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An Open Letter To Capitalists

George B. Bringmann

MY NAME ain't Jones, but it'll do. I'm a union-man, paid up and, to date, in good-standing. I hear a lot about the sins of Capital. I never yet worked with a guy who had any love for his boss. I don't love mine, neither.

I'll cut corners; I'll beat the clock, and I'll work just hard enough to keep from gettin' fired. I'm human. The only difference between the boss and me is jobs. Making the same thing! Sure! A living. Only the boss is making more of it. I got no interest in peak production. All I care about is what my wages can buy for me and the missus and the kids.

Anyway, cutting corners ain't hard in a closed-shop, so I got plenty of time on the job to do some thinking on my own. It got me into trouble with *myself*, though, and I'm not sure I oughta laugh or get mad at what my thinking turned up. But it oughta

be interesting to you capitalists, so I'll give with it.

You capitalists ain't quite bright. Sure! You own machinery, the plants and the factories, but you don't know nothin' about how to protect your interests. Labor's organized strong. You just think you are! Sure, there's a dozen organizations of merchants and manufacturers, and maybe you belong to a couple. Sure, these groups pass themselves off to the public as representing Capital. But that's plain mullarkey. You owners of capital are kiddin' yourselves. Labor goes along on the same sleigh ride. Only Labor knows enough to be aggressive. It agitates for better wages—better conditions. It ain't often on the defensive. You capitalists just sit and wait for something to happen and then you handle the situation with kid-gloves. Or maybe with tear-gas and bullets, if you got to, when the chips are down.

There's something awfully rotten when no matter how much more a laborer produces, because of new skills and inventions, he always gets a pay envelope that's got hardly enough in it to keep him and his family alive till

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the next one.* Especially when you look at what's in the envelope of an unskilled stiff.

I'd like to blame it on you guys. But I can't because I know it ain't Capital's fault or the guys who own it, neither. But if Labor ain't gettin' the increased production in wages and you capitalists ain't gettin' it in profits, then somebody else is, because every-thing's got to prove up to a total.

NOW LET'S see what you owners of capital really own. It's wealth—what's made by labor—and it ain't money. No one ever produced anything with money—not even a diaper-pin. But folks have used their dough to buy maybe a building, tools, machinery and supplies—all products of labor—to make more wealth and to make it easier and faster. That kind of wealth, then, is *capital, like seeds, tools, buildings, plants, anything made by labor or used by it until what's being made reaches the last guy in the line—the consumer*. Because you guys own these things and a worker generally don't, you've been knocked around by Labor and you've knocked right back. But that don't make sense.

Labor products spoils sooner or later, and even buildings and machines wear out. With no labor on the job to repair or replace your holdings, they go right back into the ground from where labor took 'em in the first place. And lots of times, too, your capital ain't worth a dime because some new machine some-

body else owns turns out the same goods as yours and his is so good that it puts you out of business. Obsolete, you call it. Even Labor can't stop that, and besides Labor made the other machines, anyway.

Coming right down to the point, you owners of capital got to depend upon labor to preserve your values. Which reminds me this idea of Labor depending upon Capital for employment, this figuring how much it'll take in capital to give each service man a job after the war, is hog-wash. Maybe it's nice for you capitalists to feel that Labor's dependent on you for jobs, but I wonder who Adam, or the Pilgrim Fathers, or the '49ers depended on for their jobs.

When Labor uses your capital to make the same amount of goods with less work or a bigger amount with the same work, the increased production would mostly be split between the wages of labor and the return on your capital. But it don't work that way. Labor knows it don't, and you owners of capital oughta know it don't. Sure! Once in a while wages and interest go up—most people call it profits—but they get back in a hurry to nearly the same level, judged by what money will buy.

The other day my boss comes down the aisle between the machines. He's readin' something. He grunts and chucks the stuff away. I'm nose-y. I read it myself. It's a chart of interest rates since 1868, year by year. I stuff it in my shirt and when I get home, I dig out some wage figures and com-

*See chart, PROGRESS GUIDE, July, 1944: p. 19. *Economics Editor*.

pare them with the chart on interest rates. Every time wages are up interest is up. Every time wages are down interest is down. I nousey more. I scraped personally through a couple of depressions so I check on interest rates then. During them times, when every chicken in the country was runnin' like hell from every pot in the country, interest on government bonds was so low it cost money to *protect* your money! Having heaved a brickbat now and then at company cops and city bulls in them days, this new discovery sort of excites me. Wages and interest goes up and down together, on the same string! I give odds my boss don't know it. I'll give bigger odds that if he does know it, the chump don't know where what he don't get really goes.

AS I SAID before, you capitalists ain't quite bright. You owners of capital are called monopolists. Not that there ain't monopolists, mind you, but you ain't. You know there can't be a monopoly in goods or anything made by labor.

Just as soon as one owner of capital finds a good line that gives him a high return, you other owners of capital, looking for the same good soft spots, start makin' what the first guy makes. That makes competition; the supply increases; the price drops, and it ain't long before you're all back again to bed-rock returns. Some of you know this so well you get control of the source of the raw materials you need. Or you get something just as good

through franchises or patents or tariffs which keep all others off your grass unless they pay you license fees.

But you guys who do that ain't only capitalists. You got monopoly as well. And you processors and manufacturers who are in a high competitive line, you guys who form the bulk of your "capitalist" associations, you're plenty stupid! You let these monopoly guys be the spokesmen for your association. For while you've got plenty of social and economic power to rub out the bad name tied to capitalists, and to better your own position, you don't do nothing about it. Instead, you stick tight with the monopolists of one sort or another—an' *they're your economic headaches!*

I guess some of you great minds by now are ready for some eluc-i-dation. You oughta know if what you own is in labor products or if it's monopoly privileges. It don't make much difference what I call it.

All economists, even the friends in Washington working for us, agree that before any production can begin there's got to be two things: Land and Labor. It's a natural law that can't be repealed or declared "unconstitutional" by "nine old men."

As I was sayin', wealth can't be produced if land and labor don't get together at the same place at the same time.

Now hold up your hand. We'll call the index finger *land*, and we'll give it a value of one. The middle finger we'll call *labor*, and give it a value of two. The third finger we'll

call wealth (production). Land plus labor, or one plus two, adds up to wealth, or three. Get it? Three is the value of your third finger. Your index finger is *always* 1, or land. It can't be the third finger, 3, or wealth. Yet you'll find some singularly powerful members in your organizations of "capitalists" whose main claim to drinking the club's whiskey lies in the fact that they own index finger values of one, or land (natural resources). How come they sneaked in on you?

If some of you can work out equations, here's how it looks:

$$\begin{array}{rcl} \text{Land} & = & 1 \\ \text{Labor} & = & 2 \\ & = & \text{---} \\ \text{Wealth} & = & 3 \end{array}$$

Now if you've followed me so far, then you can see that labor or land can't be wealth, any more than well-water or hops, by themselves, can be Bock Beer. You got to combine 'em. To those of you who went to school, I'm only saying a *part* of a thing can't be the *whole* thing. And I guess you know that the different parts of a thing can't exceed the whole of a thing—it's got to come out even.

When there's only three general classes of things in the world—the natural universe (land), man (labor), and man's products (wealth), then possession can only be in these three things, and it's crystal clear that capital must be classed with the last. If not, then we'd be believing that capital existed before the first man rustled his first meal; or that the Creator had a

couple of angel capitalists handing out hoes and bows and arrows, and stone axes from a tool crib He Himself made!

Don't get to thinkin' that I'm givin' this fundamental stuff for exercise. I ain't. Now read this slow. There can't be production unless Labor can get at land (natural resources), and there can't be employment of capital until Labor does. So monopolistic exclusion of Labor by owners of natural resources (land) cuts down you capitalists' opportunities to invest to the extent Labor is kept off land. And I'll bet you guys learned the hard way that when opportunities to invest are limited, there's always a lot of capital goin' around beggin' to be used, which means lower interest rates.

IT LOOKS like it was high time for you owners of capital to start organizin' a first-class union of capitalists who are the real "McCoy" and break off associatin' with them who are all or part monopolists. Also you who got a combination of investments in capital and monopoly privileges (land, franchises, patents, tariffs), might begin to make up your minds just where your greatest good is.

But let's be simple. Astorbilt owns all the land, the natural resources. You own all the capital. I'm Jones, the worker. Now which one of us can take from the other two everything produced over enough to keep us producing, and can even call on government to back him up? You guessed right! You and me will have to pay

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Astorbilt because the monopoly's his. That's the law—a man-made law! And it makes no difference if there's a thousand Astorbilt's sharin' the monopoly, a hundred thousand *you's* ownin' the capital, and one hundred and thirty million *me's* doin' the work. The system of distributing wealth after it's been produced would be the same.

Is it any wonder a working stiff like me thinks you capitalists ain't quite bright? I'm all for free enterprise and a capitalistic system, but this ain't it. You capitalists ought to get around to tryin' real capitalism. We ain't had it yet.

When are you goin' to quit pullin' hot chestnuts out of the fire for monopolists—all in the sweet name of what they call "free enterprise"? When are you goin' to quit runnin' around with them monopolists in your clubs like they were on your side of the fence? And it won't be enough to see on which side your bread's buttered. You've got to count monopoly out!

Sure, a lot of you are afraid to come out flat-footed for a really free economy because you think that separation from monopolists would weaken your position, compared with Labor's. To which, NUTS! Laborers organize pressure groups of their own as a sort of counterforce. Eliminate monopolies, and there won't be any force to counter. I know labor unions are monopolies themselves. I'm a union-man in a closed shop. If I didn't have a hunk of monopoly in a union, some hungry guy who can't get a job or

make one for himself would bid under me and take my job away. Like all monopolies, Labor'd rather negotiate, but when that fails, you pick up a brick to make the organization effective. Scabs, strike breakers, personnel directors—you capitalists only got to feel their lumps to check on this.

In a really free economy there won't be no need for Labor to organize. Guys like me don't like to pay dues or give up our right to independent action. And we won't, either, if we get an even break at unlimited opportunities to earn wages. So long as there ain't monopoly, wages will be better for all of us—whether we heave a pick or run a derrick.

THE PAPERS tell me, not in so many words, that sooner or later Statism and free enterprise are going to slug it out. You owners of capital pack a lot of economic and social weight, and you oughta start throwing it around in favor of free enterprise. Maybe you can make our national economy something where monopoly don't interfere with Labor getting at natural resources and where Capital can be competitive under the most favorable conditions. Instead you go along with the few windbag monopolists in your association who sloganeer their so-called "free enterprise."

Yes, the time's runnin' short. Whether Tweedledum or Tweedledee bosses the next administration, there's goin' to be millions of tough young veterans all over the world looking for jobs. So long as they ain't got no

chance to employ themselves except at a monopoly price set by owners of natural resources (land—Number 1—remember?), there'll be no FREE enterprise for their labor, and no free and unlimited opportunity for you to use your capital.

Whether you like it or not, you guys are goin' to decide. Either Capital and Labor will share the prosperity of a free society or they will bow to the tyranny of a system of government which upholds monopolies by force. Maybe we'll get a system which by force will take over all the production and distribution of wealth, including your job of supplying capital.

That kind of government will carry Labor around in a bag, too—so I won't like it. I've got some "enlightened self-interest" of my own. What about you?



The Show Must Go On

❖ Claire Luce once persuaded Florenz Ziegfeld to secure a live ostrich for her to ride in a "Follies" parade. The bird was shipped from a Florida zoo; then some one discovered, the day before the premiere, that the molting season had begun. The ostrich began to shed its feathers one by one; on the day of the opening, it was stark naked.

Excitement backstage was intense until one of the stage managers got the idea of rushing down to a customer and buying his entire stock of ostrich fans. These fluffy ornaments were torn apart, then glued plume by plume onto the body of the bewildered bird.

Bernard Sobel in

THE SATURDAY REVIEW OF LITERATURE

Progress Notes

BY THE EDITORS

NEXT MONTH

❖ **HOW TO AVOID DIVORCE**—One marriage in six ends in divorce. A famous jurist who has heard 90,000 divorce cases analyzes one of the great menaces to the American Way of Life.

❖ **HARLEM, THE LANDLORD'S BLACK MARKET**—A candid discussion of the absurdities and dangers of undemocratic attitudes. Constructive suggestions are made for better racial relationship in America.

❖ **EASING THE MENOPAUSE**—A helpful discussion of the menopause. Explains how proper diet can aid nature during this period.

❖ **KEEPING FOODS WITHOUT CANNING**—A review of spectacular results obtained by a practical horticulturist in winter storage of foods in the home.

❖ **THE OCTOBER ISSUE** will contain many other feature articles based on exhaustive research on the various subjects included in the ten classifications represented in the Classified Index, beginning on page 149 of this issue. Due to paper restrictions, distribution will be limited. Ask your newsdealer to reserve a copy of the October issue of *PROGRESS GUIDE*.