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EDITORIAL

## THE STEEL TRUST WAGE CUT.

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**T**HE wage reductions that have taken place in the Steel Trust are full of valuable economic lessons. Aside from their size and widespread effect, illustrative of the magnitude of modern industry, and their demonstrations of the worthlessness of profit-sharing and co-operation, those makeshifts of capitalism, they once more vividly demonstrate the merchandise character of labor under capitalism. Due, as these wage reductions are, to the decreased demand for iron and steel, and the concentration of iron and steel mills, the first of which renders labor idle, and the second of which displaces it, they show that labor's price, or wages, is determined, like that of other merchandise, according to the law of supply and demand. When the demand for iron and steel was great, and all the iron and steel mills were taxed to their full capacity, the demand for iron and steel labor was also great, with the result that wages were higher than they are now, when the decreased demand for iron and steel, and the shutting down of useless mills are decreasing the demand for labor and augmenting its supply manifold, making wage cuts inevitable and resistance to them impossible.

While enforcing this general lesson, the Steel Trust wage reductions have enforced a specific one that is not unworthy of consideration, viz., the relation of skill and salaries to unskill and wages. There are many workers, far too many, who believe that under capitalism, the highly skilled and salaried superintendent or foreman, is something economically different from the unskilled and low-paid employe who is his subordinate. They entertain the idea that skilled and salaried men are, because of their peculiar aptitudes and positions, independent of the capitalists and the laws of capitalism, and therefore not of the working class. They constitute an independent class, so these workers argue, a class that is a sort of intermediary between the working and the capitalist class, as it were, and

possessing capitalist instincts, tendencies and prerogatives.

The Steel Trust wage reductions should serve to dispel these wrong beliefs. The decreased demand for iron and steel and the closing of iron and steel mills, have rendered many superintendents and foremen idle and superfluous. The trust, acting upon the law of supply and demand for labor, and entertaining no illusions about their independence, has cut the salaries of the remaining superintendents and foremen to such a degree that, where resignations are not occurring, as in the case of a superintendent whose salary was cut from \$6,000 to \$3,000 a year, the superintendents and foremen are making common cause with the laborers in opposing the wage reductions, as is said to be the case at Homestead.

Thus it can be said that these superintendents and foremen, being without capital of their own with which to employ themselves in competition with the trust, and unable to secure situations elsewhere, are compelled to unite with the laborers and rebel against the laws of capitalism which make merchandise of their labor, i.e., their skill and ability. In so doing they bring out clearly their close economic relationship with unskilled wage labor. They thereby show that the difference between skill and salary and unskill and wages, is one of degree and not of kind, one of multiplication rather than of economic essence. Both are wage slaves.

The lesson of the Steel Trust wage reductions is that labor, whether high or low, mental or manual, skilled or unskilled, is dependent on and exploited by the capitalist class, regardless of the differences alleged to exist between them. Only when labor, mental as well as manual, skilled as well as unskilled, salaried as well as wage, owns and controls the capital of the land and produces for use instead of profit, will it be free from such exploitation and the economic law of supply and demand which makes it possible.

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