Overproduction

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The term "overproduction" has a significance which, when analyzed, is anything but gratifying. It is difficult to associate privation, haggard poverty, with overproduction. The mind does not readily conceive of plenty and destitution going hand in hand. But overproduction is, nevertheless, a calamity which becomes the prolific parent of misery. To the laboring man "overproduction" is the synonym of idleness and a long list of ills, the contemplation of which fills the mind with horror.

To illustrate our meaning we will take the industry of mining coal, in so far as that fuel is used by manufacturing establishments to create steam for driving engines and machinery. The result of overproduction operates to the disadvantage of the miner in two ways. He is required to remain idle a portion of his time, or he loses work entirely. He finds when working full time that he is barely able to support his family, to work half time is to endure privation, while to be thrown out of work entirely means crushing destitution. He will doubtless inquire the reason why the manufactures do not purchase the coal as usual, and is told they have shut down their works owing to an overproduction of wares, or that they are working half time or less, and hence thousands of their employees are working on starvation wages or are not working at all. Need we particularize? The ironworkers find there is an overproduction of pig iron, bar iron, nails, steel, etc. Weavers and spinners of wool and cotton hear the same complaint, and thus we might proceed throughout the entire list of industries always hearing the same ominous cry, "overproduction."

It would appear to be the mission of a crank to complain of laborsaving machinery. The present is an era of invention, and how to construct a machine that can perform the work of two or a thousand men is the high ambition of men of an inventive genius. This is quite natural, since such a machine is certain to sell. Every manufacturer wants one or a dozen. He reasons thus, "Here is a labor-saving machine. I can run it by steam, one man can tend it. It will save the work of 20 men; cost of machine, \$5,000; 6 percent, on investment, \$300; wear and tear 10 percent, \$500; cost of one man to run it at \$1.50 per day, 300 days, \$450; total, \$1,250. Cost of 19 men which it displaced at \$1.50 per day, 300 days, \$8,550, saving first year \$7,300."1

The 19 men thrown out of employment must look elsewhere. They often look in vain. They start out to find work. They everywhere find the same labor-saving machinery in operation. They become tramps. Many of them find their way to the penitentiary. These prisons are becoming great manufacturing establishments. The state takes this criminal muscle and operates it at a small cost, floods the market with an *overproduction* of prison, crime-produced wares, sells them cheap, as it can afford to do, and thus makes it impossible for honest men to compete with it, and then they are forced into idleness that the state may have a revenue from its criminals.

The questions that naturally arise in the discussion of overproduction are: first, Is it practicable to do away with labor-saving machinery? Manifestly, it is not. Second, Is there any way to remedy the curse of overproduction? We think there is. What? Sell the wares. That is just what everybody is trying to do, but there is no market. We are at the point sought. The real question of statesmanship before the country is to supply a market for our surplus manufactured products. Is it possible? There is little doubt in the minds of practical men upon the subject. The New Orleans Exposition Gazette of November last furnishes authoritative figures which are convincing. It refers to the trade relations between the Spanish and Portuguese American countries and asks, "What shall we do with our surplus manufactured products?" In answering the question the Gazette says "that every commercial interest of the United States is closely identified with a hemispherical policy by which Americans shall be induced to trade with Americans, and by which \$710 million of South and Central American commerce now carried on with England, France, and Germany shall be diverted to the United States, where it rightfully and geographically belongs; and to develop more intimate trade relations between the 55 million producers and consumers of the United States and the 48 million producers and consumers of Mexico, South America, Central America, and the West India Islands; in other words, to

¹ Calculations off a bit in the original, fixed here.

stimulate an exchange of our surplus raw materials." There are 22 of these countries, and it is shown by recent reports to the Department of State that these countries annually import products to the amount of \$475,061,000, of which the United States supplies \$77,141,000, while Europe supplies \$397,920,000. These countries annually export \$479,912,000, of which the United States receives \$168 million, while Europe gets \$307,912,000.

Manifestly there is a great wrong existing somewhere, and if the people will investigate the subject it will be found that the wrong rests almost entirely with Congress. These Central and South American countries do not dislike to deal with the people of the United States. They entertain no hostile feelings against us, the probabilities, on the contrary, are that they would prefer to trade with the United States, but the government of the United States, or rather the legislative branch of the government, places obstacles in the way of the trade instead of seeking to encourage it, and this policy is shown in the hostility of Congress to the Mexican treaty.

The point we wish to make is, that the wage-men of the country have vital interests at stake in this "overproduction" question. It is a question which they ought to study, and upon which they ought to bring their votes to bear in the election of men to represent them in Congress and in state legislatures. What manufactures want is cheap raw materials. With these as low as the foreign manufacturer obtains them, the American manufacturer could favorably compete with foreigners in the markets of the world, and if the wage-men of the country can be induced to federate for the purpose of influencing legislation calculated to promote their interests, they may do much to hush the cry of "overproduction" and thereby help themselves to obtain employment, notwithstanding the constant increase of labor-saving machinery and the stupendous wrong perpetrated by states, which, to increase their revenues, operate their crime-stained convicts to embarrass their law-abiding citizens.