

Ammunition for the Workers' Arsenal

By MANUEL GOMEZ.

Working Yourself Out of a Job.

COOLEDGE "prosperity" is a monstrous, two-faced thing feeding on misery and bitter want. It is a cruel contradiction, which every day becomes more hopelessly involved.

The United States Department of Labor sent out a report last week calling attention to the relatively high degree of business activity, as evidenced in whole prices, in the fact that the steel industry is operating around 90 per cent of capacity, etc. but the report concluded with the rather puzzled remark that "IN SPITE OF INCREASED BUSINESS ACTIVITY, EVERY ONE OF THE BIG INDUSTRIAL CENTERS HAS CONSIDERABLY MORE UNEMPLOYED WORKERS THAN A YEAR AGO."

The explanation of this strange phenomenon is now revealed in tabulations published by two different government agencies, the Federal Reserve Board and the Department of Commerce. The Reserve Board figures were produced by Leland Olds of the *Federated Press* in Monday's *DAILY WORKER*. They show that "the expanding needs of the country due to the increase of population are being met largely without giving employment to the increased number of workers who are growing up." The ranks of the army of more or less permanently unemployed have been swelled by 1,600,000 as compared with the pre-war years.

WHAT THE CENSUS FIGURES SHOW.

Now let us examine some figures just made public in connection with the Department of Commerce's biennial census of manufactures for 1923:

	1923	1921	1919
Value of manufactures (at factory prices)	\$80,461,135	\$43,653,283	\$2,041,795
Average number of wage earners employed	8,783,233	6,946,590	9,000,069
Total wage payments	\$10,966,285	\$2,200,324	\$10,461,787
Horsepower of prime movers	241,168,602	(no data)	219,512,152

*) 000 omitted.

Thus relatively fewer workers in 1923 produced considerably more goods. Labor is steadily becoming more productive, piling up greater and greater masses of wealth with smaller expenditure of energy. Under capitalism this is no unmixed blessing. The markets for merchandise are limited, even in the present imperialistic epoch, and only a certain amount of labor can be absorbed with satisfactory profit to the bosses. The rest goes to swell what Karl Marx called the "industrial reserve army" of unemployed, whose existence is a weapon in the hands of the capitalist to keep down wages.

While the combined factory prices increased 38.5 per cent between 1921 and 1923, total wages increased only 34 per cent. That is, however, as regards TOTAL wages. But inasmuch as the number of wage earners increased 26.2 per cent during this period the 1923 total wage had to be divided among 1,616,663 additional workers, which means that the individual worker received a very much smaller proportion of what he produced.

VALUE ADDED IN MANUFACTURE

Even these striking figures fail to reveal the full extent of what has been taking place. A correct measure of the actual value created by manufacturing process is not the aggregate value of products as given above (which includes the same values counted several times) but the "value added in manufacture," namely the difference between the cost of raw materials, fuel, etc. and the factory price of the finished products. This amounted to \$25,853,151,000 in 1923 AS COMPARED WITH \$18,316,666,000 IN 1921, AN INCREASE OF 41.1 PER CENT. Moreover, an important part of the value created by labor are still unrecorded in the totals; they are incorporated in the industrial process itself for the benefit of future generations. An inkling of this can be gotten from the fact that the rated horsepower capacity of engines, water wheel, electric motors, etc., used for primary power in manufacturing establishments, has increased 14.4 per cent as compared with the boom year 1919.

SUMMARY

To sum up. The figures show: (1) increasing productivity of labor; (2) larger output; (3) decreasing share by the workers in the product of their labor—increasing rate of surplus value, or of exploitation; (4) increase of the "industrial reserve army."

Substantially the same trends can be noted at the present time, for the most part greatly exaggerated. That is Coolidge "prosperity." That is capitalism.