not changed since George's time, neither has the result. Here is how things work in today's globalized market:

In a recent examination of "Patriotic clothing," WCCO-TV went to Minnesota's Mall of America (and found) every item with an American flag on it was made in China. At other stores with patriotic apparel, labels read made in China, El Salvador, Guatemala, Honduras and Russia.

At Target, WCCO-TV found more than 80 pieces of patriotic clothing. Of all the items, only one T-shirt was made in the United States. At Old Navy, WCCO-TV could not find any American-made patriotic apparel. At Wal-Mart, more than 40 patriotic items were checked. Most were made in America, which is no accident. Wal-Mart has a policy where any item with an American flag on it must be made in the USA.

Ninety-seven percent of all clothing sold in the United States is no longer made in the U.S. Yet, Minnesota is home to two long-standing textile manufacturers.[\[9\]](#)

We'll look to the direct source of that claim that 97% of clothing no longer made in the United States in a moment, but first let's look at a modern-day shirt factory right here in Manhattan. In the year 2000, reporter Henry Blodget found:

behind grimy windows, Chinese women slaved for 11 hours a day, stitching garments for a subcontractor hired by Donna Karan International. The women received no bathroom breaks, no overtime pay, no sick days, no paid vacation, and no maternity leave. They were screamed at to "work faster" and paid "per piece"--earning wages



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that could only be called "living" if "living" means boiled water and rice" the miserable workers weren't migrant Chinese peasants but immigrant Chinese and Latina women.[\[10\]](#)

Blodget tells us that this factory, so reminiscent of the Triangle Shirtwaist Factory a hundred years before it, has now been supplanted by travel bureaus and financial companies, but surely this cannot be the last one, either in New York City, or in the more invisible nether regions of America.

In fact, our own U.S. Department of Labor tells us that:

50% of garment factories in the U.S. violate two or more basic labor laws, establishing them as sweatshops. Sweatshops exist wherever there is an opportunity to exploit workers who lack the knowledge and resources to stand up for themselves. Typical sweatshop employees, ninety percent of whom are women, are young and uneducated. Many of them are recent or undocumented immigrants who are unaware of their legal rights. Young women throughout the world are subject to horrible working conditions and innumerable injustices because corporations, many of which are U.S.-owned, can get away with it."[\[11\]](#)

One thing is clear, as George told us long ago:

And so, whatever be the character of the improvement (of machinery), its benefit, land being monopolized, must ultimately go to the owners of land.[\[12\]](#)

New Yorkers, of course, long ago mostly stopped working on actual land, so the owners are those who own the land where their factories reside, and pay so little for the privilege, that they can exploit garment workers at subsistence wages, or less, even here, in one of the most expensive cities in the world.

When even *these* owners finally cannot make a profit having factories in New York, they, or their competitors, find new land abroad, displace the peasants from that, and send them to work in new factories in distant lands where the sight of suffering workers, or workers leaping to their deaths from fires, will not upset squeamish Americans.

Women, in particular, are subject to grueling labor conditions, often enticed with false promises to leave their home countries, only to have their passports and money confiscated when they arrive in Southeast Asian or Middle Eastern countries. They are subject to sexual and physical abuse, being bought and sold like slaves, and incarceration. Often, their wages are under a dollar a *day*.[\[13\]](#)

It gets still worse.

In Myanmar - formerly known as Burma - villagers can be rounded up at anytime, forced to work on roads, pipelines, or whatever else the military Junta deems necessary to satisfy its customers including China, where it is not presenting a humanistic face for the West. People who refuse are beaten, often to death, imprisoned, and tortured.[\[14\]](#)

In this country, we do not call this Labor, we call it Slavery, for that is what it is. George, who saw American chattel slavery ended in his lifetime, would have recognized this form of slavery instantly. It is also beyond the scope of this paper to prove this, but it is my feeling that conditions of enforced labor have reached a level of depravity and abuse even worse than in George's time. The ferocious hunger for the world's diminishing resources, combined with the ready supply of people considered disposable by dictatorships in favor of



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resources throughout history has made vicious brutality a business practice in parts of the world Americans would prefer not to imagine, even if they could.

One cannot consider the condition of labor without considering the value of the Land they labor upon, as George stressed relentlessly from Progress and Poverty forwards. In fact, he makes the point that a laborer cut off from the fruits of Land is actually *worse* off than a slave:

So long as a plump, well-kept, hearty negro was worth \$1000, no slave-owner, selfish or cold-blooded as he might be, would keep his negroes as great classes of "free-born Englishmen" must live. But these white slaves have no money value. *It is not the labor, it is the land that commands value*" (emphasis added).[\[15\]](#)

Elsewhere, a contemporary of Henry George, and former slave-owner, laughingly told him it was cheaper just to pay low wages for menial work to be done than to have to house and feed his former slaves. He went on to say that, had he known how much he would have saved by not having to house and feed his former slaves, in exchange for paying them a mere pittance to labor for him, he would have been in favor of abolition a long time before it finally came. How true is this labor equation in many parts of the world, still.

It is worth noting in this regard that it is the *resource-rich* regions, not the resource-poor ones, where labor conditions are the most appalling. In fact, we can narrow George's strong implication into an axiom: Wherever the relationship between Land and the human labor to develop that Land is the least, the degree of human suffering will be the greatest.

Myanmar, for example, has the following resource wealth:

Copper, gypsum, barite, and cement. Steel and iron make up 6% of the country's exports. Myanmar is second in opium production only to another bastion of horrid labor conditions, Afghanistan. Despite an import ban, one can regularly find Burmese Teak in the United States. Myanmar also has rubies, jade, pearls and fish which it exports to the Middle East and Asia, while a third of its own children are malnourished. Natural Gas accounts for 40% of Myanmar's exports, flowing to China - and to Chevron.[\[16\]](#)

Myanmar is resource-wealthy, but its people are impoverished. In fact, when one reads of the atrocious working conditions in Myanmar, one longs for the relative comfort of resource-poor nations that only have sweatshops! At least there, the middlemen sweatshop managers, and factory-owners, act as buffers between the rapacious landowners and laborers.

What has happened to the dream of ever-increasing prosperity for all since George's time? Didn't the neoclassical Chicago School economists and the Free Market economists tell us that as bad as things may seem, that wealth would trickle-down *eventually* from the top income earners to the bottom, as they developed new businesses? Wasn't it supposed to be that, as Julian Simon famously said in 1997:

The material conditions of life will continue to get better for most people, in most countries, most of the time, indefinitely. Within a century or two, all nations and most of humanity will be at or above today's Western living standards.[\[17\]](#)

Indeed, Business Week warned us in a 2006 article on Chinese Factory Workers, that:

companies across the board are feeling the squeeze. Last year turnover at multinationals in China averaged 14%, up from 11.3% in 2004 and 8.3% in 2001. Salaries jumped by 8.4%, according to human resources consultant Hewitt Associates LLC.[\[18\]](#)



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So, maybe it is onward and upward for everyone after all...eventually. All we have to do is run out of dark corners where people can be creatively exploited and *then, finally*, conditions will improve for those who labor so that, so we are told, we can live in relative splendor, here in the developed countries.

China may indeed, be coming around to recognizing Workers' Rights, although Venture Outsource which bills itself as "an Authoritative Source for Decision-Makers" (Read: CEOs of multinational companies) - tells us Chinese labor rates for manufacturing are still below a dollar an hour[19] - this in a country that ranks fifth in the number of millionaires, as of 2007.[20] China's Labor Bureau, optimistically, recommends setting the "minimum wage at about 40 to 60 percent of average monthly wages"[21] but this recommendation is regularly flouted, and perhaps most rigorously enforced only where high-profile factories producing goods for American manufacturers are concerned. In the more remote provinces, just as in the more remote regions of the U.S., people, often children, regularly work at or well below the minimum wage. In the countries that China itself outsources to the fourth world conditions are even worse, as previously described. Instead of free markets providing better lives for "most people, in most countries, most of the time," an increasing number of regions, and even countries, has instead provided more ways to exploit the people within them.

Even where our better-known American brands are concerned, like Apple, conditions in China can easily fall behind the standards of the client company:

In its (own) report, Apple revealed the sweatshop conditions inside the factories it uses. Apple admitted that at least 55 of the 102 factories that produce its goods were ignoring Apple's rule that staff cannot work more than 60 hours a week"these guidelines are already in breach of China's widely-ignored labour law, which sets out a maximum 49-hour week for workers.

Apple also said that one of its factories had repeatedly falsified its records in order to conceal the fact that it was using child labour and working its staff endlessly.[22]

Before we leave this depressing litany of abuse and human degradation, let us be clear, it is *not* a given that resource-rich countries *must* always exploit the people within them. Near war-torn Congo's southern border, Botswana has used its mines, which are partially owned by the state, to fund infrastructure, education, and health care, as well as set aside a rainy-day fund of nearly \$7 billion. But, Botswana has something essential Congo does not: a government known for being both functional and honest.[23]

One might add that Botswana has another thing that Congo and almost every other country doesn't have: a recognition that the value of the Land belongs to all of its people equally.

There is still something else doesn't seem quite right about Simon's promise, aside from the fact it has become awfully stale in the hundred years or so since value-free economics pushed aside Georgism and the other classical economists.

Consider that the average American CEO's pay rose nearly 300% from 1990-2005, while the average American production worker's pay rose only 4.3%, both figures adjusted for inflation[24] [25] (though inflation has been considerably higher for the lower and middle classes than for the tax and land-advantaged upper classes). It seems those in the highest balloon rise the fastest. Yet, people are generally more in debt, the middle class feels more vulnerable, and, so we are repeatedly told, we cannot afford our profligate ways *any longer!* Finally, household debt has risen from under 25% of GDP in 1954 to 99% in 2008.[26] Does this seem "onward and upward' to you?



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We come full circle to George again. Without justice in the distribution of Land, unskilled labor will be forced to a subsistence level, or, in the case of the middle class, be forced to borrow ever more to support a debt-ridden lifestyle for themselves, while enhancing an ever-more opulent one for the rich and grasping. If the middle class ever gets to the point where they finally cannot afford the shirts on their backs, where their ability to purchase becomes more closely aligned with third world labor's ability to earn, it will be the middle class that sees its lifestyle go down, not the Land-owning elite. Improvements, or "mechanization" will not change that. Efficiency measures won't even dent it American workers are already among the most efficient workers in the world. Without redistribution of *the value* of Land to all, who are both equally entitled *and* equally responsible for its rise in value, those without Land will always be forced to compete near the bottom just to survive, while "improvements" will only guarantee an even more obscene level of living for those who own the resources and charge others rent upon it.

Man without Land cannot survive, no matter how vigorously he labors. This was true in George's day. It is true today.

[1] Social Problems, Henry George, 1883, Pg. 68

[2] <http://www.census1891.com/occupations-t.htm>

[3] <http://www.answers.com/topic/-268>

[4] http://en.wikipedia.org/wiki/Triangle_Shirtwaist_Factory_fire#cite_note-drehle-1

[5] <http://historymatters.gmu.edu/d/178/>

[6] http://en.wikipedia.org/wiki/Triangle_Shirtwaist_Factory_fire#cite_note-drehle-1

[7] "Social Problems," Henry George, 1883, pg. 146

[8] "Social Problems," Henry George, 1883, pg. 146

[9] <http://wcco.com/seenon/Made.in.America.2.347947.html>

[10] <http://www.slate.com/id/2113689/>

[11] [click here](#)

[12] "Social Problems," Henry George, 1883, Pg. 145

[13] [click here](#)

[14] Mother Jones, For Us, Surrender is Out of The Question, Mac McClelland, March/April 2010

[15] "Social Problems", pg. 102, Henry George, 1883

[16] Mother Jones, For Us, Surrender is Out of The Question, Mac McClelland, March/April 2010



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[17] http://en.wikipedia.org/wiki/Julian_Lincoln_Simon

[18] [click here](#)

[19] [click here](#)

[20] [click here](#)

[21] <http://www.china-labour.org.hk/en/node/100206>

[22] [click here](#)

[23] Mother Jones, Blood and Treasure, Adam Hochschild, pg. 60, March/April 2010

[24] [click here](#)

[25] http://www.faireconomy.org/news/ceo_pay_charts

[26] [click here](#)