

Company Towns Re-Emerge Across US



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US.POLITSTURM.COM

2019-09-19

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One of the most prominent strikes in the United States was the Pullman Strike in 1894 in which 150,000 workers across 27 states and territories went on strike. The Pullman Palace Car Company was a manufacturer of rail cars that was based out of Pullman, Illinois.

The town was named after the capitalist owner of the Pullman Company, George Pullman. Pullman had a company town built that had housing, stores, parks, and a library. Workers were forced to live in company housing to obtain employment. Workers were paid in scrip rather than cash which they purchased goods from the company stores at inflated prices. Thus, Pullman was able to appropriate surplus value from production as well as through rents and merchant capital. As such, the idea of company towns was attractive to the capitalist class and they sprung up around the country in the late nineteenth century and early twentieth century. The legacy of company towns exists in the United States to this day.

A recent report by the Center for American Progress found the re-emergence of company towns in a modern form. In the modern reincarnation of company towns, large employers employ a large percentage of a town's workers and use their monopoly status to drive down wages and benefits. The companies often receive tax credits from the state to "bring jobs" to rural and remote areas. Two examples are the Nissan plant in Canton, Mississippi and the JBS Meatpacking Plant in Greeley, Colorado.

However, the description of the tendency of capitalist enterprises to merge and monopolize industries is nothing new. Marxism-Leninism describes capitalism in the age of imperialism which is defined by monopoly and the centralization of production. For the working class the answer of how to combat declining wages, benefits and inequality is not through fighting against this historical tendency through anti-trust laws. Rather, the innate tendencies of capitalist production are priming society for the expropriation of the expropriators.

Sources: 1, 2