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# European Labor Aristocracies

Trade Unionism, the Hierarchy of Skill, and the  
Stratification of the Manual Working Class before  
the First World War

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# Chapter 10

## Labor Aristocracies in other European Countries

The authors who have confirmed the presence of national labor aristocracies in the less industrialized countries of Europe (1) may be classified under two headings: 1. non-Marxist scholars who identify labor aristocrats almost exclusively by their above-average standards of living; and 2. Leninists, who trace the corruption of certain working class strata back to a bourgeois strategy of divide-and-conquer based on colonial or imperialist "super-profits."

The first group is typified by Robert Michels who posited that, "The worker's ultimate goal is to rise into the petty bourgeoisie" or rather "to live like the petty bourgeoisie" while remaining a manual worker. (2) Although this alleged goal may seem innocent enough in itself when identified with the desire for "a better and more carefree existence" of organized workers as a class, (3) it is, according to Michels, a function of the "need for differentiation" among workers which is, on the objective side, encouraged by the production system in modern industrial plants. (4) Drawing on examples from the trade union movement in England, Germany, France, Belgium, Holland, Italy and the United States, (5) Michels asserts categorically that:

The aristocratic elements of the working class, the best paid, those who approximate most closely to the bourgeoisie, pursue tactics of their own. ... Working-class history abounds in examples showing how certain fractions or categories of the proletariat have, under the influence of interests peculiar to their own sub-class, detached themselves from the great army of labour and made common cause with the bourgeoisie. (6)

Although no societally relevant sections of the organized French or German working classes collaborated with the bourgeoisie prior to World War I--and collaboration during that war encompassed the entire national working class--, and although the English labor aristocracy became increasingly integrated into the aggregate working class once its separate interests

and special position began to disintegrate, Michels insists on the emerging bifurcation of the proletariat.

In the womb of the fourth estate the fifth is already stirring. One of the most crucial dangers for Socialism consists in the ... hypothesis that gradually a series of strata of the working class, by means of the joint action of the general increase of social wealth in union with the most energetic efforts of the workers to elevate their class position, attains a pinnacle on which the workers will, to be sure, not lose the general human feeling of never having enough ..., on which however they will become bourgeoisified and contented to the extent that the ardent longing of the masses, which was born of deprivation, for a fundamentally different social system gradually becomes foreign to them. (7)

To the extent that this analysis has proved to be accurate, it has not been with regard to a privileged minority of the working class but rather to the organized working classes as a whole in their manifest political behavior. Thus even on the level of the seemingly plausible relationship between economic improvement and reformism, Michels' generalization appears unwarranted.

A labor aristocracy may, as already noted, arise under specific historical conditions of internal uneven development in which the manual working class becomes highly differentiated in the process of production and segmented into strata experiencing disparate working and living conditions. A modern labor aristocracy, however, further requires a national organization of bargaining agents on behalf of the owners of skilled labor power within a general political framework that would permit and/or enforce the stratified distribution of democratic rights within the proletariat. Although these conditions restrict the phenomenon of a labor aristocracy to countries undergoing capitalist industrialization and characterized by national trade unions, they admit the possibility of the formation of a labor aristocracy in countries other than the most highly developed capitalist ones. (8)

It is possible, for example, to point to the Scandinavian countries for instances of manifest organizational divisions within the working class. The fact that the skilled in Denmark before World War I exhibited little interest in organizing the unskilled derived in part from and, in turn, reinforced the social barriers between the two groups. (9) In Sweden, too, the unskilled in the building trades were forced to form their own union (in 1891) because the unions of the unskilled refused

to admit them. (10) Yet in both countries the unskilled became significant forces within the trade union movement. In Denmark their general union soon became the largest in the country, representing, by 1900, almost three-tenths of all unionists and attaining a membership almost four times as large as the next largest union. (11) The unskilled workers of the Swedish building trades expanded to include the unskilled of other branches, thereby becoming a major organization. (12) The fact, however, that an extraordinarily high percentage of the--relatively small number of--industrial workers in these countries belonged to trade unions (13) virtually precluded the possibility of the rise of a semi-autonomous proletarian political elite. If the trade union movements in Scandinavia, which were even more closely associated with the Social Democratic Party than was the case in Germany, proved to be reformist, then this tendency applied to the movement as a whole and was neither restricted to nor borne exclusively by a minority of better-paid workers. (14)

There are few countries for which systematic studies have uncovered labor aristocracies with a long-term continuity of aggregate societal relevance. In Switzerland, workers in Geneva were divided in the 1860s into two groups typified by: watchmakers, who were skilled, Swiss citizens with political rights and relatively high standards of living; and construction workers on large projects, who were largely low-paid foreigners without political rights. (15) Whereas the former, who considered themselves aristocrats within the working class, (16) were "for the most part satisfied with their lot" and believed they had "nothing to gain by the social revolution," the latter did not see any means of leaving their poverty "than a social revolution involving the complete and collective emancipation of all workers." (17) But in connection with capital-labor conflicts in the Geneva construction industry between 1868 and 1870 (18) the watchmakers became involved in the aggregate workers' movement so that Marx entered into a tactical alliance with them in order to combat Bakunin's influence in Switzerland. (19) Apart from episodic phenomena, the labor aristocracy does not appear to have asserted itself in pre-World War I Switzerland. (20)

In Italy, the existence of large wage differentials (21) and an "internal colony" in the South (22) proved, even in the presence of paternalistic attempts by employers to create localized labor aristocracies, (23) insufficient to transform the organized skilled into a labor aristocracy. (24) The unreservedly repressive policies of the state and of employers toward working class organizations exerted a unifying influence on the Italian proletariat that partly compensated for the

divisive impact of the North-South regional bifurcation on the occupational and skill structure as well as on the working and living conditions of the working class. (25)

In Austria-Hungary the dimension of ethnic fragmentation was superimposed on regional segmentation. (26) Although the German speaking workers of Lower Austria and Bohemia have been characterized as labor aristocrats on the basis of their domination of the skilled occupations and of their higher standards of living, (27) the separatist German nationalist movement in Bohemia and Moravia refrained from making common cause with employers in spite of their diatribes aimed at ethnic Slavs who, in their view, were being employed by (German-speaking) capitalists to lower prevailing wage levels by threatening traditional standards. (28) Despite the fact that Czech nationalist groups also avoided alliances with employers' associations, Austria-Hungary (29) may offer the example of a capitalist class that enjoyed the benefits of a disunited working class without having had to distribute "crumbs" to either of the latter's factions. (30)

The primary weakness of Lenin's explanation of reformism consists in its lack of mediations. (31) For even if his description of the economic mechanism channeling colonial or imperialist "super-profits" to a restricted stratum of or to an entire national working class were accepted as theoretically sound, (32) the links Lenin analytically forged to a corresponding labor aristocratic consciousness were no stronger than those sketched in Hobson's supra-historical view of the use to which economic parasitism had always put colonies--namely, as a type of bread and circuses to "bribe its lower classes into acquiescence." (33) And even if this connection were granted, Lenin provided no reasonable let alone rigorous explanation of how this numerically small upper stratum of the working class was able to majoritize the entire class. (34)

This almost exclusive reliance on factors related to the world market (35) has meant that Leninist writers have found it difficult to account for the appearance of labor aristocratic tendencies in countries that possessed no colonial or imperialist advantages to fall back on as a "bribery fund." In the case of a recent study of the Russian working class, this difficulty is avoided at the price of voluntaristically overthrowing Lenin's entire conceptual structure: in order to explain why metal workers in St. Petersburg, who received high wages from firms realizing monopolistically high profits, were not labor aristocrats but, rather, members of the revolutionary vanguard, a Soviet scholar reverts to the argument that these high wages did not

represent a bribe but, rather, compensated the skill and intensity of labor associated with the work. (36) Although this argument may be correct, it offers no general method of mediating economic and sociopolitical factors. (37)

It is almost axiomatic that a Leninist study of a country as backward as capitalist Bulgaria concludes that the labor aristocracy was of little significance. (38) Analogously, writers in the Leninist tradition trace the rise of a Swedish labor aristocracy to the transformation of Sweden's trade and capital position in connection with World War I, despite the fact that the Swedish labor movement had been reformist earlier as well. (39)

In summary, then, few studies have demonstrated the existence of a long-lived, politically relevant labor aristocracy outside of the major capitalist nations of Europe prior to World War I. Although reformist tendencies prevailed in several countries (such as Denmark and Sweden), the progressive role assumed by the upper stratum of the working class differed so sharply from that of the conservative English labor aristocracy that application of the same concept to both phenomena becomes misleading if not false. In several other instances, moreover, no proof was forthcoming that laboristic reformism owed more to the attitudes of the economically privileged strata than to those of the working class as a whole.

### **Appendix. South Africa: A Racial Aristocracy of Labor?**

The example of an economically, politically and socially privileged sector of workers in South Africa raises claims to particular analytic interest in consequence of the extraordinary clarity that appears to surround the issue of a labor aristocracy in that country. Thus even those who consider the notion otherwise "politically and intellectually suspect," perceive the unique possibility of demonstrating "scientifically the existence of an authentic labour aristocracy." (40)

Yet in spite of the obvious advantages accruing to white workers, the racial dimension brings into focus an important political and theoretical question that is more difficult to resolve in other contexts--namely, what are the advantages accruing to the capitalist class? An examination of this issue will also contribute to an understanding of the effects of a labor aristocracy on the stability of a national capitalist mode of production as well as to that of the nature of the subjective mediations

acting on the agents of the ruling class in motivating the latter to adopt a labor aristocratic strategy of industrial relations.

The issue of the conscious structuring of aggregate class relations assumed a different character in South Africa in the late nineteenth and early twentieth century from that which had been familiar from the European capitalist countries. Whereas the spontaneous dynamic of capital accumulation in Europe, based on a prior accumulation that had created a property-less proletariat, had sufficed to reproduce its necessary exploitable human material and to render general labor recruitment superfluous, a decision had to be made in South Africa whether to encourage the immigration of white Europeans, to recruit low-wage Asians or, finally, to devise methods to diminish the native "Africans' high 'leisure preference.'" (41) In contrast, the historical conditions underlying the formation of another white settler colony, Australia, created a radically different class constellation: given the absence of a large aboriginal population and the relatively free access to land, capitalist class formation in the sense "that a larger group of identical people was exploited for a whole lifetime by another group of identical people" (42) was delayed until the twentieth century. The absence of a large aboriginal population, whose destruction or expropriation might have created strong ties between workers and capitalists/landowners, as well as the antagonisms between the largely convict immigrant population and the ruling classes (43) did lead to the emergence of a militant labor movement which, favored by the high costs of immigration and the lack of large-scale industry, was able to thwart attempts by employers to organize mass immigration. (44) A third type of English settler colony, the United States, was marked by a two-fold labor recruitment policy: after the Civil War in principle released black slave labor for industrial capitalist exploitation, mass immigration of Irish and non-English speaking Europeans was systematically encouraged.

This tripartite division of the working class in the United States (i.e., ex-slaves, immigrants and whites of longer residence) reintroduces the question of the factors motivating capitalist labor strategy. (45) Why did the capitalist class--to the extent that an aggregate policy emerged from the needs of individual capitals--opt for one source of labor rather than for another? More specifically: did factors other than the lowest possible wage level and the greatest possible immediate profit enter into the formulation of a labor policy?

Some authors deny that extra-economic factors have played a part in capitalist motivations. One sociologist, for example,

in opposing the view that capitalists play off various fractions of the working class against one another, insists that the former prefer laissez faire on the labor market while any politically motivated decisions result from employers' having yielded to a labor aristocracy "under duress." (46) According to this view, the alleged capitalist tactic of divide-and-rule implies that capitalists pay one group more than they must, an approach "which would only be rational if paying more to one group enabled them to pay another substantially less. Capital would have to be 'bribing' white labor to help keep black labor cheap." (47)

Although it may be true, in terms of supply and demand on the labor market, that restriction of blacks (or of any other proletarian grouping) to certain departments of the division of labor may in fact exert downward pressure on the wage level of this grouping, such an empirical objection does not form the principal weakness of the aforementioned view. Rather, it is defective because it assumes that which is to be demonstrated--namely, that immediate economic considerations are the only relevant ones to capitalists. It fails, moreover, to distinguish between two possible and not necessarily mutually exclusive strategies: 1. an otherwise disadvantaged group is favored in order to undermine the power of a labor aristocracy; and 2. a labor aristocracy is encouraged or tolerated in order to forestall the organization of the mass of the working class. (48) Both approaches were adopted in South Africa--simultaneously and as historical alternatives.

Hannah Arendt's vision "of a phenomenon that occurs whenever the mob becomes the dominant factor in the alliance between mob and capital" (49) takes to its logical conclusion the aforementioned denial that capitalist labor policies incorporate extra-economic goals. By assuming the working class to be the subject rather than the object of social change, Arendt can ascribe to it--rather than to the capitalist class--the practical insight

that profit motives are not holy and can be overruled, that societies can function according to principles other than economic, and that such circumstances may favor these who under conditions of rationalized production and the capitalist system would belong to the underprivileged. South Africa's race society taught the mob the great lesson of which it had always had a confused premonition, that through sheer violence an underprivileged group could create a class lower than itself, that for this purpose it did not even need a revolution but could band together with groups of the ruling classes. ... (50)

Yet even Arendt is constrained to introduce a major economic element by conceding that, "Imperialism ... was willing to abandon the so-called laws of capitalist production ... so long as profits from specific investments were safe." (51)

Although there were doubtless numerous instances of wage structures that encroached upon normal profits and that only with violence could be covered by Marx's notion of the "moral" component of the value of labor power; (52) and although the racist ideological aspects of imperialism that Arendt analyzes should not be underestimated, (53) capitalist acquiescence in many of the demands by white labor for discriminatory labor market policies must also be seen as part of a long-term strategy to maintain capitalism in South Africa altogether.

In this connection it is crucial to distinguish between the political-economic situation in South Africa in the late nineteenth and early twentieth century on the one hand and that emerging during the post-World War II period. During the latter period the expansion of capital in South Africa became incompatible with the continued exclusion of the native African population from occupations previously reserved for whites; at the same time the joint effect of the increased urbanization of the black population (which was accompanied by an increase in the cost of living) and of growing political instability rendered a narrowing of wage differentials between blacks and whites inevitable. (54) During the earlier period a different constellation of forces obtained. Although diamond mining required little skill at first, as more scientific methods of exploitation were introduced in the 1880s, skilled miners had to be imported, chiefly from Britain, since there was a general lack of qualified labor in South Africa. (55) At the outset the relationship between the skilled whites and the unskilled blacks bore some resemblance to that between labor aristocrats and the unskilled in England in respect of the underlying economic mechanisms; (56) but as non-whites gradually acquired the experience and skill required for certain occupations, and as increased numbers of Afrikaaners became supernumerary in the agricultural sector and thus began to seek jobs as unskilled laborers in urban areas which had theretofore been performed by native Africans, certain groups of Europeans developed a "sectional interest ... to exclude Native competitors." (57)

Competition with blacks--whether for skilled or unskilled positions--meant not only reduced employment opportunities for whites but also an inevitable reduction in white wage levels. The latter resulted not only from the altered configurations of supply and demand but also from the vast gap in the prevailing standards of living between whites and blacks. If white workers'

high wages were in some measure a function of black workers' low wages, then even a radically egalitarian and anti-racist trade union policy on the part of the white proletariat could not have avoided the eventual reduction of the white wage level. Under these circumstances the racist ideological superstructure had "reacted back" onto and become integrated into the material base to such a degree that abandonment by white workers of their exclusionary policies toward non-white workers would have been visionary. In point of fact, white workers tended to perceive moves by employers to introduce non-whites in much the same manner in which militant trade unionists throughout the world viewed entrepreneurial tactics that resulted in a deterioration of working and living conditions. (58)

Although attempts by capitalists to employ larger numbers of native black and imported Asian laborers were in part stymied by "the collective strength of white miners," (59) whom it was consequently necessary to "placate," (60) the ruling class was neither indifferent nor hostile to the formation of a white labor aristocracy. Alfred Milner, the British High Commissioner for South Africa, who was instrumental in importing Asian laborers to the mines at the conclusion of the Boer War, expressed the concerns of that class with great clarity. Although the decision to import laborers was dictated largely by the requirements of profitability, (61) Milner, as a representative of the dominant British capitalist class, was acutely aware of the dangers to his class that would have resulted from the increased cohesiveness of the white working class that the movement toward an all-white labor force would have generated. (62)

We do not want a white proletariat in this country. The position of the whites among the vastly more numerous black population requires that even their lowest ranks should be able to maintain a standard of living far above that of the poorest section of the population of a purely white country. (63)

Milner therefore planned to shift whites out of mining and into what he considered more permanent employment. (64)

Paradoxically, then, capitalists were willing to implement white workers' demands to separate whites and non-whites by trade or industry, albeit for radically different reasons: whereas white workers feared that non-white competition would eventually depress their wages, employers feared that employing large numbers of non-whites in jobs also performed by whites would inevitably lead to "civilized" wages for non-whites and to either a more unified multiracial proletariat or potentially destabilizing

unrest on the part of the white working class. Hence the desire of employers to have mining stamped as low-paid, non-white work, with whites performing almost exclusively supervisory tasks. (65)

General Smuts, the South African Premier during much of the post-World War I period, conceptualized the dilemma confronting South African capital during a parliamentary debate of a minimum wage bill. (66)

Our wages paid to skilled workers in South Africa are far in excess of what are paid in any other country, except America, and we were able to do it because we paid the black man such a low wage. The native only receiving two shillings a day we could afford to pay 20s. to the white man and more. ... Supposing a black man in future is not paid 2s. but the civilized wage of 5s. ... Can we, after that, continue to pay the skilled man 20s or 25s.? Naturally that man's pay must come down. There will not be enough to go round and keep the industries going. ... (67)

This view would suggest that white workers and white employers, as classes on the aggregate societal level, not only shared in but also vied for the exploitation of non-white workers. That is to say, apart from any gains stemming from firm-level co-exploitation or subcontracting, the entire economic chain regulating prices of production, aggregate redistribution of surplus value qua profit and wages must have been so structured as to insure white workers a share of the surplus labor expended by black workers regardless of whether specific whites worked in branches or firms employing non-whites. (68)

Marxist and non-Marxist scholars alike have argued along these lines. Among the latter, Doxey has promoted this view forcefully by pointing to "an 'inner' privileged society," which has been "subsidized by surpluses created by the low-paid non-whites." (69)

With a national income per capita only a fraction of that of Canada, the United States and Australia, white workers in South Africa have been able to command incomes almost on a par with those received by workers in those countries. (70)

On the assumption that differences in skill level and/or intensity of labor between white and non-white workers alone cannot account for wage differentials, the foregoing argument appears logically unassailable. The same validity attaches to a recent attempt to demonstrate quantitatively that white workers have been sharing in the surplus value produced by black workers. (71)

It is simplistic, however, to present the complex socio-economic and political-economic causality underlying the formation of the South African labor aristocracy as the economic pay-off to the latter "in return" for its "political support for the State." (72) For historically it was not the capitalist class that initially solicited political allegiance from the white working class in exchange for European-level wages, but rather the white proletariat that insisted on such wages and contributed to the election of a Boer government (i.e., one not controlled by the economically dominant British capitalist class) that, over the years, induced and compelled employers to discriminate against blacks and Asians. (73)

Capitalist acquiescence was a function not only of the pressure exerted by the Boers and the white working class, but also of the lack of a feasible alternative. Skilled workers had to be imported during the nineteenth century; even if the inclination had been present, it would not have been possible to train black workers quickly enough. But white workers from Europe could not have been paid less than they had been accustomed to in their countries of origins, for otherwise they would have been unwilling to emigrate. Similarly, once employed, these workers would scarcely have permitted capitalists to reduce their wages to near-African levels. If they had chosen to resist by recourse to arms, the employing class might have had no alternative to arming a black labor aristocracy--a very unlikely strategy. The capitalists had, in other words, to become reconciled to the long-term presence of a white working class whose wages would in part represent a drag on profits extracted from black labor. But given this enormous source of exploitation and the nearly monopolistic control of world diamond and gold output, (74) the joint appropriation of surplus value did not result in rates of profit below those obtained elsewhere in the capitalist world. (75)

The fact that South African capitalists had at their disposal the world market-mediated wherewithal to meet white workers' demands for Lenin-like crumbs and even whole loaves, provided the objective economic basis for the "alliance" between white workers and capitalists. That this cooperation did not come about solely as a result of pressure from the former may also be conjectured on the basis of the need British capitalists had for the presence of a white working class as a buffer between it and the mass of the non-white proletariat. White proletarians served, moreover, as a alibi for the bourgeoisie by destroying the perfect overlap between class and race. (76)