# The Analytical and Practical Significance of Labour is Not a Commodity

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SOCIAL JUSTICE DECENT WORK

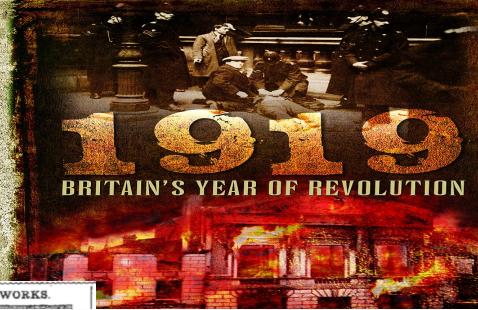
### 1919: The Great Labour Revolt & Red Scare















We Pay Cash for Victory Bonds

The Morning Bulletin

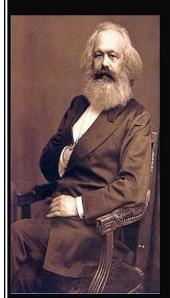
#### **GENERAL STRIKE IN CITY AT 11 A.M. TO**

Labor Unions Vote Three to One for Walk Out--Definite Order of Strike to Develop

#### Missing Airmen Petrograd Is Closely Invested

By Success Of The Esthonians

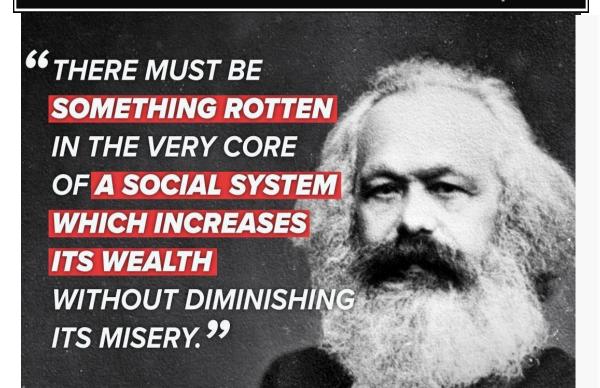
Austrian Treaty Almost Ready For Submission To Delegates; German Counter Draft Complete



The labour-power is a commodity, not capital, in the hands of the labourer, and it constitutes for him a revenue so long as he can continuously repeat its sale; it functions as capital after its sale, in the hands of the capitalist, during the process of production itself.

(Karl Marx)

izquotes.com



# UNLIMITED EXPLOITATION OF CHEAP LABOUR POWER IS THE SOLE FOUNDATION OF THEIR POWER TO COMPETE

KARL MARX

Let the ruling classes tremble at a communist revolution. The proletarians have nothing to lose but their chains. They have a world to win. Workingmen of all countries, unite!

-Karl Marx









#### International Labour Organization

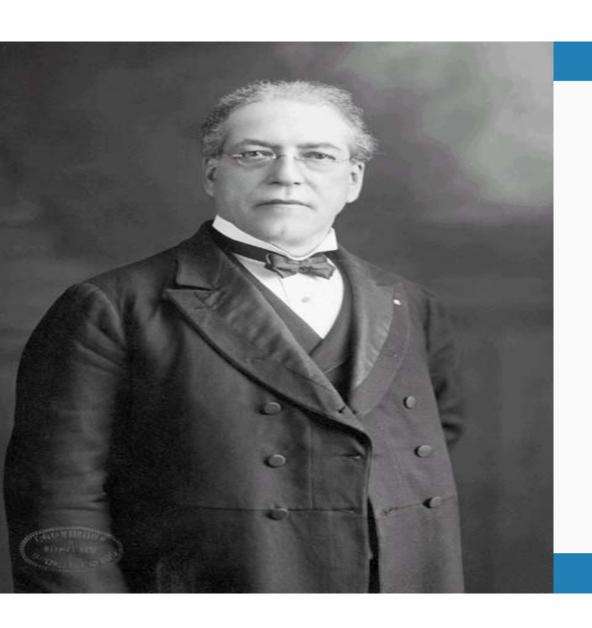
### Fundamental Documents

- □Constitution, 1919
  - □New Art. 19(9) on the abrogation of obsolete Conventions
- □ Declaration of Philadelphia, 1944
  - □Since 1946 annexed to the Constitution
- □ Declaration on Fundamental Principles and Rights at Work, 1998
- Declaration on Social Justice for a Fair Globalization, 2008

INTERNATIONAL TRAINING CENTRE OF THE ILO/TURIN

#### BASIC PRINCIPLES OF ILO

- 1. Labour is not a commodity
- 2. Freedom of expression & of association are essential to sustained progress.
- Poverty anywhere constitutes a danger to prosperity everywhere.
- 4. The war against wants requires to be carried with unrelenting vigor within each nation & by continuous & concreted efforts in which the representatives of the workforce & employers, enjoying equal status with those of governments. There should be a free discussion & democratic decision with a view to the promotion of a common welfare

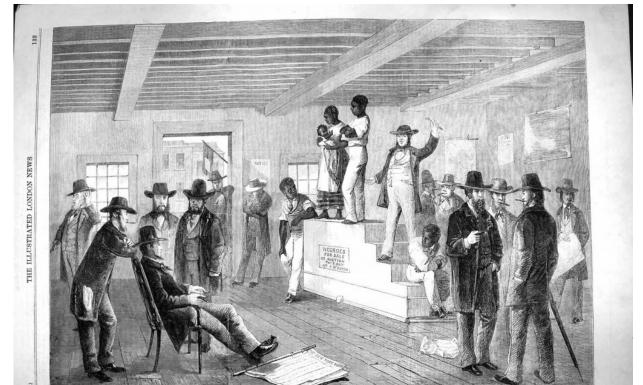


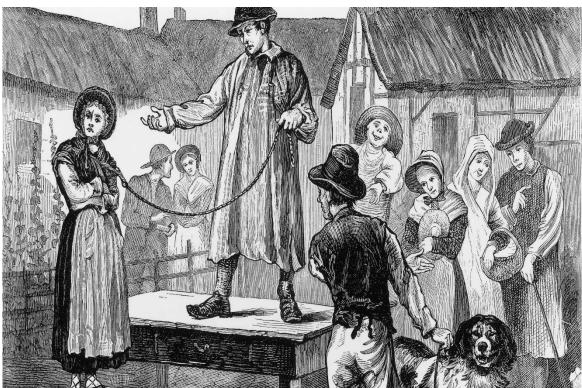
## THE LABOR OF A HUMAN BEING IS NOT A COMMODITY OR ARTICLE OF COMMERCE.

- SAMUEL GOMPERS -

# What is the Significance of 'Labour is Not a Commodity?'

- Definition of a Commodity: a relatively homogeneous or standardized good or service bought and sold in a market.
- Outmoded 19<sup>th</sup> century concept with Slavery and Wife-Selling?





Outmoded Concept of 19th Century Factories?







Is Labor Still a Commodity in 2019?













# Labour Not a Commodity: Ideological Slogan of Pro-Labour Groups?





## Examples Today, But Exceptions?

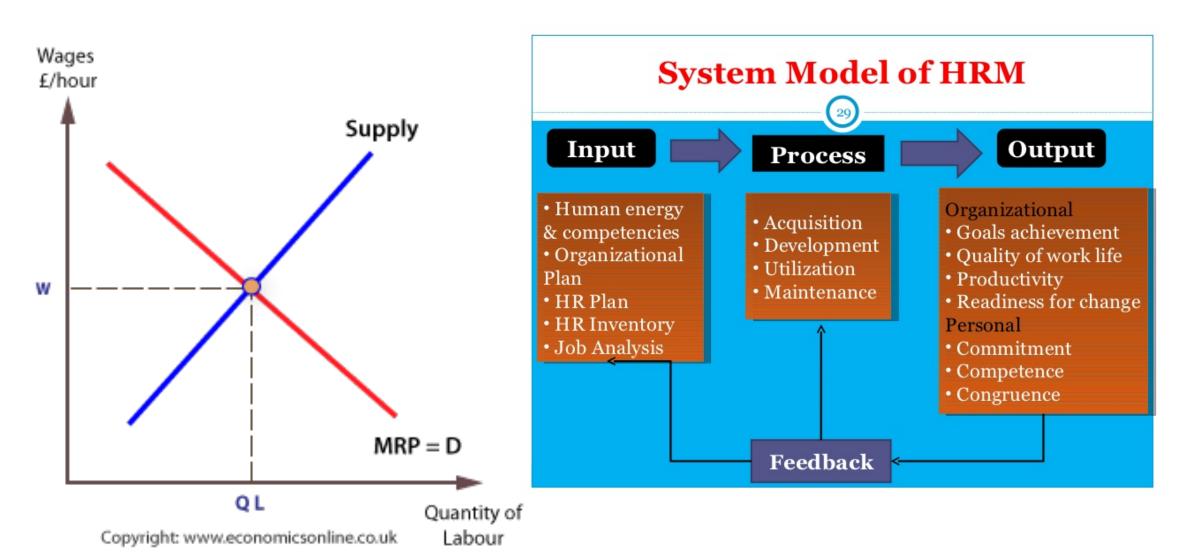








## Labour as a Commodity in Theory, but Useful Abstraction?



## The ILO definition of labour

 ILO Constitution and the Philadelphia Declaration of 1944

"Labour is not a commodity."

Workers should not be subject to 'market forces' in the same way as oranges and lemons, and they have the rights and need for security and social protection.

http://www.ilo.org/ilolex/english/iloconst.htm

## Commodity vs. Non-Commodity Work Input

- Both horse and human are animals that provide labour-power (body & energy → work) for production (horse-power/man-power).
- Should the human worker be treated the same as the horse worker?
- 4 reasons the answer is NO.





## 1: Human Agency vs. Horse Agency

- Agency is a living thing's capability to initiate behaviors and exert power to achieve its interests.
- Both humans and horses display agentic behavior but human agency is unique because people have higher-order consciousness of themselves and their existential situation, a much-expanded and social-ethical set of motivating needs, wants and interests.
- A human treated as a commodity can't achieve consciously desired needs, wants, and life self-realization. A horse lacks consciousness of these things.
- Thus: Labour Not a Commodity → Allow Workers to Live/Experience a Full Human Life. An Economy is to produce Happy People!

#### 2: Human Interests vs. Horse Interests

- A Commodity is Owned by a Person and is this person's Legal Property to (1) Sell to another person at any Time for any Price and (2) Use for whatever Purpose and Treat in any way desired.
- A Commodity has no legally recognized independent Being and no associated legally-protected Interests.
- A Commodity can be Exploited for Value and then Thrown Away.





## 2: Political Democracy → Industrial Democracy A Commodity Doesn't Have Citizenship Rights

- "The agitation for freedom of combination and factory legislation has been a demand for a 'constitution' in the industrial realm. This Magna Carta will, as democracy triumphs, inevitably be conceded to the entire wage-earing class." (S. & B. Webb, 1897: 841)
- "Labor is not a part of the public unless it is recognized as having a public importance. Prior to that laborers are treated as commodities to be bought and sold according to supply and demand. Afterward they are treated as citizens with rights of public protection." (J.

Commons, 1919: 33)

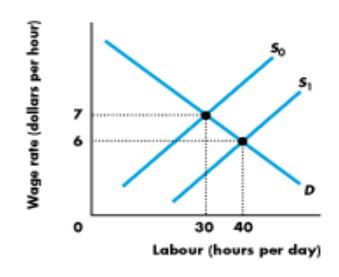
• The ILO is part of a 'Labour Liberation Movement.'





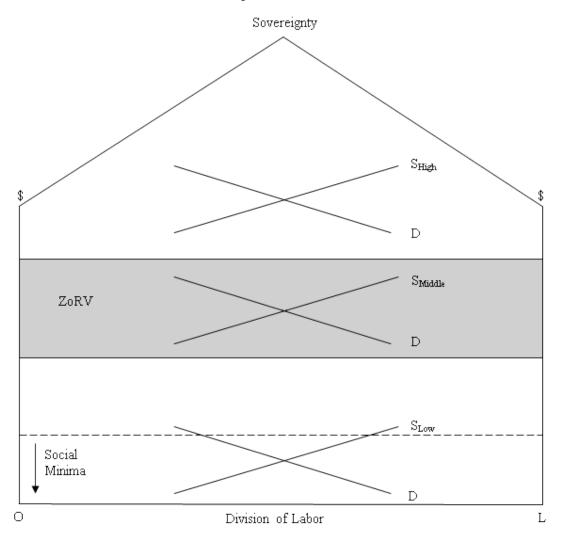
## 3: Market D/S Trading of Labour like a Commodity is Very Harmful to Efficiency and Wellbeing

- Continual Hire/Fire in a Commodity Market with No Job Security and No Ability to Save or Plan for Life & Family.
- Typically More Labour Supply than Demand, hence Wage  $\downarrow$  and Families 'go out of business' to restore equilibrium.
- Little Compensating W Differential to Protect for Danger, Filth.





# ILO & Governments Use Laws and Institutions to Raise Plane of Competition and Set a Floor



# 4: Use of Labour like a Commodity inside the Firm for Production is also Very Harmful

- A Commodity can be treated as the Owner chooses. And because the worker is Rented, not Owned, there is even less incentive to care about the the worker's wellbeing.
- Sidney Webb (1912) said the street trams took better care of their horses (owned) than their drivers (people)





Industrial Relations and ILO Born 100 Years Ago to Ensure that Labor is Treated as a Human for Mutual Gain Employment Relationship and Not as a Horse Commodity for Profit Exploitation

