

The Commercial

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CAPITAL AND LABOR.

The present demoralization of the relationship between capital and labor on this continent and in Europe is the great question in the minds of social and commercial economists, and the causes and probable outcome are matters earnestly discussed. The careless observer of social movements may be inclined to pass over the whole trouble with the conclusion that all is the result of the continued industrial depression in the two continents, and that the trouble will disappear, as soon as there is any progress made towards trade prosperity. The first portion of this conclusion has no doubt some truth in it, as industrial depression has always been productive of misunderstandings between employers and employed. But that it has been the sole cause of such misunderstandings must not be assumed, for it has in most cases only showed the feeling of restless discontent, which has smouldered all along, ready to burst out with any temporary wind strong enough to fan it into a flame. The second or prophetic portion of the conclusion is simply guessing, as most prophetic opinions usually are, and many men of foresight and judgment would place it as random or awkward, if not mistaken guessing.

To properly comprehend the present links (if such there be) between capital and labor, and form any estimate of their future relationship, it is necessary to take a retrospective view of both, and consider in what relation they have stood towards each other in the past. We do not require to go back to the ancient days of lord and slave, or even to more modern state of noble and serf. From the more mutual relationship of master and servant we must start and when we consider that these terms have within half a century been divested of their individuality, and merged into the abstract nouns capital and labor, we have the key to probable drift of both in the near future. The gradual disappearance of the term master and servant few people will regret, as its sound had a ring of the days of serfdom. The progress to employer and employe or operative and other terms, in which the individuality of both were recognized, was in keeping with the

advancing intelligence of the march of civilized mankind, and left no source of regret. But when with the onward work of change each term served only as an atom of the great abstract names capital and labor; whatever may have been the results to trade or commerce, the social philosopher may not openly oppose the tendency of affairs, but he must certainly ponder seriously, and inwardly ask "Whither are we drifting?"

While it must be acknowledged, that the gradual change of relationship between labor and capital has tended to abolish unnecessary and obnoxious social distinctions, it has been doing so at the expense of individuality heart and soul or part of both. Semi-serf-like as the old system of master and servant of the last century may seem to us now, it had its cementing influences on society. Guilds and corporations hampered and narrowed down trade limits, and enforced grinding and laws and rules with the power of the magistrate to support them. They often established as many as four grades or castes in one branch of industry, the duties and privileges of masters, foremen, craftsmen and apprentices being defined both clearly and sternly. Yet that hazy something in which all felt interested, "the Commonwealth," was guarded, and on the part of the highest and the lowest there was a moral responsibility resting, which with other links formed the strong chain of mutual dependance. The system was rude and crude, but it retained that mutual dependence, that common fealty, which was born and nursed in time, when every atom of trade power had to combine to resist the tyranny or aggression of the nobles. It was a semi-feudal and still a family system of organization, for the highest post was the reward of merit, and appealed to the ambition of the lowest.

Under the names of employers and employes and other terms which express mutual dependence and independence capital and labor reached the state, at which it might be well to let matters rest, add it is likely that a long rest might have been made here had both retained their individuality. But the tendency in every branch of trade during the past half century has been in the direction of forming huge organizations, and if possible controlling trade affairs. Through this tendency the employer lost his individuality, and the men and firms who were large employers of labor have been gradu-

ally superseded by the joint stock corporation, until now four fifths at least of the artizan labor of this continent and western Europe is employed by such organizations. Here the laborer is brought face to face with an employer without individuality, without heart, and without moral reputation to lose. That corporations are without soul has become almost an axiom in the popular mind, and soulless and heartless each one stands up as capable of impulse, and as impressionless as an Egyptian obelisk. Each is simply a huge structure of one, three, five or ten millions of dollars as the case may be, around the base of which might be inscribed "Unity is strength," and on the table above, "There are three persons in the god head, dollars, dimes and cents."

The individual laborer brought face to face with an employer who has no heart, no soul, and no moral impulse to appeal to would naturally seek some source of power by which to influence him, and it cannot be wondered at that he should follow the example of the employer and bury his individuality in a powerful organization. Thus the joint stock corporation is brought face to face with the trades union, an organization as soulless as itself, and in the struggle between the two all individuality is buried on both sides. It becomes simply a struggle between a huge structure of money and an equally huge one of producing power, with all power of impulse and all dictate of heart left out.

But labor has been quite an apt pupil of capital in this matter of organization, and indications are not wanting that it has outstripped its teacher. Organized capital limited itself to a branch of trade as a rule, and each branch had organization or organizations, without any attempt at a consolidation of the whole interest, and indeed the jealousies of trade are sufficient to prevent capital from ever becoming organized in such a manner. It is not so however, with labor, and the organization now known as the Knights of Labor furnishes the machinery by which at least a national labor league is sought to be formed in the United States, and while we have great faith in the cohesive power of patriotism, we do not see that it is impossible, to extend this organization, until it assumes a cosmopolitan power. Patriotism is the out-flow of heart and soul, and labor divested of both must cease in time to be patriotic.