



Philipp Reick

“LABOR IS NOT A COMMODITY!”

*The Movement to Shorten the Workday
in Late Nineteenth-Century Berlin and New York*

“Labor is not a Commodity!”

North American Studies

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Jerusalem,
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Preface

The past three decades have witnessed an astonishing rebirth of market liberalism. Although it is hardly conceivable for present-day observers, the demand to deregulate markets revolutionized established notions of economic stability and social progress. After all, markets had been anything but free for decades. During Keynesian postwar prosperity, European and North American markets were embedded in a complex system of democratically legitimized control. Labor markets were regulated by protective legislation and strong welfare states; real-estate markets were restricted by public-housing programs; currency markets were governed by an international system of fixed exchange rates. Yet the paradigm of regulated markets dissolved quickly in the late 1970s due to its apparent inability to address the era's major challenge of *stagflation*. Heavily indebted to the liberal legacy of the nineteenth century, the neoliberal turn of the 1980s thus ended the *intermezzo* of market regulation. While this free-market renaissance was largely conceived of in the centers of political power across Western Europe and the US, its message was never confined to these regions. From Latin America in the 1980s to the disintegrating Soviet Union in the early 1990s to South East Asia at the turn of the century, the demand to free markets from extra-economic control defined the structural adjustments that transformed the various local, national, and inter-regional economies. Promoted by Western governments and administered as well as sanctioned by powerful international institutions, the free-market creed quickly developed into a global reality. In so doing, it gained center stage in political discourse. Following the transformation of the US subprime mortgage crisis into global financial turmoil, the free-market paradigm tightened its already firm grip as severe budget cuts were implemented in order to restore the confidence of markets. According to then Prime Minister David Cameron, the 2010s thus heralded a new "Decade of Austerity" in the international political economy. And the

lesson this decade had to teach was clear: The trust of markets would not be won easily.¹

Given what Thomas Piketty termed the “sacralization of the market” in today’s politics and economics, it is hardly surprising that current social opposition focuses on the notion of self-regulating markets as well.² When on May 15, 2011, hundreds of thousands of protesters took to the streets across Spain in what has become known the *Movimiento 15 de Mayo*, they did so under the unifying and programmatic slogan: “We are not commodities in the hands of politicians and bankers!”³ What unites much of present-day protest is the conviction that humans differ essentially from market commodities, and therefore should not be exposed defenselessly to unregulated labor, housing, or currency markets. Rather, societies are expected to provide some means of protection against the intrusion of powerful markets. What the protesters call for is a de-commodification of social relations, which would in turn foster the well-being of all—or at least “the 99%”—instead of promote the interests of the few. From Occupy Wall Street in New York to the *Geração à Rasca* in Lisbon and the *Indignados* in Madrid and Athens, these movements embrace the idea that the unregulated commodification of natural entities (such as land or genes) and human interaction (such as public

1 Hannah Kuchler, “Cameron Warns of Decade of Austerity,” *Financial Times online*, 19 July 2012, <http://on.ft.com/Malp18>. From Ireland to Spain, from Greece to the US, cuts are regularly sold as “painful” but “necessary” means for economic recovery and market reassurance; see “Herrera cree que el nuevo ajuste ‘produce dolor’ pero lo ve necesario,” *ABC online*, 11 July 2012, <http://www.abc.es/20120711/local-castilla-leon/abci-herrera-cree-necesario-tratamiento-201207111416.html>; “EU Austerity Drive Country by Country,” *BBC online*, 21 May 2012, <http://www.bbc.co.uk/news/10162176>; Alan Silverleib and Tom Cohen, “Democrats, Republicans Agree on a Budget Deal,” *CNN online*, 9 April 2011, <http://edition.cnn.com/2011/POLITICS/04/08/congress.budget>; “Zinsen steigen stark: Spanien sieht sich in äußerst heiklen Phase,” *FOCUS Online*, 24 April 2012, http://www.focus.de/finanzen/news/staatsverschuldung/zinsen-steigen-stark-spanien-sieht-sich-in-aeusserst-heiklen-phase_aid_742303.html; David McKittrick, “Ireland’s Austerity D-Day: How much Pain Can It Take?” *The Independent online*, 30 May 2012, <http://www.independent.co.uk/news/world/europe/irelands-austerity-d-day-how-much-pain-can-it-take-7800898.html>; “Remarks with Greek Foreign Minister Stavros Lambrinidis before Their Meeting,” *US Department of State*, 27 October 2011, <http://www.state.gov/secretary/20092013clinton/rm/2011/10/176305.htm> (all accessed 7 August 2016).

2 Piketty, “Das Ende des Kapitalismus,” 48.

3 This is the official slogan of “Real Democracy Now,” one of the most visible groups in the mobilization of protests in 2011; see “¡Democracia Real YA! ¡No Somos Mercancía en Manos de Políticos y Banqueros!” <http://www.democraciarealya.es/> (accessed 7 August 2016).

health or higher education) threatens the democratic constitution and very existence of their respective communities.

Yet the phenomenon of commodification not only constitutes a central element in present-day economics and social-movement rhetoric, it also provides an important analytical category for the social sciences that study these movements.⁴ Social historiography, in contrast, has all but neglected the impact of commodification on the emergence of past social movements. This disregard is especially puzzling for a period that gave birth to the first generation of laborers whose life and work were fully determined by market relations. While the rise of organized labor in the nineteenth century has produced an enormous wealth of historical scholarship, the role that the phenomenon of commodification played in this process has been largely ignored by Marxist and non-Marxist historiography alike. In the first chapters of *Das Kapital*, Marx created a captivating tension that seemingly had to erupt in the complex relation between sellers and buyers. Yet, Marx argued with evident delight, surplus value could not be generated through the exchange of equivalents. He thus took the reader by the hand and led her into the dark halls of capitalist production, away from the apparently meaningless sphere of circulation.⁵ Largely following this logic, Marxist historiography has concentrated on the sphere of production as the intrinsic site of exploitation. As much as Marx's notion of commodity fetishism has influenced politico-philosophical ideas about the reification of social relations, it has hardly affected the historiography of organized labor and working-class movements.⁶

But Marxist historians have not been alone in neglecting this question. Specializing in the history of particular sectors and individual corporations or focusing on questions of political participation and social mobility, non-Marxist historiography of nineteenth-century market relations has largely

4 Commodification (and de-commodification) occupy a prominent place in different fields of social-movement research. For housing movements, see Holm and Kühberger (eds.), *Wohnraum ist keine Ware*; Pattillo, "Housing: Commodity versus Right;" Marcuse, "The Housing Change We Need." For environmental movements, see Halbert, "Resistance Is Fertile." For discussions about the ambiguity of female labor commodification and de-commodification, see Fraser, "Feminism, Capitalism and the Cunning of History;" Federici, *Revolution at Point Zero*. For a discussion about the impact of commodification on the discipline of sociology in general, see Burawoy, "Public Sociology vs. the Market."

5 Marx, *Das Kapital* I, 190–191.

6 Cf. Welskopp, "Markt und Klasse." For the philosophical classic on the concept of commodification and consciousness, see Lukács, *Geschichte und Klassenbewusstsein*, 170–355. For a more recent discussion, see Honneth, *Reification*.

focused on consumption, finance, or services.⁷ The labor market has primarily attracted the interest of economic historians studying large-scale developments, such as wage or employment levels, or of political-institutional historians concentrating on the emergence of welfare states and social security. As much as scholarly interest in the exchange of consumer goods, services, and ideas has thus grown over the past two decades, it has utterly neglected the impact that the commodification of labor had on the mindset of working people and their constitution as a social class.⁸ In fact, it is surprising how little influence the concept of commodification has had on the generation of social historians who came of intellectual age witnessing the fierce resistance of movements protesting the marketization of social relations and resources since the late 1980s. While these movements continue to oppose the global commodification of water, land, seeds, and emissions; while urban movements keep resisting the commodification of housing and infrastructure; while, in short, ideas about the *commoning* of public life experience a powerful revival, Social History still lacks an understanding of the role that the phenomenon of commodification played in the making of modern working classes.

Against this backdrop, Thomas Welskopp argues that social historiography has accepted too easily the notion that, from the early to mid-nineteenth century onwards, an increasingly homogenizing workforce resisted the spread of wage labor primarily because it opposed the expropriation of abstract labor power. In his comprehensive study of early German social-democracy, Welskopp shows that well into the 1870s, socialist workers, craftsmen, and intellectuals continued to reject the commodification of labor because it defied the prevalent equation of producerist independence and political participation. According to this interpretation, the commodification of labor and the spread of the free market jeopardized the worker's quest for political rights.⁹ Welskopp's contribution indicates that an analy-

7 Cf. Abelshausen, *Die BASF*; Baumann, *Von der Stahlhütte zum Verarbeitungskonzern*; Bodenhorn, *A History of Banking in Antebellum America*; Davis and Cull, *International Capital Markets*; Eichengreen, *Globalizing Capital*; Feldenkirchen, *Siemens*; Mizen (ed.), *Monetary History*.

8 Cf. Nolte, "Der Durchbruch der amerikanischen Marktgesellschaft;" Wilentz, "Society, Politics, and the Market Revolution."

9 Welskopp, *Das Banner der Brüderlichkeit*, 60–97; Welskopp, "Diktatur der Einsicht: Die SPD begeht ihren 140. Geburtstag," *Berliner Zeitung*, 23 May 2003. Paul Nolte highlights the fruitfulness of the concept of commodification for the historical study of nature and ecology; see Nolte, "Amerikanische Sozialgeschichte in der Erweiterung," 373.

sis of past struggles for de-commodification promises to reveal the diversity of social opposition in the past. On the other side of the Atlantic, New Labor Historians likewise draw attention to the nexus of the free-market paradigm and nineteenth-century labor opposition. In his celebrated book *Citizen Worker*, David Montgomery argues that the further the democratization of the American polity progressed, the more the economy was stripped of democratic control. In the second half of the century, organized labor succeeded in influencing local, state, and federal decision-making processes, yet workers also learned that the conditions under which they worked were increasingly exempt from democratic control and subjected to the supposedly immutable law of supply and demand. Thus the very egalitarian promises that American workers had been fighting for were increasingly jeopardized “by an emerging economic system propelled by the quest for private profits within the parameters set by market forces.”¹⁰

Inspired by these approaches, this study argues that resistance against commodification at the dawn of the Second Industrial Revolution was a central feature of working-class discourse that has nonetheless been widely ignored. Rather than investigating the notion of commodification from a purely theoretical perspective, this book asks what role the concept played in the formulation of workers’ demands. One of the key demands of organized labor in the second half of the nineteenth century was the introduction of a shorter working day. The following pages thus explore the ideas that shorter-hour activists in two centers of mid- to late nineteenth-century organized labor expressed vis-à-vis the commodification of work and the logic of markets. In so doing, this study reveals that the historical rhetoric and reality of free labor markets profoundly influenced protective struggles on both sides of the Atlantic. Assuming that such struggles did not necessarily promote the equal protection of all members of society, the book examines what the demand for protection from unregulated commodification meant for working women in Berlin and New York. In the 1860s and early 1870s, women were being drawn in large numbers to the labor markets of the two urban economies. Due to their peculiar political and social position, the protective notion of de-commodification could be both promising for and menacing to women’s struggles for participation and equality.

10 Montgomery, *Citizen Worker*, 2.

The book is divided into thematically distinct chapters. This arrangement caters to the respective wants of readers. Those less attracted by theoretical and methodological questions, for instance, may skip the Introduction; those particularly interested in the historical application of contemporary feminist theory may fast forward to Chapter 6; etc. The following provides a brief overview of each chapter. As indicated above, the Introduction provides a detailed discussion of theory and methods. Given its length and centrality, the Introduction is considered the first chapter of the study. Here, I define what exactly I mean by commodification, how I understand the relationship between commodification and the free market, why I assume that the historical shorter-hour struggle of the 1860s and early 1870s in fact qualifies as a de-commodifying movement, why I think that a comparison is helpful for analyzing the movement, why Berlin and New York City are appropriate places for comparative study, and, finally, why I focus on the few years between the end of the Civil War and the beginning of the Long Depression. The Introduction (or Chapter 1) is topped off with an overview of the current state of research and the primary sources used in this study.

Chapter 2 then provides the historical context out of which the shorter-hour struggle emerged. Portraying the rise of the free market as both an intellectual paradigm and an everyday reality, this chapter concentrates on the legislation that governed wage labor in mid-nineteenth-century Berlin and New York. In addition, Chapter 2 introduces the state of organized labor in the two cities at the end of the Civil War. In this chapter, the reader will find a comprehensive socio-economic comparison of the two cities, including their expanding worlds of working-class life and the organizations these worlds gave birth to.

Having provided the historical background, the following three chapters explore the rationale that fueled the shorter-hour movements of Berlin and New York. Rather than presenting a chronological account of the local movements, these chapters are organized along the different political, social, and economic spheres from which the respective movements derived legitimacy. Echoing Clifford Geertz, Ira Katznelson suggests that if we are prepared to see culture as “webs of significance,” then we might see that “these webs were spun by working people suspended between very hard and jagged economic, social, and political rocks.”¹¹ This study provides an interpretation of the webs that working people in Berlin and New York spun

11 Katznelson, “Working-Class Formation,” 22.

between those rocks. With a clear focus on the polity, Chapter 3 analyzes how the early workers' movement assessed the commodification of labor vis-à-vis claims to political participation. In so doing, this chapter reveals that shorter-hour activists feared the free market as a threat to civic rights and democratic sovereignty. Moving from polity to society, Chapter 4 explores how commodification jeopardized working-class notions of dignity, morality, and the historical evolution of social rights. This chapter thus studies the impact of commodification on what I call the social rationale of the shorter-hour demand. Investigating the economic arguments that were made in defense of this demand, Chapter 5 then discusses hopes for full employment, higher wages, and increased productivity. Concentrating on a dominant trade in the urban economy of the 1860s and early 1870s, this chapter is particularly interested in how the material work realities of construction workers influenced their analysis and forms of collective action. The construction workers' experience at the same time testifies to a striking departure from the anti-commodification rhetoric established so far.

In sum, Chapters 3 to 5 portray working-class claims towards their respective *polity*, *society*, and *economy*. Obviously any such categorization remains somewhat artificial. After all, economic demands clearly have a political meaning, just as political ideas are shaped by social convention. However, the separate focus on polity, society, and economy reveals that the discursive rationale differed profoundly depending on the respective sphere that workers addressed. As a consequence of this distinction, the three chapters give voice to different actors. Chapter 3 is dominated by skilled artisans and the respective political associations they established. In Chapter 4, we primarily meet socio-political protagonists such as the labor reformers and intellectuals who led the nascent socialist parties. Chapter 5 finally explores the local trade-union movement. The comparative analysis thereby shows that the same working-class activist could express very different ideas depending on whether he spoke as a representative of a political association or a local trade.

Having discussed the diversity of arguments by shorter-hour activists in Berlin and New York, Chapter 6 finally contrasts male perceptions with the experience of working women in the two cities. This chapter is particularly interested in working-class (male) opposition to the commodification of women's work and struggles for the protection of female labor. Rather than analyzing an independent proletarian women's movement—which, in any case, did not (re)emerge in Berlin and New York before the end of the cen-

ture—Chapter 6 focuses on the distinct argumentation for shorter male and female workdays.¹²

Each of the chapters is followed by a short chapter conclusion that, for reasons to be discussed in the Introduction, illustrates how the chapter’s findings add to discussions in contemporary social theory. The Conclusion provides an evaluation of the reasons that workers, activists, and reformers in Berlin’s and New York’s shorter-hour movements articulated with respect to the free market and the alleged special need for the protection of working women. In so doing, the Conclusion articulates the book’s historical-empirical contribution to contemporary debates on commodification and social protection.

As David Montgomery stated, *Citizen Worker* was heavily influenced by the international political developments of the early 1990s and the hegemonic equation of democracy with the free market. Montgomery wanted to understand how it came to be that the unregulated exchange of goods, labor, and land was identified with democratic sovereignty and how the state, despite being formally democratic, implemented what Ray Gunn has called the insulation of the economy from democratic control.¹³ Against the backdrop of neoliberal transformation, *Citizen Worker* revisited the birth of American labor in the mid-nineteenth century and asked how the free market managed to win the sole prerogative to determine production and the distribution of wealth. This book is likewise a child of its time. Indebted to the transnational expressions of opposition to the commodification of life that have erupted over the past two decades, the following pages explore how working people in two centers of nineteenth-century capitalism reacted to the commodification of their labor power and the paradigm of free markets. But rather than studying dominant liberal rhetoric or the evolution of discourse into policy, this book directs its attention to the ideas that evolved in opposition to the

12 By the late 1850s, working women had largely been driven out of New York City’s organized labor movement. According to Burrows and Wallace, it took decades for working women to rebuild a movement of their own; see Burrows and Wallace, *Gotham*, 802. Although working women in Berlin had made first attempts to organize in the early 1870s, it was not until the 1880s that a proletarian women’s movement gathered pace in the German capital. The lifting of the Anti-Socialist Law in 1890 further accelerated the growth of female working-class associations in Berlin. For the analysis of an eyewitness, see Berger, *Die zwanzigjährige Arbeiterinnen-Bewegung Berlins*. See also Evans, *The Feminists*, 159–160; Losseff-Tillmanns, *Frauenemanzipation und Gewerkschaften*, 66–87; Twellmann, *Die deutsche Frauenbewegung*, 166–172.

13 Montgomery, *Citizen Worker*, 2.

commodification of labor and the unregulated exchange of human labor power. In the nineteenth century, people brought forward a wide array of arguments against the paradigm of commodified social relations. At the same time, they developed alternative notions about what work, in both its abstract social and its concrete individual sense, could mean. In the early twenty-first century, people are still opposing the idea of commodified labor and the power of unfettered markets. They are well advised to listen to the hopes and aspirations, as well as the criticisms and reservations, voiced a century and a half ago.

1. Introduction: Theory and Methods

1.1. The Polanyian Revival

This study investigates how working people, social-democratic intellectuals, labor reformers, and trade unionists in Berlin and New York City framed their demand to shorten the workday in reaction to the commodifying pressures of urban labor markets in the late 1860s and early 1870s. Before approaching their movements and analyzing the ideas they expressed, the following pages introduce the methodology and research context of this study. First and foremost, they explore the theoretical framework this study draws upon, a framework that is currently undergoing a major revival. Some 70 years ago, in the midst of economic chaos and global war, the political economist and social theorist Karl Polanyi published his magnum opus, *The Great Transformation*. Analyzing the rise of the self-regulating market in the late eighteenth and nineteenth centuries, Polanyi argued that it required the unrestricted and free supply not only of conventional commodities, but of all factors of production. Therefore, these factors had to be transformed into commodities; they had to become “commodified.” To Polanyi, the commodification of labor, land, and money resulted from the fundamental transformation of the modern economy, which was caused by the massive introduction of machines. Large-scale mechanization became possible only through large-scale investments. For such investments to be profitable, it was vital that there were no supply shortages or any other interference that could disturb a steady production process. The machine had to be kept running. As a result, employers and investors cared little about religious observances, cultural practices, or physical constraints that would “de-commodify” the workforce on certain days of the week, during particular hours of the day, or even during entire periods of human existence, such as childhood or old age. Thus, an increasingly unrestricted market emerged that supplied not only goods, but also labor, land, and money. Since none of the

latter were explicitly produced for market circulation, Polanyi called these commodities “fictitious.” Its transformation from “natural entity” into “factor of production” thereby deprived the fictitious commodity of its earlier meaning.¹⁴ For the first time in human history, an economy arose that was split from society itself, epitomized by a supposedly self-regulating market that was “disembedded”, freed from extra-economic controls and governed immanently by supply and demand.”¹⁵ Commodities such as land and labor were no longer produced and consumed according to a mixture of economic, social, religious, cultural, and political needs, but simply bought and sold. The market system gave rise to a new form of society, a market society, which regarded the demands and necessities of the economy more highly than the needs of society itself. Polanyi thus revealed how the notion of commodification was expanded to areas that other epochs or cultures regarded as essentially non-economic, such as the human capacity to work. This expansion stands at the center of *The Great Transformation*.

But Polanyi not only provided an analysis of the underlying processes of this transformation; he also offered a framework for the study of the social forces that promoted and opposed this truly revolutionary idea. According to Polanyi, the market societies of the late eighteenth to the early twentieth centuries were torn apart by a “double movement” that increasingly destabilized their social foundations. On the one side, adherents of the free-market movement struggled for the elimination of any institution or legislation that obstructed the supposedly universal benefit of self-regulating markets. Labor markets, liberal employers argued, needed to be rid of relief regulations that hindered the full commodification of human work and thus jeopardized the supply of labor and thwarted the development of wages.¹⁶

14 Burawoy, “From Polanyi to Pollyanna,” 310.

15 Fraser, “Marketization, Social Protection, Emancipation,” 141.

16 For a discussion of the English Poor Law in general and the abolition of the Speenhamland system in particular, see Polanyi, *The Great Transformation*, 81–107. Implemented by English authorities, the Speenhamland system was an early welfare measure that supplemented the low wages of the needy poor. Speenhamland has become an epitome for regulatory efforts to address the pauperism triggered by the massive dispossession of the English peasantry. To the dismay of liberal thinkers like Jeremy Bentham, Speenhamland forestalled the emergence of a self-regulating labor market. Instead of being forced to sell their labor power on the free market, dispossessed peasants and day laborers could rely on sources derived from an extra-market institution. The abolition of Speenhamland, finally realized in 1834, had therefore long been a central demand of proponents of the self-regulating market. For a more recent discussion of Speenhamland and the commodification of labor, see Block and Somers, “In the Shadow of Speenhamland.”

Property markets, liberal thinkers maintained, were most effective when freed from tariffs, taxes, and any other regulation that interfered with the law of supply and demand. Currency markets, liberal financiers asserted, could only generate high rates of return if they were allowed to operate freely. In short, the liberal side of Polanyi's double movement insisted that only a self-regulating market would foster the “Wealth of Nations.” Yet on the other side of Polanyi's twofold movement, a heterogeneous force emerged that struggled to protect society against the intrusive demands of the market. The movement for social protection encompassed not only the nascent labor movement and its social and political organizations, but also the various conservative movements of the landed gentry who wished to see their property protected and political parties and prominent politicians like Disraeli or Bismarck who tried to mediate between market forces and the social fabric.¹⁷

Given the aforementioned centrality of the free-market paradigm in present-day politics and social opposition, the current Polanyian renaissance is hardly surprising. In his foreword to the 2001 edition of *The Great Transformation*, Nobel laureate in economics Joseph E. Stiglitz stresses that “it often seems as if Polanyi is speaking directly to present-day issues.”¹⁸ In the eyes of eminent sociologist Fred L. Block, it is therefore no wonder that *The Great Transformation* is, “after years of relative obscurity, [...] increasingly recognized as one of the major works of twentieth-century social science.”¹⁹ Together with his colleague Margaret R. Somers, Block highlights Polanyi's enduring legacy for social, political, and economic thought.²⁰ Focusing on resistance movements to neoliberal hegemony, political sociologist Peter Evans argues that a thorough re-evaluation of Polanyi constitutes “a natural starting point for anyone interested in counter-hegemonic globalization.”²¹ James Caporaso and Sidney Tarrow show that Polanyi is even useful for

17 Analyzing the social composition of the forces that welcomed or opposed the introduction of the English Ten-Hour-Bill, Friedrich Engels came to a similar conclusion; see Engels, “Die Englische Zehnstundenbill;” Engels, “Die Zehnstundenfrage.”

18 Polanyi, *The Great Transformation*, vii.

19 Block, “Karl Polanyi,” 275.

20 Block and Somers, *The Power of Market Fundamentalism*.

21 Evans, “Alternative Globalization,” 273. This contribution draws on his earlier critique of Polanyi's exclusive focus on local and national counter-movements. Contemporary social movements, Evans concludes, will have to organize and engage globally if they want to confront the hegemony of neoliberalism; see Evans, “Fighting Marginalization with Transnational Networks;” Evans, “Counter-Hegemonic Globalization.”