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Examining "The Gyppo System"

THE vocabularies of the migratory workers of the Pacific Northwest contain many words and phrases which no student of Webster recognises as belonging to the English language. Yet, so appropriate are these new words in defining certain social and industrial relationships with which the migratory workers' lives are bound up, that their general use is becoming a matter of common parlance.

To a large number of lumber, construction and agricultural workers, the appellation "gyppo," when applied to one of their fellow workers, has almost the same opprobrious significance as the term "scab" conveys to a trade unionist.

There is a distinction, nevertheless, between the gyppo and the scab. The gyppo very often "carries a card," and there is nothing to prevent him from belonging to a union if he so desires. But the scab and the unionist, according to the ethics of the latter, are each supposed to represent mutually exclusive and antagonistic codes of job morality.

In the December issue of the "Journal of Political Economy," (*) a contributor describes the gyppo system as "a system of remuneration, ranging from a simple piece-work to a complicated contract system developed in the northwest pine belt during the past five years."

Speculating on the origin of the term gyppo, the Journal writer fancies it may be a derivation from the Greek word signifying vulture, or may be simply a corruption of the word gypsy: "In either case it has something of the cunning or predacious in it. The I.W.W. first used the term, now the employers use it even in their printed matter."

To credit the gyppos with the qualities necessary to the rise of the modern financial buccaneers is to strain the imagination. It is impossible to imagine a Rothschild, a Morgan or a Stinnes, "preying" on the stormy end of a shovel, axe or saw, or developing over one-seventh of a horse-power per minute during a ten hour day, in the processes of the industrial arts.

However, it is in the gyppo's role of a work-devouring vulture, thereby robbing considerable numbers of his fellow-workers out of what they consider the pursuit of happiness—work—which calls down on him the denunciation of the dispossessed. Moreover, the spread of the gyppo system renders the organization and maintenance of labor unions increasingly difficult.

An editorial in the "Industrial Worker" (Oct. 1922) states:

"At present the master class of capitalists call it 'contract labor,' 'piece work' and other fancy names. For us, the proletarians it is 'gyppoing' and it means all that the name connotes. The gyppo is a man who 'gypps' his fellow workers and finally himself, out of all the organized victories in the class war."

A study of Marxian economics might explain the idiosyncracies of the gyppo family, and their "mean" disposition. At the same time it might "do violence" to certain beliefs concerning "conditioning the job" under the present system.

Realizing that offering a copy of "Value, Price and Profit" to a person who is in pursuit of an immediate "pork-chop producer," is analogous to

*"The Gyppo System," by E. B. Mittleman, School of Commerce, Oregon Agricultural College.

handing a religious tract to a mendicant in search of alms, we will get on with the story of the rise of the gyppo system, quoting Mr. Middleton.

"The occasion immediately responsible for the introduction of the system was the War-time 8 hours strike of 1917-18. The workers through government intervention lost the strike and returned to work sullen and vindictive. The I. W. W. who suffered most from government interference in the way of raids and imprisonment took advantage of the situation and called a "strike on the job." This was so effective that the employers had to adopt some form of remuneration based on output. The technical conditions of the industry were favorable to the change."

The employers had some previous experience with the "hay-wire" system in having small holdings of timber which did not warrant the companies to construct railroads and organize their own operating; logged off by contract. These contracts were let to impecunious farmers, "stamp ranchers" and "drylanders."

"Fathers and sons, sons-in-law, brothers, brothers-in-law have been wont to undertake jobs at so much per thousand, furnishing their own tools, horses, and hiring whatever help necessary. One group might do the cutting, another the skidding, another the loading, etc. The expansion of the gyppo system in 1917-1918 was merely an application of the experience with the farmer to the entire labor force."

Thus by extending the contract system to the division of labor in the logging industry, from the steam-shovel engineer grading the railroad at so much per 100 feet, the falling, sawing, loading, skidding, etc., by the thousand feet, to "letting the kitchen to an enterprising cook who tries to run it at a profit," the employers in this manner countered the "slow down" tactics of the workers.

By making the workers their own "bosses," "and in contrast to the difficulty of supervising small and scattered groups of sullen men working behind trees and stacks of lumber, it was easy to shift the responsibility of output to them."

Before the gyppo system permeated the industry (after the 1917-1918 strike) gyppos were required to furnish their own horses and equipment. That put a limit to the extent of the contract system for although many men had the willingness to take jobs they did not have the means. The companies recognized the limitation and proceeded to put themselves in a position to supply any man with whatever tools he might require.

So far have the companies gone in this direction that some of them will not permit the men to use their own equipment. In one case a company agreed for a certain amount per day straight time, to let horses and harness valued at a certain sum, to its gyppos to be used in logging. The gyppos agreed to keep the horses in proper condition at their own expense and bound themselves to be responsible for the value of the horses in case of injury or death.

In another case a company agreed to furnish "tools, horses, and outfit as may be needed, charging same to the account" of the gyppos. "Upon return of these tools and outfit in good condition, proper credit" was to be given. For the horses the gyppos agreed to pay daily rental and in case of injury such damages as the company deemed suitable. Some of the larger companies stand ready to let even steam shovels for grading logging railroads, and donkey engines where logging is done by steam power.

After the general introduction of the system in

the logging camps in the fall of 1919, the lumber companies "simply did not know what to pay." The general manager of one of the largest pine producers in the N.W. writes:—

"One gyppo I know made \$1700 net in 32 days. Hundreds of them made \$8 to \$12 per day. But at that the costs per unit were well under those obtaining under the day system. As an instance. In 1917 sawers in the woods were paid 30 cents an hour for ten hours or \$3.00 per day. Two of them might fall 4,000 feet of lumber a day, at a wage of \$1.50 per M. At a piece rate of a \$1.50 per M. these same men might fall 14 M. feet of timber per day. This would give the men \$10.50 per man per day, the labor cost to company would be just the same, but it would require one third the number of sawers, and all the other costs connected with sawing would be lower per thousand."

When the companies saw that the gyppos were making too much money, they cut the rates. But even so gyppos now earn more than they would earn as day workers. Even day workers, when working for gyppos (some gyppos hire other workers), earn more than working for the companies directly. In spite of these high earnings labor costs per unit have declined. One company writes, "cost of logging has been reduced by this so-called system." Another, "the labor cost per unit of output is unquestionably lower under the gyppo system;" still another, "about 60 men under the gyppo system perform as much work as 80 under the day wage basis." With the general spread of the system in the lumber camps the earnings of the gyppos, if not so high as they once were, are still higher than under day work. Their higher earnings are maintained through excessive exertion or excessive toil.

The stump ranchers, who were originally the labor nucleus of the system, have been hardest hit since the companies began to furnish equipment to any one that comes along. Not only have they the immunity from competition which the ownership of a little capital in the form of horses, harness, etc., once gave them, but, lacking the mobility of the migratory worker they have been reduced to the weakest position in the gyppo system.

The author of the "Gyppo System" thinks the system is but a crude appeal to the worker's motives for higher earnings. The system lacks the refinements of efficiency engineering. He says "better results can be obtained by applying the methods of the 'industrial psychologists' who insist on indirect payments as part of the wage problem, for instance wholesome surroundings, opportunities for self-expression and advancement, security, favorable housing conditions." These suggestions "have not materially affected the discussion of the economists on Mount Olympus. They have accepted these things only as details affecting the market forces of supply and demand."

It is quite obvious (the recent strike in Vancouver being a case in point), that the employing class considers the immediate state of the labor market as the decisive factor in the conflict over hours and wages. During the war period, when for a short time the labor market was "abnormal," concessions were granted to the workers. With a return to normalcy, i.e., three competitors for two jobs, the employers turned a deaf ear to any proposals which might reduce their profits. They depended on the "natural" functioning of the labor-market to furnish an adequate supply of "power" at a reasonable

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