

# Economic Status of the Wage Worker Under Capitalism

The Commodity Nature of His Labor Power

**L**IFE, physically considered, may be defined as a continuous process of assimilation and decomposition taking place in certain organic substances comprising the living organism.

The process of assimilation requires that the organism say, a man, be supplied at frequent intervals with a certain quantity of food which, being eaten and digested, is built up into the tissues of his body.

The process of decomposition goes on continuously, more intensely during periods of exertion, and results in the liberation of a considerable amount of energy, part of which is used up in the various bodily functions and the remainder is available for the activities characteristic of the individual.

It will be seen, then, that the human body belongs to that class of machines the function of which is to change energy from one form to another. A comparison has often been made between the human body and a steam engine in that the latter transforms the potential energy of coal into motion while the former changes the potential energy of foodstuffs into heat, motion, and nervous energy.

The energy thus set free is considerable in amount and it has been calculated that a man of ordinary strength can exert 4500 foot-pounds per minute for 10 hours a day; that is, about one-seventh of a horse-power.

The force of energy generated by the human organism may be used to effect a displacement of matter—human activity in the production of wealth consists entirely in the displacement of matter—resulting in "work" which when multiplied by time is "power." In economics, however, the energy is known as "labor power" and its expenditure in production as "labor."

Now, a commodity, by definition, is an external object; is useful to some one; is the product of labor and is produced for exchange, that is, it is bought and sold. To be classed as a commodity, labor power must satisfy these four conditions.

To begin with, labor-power is a purely physical phenomenon. The distinction often made between manual and mental labor is purely arbitrary and while retained for convenience is not a real distinction in that all labor is both manual and mental although these two phases occur in varying ratios. Nor need the fact that labor-power can not be visibly separated from its producer create any confusion as to its objectivity.

It is useful, being necessary to the life and well-being of its producer and very profitable to those fortunate enough to control him.

It is the product of labor in that the food, clothing and shelter necessary to its production are labor products and inasmuch as the laborer himself as he appears in the labor market is a product of the labor expended in his rearing, education and training.

Certain conditions, however, must be present before labor-power can function as a commodity.

In the first place, co-operation, division of labor and the use of tools, in a word, social progress, must have reached such a stage of development that there is a margin between production and consumption, thereby permitting the accumulation of wealth. That is to say, that other things being equal, a man should be able to produce more wealth in a day, month or year than is necessary for his sustenance. This surplus we shall encounter later as rent, interest and profit.

This condition alone does not ensure that labor-power shall function as a commodity but leads up through slavery and serfdom to modern capitalism in which other two conditions are present. These are, first, that the laborer is free to sell his labor force. Under slavery he is himself a commodity, like an ox or a horse; but in modern society he is the owner of his person, free before the law

and able to enter into a contract for the delivery of his labor-power for a definite period.

Secondly, that the laborer must be obliged to sell his labor-power; that is, he has no other commodity to sell, being divorced from the land and other essentials of production which have passed into the hands of the purchaser or, rather, of the purchasing class.

These conditions being present, labor-power appears as a commodity, which is brought to the labor market by its owner, the laborer, and sold by the hour, month or other period agreed upon. Being sold, it, of course, has a price generally known by the special term "wages" or, in certain cases, "salary."

"Price" is value expressed in terms of money and the value of this particular commodity, like that of any other, is determined by its cost of production. Now, the cost of production of labor-power depends on—first, a sufficiency of food, clothing and shelter for the maintenance of the laborer so that he can turn out every morning fresh and fit for a day's work; secondly, maintenance for his wife and children so that the race of laborers shall not die out; thirdly, in all occupations requiring some special skill or training, the expenses of education will pass over into the value of the product.

All of these factors resolve themselves into a definite quantity of the means of subsistence, the value of which, measured in labor time, will appear in the value of labor power. There is, however, another factor not present in other commodities which has bearing on this point—the "standard of living."

There is, of course, a physical minimum of subsistence, a quantity of foodstuffs, etc., upon less than which the working class could not exist, which, further, will vary with time and place. On the other hand, the wants and requirements of the worker are the result of a process of historical development and form a psychological factor having a profound effect on the cost of subsistence. For instance, the existence of free land during the rise of American capitalism is, no doubt, the cause of the higher standard of living and consequent high wages in America, compared with the European countries.

However, the standard of living for any given country is more or less a fixed quantity and the cost of subsistence, therefore, fairly well established. Round the value of labor power, as thus fixed, the price, that is, wages, will fluctuate according to the dictates of the law of supply and demand, but inasmuch as there is generally an oversupply of labor power, wages are found to approximate very closely to the cost of subsistence.

Wages may be considered from three points of view. First, there is the actual amount of money paid to the laborer, the "nominal" wage. Secondly, there is the "real" wage, which is the amount of commodities which can be bought with that amount of money, and thirdly, the "relative" wage which is wages considered relatively to the total product or, what is more to the point, to the surplus value appropriated by the capitalist class. This latter aspect we are not at present concerned with, but it is obvious that it is "real wages" which are important and that it is possible for a considerable rise in nominal wages to take place coincidentally with a serious fall in real wages. This generally takes place during a period of rising prices and is particularly noticeable at the present time. During such periods the endeavor on the part of the workers to bring wages up to the rising cost of subsistence creates considerable unrest and disturbance in the labor market which is repeated, on a smaller scale, however,

during a period of falling prices due to attempts to retard the corresponding fall in wages.

Closely connected with wages is the question of the length of working day. The expenditure of labor power is accompanied by a process of decomposition in the human body. There is a destruction of tissue and an accumulation of waste matter which cause a progressively toxic effect on the system manifesting itself as fatigue or weariness and, if the exertion is excessive or long-continued, in exhaustion. For this reason we find towards the close of the working day a marked diminution of efficiency, both as to quantity and quality of product and a greater liability to accident. To these facts is no doubt due the readiness on the part of the employing class to accede to demands for a shorter workday and, in many cases, to initiate such measures.

Since the establishment of modern capitalism the laborers have kept up a continuous pressure with a view to securing better wages, shorter hours and improved conditions of labor resulting in the formation of trade unions, thus securing the advantage of collective bargaining with the strike and boycott as persuasive agencies. Whatever value these organizations may have had for the workers in the past they cannot be said to be conspicuously successful at the present time nor are the results in any way commensurate with the energy and money expended. The trade unions were at first, of necessity, formed upon craft lines and those trades for which special skill and training are necessary were able to obtain the most advantageous terms—it will be remembered that, when discussing wages we found that the training of the skilled laborer was a factor in determining the value of labor power—this, however, is offset by the fact that the development of modern machinery is rapidly rendering unnecessary the possession of special skill and is obliterating the distinctions thus created between the workers. For this and other reasons we find strongly in evidence a growing sense of solidarity among the laborers and a tendency to much closer affiliation than is afforded by the old-line unions. On the other hand, the employers realizing, somewhat late in the day, that a healthy, contented and, therefore, efficient working class is a necessity in their business are increasingly willing to make concessions and are inclined to patronize and foster the craft unions.

Association with the modern machinery of production which, while it has broken down the special handcraft skill of the worker necessitates a certain degree of intelligence and education on his part, is in fact an education in itself, has profoundly modified the point of view of the working class, rendering it much more susceptible to those teachings which contemplate the abolition of the status rather than amelioration of the conditions of servitude. But that, of course, is another story.

GEORDIE.

## LIBERATION OF HOSTAGES ORDERED

COPENHAGEN, May 27.—An official communication received here from Budapest says that the Soviet having triumphed over its enemies, the liberation of hostages has been ordered.

The Hungary army command at Budapest announces that the "enemy" is withdrawing south-east of Budapest in a disorderly manner. It says that a regiment, composed of Roumanians from Transylvania was almost wiped out.

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