

LABOR PARADISE LOST
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On New Year's Day, 1966, handsome, debonair, WASP John Lindsay took over as mayor of New York City, and the city shut down. Crude, Irish Michael Quill, head of the Transport Workers Union of America called a strike of the subway and bus drivers. Over the next three years, paralyzing strikes by teachers and garbage collectors brought the city to its knees while the unions, at the peak of their post World War II power, garnered lavish contracts.

Then, labor began to slip in its eternal conflict with management (usually backed by government). The International Longshoremen's Association had grown so obstructive and costly that shipping magnates relocated and containerized. Unionized garment workers, certain that their cushy jobs were "sewn up", saw instead their jobs and factories flee to the non-unionized South before vanishing overseas. Then, in 1981, President Reagan crushed the Air Traffic Controllers strike – the ultimate harbinger of the incipient decline of the American worker.

America's workers and middle class had had their 35 year run. Now it was time for management to pull in the reins. Efficiency was ramped up, aided by technological innovations that not only created excess societal wealth but facilitated techniques such as tracking workers' every moment to squeeze from them the greatest amount of labor with the least waste. So, while Wall Street Bond Traders played Liar's Poker and CEO's siphoned growing corporate revenues to their own pockets, downsizing and outsourcing humbled and terrorized workers. Thus, there arose an astounding disparity of wealth in the good old USA, which has grown under every Administration since Reagan.

Scholars scratch their heads over exactly how and why this Labor Paradise was born and lost. The answers are not simple but there are several salient facts. First, in the wake of the Great Depression and World War II, when 50-80 million people were killed and many national infrastructures demolished, there was a shortage of American workers to fill the enormous global reconstruction needs and growing demand. For 30 years, any American who travelled overseas lived like royalty. But the global catch-up game provided cheaper labor and products at the expense of the American worker.

Simultaneously, the American workforce was bloated by the entrance of women, freed by the pill, African Americans released from "Jim Crow" laws, and Mexicans pouring over the borders, all while robots increasingly manned the assembly lines.

Supply vs. Demand reigns eternal. Workers became cheap, as too many competed for too few jobs, just as artisans had a century earlier. Watch out, you truck and taxi drivers – the good times for you are Über!

Now, as we reminisce, we ask, "Is Labor Paradise Lost forever? Can we retrieve it, and if so, how?" Where better to look for answers than from history!

Surely you will not be surprised to learn that our recently departed golden era of labor had a precedent, for indeed, “There is nothing new under the sun”. What was that other, older, rare, brief golden moment of labor? No, it was in neither Communist Russia nor Communist China, where institutionalized terror and centrally planned inefficiency paralyzed and impoverished the Proletariat. This earlier golden moment took place much earlier – during the final century of Europe’s Middle Ages, specifically, the generation following the Black Death.

The parallels of the two periods are striking. Medieval Europe’s economy and population had burgeoned up to a Zenith around 1300, much like the Roaring 20’s. Then, as during the Great Depression, climate degradation from 1310 to 1340 caused disastrous crop failures that led to famine and population decline. And, just as the Great Depression flowed into World War II, weakened medieval Europe was set up for the Black Death’s Anschluss.

Origins are hard to pin down. But good evidence points that flooding in China led to an outbreak of the Plague in 1331, which inexorably crossed Asia. By 1346 Plague struck a Mongol army besieging Feodosia on the Black Sea. The Mongols catapulted their comrades’ rotting plague-ridden corpses into the city. When some Genoese sailors escaped and landed in Sicily in October 1347, the Plague disembarked with them.

The Black Death swept away some 50% of Europe’s population, a catastrophe that dwarfed World War II, which claimed less than 10% of Europe’s populace. When the dust settled after 1350 (despite repeated lesser outbreaks of Plague) the Lords of the Manors could no longer keep their peasants tied to the land, while the Lords of Industry and Commerce could not find enough workers. So, despite hurriedly enacted labor-restricting laws, the pot for the workers was sweetened, and the laws eased. Furthermore, in the desperate attempt to fill the labor shortage, slaves were imported, much as we welcomed Mexican workers to work our fields.

Medieval Europe’s population rebounded rapidly. The survivors reveled through a time of unrivalled hedonism, launching a baby boom, just as returning American GI’s helped do following World War II.

The Medieval Labor Paradise lasted a little over 30 years, just as after World War II, for the forces opposing labor never rest. The worker shortage spurred extraordinary innovation that led directly to the Renaissance and the Scientific and Technological Revolutions, just as World War II launched the Atomic Age, the Computer Age and the Green Revolution.

Ultimately, the ruling classes prevailed. As with the Air Traffic Controllers’ strike, England’s Great Revolt of 1381 might be taken as the capstone of labor’s struggle for ascendancy. Its ruthless suppression signaled a Labor Paradise Lost.

Will we live to see Labor Paradise Regained? Again, the story is complex, but history says, “Not so easy”. First, scientific and technological advances slowly and surely lift living standards and life spans, even of the masses it displaces. Second, Adam Smith, Malthus, and Darwin teach us that political and economic power almost always remains concentrated in the hands of the 0.1%.

Third, the only scenario that has ever pried open Labor Paradise's brief window has been a cataclysm. I don't think the world needs another!