

"I searched and searched for Sam and the shop. My heart was swollen like a sponge with hate. I was ready to kill my cousin Sam.

"So one day I found him and the shop. I shouted at him, 'Thief, what have you done?' He laughed. He showed me a paper from a lawyer proving that the shop was his. All my work had been for nothing. It had only made Sam rich.

"What could I do? So in my hate I hit him with my fist, and made his nose bleed. He ran into the street yelling for a policeman. I ran after him with a stick, and beat him some more. But what good could it do? The shop was really his, and I was left a pauper.

"So now I work as a house painter. I work for another man, I am not my own master now. I am a man in a trap.

"But I am not defeated. I am a man with a strong will. . . . I am certain to be rich!"

QUESTIONS FOR READING AND DISCUSSION

1. Herman Gold decided to go to America "because of envy" of his cousin. What did Gold envy? Why?
2. What was the image of America among Gold's family and friends in Romania? On what was it based? How did that image shape Gold's experiences once he arrived in the United States? To what extent did living in America change that image for Gold and his Romanian family members?
3. In what ways did kinship and ethnicity influence Gold's expectations and experiences?
4. Did Gold become a success? Why or why not? Why did he believe that "I am certain to be rich"?

DOCUMENT 19-4

Labor Contractors and Italian Immigrants

In theory, tugges gave working people the freedom to decide whether or not to work at a certain job. If tugges were high enough, a worker took the job on the terms offered; if tugges were too low, a worker refused the job and went elsewhere for employment. In reality, tugges could restrict rather than expand workers' freedom, as illustrated by the following selection from a New York journalist's account of common labor practices by contractors who hired Italian immigrant laborers. The account spotlighted many differences between theories of free markets and free labor and the actual experiences of working-class Americans.

S. Merlino

Italian Immigrants and Their Enslavement, 1893

The Italian laborer does more than his share of work and receives less than his share of earnings; for as a matter of fact, the laws enacted with regard to this matter oppress the laborer and assist rather than hamper the contractor. Even supposing

that the contractor does not succeed in importing contract labor, he finds in the market a large number of men entirely at his mercy, with not even the weak support of a promise to defend themselves against his greed. The few dollars which the immigrant possesses on landing are skillfully taken out of his pocket by the hotel-keeper before the hotel-keeper gives him a chance to work. When he is reduced to absolute indigence, the lowest kind of work imaginable is offered him and he has to accept it. He walks through Mulberry Street and sees a crowd around a bar in a basement. He enters the basement and finds a man employing men for a company. He adds his name to the list without knowing anything about the work he will be called upon to do, or about the place where he is to be transported, or about the terms of his engagement. Perhaps, however, he passes a banker's establishment and stops to read on a paper displayed at the window a demand for two hundred laborers, supplemented with the significant assurance that the place of work is not far distant. He enters, enlists, takes his chances, and falls in the snare set for him.

I once witnessed the departure of a party of laborers and I shall never forget the sight. In foul Mulberry Street a half-dozen carts were being loaded with bundles of the poorest clothes and rags. One man after another brought his things; women and children lounged about, and the men gathered together in small groups, chattering about the work, their hopes, and their fears. For these men *feared*. They have heard of the deceit practised upon those who have preceded them and of their sufferings. Each man carried a tin box containing stale bread and pieces of loathsome cheese and sausage, his provision for the journey. Some had invested whatever money they had in buying more of such food, because, as they told me, everything was so much dearer at the contractor's store. The sausage, for instance, which, rotten as it was, cost them four cents a pound in New York, was sold for twenty cents a pound at the place of their work. Presently our conversation was interrupted by the appearance of the contractor; the groups dissolved, the men took leave of their wives and friends, kissed once more their children, and made a rush for the carts. Then the train started for the railroad station, where the laborers were to be taken to their unknown destination. Of course, this destination and the wages and the nature of the work have been agreed upon in some informal way. But the contract is a sham. I do not believe there is a single instance in which a contract was honestly fulfilled by the contractor. When we think of law-breakers we instinctively refer to the lowest classes. But the contractors are systematic law-breakers. As a rule, the laborer is faithful to the letter of his engagement, even when he feels wronged or deceived.

The contractor is sure to depart from the terms of the contract either as to wages, or hours of labor, or the very nature of the work. Contractors have been known to promise employment, to pocket their fees, and then to lead the men to lonely places and abandon them. Some employment agencies agree with the employers that the men shall be dismissed under pretext after a fortnight or two of work, in order that the agents may receive new fees from fresh recruits. As a rule, however, the men obtain more work than they want or can stand. The contractor, who has acted thus far as an employment agent, now assumes his real functions. Him alone the employer (a railroad or some other company) recognizes, and all wages are paid to him. He curtails these for his own benefit, first by ten or twenty per cent or more, and he retains another portion to reimburse himself for the money he has spent for railway fares and other items. Wages are generally paid at the end of the second fortnight; the first fortnight they remain unpaid till the end of the work, in guarantee of the fulfillment of the contract by the laborer. Meanwhile the

S. Merlino, "Italian Immigrants and Their Enslavement," *The Forum* (April 1893), 184-90.

men have to live, and to obtain food they increase their debt with the contractor, who keeps a "pluck-me-store," where the laborers are bound to purchase all their provisions, inclusive of the straw on which they sleep. The prices charged are from twenty-five to one hundred per cent and upward above the cost of the goods to the seller, and the quality is as bad as the price is high. At sunset the work ceases and the men retire to a shanty, very much like the steerage of a third-class emigrant ship, the men being packed together in unclean and narrow berths. The shanty is no shelter from wind or rain. Only recently the shanty where the Chicago National Gas-Pipe Company huddled its Italian workmen, near Logansport, Ind., was blown down by a wind-storm and several men were killed. Neither the number nor the names of the dead were known, as Italian laborers are designated only by figures.

The brutality of the contractors toward their subjects baffles description. The contractor is a strongly-built, powerful man; he has acquired the habit of command, is well armed, protected by the authorities, supported by such of his employees as he chooses to favor, and, sad to say, by the people, who are hostile to the laborers. He often keeps guards armed with Winchester rifles to prevent his men from running away. His power has the essential characteristics of a government. He fines his men and beats and punishes them for any attempted resistance to his self-constituted authority. On Sunday he may either force them to attend church service or keep them at work. I have been told of contractors who taxed their men to make birthday presents to their wives. A feudal lord would not have expected more from his vassals.

There are numerous cases where the contractor objects to paying wages. One day last July, as I was walking in King's Bridge, near New York City, I met two laborers loitering in the rear of their shanty. They were evidently afraid to talk, and it was with much difficulty that I learned from them that they were the only members of a gang of about two hundred who had dared to strike work, because their contractor had employed them for three months without paying them. I made my way to the shanty and entered into conversation with a woman who was engaged in cooking. She told me, with tears, that she had saved a little money and had invested it in feeding the men. "Now, if the contractor will not pay us," she said, "I shall be ruined." I denounced the outrage in the Italian press of New York, but ineffectually. A few days later some Italians who worked in a locality near Deal Lake, New Jersey, failing to receive their wages, captured the contractor and shut him up in the shanty, where he remained a prisoner until the county sheriff came with a posse to his rescue. I could mention a half-dozen more such cases, all recent. The latest came to my knowledge in Cleveland, Ohio. A contractor had run away with the money, and neither the press nor an attorney employed by the men succeeded in compelling the company which employed him to pay the workmen. Old laborers have the same tale to tell. Nearly all have the same experience. Every one will grant that robbing a poor man of his well-earned wages is a shameful crime; yet in no instance, to my knowledge, has a contractor been made to suffer for his fraud. He generally disappears for a few days and starts again in another place. In this way many, no doubt, have been enriched.

But this is not the worst form of outrage of which contractors are guilty. There have been cases where Italian laborers have suffered actual slavery, and in trying to escape have been fired upon by the guards and murdered, as happened not long ago in the Adirondacks. A similar case was told to me by one of the victims. He said: "We started from New York on November 3, 1891, under the guidance of two bosses. We had been told we should go to Connecticut to work on a railroad and

earn one dollar and seventy-five cents per day. We were taken, instead, to South Carolina, first to a place called Lambs(?) and then after a month or so to the 'Tom Tom' sulphate mines. The railroad fare was eight dollars and eighty-five cents; this sum, as well as the price of our tools, nearly three dollars, we owed the bosses. We were received by an armed guard, which kept constant watch over us, accompanying us every morning from the barracks to the mines and at night again from the work to our shanty. . . . Part of our pay went toward the extinction of our debt; the rest was spent for as much food as we could get at the 'pluck-me' store. We got only so much as would keep us from starvation. Things cost us more than twice or three times their regular price. Our daily fare was coffee and bread for breakfast, rice with lard or soup at dinner-time, and cheese or sausage for supper. Yet we were not able to pay off our debt; so after a while we were given only bread, and with this only to sustain us we had to go through our daily work. By and by we became exhausted, and some of us got sick. Then we decided to try, at the risk of our lives, to escape. Some of us ran away, eluding the guards. After a run of an hour I was exhausted and decided to stay for the night in the woods. We were, however, soon surprised by the appearance of the bosses and two guards. They thrust guns in our faces and ordered us to return to work or they would shoot us down. We answered that we would rather die than resume our former life in the mine. The bosses then sent for two black policemen, who insisted that we should follow them. We went before a judge, who was sitting in a bar-room. The judge asked if there was any written contract, and when he heard that there wasn't, said he would let us go free. But the bosses, the policemen, and the judge then held a short consultation, and the result was that the bosses paid some money (I believe it was forty-five dollars), the policemen put the manacles on our wrists, and we were marched off. At last, on April 1, we were all dismissed on account of the hot weather. My comrades took the train for New York. I had only one dollar and with this, not knowing either the country or the language, I had to walk to New York. After forty-two days I arrived in the city utterly exhausted. . . ."

At best, the workman, after years of hard labor, saves just enough money to purchase his return ticket, or possibly a hundred dollars more to pay off the debts contracted in his absence by his family, or to buy up the small farm which was foreclosed by the government because he failed to pay the land tax. The boss or contractor, the hotel-keeper, and the banker accumulate fortunes and buy villas or palaces in their native towns, whither they eventually return after the time has passed when their sentence to punishment is no longer valid, covered with all the honor and glory accruing from the possession of wealth.

QUESTIONS FOR READING AND DISCUSSION

1. How did laws "oppress the laborer" and "assist . . . the contractor"? Why were laborers "at the mercy" of contractors? How were contractors similar to "a government" for workers?
2. Merriño believed "the contract is a sham." Why? What could laborers do to change the terms of their jobs?
3. How did the freedoms of contractors differ from those of laborers? To what extent did wages give workers freedom? What was the significance of a "pluck-me-store"?
4. In what ways did Italian laborers suffer from "actual slavery"? To what extent did their ethnicity influence their experiences as workers?

The Philosophy of the Industrialists

Part A.

Study the following readings and cartoons as a resource in answering the questions that follow.

Document A

(Adam) Smith was among the first to make a clear and convincing case that when individuals follow their own self-interest, it automatically works to the benefit of society as a whole. As individual competitors pursue their own maximum profit, they are all thus forced to be more efficient. This results in cheaper goods in the long run. Free competition in all markets and with all goods and services is thus to be encouraged; government intervention serves only to make operations less efficient and is thus to be avoided. The same principles apply to international trade. There should be a minimum of government interference in the way of duties, quotas, and tariffs. Smith's is the classical argument in support of free trade.

Gerald F. Cavanagh, *American Business Values in Transition*
(Englewood Cliffs, N.J.: Prentice-Hall, 1976), 42-43.

Document B

Herbert Spencer (1820-1903) proposed a harsh "survival of the fittest" philosophy. The bright and able contribute most to society, and so are to be encouraged and rewarded. The poor, the weak, and the handicapped demand more than they contribute, and so should not be supported but rather allowed to die a natural death. Contact with harsh and demanding reality is a maturing experience that should not be diluted by well-intentioned but in reality destructive charities and handouts. If "natural" principles were followed, evolution and the survival of the fittest in the competition of human life would be the result. Spencer did not set out to examine any particular society and its values; rather, his critique was proposed as "culture-free." According to Spencer, it applied to all people for it was derived from basic, organic principles of growth and development. Spencer applied to society the same principles that Charles Darwin saw in biological life—hence the name, Social Darwinism.

Cavanagh, *American Business Values in Transition*, 11.

Document C

This, then, is held to be the duty of the man of Wealth: First, to set an example of modest, unostentatious living, shunning display or extravagance; to provide moderately for the legitimate wants of those dependent upon him; and after doing so to consider all surplus revenues which come to him simply as trust funds, which he is called upon to administer, and strictly bound as a matter of duty to administer in the manner which, in his judgment, is best calculated to produce the most beneficial results for the community—the man of wealth thus becoming the mere agent and trustee for his poorer brethren, bringing to their service his superior wisdom, experience, and ability to administer, doing for them better than they would or could do for themselves. . . .

Andrew Carnegie, "Wealth," *North American Review*,
CXLVIII (June, 1889), 661-662.

Document D



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Culver Pictures,
New York, NY.
Thomas A. Bailey and
David M. Kennedy.
The American Pageant, 7th ed.
(Lexington, Mass.: 1983), 488.

Document E

"The growth of a large business is merely survival of the fittest. . . . The American Beauty Rose can be produced in the splendor and fragrance which bring cheer to its beholder only by sacrificing the early buds which grow up around it. This is not an evil tendency in business. It is merely the working-out of a law of nature and a law of God."

John D. Rockefeller's statement to his Sunday School class quoted in William H. Ghent, *Our Benevolent Feudalism* (New York: Macmillan, 1903), 29.

Document F



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Charles M. Dollar, et al. *America: Changing Times*
(NY: John Wiley, 1982), 538.

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Document G



The Gospel of Wealth. Cartoon from *Judge*, 1903. Andrew Carnegie in Scottish attire shovels out 100 million dollars for libraries and other good works. (Courtesy of the New York Public Library.)

1. Summarize in a sentence or two the philosophy of each of the following:
 - a. Laissez-faire capitalism
 - b. Social Darwinism
 - c. Gospel of Wealth
2. How does Social Darwinism reinforce laissez-faire?
3. How does the Gospel of Wealth help to justify the philosophy of Social Darwinism?

4. Based on research about John D. Rockefeller, state several specific business practices that Rockefeller seems to justify in his comment to his Sunday School class.

5. How did the cartoonist interpret John D. Rockefeller's remark?

6. Answer the following questions about the cartoon on King Monopoly:
 - a. What does the cartoonist imply was the source of the monopolist's wealth and power?

 - b. What industries does the cartoonist show as protected businesses?

 - c. What does the booty in the cartoon represent?

 - d. What do the facial expressions suggest about the people's attitude toward King Monopoly?

 - e. Summarize in a sentence the main idea of the cartoon on King Monopoly.

 - f. What philosophy of big business is represented by King Monopoly? Explain your reasoning.

7. List several major social or economic problems that stem from laissez-faire and Social Darwinism.