

He says: "Spinning machines which formerly turned 8000 in a minute, now turn 11,000; and in Lancashire not more than half the hands are now employed to produce the same amount with new machinery as were employed on the machinery of 1833. As an example of the extent of the reduction of hands by these improvements, it may be mentioned that one large family of cotton spinners in Manchester, which 40 years ago employed 11,000 hands, could not now muster one half that number. YET THE MILL POPULATION HAS INCREASED, AS WELL AS THE GENERAL POPULATION, THE HANDS DISCHARGED BEING ABSORBED IN OTHER EMPLOYMENTS. At the beginning of the century the cost of spinning a pound of yarn was a shilling. The pound of that same yarn is now spun for a half-penny by hands earning double wages for their increased energetic attention and skill. It is now found, however, that the strain of the increased responsible attention cannot be so long sustained as the slow, semi-automatic pace by the old working of the old mills with the long hours. Hence there is a tendency to a further voluntary reduction of the working hours in the best mills, first to nine hours. In one mill, in which 2000 men are employed a voluntary reduction has been effected to about eight hours with a more equable production; and I have heard of other examples. As showing the cost of working with inferior hands and loose regulations, a recent report from the Manchester Chamber of Commerce states that 20s. worth of bundled yarn may be produced at a cost of from 2d. to 3d. per pound less in Manchester than in Bombay, notwithstanding the hours of working are 80 hours per week, while in Manchester they are only 50. At the present time Lancashire, with its short hours, will meet Germany or any other country, in neutral markets, in the world. In Germany the spinners and weavers still work 13 hours a day as they once did in England; France has only come down to 12 hours; whereas

the English rate has long been 10 hours, and may soon be 9 or even 8. And this reduction improves the health of the wage-workers, while the reduced cost of production allows them higher wages; yet Germany with its long hours and high tariff maintains a system OF LOW PAY, DEAR PRODUCTION, HIGH COST OF DISTRIBUTION, AND LIMITED SALES."

The accuracy of these important statements of fact is confirmed on every hand. Committees of British spinners and weavers have repeatedly visited the United States, and then reported to their fellows at home, that wages, all things considered, were equal for spinners and weavers in Great Britain and the United States, and in some cases and respects higher in the former. Many times before his late lamented death, John Bright publicly testified that wages in England during his parliamentary life had risen in general 50%, and in some of the manufacturing lines 100%. A few months before these statements of Chadwick were made, Sir Richard Temple reported to his section of the British Association, "That the average earnings per head in the United Kingdom, taking the whole population without division into classes, is £35, 4s., and exceeds the average of the United States, which is £27, 4s., and of Canada, which is £26, 18s., and of the Continent, which is £18, 1s.; while it falls below that of Australia, which is £43, 4s. per head."

According to this, the average earnings in Great Britain per head of the population are 30% higher than in the United States, and 81% higher than on the Continent of Europe. Truly, Britain is a prosperous and profitable country so far as average earnings of the whole people by the year is concerned. Sir Richard goes on in the same statistical paper to show, that the average annual profit on British Capital is 14%, and that Capital yields about the same rate for the United States.

Now, can we easily give the grounds on which the

introduction of more and better machinery, instead of displacing laborers, tends to lift and actually does lift the wages of those concerned, who continue to work with their hands and heads? We will try it.

(a) It takes the hands and heads of laborers to invent and construct and keep in repair the machinery itself, that is often supposed to displace laborers, and so far forth opens a vent for the more profitable employment of some of the laborers, who before performed the cruder and more repetitive and automatic parts of the processes, which parts alone machinery can be made to perform.

(b) Machinery always lessens the cost of a given amount of production, otherwise there would be no motive for its introduction. But, other things being equal, the lessened cost of a commodity broadens the market for its sale. The cheaper a useful commodity is offered, the more the buyers of it the world over. The more and the better the machinery brought in, the more and the cheaper the commodities produced and the broader and better the markets to be supplied; and, therefore, the more and the more skilful the hands needed to tend the machinery and to market the products.

(c) The more commodities thus created by men and machines, and the wider the markets found for them over the earth, the more laborers are required to extract and prepare and transport the raw materials for the now augmenting commodities, and also to ship and distribute the finished products. As Chadwick says, notwithstanding the strictly *factory* hands have diminished one half in one place, "yet the *mill* population has increased, as well as the general population, the hands discharged being absorbed in other employments."

(d) These improvements in machinery, and the consequent refinements in the skill of the laborers, cheapen also

of course the commodities consumed by the laborers themselves, and therefore a given rate of wages, to say nothing of a rate sure to enlarge under these circumstances, now secures for the laborers a higher grade of comforts.

More and better and more durable machinery, consequently, so far forth, tends at once to enhance the rate of laborers' wages and increase the purchasing power of the unit in which wages are paid.

To return now to the main line of discussion under the present head, we have shown by proof positive that there is nothing either in new machinery introduced, or in higher wages paid in connection with such machinery, or in shortened hours made possible by these two, to lessen the Demand of Capitalists for the personal services of Laborers; because, there is nothing in all these, commercial and industrial freedom being presupposed, to lessen the Profits of the Capitalists, which profits are the sole motive actuating them as such. That high wages and short hours are rather an advantage to Profits in connection with skilled laborers and fine machinery, than a disadvantage when compared with long hours and low pay and poor implements, is clearly shown by Chadwick in the passage quoted comparing England with English Bombay, where the working hours are 60% more and the wages greatly less and the cost of the machinery very little; "twenty shillings' worth of bundled yarn may be produced at a cost of from 2*d.* to 3*d.* less in Manchester than in Bombay"; call it 2½*d.* less; that is, it costs the Bombay spinner more than 1% per pound of yarn more to spin it than it costs the Manchester spinner! For truth and decency's sake, then, let us have done with the gabble in this country about the advantages of "pauper labor" over skilled, of low wages over high, of cheap machinery over dear!

The penetrating reader will perceive, that the root of

this whole matter lies in the breadth and quickness of the *Markets*, in which the commodities produced by the laborers and capitalists may be sold against other commodities, and against Services and Credits; if the markets of the world are free to all to buy in and to sell in, which seemingly two things are precisely one and the same thing, then the Demand of Capitalists for the services of laborers to create and market salable commodities wherever these may be wanted, can apparently never slacken on the whole; because, the desires of men which the efforts of other men may satisfy commercially, are indefinite in number and unlimited in degree; and, therefore, the Wages of the skilled laborers, the commercial freedom of the nations being presupposed, are likely to be on the whole on a steady rise throughout the world; and the amount and excellence of the machinery on a similar rise, since Capitalists can always under these circumstances see their Profits looming up ahead of them,—the profits of an endlessly diversified and marketable Production.

The chief reason at any rate, and almost the only reason in common sight, why little England has surpassed in commercial prosperity of every sort every other nation on the globe during the past forty years, as evidenced by these statistics of Sir Richard Temple and other abounding proofs on sea and land, is in the fact, that her statesmen of the last generation came to perceive clearly, and then helped the people to see, that a market for products is products in market; that her traditional tariff-barriers to keep foreign goods out kept in equally domestic goods that wanted to get out for a profit, and so down went the tariff-barriers little by little, accursed alike by God and Englishmen, never to be set up again around the shores of the land of Cobden and Bright and Elliott; and to-day we read, that the average annual Earnings per head of the entire popu-

lation of the United Kingdom, men and women and children, English and Irish and Scotch, are \$176, while the annual average Profits of Capital within the three kingdoms is 14%.

(3) In the last place here, we must now look at the Demand for the personal services of Professional laborers. These are persons, who have done something more with reference to their life-work than serve an apprenticeship to a trade, or acquire some mechanical skill in connection with some kind of machinery. An Education rather than an Apprenticeship is implied in Professional laborers. Knowledge of the bodies and of the minds of men; acquaintance with some one section at least of the general laws that pervade the universe; some confidence (the more the better) in God, who created and governs the world; are all requisite to a reasonable success on the part of Professional laborers. The Demand for their services, and of course also the Return made to them for such services, will largely depend on such superior knowledge and confidence acquired by such persons, and involved in their services. Clergymen, physicians, lawyers, statesmen, literators, actors, teachers, and scientific experts, may serve as our chief examples of Professional laborers.

(a) "All that a man hath will he give for his life." When men fall sick, or those fall sick who are dear to them, they send for the doctor. Scarcely any trait of human nature is more universal than this. And the trait puts honor on human nature, because it implies a relatively high estimate of the worth of life in the mind of the patient, and also a relatively high confidence in a certain class of one's fellow-men. As Society progresses, and as Christianity deepens the sense of the worth of the individual life, and knits a stronger tie of confidence between man and man, a change is slowly coming over the rela-

tions between physicians and their patients; people do not wait to fall sick before they send for the doctor, so much as they formerly did; some individuals and families are establishing connections with a medical adviser, who studies their constitutions and habits of life beforehand, guides them in general sanitation, and thus both he and they are better ready for curatives in times of illness. Gladstone has long had such an attendant, with the best of results as he thinks, and strongly commended such action to John Bright, but too late to save the latter from what was thought to be premature death in consequence of imprudent and ill-advised handling of his health. In a few cases in England and the United States an annual salary is paid a physician for general care of the family's health, whether sickness befall or not, instead of the more usual fees on consultation and attendance. Dr. Munn of New York receives such an annual salary from Mr. Jay Gould. But in whatever way medical services are paid for, the Demand for them is constant and intense. The motive to buy them is immediate and personal, not mediate and remote, as in the case of capitalists and laborers of the second class.

It is to be noticed further in respect to physicians, and indeed in respect to all professional laborers much more than in respect to other laborers, that much knowledge has been gained by them for its own sake, out of pure love for it, rather than for the sake of merely selling their services as laborers; while this does not diminish in the least the commercial character of their services, it tends to beget on the part of the buyers of them a stronger confidence in the men who render them, so that the Demand for such services and consequently the pay for them is enhanced by the trust reposed in the laborers on the ground of something acquired by them for other than selling pur-

poses, and which indeed *cannot be sold*; and superior *character* also, as well as superior knowledge, which is wholly *moral* in its basis and not mercantile at all, affects the Demand for the services of the possessor of it to increase it, on the ground of a naturally stronger trust in him as a professional laborer, and at the same time tends to increase his Wages by limiting the circle of those who can offer in competition such services on the background of such superior knowledge and character.

(b) Lawyers do not meet such a universal Demand in the nature of things as do physicians. Said Jonathan Smith of Lanesborough in the Massachusetts Convention of 1788: "We have no lawyer in our town, and we do well enough without." Still, one hundred years after that time there were about 70,000 lawyers in the United States, and Lanesborough itself had had in the meantime at least three distinguished ones. The interests of property and of reputation, and the constitutional rights of individuals as over against the claims of Government, so far as these may be conserved through the agency of lawyers, are by no means so constant and imperative as are the interests of life and health. Yet lawyers are in legitimate request in all civilized countries. A Latin legal maxim announces the obvious truth: *It is the interest of the Commonwealth that there should be an end of disputes and litigations.* Beyond question courts and counsel are wholesome on the whole for the individual and for the commonwealth. But the extremely complicated and unsatisfactory condition of American Law at present, owing to the fact that we have a none too simple United States Law with its three grades of courts and judges, and considerably divergent bodies of Law in each of 42 States, and owing also to the fact that our law in general is drawn almost at random from two pretty distinct Sources, the Common Law of England and

the Civil Law of Rome, multiplies the number of lawyers relatively to the population out of all proportion to such ratio in other countries, and tends to make the lawyers as a class too conservative of old and drawn-out processes to the extent of opposing obvious betterments and simplifications. Said David Dudley Field, President of the American Bar Association, in August, 1889, at Chicago: "*So far as I am aware, there is no other country calling itself civilized where it takes so long to punish a criminal, and so many years to get a final decision between man and man. Truly we may say, that Justice passes through the land on leaden sandals. One of our most trustworthy journalists asserts that more murderers are hung by mobs every year than are executed in course of law. And yet we have, it is computed, nearly 70,000 lawyers in the country. The proportion of the legal element is, in France, 1:4762; in Germany, 1:6423; in the United States, 1:909. Now turn from the performers to the performance. It appears that the average length of a lawsuit varies very much in the different States; the greatest being about 6 years, and the least 1½. Very few States finish a litigation in this shorter period. Taking all these figures together, is it any wonder that a cynic should say that we American lawyers talk more and speed less than any other equal number of men known to history?*"

Mr. Field then repeated his well-known argument for Codification, ascribing the law's delays to the chaotic condition of the law, and maintaining that it is the first duty of a government to bring the laws to the knowledge of the People. "*You must, of course, be true to your clients and the courts, but you must also give speedy justice to your fellow-citizens, more speedy than you have yet given, and you must give them a chance to know their laws.*"

Owing to the immense difficulties in the way of any one person mastering the various branches of the law in

this country, it is falling more and more into specialties, and lawyers are devoting themselves to some one of its many branches, the main division line being between "Law" and "Equity" technically so-called; and whenever one becomes eminent along any line, his compensation is apt to be very large owing at once to a large Demand and to a small Supply at that point, while the average compensation of the lawyers as a whole class is meagre enough, because there are too many of them, and the people have become very suspicious of the law's meshes and delays.

(c) The grounds for the unabating Demand in Christian countries for religious teachers and preachers, let us rather say, for spiritual guides, lie deep down in the nature of man. If there be one proposition about men more incontestable than another, it may be this, that men are made in the image of God, and that there is among men in general an irrepressible striving to maintain and deepen this image. The touch between man and man and between man and God is such at this point, that men can help each other in this striving, and that they *feel* that they can help each other. This is the chief reason why some men are constantly consecrating themselves to the Christian ministry, and other men as constantly soliciting these to become their pastors and teachers. Those more enlightened in divine things and more spiritually minded offer themselves, as it were, not commercially but morally, to the unenlightened and less advanced as guides and helpers. It is, as it was with Wolfe and his men at the Heights of Abraham: those who got first to the top tarried a little to help those up who came after. And the most striking thing about it is, that the masses of men at bottom are as desirous to be uplifted as the choicer spirits among them are desirous to help the work forward. Ministers are still, and always

will be (human nature is unchangeable), eagerly called; chapels and churches and cathedrals are still going up all over the earth; worship and petition and aspiration are ever ascending on the great world's altar stairs towards heaven, guided and inflamed by the chosen and choosing men of God,—“*when priests on grand cathedral altars praise!*”¹

It is a monstrous perversion of language to maintain, that a clergyman in rendering such services as these is selling his religion. It is true, that he is selling under Demand services to the appropriate rendering of which his own personal piety contributes one large element, and thorough confidence in him on the part of his people as a good and earnest man contributes another large element; but the piety and the spiritual power and the worthy example are not nourished for the sake of selling the services, but for their own sake in personal worth and worthiness, and these things must not be confounded with the services that are sold. Accordingly, while the clergyman's vocation is sacred, and belongs to the sphere of religion, his salary belongs to the sphere of exchange, and its determination, in harmony of course with the higher impulses, is a business transaction. This distinction ought to be better understood than it is; and both clergymen and people need to be reminded that the spiritual things belong to one sphere, and the temporal things to another. The amount of a minister's salary, and the time and mode of its payment, are matters of pure business; and the minister himself is to be blamed if he does not attend to them, and insist on them, on business principles.

In the professions generally, and particularly in the ministerial profession, while, if we confine our attention to those persons who both have the requisite gifts of Nature

¹ O'Reilly's Poem, at Plymouth, 1889.

and have been also thoroughly trained, we shall find a high rate of compensation on the two grounds of a strong Demand and a limited Supply, we must bear in mind too the counter-working influences which tend to increase the competition and thus decrease the compensation, namely, the respectability which attends them, the desire of knowledge for its own sake which is gained in connection with them, the instruction wholly or in part gratuitously offered to those in course of preparation for them, and the desire to do good without regard to pecuniary reward which actuates many who enter upon them.

(d) Physicians and lawyers and clergymen serve primarily individuals, or at most relatively small groups of individuals, and of course look for their pay to those whom they have served. It is different with Statesmen, the fourth class of professional laborers that we need to look at in an economic view. Statesmen worthy of the name serve at least a whole nation, and to the nation as such must they turn for their pecuniary rewards. And such men have never turned in vain to those whom they have benefited as a whole. Bismarck is the best modern instance of a Statesman, who has received from a grateful country immense money-measured remunerations for immense political services rendered. The Demand for the services of Statesmen rests in the deep consciousness of men organized politically into a Nation, that they need, especially in trying times, a Man of the highest natural gifts, and of the broadest attainments and of the loftiest political integrity to plan and act for them in emergencies, as they are conscious that they cannot plan and act for themselves organically. This does not mean, that the one ever knows essentials better than the many: he does not. This does not mean, that the true objective of a nation's march is ever discerned more clearly, or rather *felt after*

more eagerly, by one man than by the many men concerned: it is not. Still less does it mean "*a man on horse-back.*" But it does mean this: a Nation (as the very name implies) is made up of the thoughts and hopes and throbbings and dim forecastings and half-formed purposes of multitudes constituting a unit (born together for one destiny on earth); and the true Statesman is one of themselves, sharing with them at once the traditions of the past and the perspectives of the future; one, with the instinct and the intellect to gather up and embody the general feeling and the general will; one, who has gained in some way the confidence of the masses who are willing for the time being to entrust to him the guidance of their affairs, and to empower him to plan and act for them as their champion and deliverer; and one, who (because he *is* one) can better seize the propitious moments for declaration and negotiation and public action, yet who never forgets that he is nothing but an *agent* for others, and is as ready to lay down responsibility at the public will as to assume it at the public will.

Washington was such a statesman, and Lincoln. Even Bismarck, under monarchical and later imperial environment, disclaims anything substantive and original in his own action: he did what he could not help doing: he followed the instincts of Prussia, and his own; and became the means of fulfilling as they gradually ripened the longings of the other German people for unity and order. Such a statesman was Chatham in England, and Cavour in Italy. Now, such services as these, done for a whole people, always deserve and usually receive, though not expressly bargained for beforehand, yet implied in the public devotion of one party and the general *consensus* of the other, extraordinary honors and emoluments. This is right, even on purely Economic principles. The services

of great statesmen to their country in great epochs and emergencies are at once a gift and a sale, they are both patriotic and economic, there is equally a national Demand for them and a grateful recognition of them, the Supply is always exceedingly rare and the reward often exceedingly great; and it is to be put down to the lasting credit of the science of Economics, that its peculiar motives and results may mingle in and harmonize with the motives and results of the higher moral impulses, such as those of Patriotism and Religion, as in the cases of the Soldier and Statesman and Clergyman. There was no rational ground for the hesitation of Garibaldi to receive from the Parliament of Italy in 1875 an annual pension of 50,000 lire.

(e) There is a single class more of Professional laborers, loosely so-named, which should be noted before we dismiss the subject of Demand for laborers to pass to consider the Supply of them, namely, Literators and Artists and Actors of the highest rank. Statesmen primarily serve the individual nation that selects and rewards them, though their influence may indirectly uplift other nations also; but the great Writers and Painters and Actors, whatever may be their local habitation and name at first, soon come to belong to the world at large and to derive their revenue from many lands, because the highest Art is cosmopolitan in its own nature, and the best characterization of men as such cannot but be the property of Mankind. Shakespeare is no longer English, nor Angelo Italian, nor Mozart German, nor even Bernhardt French. Deep as are the scars and the sea that separate nation from nation, there is something deeper still in the innate recognition by man of man as depicted by the great Masters in immortal lines. There is, accordingly, a sort of Demand in the inmost soul of Humanity as such for these living and lofty touches and delineations of itself, whencesoever they may come. There

is not indeed nor can there be, as in most other cases of sale, a bargain made beforehand between these preordained sellers of the rarest services and their silent yet waiting purchasers, yet there is after all an antecedent and an assured understanding between them. They are in touch even across the sea. The master strikes his chord, and the audience, fit, though few and scattered, listens and applauds *and makes return*.

Is the principle of "International Copyright," so-called, correct? Let us look narrowly before we pronounce. At present this good country of ours makes itself a mocking and a by-word even to its own intelligent and art-loving citizens by putting a tariff-tax of 30% on paintings and statuary by foreign artists, not at all to get revenue thereby, but to "protect" domestic artists in their inferior work by artificially lifting the price of their wares. So far is carried this jealousy of foreign works of art, that when the artists generously loan them for exhibition on our national occasions, they are put under bonds *not to sell them on this side* without previously paying the tariff-tax, which is graciously intermitted during the Exposition. This is Restriction. This is Protectionism pure and simple. This is legally excluding the Better in order to give a forced currency to the Worse. Now, domestic Copyright restricts the sale of any book to one publisher in his interest and in that of the author. The book now in the reader's hand is thus copyrighted. This legal arrangement between authors and publishers and their public may be perhaps logically defended, it may even be for the public weal on the whole, though in many cases it doubtless raises the price of good books, which would have been published without any such artificial encouragement. The copyright, however, like all patent-rights also, soon expires by limitation of time, and the public thereafter have the unrestricted use of what is really their own.

For what is sometimes called "literary property" is not property in the strict sense of the word. A book is not like a plough or a house. Its contents even when most original have been but colored, as it were, and rearranged and reinforced by the author's individual mind. Its substance always comes out of the common stock. It cannot be the author's own, as the bushel of wheat is the farmer's, who sowed the seed on his own land and threshed it in his own barn and carried it to market in his own wagon. The rights of the individual and the rights of the Community commingle more or less in private property of every kind, at least to the extent that the latter may tax the property if needful for the common wellbeing, as it is bound also legally to secure it to the owner when threatened by others; it is no part of the purpose of the present book to draw the wavering line in general between the rights of individuals and the rights of their Government as towards them; but the distinction between common property and copyrighted property is plain enough to everybody, and the Law puts emphasis on the distinction by making the one quickly terminable and the other continual. So then, when the Government under which the author resides, has given him a limited copyright within its own jurisdiction, it would seem as if the individual right in the premises had been sufficiently recognized alongside of the undoubted right of the Whole to the ultimate use of the labors of their own citizen.

When, however, it comes to International Copyright, which is an attempt to secure to authors of one country artificial privileges under restriction in selling their wares in all other countries, the argument breaks down. Even for the one country, in which the author lives and is taxable, the argument is not very strong, and hardly binds advanced public opinion either as to the grounds of it or

even the practical benefits of it on the whole. By the attempted extension of it to all countries, its reasonableness disappears. Taxation cannot extend beyond the jurisdiction of the country taxing; and it certainly seems as if a legal privilege, beyond common law privileges, ought not by extension through the formal action of other countries to exempt from taxation (in case it were needful) the results of the original privilege. The purpose of International Copyright is not the blessed one as announced to the world by James Smithson, "*the increase and diffusion of knowledge among mankind*," but directly and artificially by means of legal restrictions the "increase" of the prices of books and of other "knowledge" to the masses of "mankind," and the "diffusion" of these extra prices as between authors and publishers. Protectionism does not seem to be one whit more respectable in this form than in the form of tariff-taxes on foreign works of art.

2. We have already seen in our first chapter the proofs of the proposition, that the Value of anything whatsoever bought and sold is determined by the Demand for it and the Supply of it then and there present. Also we have now seen at considerable length the main phases and grounds of the Demand for each of the three classes of Personal services bought and sold among men. The next topic in order is the Supply of personal services in the various markets. Here it will not be necessary to distinguish particularly the three classes of Services, inasmuch as the circumstances governing the Supply in each are substantially similar.

In Economics generally we have to deal chiefly with Persons, and only subordinately with Things; when we come to the Supply of personal services, answering to the Demand for them on the part of other persons, this

point becomes conspicuous; and it is here, if anywhere, within the realm of our science, that we need to devote a word to a singular doctrine, that has been famous for nearly a century under the term of *Malthusianism*. Thomas Robert Malthus, 1766-1836, was an English clergyman and teacher, a wide traveller and keen observer of men, one who divided his time during a long life between cure and chair and the libraries of the Universities, published in 1798 his "*Essay on the Principles of Population as it affects the Future Improvement of Society*"; in this and in subsequent editions enlarged and enriched, he brought out with its proofs the core of his startling pronouncement, that the human race is found to increase in numbers in something like geometrical progression, while the means of subsistence for them on any given area of agriculture can only increase in something like arithmetical proportion; the United States was then doubling its population in 25 years, and he calculated that, at this rate, the inhabitants of any country in five centuries would increase to above a million times their present number, which would give England in that time more than twenty million millions of people, or more than could even get standing-room there; for this natural tendency of the law of human fecundity to outstrip the results of the law of returns from land, he saw no remedy except in checks to population, which he divided into *the positive* and *the preventive*, the first of which, such as war and famine and disease, increase the annual number of deaths; and the second of which, such as prudence in contracting marriage and temperance after marriage, diminish the number of births; and Malthus and his followers, among whom the famous Thomas Chalmers was prominent, were at great pains to inculcate upon the laboring classes the duty of later marriages and fewer children, as an indis-