widows and orphans who whenever there is a struggle for increased wages are brought forth as the majority of the shareholders.

When we look at labor's bloody history in the last years of the 19th century and the early years of the 20th, we are forced to conclude that the Carnegies, the Fricks, the Garys and Thompsons were childish. Or perhaps these poor fellows were the victims of circumstances. There were no Madison Avenue sycophants around to acquaint them with the brand of economics that is peculiar to the advertising gentry.

The old timers were crude; always meeting their labor situation in a head-on collision, resorting to strike-breakers, Pinkertons, the armed forces and the state machinery to crush strikes. The blood letting and the killing could have been averted if they could have had the advertising school of economics. All they had to do was grant the increase and then raise the price of steel and presto no class war, no expensive Pinkertons, no bribing of the judiciary and the heads of state.

Marx spent a lifetime, 20 years alone in pouring over heavy tomes in the British Museum, in an attempt to understand the laws of value and price. Years were spent by Mills, Ricardo and a host of others in trying to solve economic laws. But the bright boys of Madison Avenue go in a huddle and by the time they down two Martinis and before they consume the olives, they come up with a school of economics that the steel operators are willing to spend millions to spread before the public in the press and magazines.

This school of economics can be understood by all.

1. The nasty selfish unions, always inconsiderate, demand increased wages.
2. The steel magnates, who are helpless, concede.
3. Due to this increase in wages, they raise the price of steel.

That is all there is to it. We now have a new gimmick. That new gimmick is that employers possess the power to increase prices at will. It is only their concern with the needs of the public, their religious and moral training that deter them from raising prices at other times.

For years we were told that to be successful in business, one must not be squeamish about destroying your competitor or introducing new labor saving devices that eliminate help that have been with us for years. Your main concern as a business man is profits and more profits. No board of directors would tolerate any official that would pass up an opportunity to increase profits. Can we swallow this Madison Ave. school of economics that implies that the employer possesses the power to raise prices, thus raising profits and increasing dividends but does not do so unless compelled by a wage increase?

The 14 and 16 hour day of the early 19th century, the 10 hour day of 6 to 10 year old children, the 12 hour day and 7 day week in steel only a few years back were maintained by the capitalist class for no other reason but that they were unwilling to make the general public suffer by increasing prices at will and thereby making necessary this black period of capitalism.

What really happens in the world of commodity production where goods are made and sold for profit? We find that commodities exchange on the basis of their value. A piece of steel, a pair of shoes, a number of yards of linen, will exchange with a piece of gold providing that they all embody the same amount of socially necessary labor time. There are periods when market conditions cause prices to fluctuate, sometimes below, sometimes above value. However within a period of time, in a decade or so, commodities will and do exchange on the basis of value. To envision a society where prices are the reflection of men's wills is ridiculous. Were they able to raise prices, they would do so, strike or no strike. The power to raise prices is accidental. A temporary monopoly can do so. Monopolies can and do destroy the goose that lays the golden eggs by encouraging substitutes. At the termination of the strike, the head of U S Steel announced, "that no rise in prices in the near future is contemplated."

May I suggest that the increased use of aluminum, glass, plastics, and various light metals, coupled with the flow of steel from Canada, India, and far off South Africa, as well as Belgium and other steel producing centers, act as a preventive to price raising. The New York Times, Jan. 7, 1960, reports that the outstanding 100% American business organization, the Standard Oil Co. of New Jersey of which that loyal patriot, Gov. Rockefeller, is one of the largest stockholders, has placed an order for 25,000 tons of steel pipe with the South Durham Steel Co. of Great Britain. This amounts to $4,000,000. The same paper on the same day reports that for the first eleven months of 1959, imports into the U.S. were 3,850,000 tons, more than twice the figure for all of 1958.

The Marxian school of economics will be around for honest students to understand the workings of commodity production long after the Madison Ave. school of economics is gone and forgotten.

Meanwhile the steel union has achieved a notable victory. How long they will be able to enjoy the fruits of their struggles, we do not know. But automation slowly but surely will whittle away the gains of the workers. Automation will decrease the number of jobs and the number of workers needed to produce steel. This is inevitable. The workers in all industries, though they are compelled to carry on their struggles against the encroachments of the capitalist class, will some day heed the message of the socialists and realize that what they are engaged in is a guerilla war against the effects of capitalism. What they will have to do is to organize politically and consciously on socialist lines to wrest industry from the capitalist class, and replace production for profit with production for use.

Marxism for one thing, gives us the key to rising prices, which does not lie in men's will, but in a general market condition. Since the end of World War II when millions of dollars of property were destroyed daily in that war, we find a crying need to replace what was destroyed. Preparations for the 3rd world war and the changing value of gold have also caused prices to rise. The introduction of the cyanide process of extracting gold, new gold fields in So. Africa, the Lena River in Siberia, etc. have decreased the value of gold with the resultant increase in prices that follows the lowering in gold's value.

Placing the rise in commodity prices at labor's door is capitalist propaganda. The lesson to be learned is that the workers wage war and sometimes score victories on the economic front. The final battle must be won in the field of political action.

S. O.

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