

The ‘Prevailing Wage’

By Daniel De Leon

The painters’ union of this city is making experience. Its union scale of wages is \$3.50 a day; there is an ordinance, or some sort of declaration whereby the “prevailing wage” is to be paid to city employees; and there is work now on the subway that gives employment to many painters. From these three premises the painters concluded that \$3.50 would be the wages paid by the contractor. Rash conclusion. The wages he pays are \$1.20.

What about the “prevailing wage” term?

Without exception every hireling of capitalism, especially those hired with an eye especially to deceive the workers, uses the term “prevailing wage” in a manner that conveys a false idea. The object is to talk as though by “prevailing wage” were meant the union scale. Whenever the term is put to the test, “prevailing wage” becomes just that which the union seeks to counteract, to wit, the lowering of wages that increased competition in the labor market brings on.

The perfection of machinery in all industries displaces labor; the labor market becomes thereby overstocked; there is a larger supply than possible demand. The law of wages is the law of prices. We speak of the “price” of potatoes; “wages” is the name given to the price of labor. The very word “wages” implies that labor is a merchandise like any other, under the capitalist system. The “prevailing price” of potatoes is the price of the potato market, and that is determined, not by the price that any dealer in potatoes would set up, but by the supply of potatoes: the larger the crop, the cheaper the price. If anyone, wanting the good will of a dealer or

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dealers in potatoes, were to have an ordinance passed that the city shall buy potatoes at the “prevailing price,” the dealer would soon find himself out in the cold when the purchases are made. Potatoes would be bought at the market price; that would be the “prevailing price”; and that is not determined by the dealer but by the quantity of available potatoes. Ditto, ditto, with labor.

The price that the union puts on labor is something very different from the “prevailing wage.” Indeed, the union is there for the purpose of counteracting and checking the tendency of the “prevailing wage” to decline. The price of labor, tends, under capitalism, ever lower; ever lower is the “prevailing wage”; the union seeks, on the contrary, to establish or keep up a wage different from that that is or would be the “prevailing one.”

Where the union men are not tutored upon this, the hirelings of capital have an easy job to hoodwink them. Prof. Green Goods* and all his political doubles may easily get a union man to believe them to be real friends of labor inasmuch as they declare they want the “prevailing wage”: the workingman understanding by that, the wages he is after; Green Goods understanding by it the rapidly declining price of labor.

The painters, who are now confronted with work at \$1.20 as the “prevailing wage” notwithstanding they meant \$3.50, are discovering that when they shout for a capitalist they simply sing their own dirge.

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*A reference to “Prof.” George Gunton (1847–1919), who was a professor only in the sense that he made a profession of producing apologetics for the capitalist system. Among his productions were *Wealth and Progress*, 1887; *Principles of*

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Social Economics, 1891; *Trusts and the Public*, 1899; and *Outlines of Political Science*, 1900.