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industrious. The idle every where consume a great part of it, and according to the different proportions in which it is annually divided between those two different orders of people, its ordinary or average value must either annually increase, or diminish, or continue the same from one year to another.

CHAPTER VII.

Of the natural and market Price of Commodities.

THERE is in every society or neighbourhood an ordinary or average rate both of wages and profit in every different employment of labour and stock. This rate is naturally regulated, as I shall show hereafter, partly by the general circumstances of the society, their riches or poverty, their advancing, stationary, or declining condition; and partly by the particular nature of each employment.

THERE is likewise in every society or neighbourhood an ordinary or average rate of rent, which is regulated too, as I shall show hereafter, partly by the general circumstances of the society or neighbourhood in which the land is situated, and partly by the natural or improved fertility of the land.

THESE ordinary or average rates may be called the natural rates of wages, profit, and rent, at the time and place in which they commonly prevail.

WHEN the price of any commodity is neither more nor less than what is sufficient to pay the rent of the land, the wages of the labour,

labour, and the profits of the stock employed in raising, preparing, and bringing it to market, according to their natural rates, the commodity is then sold for what may be called its natural price.

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THE commodity is then sold precisely for what it is worth, or for what it really costs the person who brings it to market; for though in common language what is called the prime cost of any commodity does not comprehend the profit of the person who is to sell it again, yet if he sells it at a price which does not allow him the ordinary rate of profit in his neighbourhood, he is evidently a loser by the trade; since by employing his stock in some other way he might have made that profit. His profit, besides, is his revenue, the proper fund of his subsistence. As, while he is preparing and bringing the goods to market, he advances to his workmen their wages, or their subsistence, so he advances to himself, in the same manner, his own subsistence, which is generally suitable to the profit which he may reasonably expect from the sale of his goods. Unless they yield him this profit, therefore, they do not repay him what they may very properly be said to have really cost him.

THOUGH the price, therefore, which leaves him this profit, is not always the lowest at which a dealer may sometimes sell his goods, it is the lowest at which he is likely to sell them for any considerable time; at least where there is perfect liberty, or where he may change his trade as often as he pleases.

THE actual price at which any commodity is commonly sold is called its market price. It may either be above, or below, or exactly the same with its natural price.

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THE market price of every particular commodity is regulated by the proportion between the quantity which is actually brought to market, and the demand of those who are willing to pay the natural price of the commodity, or the whole value of the rent, labour, and profit, which must be paid in order to bring it thither. Such people may be called the effectual demanders, and their demand the effectual demand; since it may be sufficient to effectuate the bringing of the commodity to market. It is different from the absolute demand. A very poor man may be said, in some sense, to have a demand for a coach and six; he might like to have it; but his demand is not an effectual demand, as the commodity can never be brought to market in order to satisfy it.

WHEN the quantity of any commodity which is brought to market falls short of the effectual demand, all those who are willing to pay the whole value of the rent, wages, and profit, which must be paid in order to bring it thither, cannot be supplied with the quantity which they want. Rather than want it altogether, some of them will be willing to give more. A competition will immediately begin among them, and the market price will rise more or less above the natural price, according as the greatness of the deficiency increases more or less the eagerness of this competition. The same deficiency will generally occasion a more or less eager competition, according as the acquisition of the commodity happens to be of more or less importance to the competitors. Hence the exorbitant price of the necessaries of life during the blockade of a town or in a famine. *

WHEN the quantity brought to market exceeds the effectual demand, it cannot be all sold to those who are willing to pay the whole value of the rent, wages and profit, which must be paid in order to bring it thither. Some part must be sold to those who are

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are willing to pay less, and the low price which they give for it must reduce the price of the whole. The market price will sink more or less below the natural price, according as the greatness of the excess increases more or less the competition of the sellers, or according as it happens to be more or less important to them to get immediately rid of the commodity. The same excess in the importation of perishable, will occasion a much greater competition than in that of durable commodities; in the importation of oranges, for example, than in that of old iron.

WHEN the quantity brought to market is just sufficient to supply the effectual demand and no more, the market price naturally comes to be either exactly, or as nearly as can be judged of, the same with the natural price. The whole quantity upon hand can be disposed of for this price, and cannot be disposed of for more. The competition of the different dealers obliges them all to accept of this price, but does not oblige them to accept of less.

THE quantity of every commodity brought to market naturally suits itself to the effectual demand. It is the interest of all those who employ their land, labour, or stock, in bringing any commodity to market, that the quantity never should exceed the effectual demand; and it is the interest of all other people that it never should fall short of it.

IF at any time it exceeds the effectual demand, some of the component parts of its price must be paid below their natural rate. If it is rent, the interest of the landlords will immediately prompt them to withdraw a part of their land; and if it is wages or profit, the interest of the labourers in the one case, and of their employers in the other, will prompt them to withdraw a part

quantity of every commodity rise or fall according to the demand for it

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a part of their labour or stock from this employment. The quantity brought to market will soon be no more than sufficient to supply the effectual demand. All the different parts of its price will rise to their natural rate, and the whole price to its natural price.

If, on the contrary, the quantity brought to market should at any time fall short of the effectual demand, some of the component parts of its price must rise above their natural rate. If it is rent, the interest of all other landlords will naturally prompt them to prepare more land for the raising of this commodity; if it is wages or profit, the interest of all other labourers and dealers will soon prompt them to employ more labour and stock in preparing and bringing it to market. The quantity brought thither will soon be sufficient to supply the effectual demand. All the different parts of its price will soon sink to their natural rate, and the whole price to its natural price.

THE natural price, therefore, is, as it were, the central price, to which the prices of all commodities are continually gravitating. Different accidents may sometimes keep them suspended a good deal above it, and sometimes force them down even somewhat below it. But whatever may be the obstacles which hinder them from settling in this center of repose and continuance, they are constantly tending towards it.

THE whole quantity of industry annually employed in order to bring any commodity to market, naturally suits itself in this manner to the effectual demand. It naturally aims at bringing always that precise quantity thither which may be sufficient to supply, and no more than supply, that demand.

But

But in some employments the same quantity of industry will in different years produce very different quantities of commodities; while in others it will produce always the same, or very nearly the same. The same number of labourers in husbandry will, in different years, produce very different quantities of corn, wine, oil, hops, &c. But the same number of spinners and weavers will every year produce the same or very nearly the same quantity of linen and woollen cloth. It is only the average produce of the one species of industry which can be suited in any respect to the effectual demand; and as its actual produce is frequently much greater and frequently much less than its average produce, the quantity of the commodities brought to market will sometimes exceed a good deal, and sometimes fall short a good deal of the effectual demand. Even though that demand therefore should continue always the same, their market price will be liable to great fluctuations, will sometimes fall a good deal below, and sometimes rise a good deal above their natural price. In the other species of industry, the produce of equal quantities of labour being always the same or very nearly the same, it can be more exactly suited to the effectual demand. While that demand continues the same, therefore, the market price of the commodities is likely to do so too, and to be either altogether, or as nearly as can be judged of, the same with the natural price. That the price of linen and woollen cloth is liable neither to such frequent nor to such great variations as the price of corn, every man's experience will inform him. The price of the one species of commodities varies only with the variations in the demand: That of the other varies, not only with the variations in the demand, but with the much greater and more frequent variations in the quantity of what is brought to market in order to supply that demand.

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THE occasional and temporary fluctuations in the market price of any commodity fall chiefly upon those parts of its price which resolve themselves into wages and profit. That part which resolves itself into rent is less affected by them. A rent certain in money is not in the least affected by them either in its rate or in its value. A rent which consists either in a certain proportion or in a certain quantity of the rude produce, is no doubt affected in its yearly value by all the occasional and temporary fluctuations in the market price of that rude produce: but it is seldom affected by them in its yearly rate. In settling the terms of the lease, the landlord and farmer endeavour, according to their best judgment, to adjust that rate, not to the temporary and occasional, but to the average and ordinary price of the produce.

SUCH fluctuations affect both the value and the rate either of wages or of profit, according as the market happens to be either over-stocked or under-stocked with commodities or with labour; with work done, or with work to be done. A publick mourning raises the price of black cloth (with which the market is almost always under-stocked upon such occasions) and augments the profits of the merchants who possess any considerable quantity of it. It has no effect upon the wages of the weavers. The market is under-stocked with commodities, not with labour; with work done, not with work to be done. It raises the wages of journeymen taylors. The market is here under-stocked with labour. There is an effectual demand for labour, for more work to be done than can be had. It sinks the price of coloured silks and cloths, and thereby reduces the profits of the merchants who have any considerable quantity of them upon hand. It sinks too the wages of the workmen employed in preparing such commodities, for which all demand is stopped for six months, perhaps for a twelvemonth.

twelvemonth: The market is here overstocked both with commodities and with labour.

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BUT though the market price of every particular commodity is in this manner continually gravitating, if one may say so, towards the natural price, yet sometimes particular accidents, sometimes natural causes, and sometimes particular regulations of police, may, in many commodities, keep up the market price, for a long time together, a good deal above the natural price.

WHEN by an increase in the effectual demand, the market price of some particular commodity happens to rise a good deal above the natural price, those who employ their stocks in supplying that market are generally careful to conceal this change. If it was commonly known, their great profit would tempt so many new rivals to employ their stocks in the same way that, the effectual demand being fully supplied, the market price would soon be reduced to the natural price, and perhaps for some time even below it. If the market is at a great distance from the residence of those who supply it, they may sometimes be able to keep the secret for several years together, and may so long enjoy their extraordinary profits without any new rivals. Secrets of this kind however, it must be acknowledged, can seldom be long kept; and the extraordinary profit can last very little longer than they are kept.

SECRETS in manufactures are capable of being longer kept than secrets in trade. A dyer who has found the means of producing a particular colour with materials which cost only half the price of those commonly made use of, may, with good management, enjoy the advantage of his discovery as long as he lives, and even leave it as a legacy to his posterity. His extraordinary

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gains arise from the high price which is paid for his private labour. They properly consist in the high wages of that labour. But as they are repeated upon every part of his stock, and as their whole amount bears, upon that account, a regular proportion to it, they are commonly considered as extraordinary profits of stock.

SUCH enhancements of the market price are evidently the effects of particular accidents, of which, however, the operation may sometimes last for many years together.

SOME natural productions require such a singularity of soil and situation, that all the land in a great country, which is fit for producing them, may not be sufficient to supply the effectual demand. The whole quantity brought to market, therefore, may be disposed of to those who are willing to give more than what is sufficient to pay the rent of the land which produced them, together with the wages of the labour, and the profits of the stock which were employed in preparing and bringing them to market, according to their natural rates. Such commodities may continue to be sold at this high price for whole centuries together, and that part of it which resolves itself into the rent of land is in this case the part which is generally paid above its natural rate. The rent of the land which affords such singular and esteemed productions, like the rent of some vineyards in France of a peculiarly happy soil and situation, bears no regular proportion to the rent of other equally fertile and equally well cultivated land in its neighbourhood. The wages of the labour and the profits of the stock employed in bringing such commodities to market, on the contrary, are seldom out of their natural proportion to those of the other employments of labour and stock in their neighbourhood.

SUCH enhancements of the market price are evidently the effect of natural causes which may hinder the effectual demand from

from ever being fully supplied, and which may continue, therefore, to operate forever.

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A MONOPOLY granted either to an individual or to a trading company has the same effect as a secret in trade or manufactures. The monopolists, by keeping the market constantly understocked, by never fully supplying the effectual demand, sell their commodities much above the natural price, and raise their emoluments, whether they consist in wages or profit, greatly above their natural rate.

THE price of monopoly is upon every occasion the highest which can be got. The natural price, or the price of free competition, on the contrary, is the lowest which can be taken, not upon every occasion, indeed, but for any considerable time together. The one is upon every occasion the highest which can be squeezed out of the buyers, or which, it is supposed, they will consent to give: The other is the lowest which the sellers can commonly afford to take, and at the same time continue their business.

THE exclusive privileges of corporations, statutes of apprenticeship, and all those laws which restrain, in particular employments, the competition to a smaller number than might otherwise go into them, have the same tendency, though in a less degree. They are a sort of enlarged monopolies, and may frequently, for ages together and in whole classes of employments, keep up the market price of particular commodities above the natural price, and maintain both the wages of the labour and the profits of the stock employed about them somewhat above their natural rate.

SUCH enhancements of the market price may last as long as the regulations of police which give occasion to them.

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THE market price of any particular commodity, though it may continue long above, can seldom continue long below its natural price. Whatever part of it was paid below the natural rate, the persons whose interest it affected would immediately feel the loss, and would immediately withdraw either so much land, or so much labour, or so much stock, from being employed about it, that the quantity brought to market would soon be no more than sufficient to supply the effectual demand. Its market price, therefore, would soon rise to the natural price. This at least would be the case where there was perfect liberty.

THE same statutes of apprenticeship and other corporation laws indeed, which, when a manufacture is in prosperity, enable the workman to raise his wages a good deal above their natural rate, sometimes oblige him, when it decays, to let them down a good deal below it. As in the one case they exclude many people from his employment, so in the other they exclude him from many employments. The effect of such regulations, however, is not near so durable in sinking the workman's wages below, as in raising them above their natural rate. Their operation in the one way may endure for many centuries, but in the other it can last no longer than the lives of some of the workmen who were bred to the business in the time of its prosperity. When they are gone, the number of those who are afterwards educated to the trade will naturally suit itself to the effectual demand. The police must be as violent as that of Indostan or antient Egypt (where every man was bound by a principle of religion to follow the occupation of his father, and was supposed to commit the most horrid sacrilege if he changed it for another) which can in any particular employment, and for several generations together, sink either the wages of labour or the profits of stock below their natural rate.

from

THIS is all that I think necessary to be observed at present concerning the deviations, whether occasional or permanent, of the market price of commodities from the natural price.

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THE natural price itself varies with the natural rate of each of its component parts, of wages, profit, and rent; and in every society this rate varies according to their circumstances, according to their riches or poverty, their advancing, stationary, or declining condition. I shall, in the four following chapters, endeavour to explain, as fully and distinctly as I can, the causes of those different variations.

FIRST, I shall endeavour to explain what are the circumstances which naturally determine the rate of wages, and in what manner those circumstances are affected by the riches or poverty, by the advancing, stationary, or declining state of the society.

SECONDLY, I shall endeavour to show what are the circumstances which naturally determine the rate of profit, and in what manner too those circumstances are affected by the like variations in the state of the society.

THOUGH pecuniary wages and profit are very different in the different employments of labour and stock; yet a certain proportion seems commonly to take place between both the pecuniary wages in all the different employments of labour, and the pecuniary profits in all the different employments of stock. This proportion, it will appear hereafter, depends partly upon the nature of the different employments, and partly upon the different laws and policy of the society in which they are carried on. But though in many respects dependant upon the laws and policy, this proportion seems to be little affected by the riches.

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or poverty of that society; by its advancing, stationary, or declining condition; but to remain the same or very nearly the same in all those different states. I shall, in the third place, endeavour to explain all the different circumstances which regulate this proportion.

IN the fourth and last place I shall endeavour to show what are the circumstances which regulate the rent of land, and which either raise or lower the real price of all the different substances which it produces.

C H A P. VIII.

Of the Wages of Labour.

THE produce of labour constitutes the natural recompence or wages of labour.

IN that original state of things, which precedes both the appropriation of land and the accumulation of stock, the whole produce of labour belongs to the labourer. He has neither landlord nor master to share with him.

HAD this state continued, the wages of labour would have augmented with all those improvements in its productive powers, to which the division of labour gives occasion. All things would gradually have become cheaper. They would have been produced by a smaller quantity of labour; and as the commodities produced by equal quantities of labour would naturally in this state

things be exchanged for one another, they would have been purchased likewise with the produce of a smaller quantity.

BUT though all things would have become cheaper in reality, in appearance many things might have become dearer than before, or have been exchanged for a greater quantity of other goods. Let us suppose, for example, that in the greater part of employments the productive powers of labour had been improved to tenfold, or that a day's labour could produce ten times the quantity of work which it had done originally; but that in a particular employment they had been improved only to double, or that a day's labour could produce only twice the quantity of work which it had done before. In exchanging the produce of a day's labour in the greater part of employments, for that of a day's labour in this particular one, ten times the original quantity of work in them would purchase only twice the original quantity in it. Any particular quantity in it, therefore, a pound weight, for example, would appear to be five times dearer than before. In reality, however, it would be twice as cheap. Though it required five times the quantity of other goods to purchase it, it would require only half the quantity of labour either to purchase or to produce it. The acquisition, therefore, would be twice as easy as before.

BUT this original state of things, in which the labourer enjoyed the whole produce of his own labour, could not last beyond the first introduction of the appropriation of land and the accumulation of stock. It was at an end, therefore, long before the most considerable improvements were made in the productive powers of labour, and it would be to no purpose to trace further what might have been its effects upon the recompence or wages of labour.

AS soon as land becomes private property, the landlord demands a rent, and whatever produce the labourer can either raise, or collect

BOOK I. lect from it. His rent makes the first deduction from the produce of the labour which is employed upon land.

IT seldom happens that the person who tills the ground has wherewithal to maintain himself till he reaps the harvest. His maintenance is generally advanced to him from the stock of a master, the farmer who employs him, and who would have no interest to employ him, unless he was to share in the produce of his labour, or unless his stock was to be replaced to him with a profit. This profit makes a second deduction from the produce of the labour which is employed upon land.

THE produce of almost all other labour is liable to the like deduction of profit. In all arts and manufactures the greater part of the workmen stand in need of a master to advance them the materials of their work, and their wages and maintenance till it be completed. He shares in the produce of their labour, or in the value which it adds to the materials upon which it is bestowed; and in this share consists his profit.

IT sometimes happens, indeed, that a single independant workman has stock sufficient both to purchase the materials of his work, and to maintain himself till it be completed. He is both master and workman, and enjoys the whole produce of his own labour, or the whole value which it adds to the materials upon which it is bestowed. It includes what are usually two distinct revenues, belonging to two distinct persons, the profits of stock, and the wages of labour.

SUCH cases, however, are not very frequent, and in every part of Europe, twenty workmen serve under a master for one that is independant; and the wages of labour are every where understood

*The Gentleman that made this remark
 was not a very poor brain for doing so far
 as he no meaning to it*

*Thomas Delch
 Student of Logic
 in the University of Edinburgh*

to be, what they usually are, when the labourer is one person, and the owner of the stock which employs him another.

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WHAT are the common wages of labour depends every where upon the contract usually made between those two parties, whose interests are by no means the same. The workmen desire to get as much, the masters to give as little as possible. The former are disposed to combine in order to raise, the latter in order to lower the wages of labour.

IT is not, however, difficult to foresee which of the two parties must, upon all ordinary occasions, have the advantage in the dispute, and force the other into a compliance with their terms. The masters, being fewer in number, ~~cannot~~ ^{can not} only combine more easily, but the law authorises their combinations, or at least does not prohibit them, while it prohibits those of the workmen. We have no acts of parliament against combining to lower the price of work; but many against combining to raise it. In all such disputes the masters can hold out much longer. A landlord, a farmer, a master manufacturer, or merchant, though they did not employ a single workman, could generally live a year or two upon the stocks which they have already acquired. Many workmen could not subsist a week, few could subsist a month, and scarce any a year without employment. In the long-run the workman may be as necessary to his master as his master is to him; but the necessity is not so immediate. X

The wealth, the calm sense of masters is able to overcome the desperate outrages of the poor labourer - Law punishes the violence of the poor but not the artifice of the rich. This is a general evil, - not avoidable -

WE rarely hear, it has been said, of the combinations of masters; though frequently of those of workmen. But whoever imagines, upon this account, that masters rarely combine, is as ignorant of the world as of the subject. Masters are always and every where in a sort of tacit, but constant and uniform combination, not to

Very right +

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In N. B. - 6. qh. Shine last Harvest of combination of the Farmers to refuse not to give more than a certain wage to the reapers I believe I left that they wanted per week but they could not get one for that money and they were obliged to give the wages demanded.

That was well done indeed

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raise the wages of labour above their actual rate. To violate this combination is every where a most unpopular action, and a sort of reproach to a master among his neighbours and equals. We seldom, indeed, hear of this combination, because it is the usual, and one may say, the natural state of things which nobody ever hears of. Masters too sometimes enter into particular combinations to sink the wages of labour even below this rate. These are always conducted with the utmost silence and secrecy, till the moment of execution, and when the workmen yield, as they sometimes do, without resistance, though severely felt by them, they are never heard of by other people. Such combinations, however, are frequently resisted by a contrary defensive combination of the workmen; who sometimes too, without any provocation of this kind, combine of their own accord to raise the price of their labour. Their usual pretences are, sometimes, the high price of provisions; sometimes the great profit which their masters make by their work. But whether their combinations be offensive or defensive they are always abundantly heard of. In order to bring the point to a speedy decision, they have always recourse to the loudest clamour, and sometimes to the most shocking violence and outrage. They are desperate, and act with the folly and extravagance of desperate men, who must starve or frighten their masters into an immediate compliance with their demands. The masters upon these occasions are just as clamorous upon the other side, and never cease to call aloud for the assistance of the civil magistrate, and the rigorous execution of those laws which have been enacted with so much severity against the combinations of servants, labourers, and journeymen. The workmen, accordingly, very seldom derive any advantage from the violence of those tumultuous combinations, which, partly from the interposition of the civil magistrate, partly from the superior steadiness of the masters, partly from the necessity which the greater part of the workmen are under of submitting

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mitting for the sake of present subsistence, generally end in nothing, but the punishment or ruin of the ringleaders.

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BUT though in disputes with their workmen, masters must generally have the advantage, there is however a certain rate below which it seems impossible to reduce, for any considerable time, the ordinary wages even of the lowest species of labour.

A MAN must always live by his work, and his wages must at least be sufficient to maintain him. X They must even upon most occasions be somewhat more; otherwise it would be impossible to bring up a family, and the race of such workmen could not last beyond the first generation. Mr. Cantillon seems, upon this account, to suppose that the lowest species of common labourers must every where earn at least double their own maintenance, in order that one with another they may be enabled to bring up two children; the labour of the wife, on account of her necessary attendance on the children, being supposed no more than sufficient to provide for herself. But one-half the children born, it is computed, die before the age of manhood. The poorest labourers, therefore, according to this account, must, one with another, attempt to rear at least four children, in order that two may have an equal chance of living to that age. But the necessary maintenance of four children, it is supposed, may be nearly equal to that of one man. The labour of an able-bodied slave, the same author adds, is computed to be worth double his maintenance; and that of the meanest labourer, he thinks, cannot be worth less than that of an able-bodied slave. Thus far at least seems certain, that, in order to bring up a family, the labour of the husband and wife together must, even in the lowest species of common labour, be able to earn something more than what is precisely necessary for their own maintenance; but in what proportion, whether in that above

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What are the wages
of the lowest
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What means have
poor labourers of
maintaining the co-
mon rights of ma-
against avarice
prodigality? If the
resist or go to court
they forfeit the favor
of their employers
by suing for
justice
in the resorts of v-
nal & servile men
The interest of the
poor is naturally
connected with the
of the rich; of their
masters, employer-

Cantillon
John Cantillon
Cantillon

THE NATURE AND CAUSES OF

BOOK I. mentioned, or in any other, I shall not take upon me to determine.

THERE are certain circumstances, however, which sometimes give the labourers an advantage, and enable them to raise their wages considerably above this rate; evidently the lowest which is consistent with common humanity.

WHEN in any country the demand for those who live by wages; labourers, journeymen, servants of every kind, is continually increasing; when every year furnishes employment for a greater number than had been employed the year before, the workmen have no occasion to combine in order to raise their wages. The scarcity of hands occasions a competition among masters, who bid against one another in order to get them, and thus voluntarily break through the natural combination of masters not to raise wages.

THE demand for those who live by wages, it is evident, cannot increase but in proportion to the increase of the funds which are destined for the payment of wages. These funds are of two kinds; first, the revenue which is over and above what is necessary for the maintenance; and, secondly, the stock which is over and above what is necessary for the employment of their masters.

WHEN the landlord, annuitant, or monied man, has a greater revenue than what he judges sufficient to maintain his own family, he employs either the whole or a part of the surplus in maintaining one or more menial servants. Increase this surplus, and he will naturally increase the number of those servants.

WHEN an independant workman, such as a weaver or shoemaker, has got more stock than what is sufficient to purchase

the materials of his own work, and to maintain himself till he can dispose of it, he naturally employs one or more journeymen with the surplus, in order to make a profit by their work. Increase this surplus, and he will naturally increase the number of his journeymen.

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THE demand for those who live by wages, therefore, necessarily increases with the increase of the revenue and stock of every country, and cannot possibly increase without it. The increase of revenue and stock is the increase of national wealth. The demand for those who live by wages, therefore, naturally increases with the increase of national wealth, and cannot possibly increase without it.

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IT is not the actual greatness of national wealth, but its continual increase, which occasions a rise in the wages of labour. It is not, accordingly, in the richest countries, but in the most thriving or in those which are growing rich the fastest, that the wages of labour are highest. England is certainly, in the present times, a much richer country than any part of North America. The wages of labour, however, are much higher in North America than in any part of England. In the province of New York, common labourers earn three shillings and sixpence currency, equal to two shillings sterling, a day; ship carpenters, ten shillings and sixpence currency, with a pint of rum worth sixpence sterling, equal in all to six shillings and sixpence sterling; house carpenters and bricklayers, eight shillings currency, equal to four shillings and sixpence sterling; journeymen tailors, five shillings currency, equal to about two shillings and ten-pence sterling. These prices are all above the London price; and wages are said to be as high in the other colonies as in New York. The price of provisions is every where in North America much lower than in England. A dearth has never been known there. In the worst seasons, they

Machinery, by employing one man to do the work of many, tends to throw many labourers out of employment.

The labourer is not so very true and the altho' he receives much praise for Machinery has thrown many a family out of employment and more so within this few years. Shearing machines in particular have not it is my great matter for them for it is Devilish hard work with the flail.

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When the lands of your fools were before it. 1625

The tears of a Puritan has been here

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have always had a sufficiency for themselves, though less for exportation. If the money price of labour, therefore, be higher than it is any where in the mother country, its real price, the real command of the necessaries and conveniences of life which it conveys to the labourer, must be higher in a still greater proportion.

BUT though North America is not yet so rich as England, it is much more thriving, and advancing with much greater rapidity to the further acquisition of riches. The most decisive mark of the prosperity of any country is the increase of the number of its inhabitants. In Great Britain and most other European countries they are not supposed to double in less than five hundred years. In the British colonies in North America, it has been found, that they double in twenty or five and twenty years. Nor in the present times is this increase principally owing to the continual importation of new inhabitants, but to the great multiplication of the species. Those who live to old age, it is said, frequently see there from fifty to a hundred, and sometimes many more, descendants from their own body. Labour is there so well rewarded that a numerous family of children, instead of being a burthen, is a source of opulence and prosperity to the parents. The labour of each child, before it can leave their house, is computed to be worth a hundred pounds clear gain to them. A young widow with four or five young children, who, among the middling or inferior ranks of people in Europe, would have so little chance for a second husband, is there frequently courted as a sort of fortune. The value of children is the greatest of all encouragements to marriage. We cannot, therefore, wonder that the people in North America should generally marry very young. Notwithstanding the great increase occasioned by such early marriages, there is a continual complaint of the scarcity of hands in North America. The demand for labourers, the funds destined for maintaining them, increase, it seems, still faster than they can find labourers to employ.

THOUGH

The population of Ireland is rapidly increasing and its prosperity by no means advances in the same ratio.
1825
Petty thought the small population of Ireland its base, its great population is now its greatest curse.

But I would not say much of the fortunes

THOUGH the wealth of a country should be very great, yet if it has been long stationary, we must not expect to find the wages of labour very high in it. The funds destined for the payment of wages, the revenue and stock of its inhabitants, may be of the greatest extent, but if they have continued for several centuries of the same, or very nearly of the same extent, the number of labourers employed every year could easily supply, and even more than supply, the number wanted the following year. There could seldom be any scarcity of hands, nor could the masters be obliged to bid against one another in order to get them. The hands, on the contrary, would, in this case, naturally multiply beyond their employment. There would be a constant scarcity of employment, and the labourers would be obliged to bid against one another in order to get it. If in such a country the wages of labour had ever been more than sufficient to maintain the labourer and to enable him to bring up a family, the competition of the labourers and the interest of the masters would soon reduce them to this lowest rate which is consistent with common humanity. China has been long one of the richest, that is, one of the most fertile, best cultivated, most industrious and most populous countries in the world. It seems, however, to have been long stationary. Marco Polo, who visited it more than five hundred years ago, describes its cultivation, industry and populousness almost in the same terms in which they are described by travellers in the present times. It had perhaps even long before his time acquired that full complement of riches which the nature of its laws and institutions permits it to acquire. The accounts of all travellers, inconsistent in many other respects, agree in the low wages of labour, and in the difficulty which a labourer finds in bringing up a family in China. If by digging the ground a whole day he can get what will purchase a small quantity of rice in the evening, he is contented. The condition of artificers is, if possible, still worse. Instead of waiting indolently in their work-houses,

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houses, for the calls of their customers, as in Europe, they are continually running about the streets with the tools of their respective trades, offering their service, and as it were begging employment. The poverty of the lower ranks of people in China far surpasses that of the most beggarly nations in Europe. In the neighbourhood of Canton many hundred, it is commonly said, many thousand families have no habitation on the land, but live constantly in little fishing boats upon the rivers and canals. The subsistence which they find there is so scanty that they are eager to fish up the nastiest garbage thrown overboard from any European ship. Any carrion, the carcase of a dead dog or cat, for example, though half putrid and stinking, is as welcome to them as the most wholesome food to the people of other countries. Marriage is encouraged in China, not by the profitableness of children, but by the liberty of destroying them. In all great towns several are every night exposed in the street or drowned like puppies in the water. The performance of this horrid office is even said to be the avowed business by which some people earn their subsistence.

CHINA, however, though it may perhaps stand still, does not seem to go backwards. Its towns are nowhere deserted by their inhabitants. The lands which had once been cultivated are nowhere neglected. The same or very nearly the same annual labour must therefore continue to be performed, and the funds destined for maintaining it must not, consequently, be sensibly diminished. The lowest class of labourers, therefore, notwithstanding their scanty subsistence, must some way or another make shift to continue their race so far as to keep up their usual numbers.

BUT it would be otherwise in a country where the funds destined for the maintenance of labour were sensibly decaying. Every year the demand for servants and labourers would, in all the different classes

classes of employments, be less than it had been the year before. Many who had been bred in the superior classes, not being able to find employment in their own business, would be glad to seek it in the lowest. The lowest class being not only overstocked with its own workmen, but with the overflowings of all the other classes, the competition for employment would be so great in it, as to reduce the wages of labour to the most miserable and scanty subsistence of the labourer. Many would not be able to find employment even upon these hard terms, but would either starve, or be driven to seek a subsistence either by begging, or by the perpetration perhaps of the greatest enormities. Want, famine, and mortality would immediately prevail in that class, and from thence extend themselves to all the superior classes, till the number of inhabitants in the country was reduced to what could easily be maintained by the revenue and stock which remained in it, and which had escaped either the tyranny or calamity which had destroyed the rest. This perhaps is nearly the present state of Bengal, and of some other of the English settlements in the East Indies. In a fertile country which had before been much depopulated, where subsistence, consequently, should not be very difficult, and where, notwithstanding, three or four hundred thousand people die of hunger in one year, we may be assured that the funds destined for the maintenance of the labouring poor are fast decaying. The difference between the genius of the British constitution which protects and governs North America, and that of the mercantile company which oppresses and dominates in the East Indies, cannot perhaps be better illustrated than by the different state of those countries.

THE liberal reward of labour, therefore, as it is the necessary effect, so it is the natural symptom of increasing national wealth. The scanty maintenance of the labouring poor, on the other hand, is the natural symptom that things are at a stand, and their starving condition that they are going fast backwards.

This will always be the case, at one period or other, when the funds destined for the maintenance of labor decay or sink, for the population of a country always branches out on the subject matter of that country can produce goods. Malthus has demonstrated that the population, in a geometrical ratio, the subsistence is an arithmetical rate.

IN Great Britain the wages of labour seem, in the present times, to be evidently more than what is precisely necessary to enable the labourer to bring up a family. In order to satisfy ourselves upon this point it will not be necessary to enter into any tedious or doubtful calculation of what may be the lowest sum upon which it is possible to do this. There are many plain symptoms that the wages of labour are nowhere in this country regulated by this lowest rate which is consistent with common humanity.

FIRST, in almost every part of Great Britain there is a distinction, even in the lowest species of labour, between summer and winter wages. Summer wages are always highest. But on account of the extraordinary expence of fuel, the maintenance of a family is most expensive in winter. Wages, therefore, being highest when this expence is lowest, it seems evident that they are not regulated by what is necessary for this expence; but by the quantity and supposed value of the work. A labourer, it may be said indeed, ought to save part of his summer wages in order to defray his winter expence; and that through the whole year they do not exceed what is necessary to maintain his family through the whole year. A slave, however, or one absolutely dependent on us for immediate subsistence, would not be treated in this manner. His daily subsistence would be proportioned to his daily necessities.

SECONDLY, the wages of labour do not in Great Britain fluctuate with the price of provisions. These vary everywhere from year to year, frequently from month to month. But in many places the money price of labour remains uniformly the same sometimes for half a century together. If in these places, therefore, the labouring poor can maintain their families in dear years, they must be at their ease in times of moderate plenty, and in affluence in those of extraordinary cheapness. The high price of provisions during these ten years past has not in many parts of the kingdom

kingdom been accompanied with any sensible rise in the money price of labour. It has, indeed, in some; owing probably more to the increase of the demand for labour than to that of the price of provisions.

CHAP.
VIII.

THIRDLY, as the price of provisions varies more from year to year than the wages of labour, so, on the other hand, the wages of labour vary more from place to place than the price of provisions. The prices of bread and butcher's meat are generally the same or very nearly the same through the greater part of the united kingdom. These and most other things which are sold by retail, the way in which the labouring poor buy all things, are generally fully as cheap or cheaper in great towns than in the remoter parts of the country, for reasons which I shall have occasion to explain hereafter. But the wages of labour in a great town and its neighbourhood are frequently a fourth or a fifth part, twenty or five and twenty per cent higher than at a few miles distance. Eighteen pence a day may be reckoned the common price of labour in London and its neighbourhood. At a few miles distance it falls to fourteen and fifteen pence. Ten-pence may be reckoned its price in Edinburgh and its neighbourhood. At a few miles distance it falls to eight pence, the usual price of common labour through the greater part of the low country of Scotland, where it varies a good deal less than in England. Such a difference of prices, which it seems is not always sufficient to transport a man from one parish to another, would necessarily occasion so great a transportation of the most bulky commodities, not only from one parish to another, but from one end of the kingdom, almost from one end of the world to the other, as would soon reduce them more nearly to a level. After all that has been said of the levity and inconstancy of human nature, it appears evidently from experience that a man is of all sorts of luggage the most

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difficult

in one place -
 = constant enterprise is the char-
 = lev of some men, ~~accustomed to live~~
 ocence is the characted of others
 Few men chuse to live always
 in one place, if their tempers are
 enterprising. Smith corrects one error

BOOK I. difficult to be transported. If the labouring poor, therefore, can maintain their families in those parts of the kingdom where the price of labour is lowest, they must be in affluence where it is highest.

FOURTHLY, the variations in the price of labour not only do not correspond either in place or time with those in the price of provisions, but they are frequently quite opposite.

GRAIN, the food of the common people, is dearer in Scotland than in England, whence Scotland receives almost every year very large supplies. But English corn must be sold dearer in Scotland, the country to which it is brought, than in England; the country from which it comes; and in proportion to its quality it cannot be sold dearer in Scotland than the Scotch corn that comes to the same market in competition with it. The quality of grain depends chiefly upon the quantity of flour or meal which it yields at the mill, and in this respect English grain is so much superior to the Scotch that, though often dearer in appearance, or in proportion to the measure of its bulk, it is generally cheaper in reality or in proportion to its quality, or even to the measure of its weight. The price of labour, on the contrary, is dearer in England than in Scotland. If the labouring poor, therefore, can maintain their families in the one part of the united kingdom, they must be in affluence in the other. Oatmeal indeed supplies the common people in Scotland with the greatest and the best part of their food, which is in general much inferior to that of their neighbours of the same rank in England. This difference, however, in the mode of their subsistence is not the cause, but the effect of the difference in their wages; though, by a strange misapprehension, I have frequently heard it represented as the cause. It is not because one man keeps a coach while his neighbour walks a-foot, that the one

one is rich and the other poor; but because the one is rich he keeps a coach, and because the other is poor he walks a-foot.

CHAP.
VIII.

DURING the course of the last century, taking one year with another, grain was dearer in both parts of the united kingdom than during that of the present. This is a matter of fact which cannot now admit of any reasonable doubt; and the proof of it is, if possible, still more decisive with regard to Scotland than with regard to England. It is in Scotland supported by the evidence of the publick fiars, annual valuations made upon oath, according to the actual state of the markets, of all the different sorts of grain in every different county of Scotland. If such direct proof could require any collateral evidence to confirm it, I would observe that this has likewise been the case in France, and probably in most other parts of Europe. With regard to France there is the clearest proof. But though it is certain that in both parts of the united kingdom grain was somewhat dearer in the last century than in the present, it is equally certain that labour was much cheaper. If the labouring poor, therefore, could bring up their families then, they must be much more at their ease now. In the last century, the most usual day-wages of common labour through the greater part of Scotland were sixpence in summer and five-pence in winter. Three shillings a week, the same price very nearly, still continues to be paid in some parts of the Highlands and western Islands. Through the greater part of the low country the most usual wages of common labour are now eight-pence a day; ten-pence, sometimes a shilling about Edinburgh, in the counties which border upon England, probably on account of that neighbourhood, and in a few other places where there has lately been a considerable rise in the demand for labour, about Glasgow, Carron, Ayr-shire, &c. In England the improvements of agriculture, manufactures and commerce began much earlier than.

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than in Scotland. The demand for labour, and consequently its price, must necessarily have increased with those improvements. In the last century, accordingly, as well as in the present, the wages of labour were higher in England than in Scotland. They have risen too considerably since that time, though on account of the greater variety of wages paid there in different places, it is more difficult to ascertain how much. In 1614, the pay of a foot soldier was the same as in the present times, eight pence a day. When it was first established it would naturally be regulated by the usual wages of common labourers, the rank of people from which foot soldiers are commonly drawn. Lord Chief Justice Hales, who wrote in the time of Charles II. computes the necessary expence of a labourer's family, consisting of six persons, the father and mother, two children able to do something, and two not able, at ten shillings a week, or twenty-six pounds a year. If they cannot earn this by their labour, they must make it up, he supposes, either by begging or stealing. He appears to have enquired very carefully into this subject. In 1688, Mr. Gregory King, whose skill in political arithmetick is so much extolled by Doctor Davenant, computed the ordinary income of labourers and out-servants to be fifteen pounds a year to a family, which he supposed to consist, one with another, of three and a half persons. His calculation, therefore, though different in appearance, corresponds very nearly at bottom with that of judge Hales. Both suppose the weekly expence of such families to be about twenty-pence a head. Both the pecuniary income and expence of such families have increased considerably since that time through the greater part of the kingdom; in some places more, and in some less; though perhaps scarce any where so much as some exaggerated accounts of the present wages of labour have lately represented them to the publick. The price of labour, it must be observed, cannot be ascertained very accurately anywhere, different prices being

being often paid at the same place and for the same sort of labour, not only according to the different abilities of the workmen, but according to the easiness or hardness of the masters. Where wages are not regulated by law, all that we can pretend to determine is what are the most usual; and experience seems to show that law can never regulate them properly, though it has often pretended to do so.

C H A P.
VIII.

THE real recompence of labour, the real quantity of the necessaries and conveniences of life which it can procure to the labourer, has, during the course of the present century, increased perhaps in a still greater proportion than its money price. Not only grain has become somewhat cheaper, but many other things from which the industrious poor derive an agreeable and wholesome variety of food, have become a great deal cheaper. Potatoes, for example, do not at present, through the greater part of the kingdom, cost half the price which they used to do thirty or forty years ago. The same thing may be said of turnips, carrots, cabbages; things which were formerly never raised but by the spade, but which are now commonly raised by the plough. All sort of garden stuff too has become cheaper. The greater part of the apples and even of the onions consumed in Great Britain were in the last century imported from Flanders. The great improvements in the coarser manufactures of both linen and woollen cloth furnish the labourers with cheaper and better cloathing; and those in the manufactures of the coarser metals, with cheaper and better instruments of trade, as well as with many agreeable and convenient pieces of household furniture. Soap, salt, candles, leather, and fermented liquors have, indeed, become a good deal dearer; chiefly from the taxes which have been laid upon them. The quantity of these however which the labouring poor are under any necessity of consuming, is so very small that

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the increase in their price does not compensate the diminution in that of so many other things. X The common complaint that luxury extends itself even to the lowest ranks of the people, and that the labouring poor will not now be contented with the same food, cloathing and lodging which satisfied them in former times, may convince us that it is not the money price of labour only, but its real recompence which has augmented.

You are certainly in a mistake here for the greatest part of these is consumed by them.

Is this improvement in the circumstances of the lower ranks of the people to be regarded as an advantage or as an inconveniency to the society? The answer seems at first sight abundantly plain. Servants, labourers and workmen of different kinds, make up the far greater part of every great political society. But what improves the circumstances of the greater part can never be regarded as an inconveniency to the whole. No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable. It is but equity, besides, that they who feed, cloath and lodge the whole body of the people, should have such a share of the produce of their own labour as to be themselves tolerably well fed, cloathed and lodged.

POVERTY, though it no doubt discourages, does not always prevent marriage. X It seems even to be favourable to generation. A half starved Highland woman frequently bears more than twenty children, while a pampered fine lady is often incapable of bearing any, and is generally exhausted by two or three. Barrenness, so frequent among women of fashion, is very rare among those of inferior station. Luxury in the fair sex, while it enflames perhaps the passion for enjoyment, seems always to weaken and frequently to destroy altogether the powers of generation. *Very true*

It is to be lamented that nothing prevents that I am sure they are fools. BUT

What nonsense

BUT poverty, though it does not prevent the generation, is extremely unfavourable to the rearing of children. The tender plant is produced, but in so cold a soil and so severe a climate, soon withers and dies. It is not uncommon, I have been frequently told, in the Highlands of Scotland for a mother who has borne twenty children not to have two alive. Several officers of great experience have assured me that so far from recruiting their regiment, they have never been able to supply it with drums and fifes from all the soldiers children that were born in it. A greater number of fine children, however, is seldom seen anywhere than about a barrack of soldiers. Very few of them, it seems, arrive at the age of thirteen or fourteen. In some places one half the children born die before they are four years of age; in many places before they are seven; and in almost all places before they are nine or ten. This great mortality, however, will every where be found chiefly among the children of the common people, who cannot afford to tend them with the same care as those of better station. Though their marriages are generally more fruitful than those of people of fashion, a smaller proportion of their children arrive at maturity. In foundling hospitals, and among the children brought up by parish charities the mortality is still greater than among those of the common people.

CHAP. VIII.

In Ireland it is more extraordinary that in the midst of so much violence and equal power so many children should not only be produced but reared to manhood. They poor have no other employment but getting children more over to the only commerce that escapes Taxation

EVERY species of animals naturally multiplies in proportion to the means of their subsistence, and no species can ever multiply beyond it. But in civilized society it is only among the inferior ranks of people that the scantiness of subsistence can set limits to the further multiplication of the human species; and it can do so in no other way than by destroying a great part of the children which their fruitful marriages produce.

very frequently, whether from want of food, or from want of proper attention, or from some other cause they most frequently die in the first year of their life. This is a great loss to the nation, and it is a great reason why the poor should be encouraged to have more children, and why the government should take care to support them in their infancy.

THE liberal reward of labour, by enabling them to provide better for their children, and consequently to bring up a greater number, naturally

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naturally tends to widen and extend those limits. It deserves to be remarked too, that it necessarily does this as nearly as possible in the proportion which the demand for labour requires. If this demand is continually increasing, the reward of labour must necessarily encourage in such a manner the marriage and multiplication of labourers, as may enable them to supply that continually increasing demand by a continually increasing population. If it should at any time be less than what was requisite for this purpose, the deficiency of hands would soon raise it; and if it should at any time be more, their excessive multiplication would soon lower it to this necessary rate. The market would be so much understocked with labour in the one case, and so much overstocked in the other, as would soon force back its price to that proper rate which the circumstances of the society required. It is in this manner that the demand for men, like that for any other commodity, necessarily regulates the production of men; quickens it when it goes on too slowly, and stops it when it advances too fast. It is this demand which regulates and determines the state of propagation in all the different countries of the world, in North America, in Europe, and in China; which renders it rapidly progressive in the first, slow and gradual in the second, and altogether stationary in the last.

THE tear and wear of a slave, it has been said, is at the expence of his master; but that of a free servant is at his own expence. The tear and wear of the latter, however, is, in reality, as much at the expence of his master as that of the former. The wages paid to journeymen and servants of every kind must be such as may enable them, one with another, to continue the race of journeymen and servants, according as the increasing, diminishing, or stationary demand of the society may happen to require. But though the tear and wear of a free servant be equally at the expence

of

*What is this but
Malthus' system*

of his master, it generally costs him much less than that of a slave. The fund destined for replacing or repairing, if I may say so, the tear and wear of the slave, is commonly managed by a negligent master or careless overseer. That destined for performing the same office with regard to the free man, is managed by the free man himself. The disorders which generally prevail in the œconomy of the rich, naturally introduce themselves into the management of the former: The strict frugality and parsimonious attention of the poor as naturally establish themselves in that of the latter. Under such different management, the same purpose must require very different degrees of expence to execute it. It appears, accordingly, from the experience of all ages and nations, I believe, that the work done by freemen comes cheaper in the end than that performed by slaves. It is found to do so even at Boston, New York, and Philadelphia, where the wages of common labour are so very high.

THE liberal reward of labour, therefore, as it is the effect of increasing wealth, so it is the cause of increasing population. To complain of it is to lament over the necessary effect and cause of the greatest publick prosperity.

IT deserves to be remarked, perhaps, that it is in the progressive state, while the society is advancing to the further acquisition, rather than when it has acquired its full complement of riches, that the condition of the labouring poor, of the great body of the people, seems to be the happiest and the most comfortable. It is hard in the stationary, and miserable in the declining state. The progressive state is in reality the chearful and the hearty state to all the different orders of the society. The stationary is dull, the declining, melancholy.

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I.

THE liberal reward of labour, as it encourages the propagation, so it increases the industry of the common people. The wages of labour are the encouragement of industry, which, like every other human quality, improves in proportion to the encouragement it receives. A plentiful subsistence increases the bodily strength of the labourer, and the comfortable hope of bettering his condition, and of ending his days perhaps in ease and plenty, animates him to exert that strength to the utmost. Where wages are high, accordingly, we shall always find the workmen more active, diligent, and expeditious, than where they are low; in England, for example, than in Scotland; in the neighbourhood of great towns, than in remote country places. Some workmen, indeed, when they can earn in four days what will maintain them through the week, will be idle the other three. This, however, is by no means the case with the greater part. Workmen, on the contrary, when they are liberally paid by the piece, are very apt to over-work themselves, and to ruin their health and constitution in a few years. A carpenter in London, and in some other places, is not supposed to last in his utmost vigour above eight years. Something of the same kind happens in many other trades, in which the workmen are paid by the piece; as they generally are in manufactures, and even in country labour, wherever wages are higher than ordinary. Almost every class of artificers is subject to some peculiar infirmity occasioned by excessive application to their peculiar species of work. Ramazzini, an eminent Italian physician, has written a particular book concerning such diseases. We do not reckon our soldiers the most industrious set of people among us. Yet when soldiers have been employed in some particular sorts of work, and liberally paid by the piece, their officers have frequently been obliged to stipulate with the undertaker, that they should not be allowed to earn above a certain sum every day, according to the rate at which they were paid. Till this stipulation was made,

mutual.

mutual emulation and the desire of greater gain, frequently prompted them to over-work themselves, and to hurt their health by excessive labour. Excessive application during four days of the week, is frequently the real cause of the idleness of the other three, so much and so loudly complained of. Great labour, either of mind or body, continued for several days together, is in most men naturally followed by a great desire of relaxation, which, if not restrained by force or by some strong necessity, is almost irresistible. It is the call of nature, which requires to be relieved by some indulgence, sometimes of ease only, but sometimes too of dissipation and diversion. If it is not complied with, the consequences are often dangerous, and sometimes fatal, and such as almost always, sooner or later, bring on the peculiar infirmity of the trade. If masters would always listen to the dictates of reason and humanity, they have frequently occasion rather to moderate, than to animate the application of many of their workmen. It will be found, I believe, in every sort of trade, that the man who works so moderately, as to be able to work constantly, not only preserves his health the longest, but, in the course of the year, executes the greatest quantity of work.

In cheap years, it is pretended, workmen are generally more idle, and in dear ones more industrious than ordinary. A plentiful subsistence, therefore, it has been concluded, relaxes, and a scanty one quickens their industry. That a little more plenty than ordinary may render some workmen idle, cannot well be doubted; but that it should have this effect upon the greater part, or that men in general should work better when they are ill fed than when they are well fed, when they are disheartened than when they are in good spirits, when they are frequently sick than when they are generally in good health, seems not very probable. Years of dearth, it is to be observed, are generally among the common people.

people years of sickness and mortality, which cannot fail to diminish the produce of their industry.

IN years of plenty, servants frequently leave their masters, and trust their subsistence to what they can make by their own industry. But the same cheapness of provisions, by increasing the fund which is destined for the maintenance of servants, encourages masters, farmers especially, to employ a greater number. Farmers upon such occasions expect more profit from their corn by maintaining a few more labouring servants, than by selling it at a low price in the market. The demand for servants increases, while the number of those who offer to supply that demand diminishes. The price of labour, therefore, frequently rises in cheap years.

IN years of scarcity, the difficulty and uncertainty of subsistence make all such people eager to return to service. But the high price of provisions, by diminishing the funds destined for the maintenance of servants, disposes masters rather to diminish than to increase the number of those they have. In dear years too, poor independent workmen frequently consume the little stocks with which they had used to supply themselves with the materials of their work, and are obliged to become journeymen for subsistence. More people want employment than can easily get it; many are willing to take it upon lower terms than ordinary, and the wages of both servants and journeymen frequently sink in dear years.

MASTERS of all sorts, therefore, frequently make better bargains with their servants in dear than in cheap years, and find them more humble and dependant in the former than in the latter. They naturally, therefore, commend the former as more favourable to industry. Landlords and farmers, besides, two of the largest classes of masters, have another reason for being pleased with dear

years. The rents of the one and the profits of the other depend very much upon the price of provisions. Nothing can be more absurd, however, than to imagine that men in general should work less when they work for themselves, than when they work for other people. A poor independant workman will generally be more industrious than even a journeyman who works by the piece. The one enjoys the whole produce of his own industry; the other shares it with his master. The one, in his separate, independant state, is less liable to the temptations of bad company, which in large manufactories so frequently ruin the morals of the other. The superiority of the independant workman over those servants who are hired by the month or by the year, and whose wages and maintenance are the same whether they do much or do little, is likely to be still greater. Cheap years tend to increase the proportion of independant workmen to journeymen and servants of all kinds, and dear years to diminish it.

A FRENCH author of great knowledge and ingenuity, Mr. Messance, receiver of the tailles in the election of St. Etienne, endeavours to show that the poor do more work in cheap than in dear years, by comparing the quantity and value of the goods made upon those different occasions in three different manufactures; one of coarse woollens carried on at Elbeuf; one of linen, and another of silk, both which extend through the whole generality of Rouen. It appears from his account, which is copied from the registers of the publick offices, that the quantity and value of the goods made in all those three manufactures has generally been greater in cheap than in dear years; and that it has always been greatest in the cheapest, and least in the dearest years. All the three seem to be stationary manufactures, or which, though their produce may vary somewhat from year to year, are upon the whole neither going backwards nor forwards.

BOOK

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THE manufacture of linen in Scotland, and that of coarse woollens in the west riding of Yorkshire, are growing manufactures, of which the produce is generally, though with some variations, increasing both in quantity and value. Upon examining, however, the accounts which have been published of their annual produce, I have not been able to observe that its variations have had any sensible connection with the dearness or cheapness of the seasons. In 1740, a year of great scarcity, both manufactures, indeed, appear to have declined very considerably. But in 1756, another year of great scarcity, the Scotch manufacture made more than ordinary advances. The Yorkshire manufacture, indeed, declined, and its produce did not rise to what it had been in 1755 till 1766, after the repeal of the American stamp act. In that and the following year it greatly exceeded what it had ever been before, and it has continued to do so ever since.

THE produce of all great manufactures for distant sale must necessarily depend, not so much upon the dearness or cheapness of the seasons in the countries where they are carried on, as upon the circumstances which affect the demand in the countries where they are consumed; upon peace or war, upon the prosperity or declension of other rival manufactures, and upon the good or bad humour of their principal customers. A great part of the extraordinary work, besides, which is probably done in cheap years, never enters the publick registers of manufactures. The men-servants who leave their masters become independant labourers. The women return to their parents, and commonly spin in order to make cloaths for themselves and their families. Even the independant workmen do not always work for publick sale, but are employed by some of their neighbours in manufactures for family use. The produce of their labour, therefore, frequently makes no figure in those publick registers of which the records are sometimes published

lished with so much parade, and from which our merchants and manufacturers would often vainly pretend to announce the prosperity or declension of the greatest empires.

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THOUGH the variations in the price of labour, not only do not always correspond with those in the price of provisions, but are frequently quite opposite, we must not, upon this account, imagine that the price of provisions has no influence upon that of labour. The money price of labour is necessarily regulated by two circumstances; the demand for labour, and the price of the necessaries and conveniencies of life. The demand for labour, according as it happens to be increasing, stationary, or declining, or to require an increasing, stationary, or declining population, determines the quantity of the necessaries and conveniencies of life which must be given to the labourer; and the money price of labour is determined by what is requisite for purchasing this quantity. Though the money price of labour, therefore, is sometimes high where the price of provisions is low, it would be still higher, the demand continuing the same, if the price of provisions was high.

It is because the demand for labour increases in years of sudden and extraordinary plenty, and diminishes in those of sudden and extraordinary scarcity, that the money price of labour sometimes rises in the one, and sinks in the other.

In a year of sudden and extraordinary plenty, there are funds in the hands of many of the employers of industry, sufficient to maintain and employ a greater number of industrious people than had been employed the year before; and this extraordinary number cannot always be had. Those masters, therefore, who want more workmen bid against one another, in order to get them,

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which

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THE contrary of this happens in a year of sudden and extraordinary scarcity. The funds destined for employing industry are less than they had been the year before. A considerable number of people are thrown out of employment, who bid against one another in order to get it, which sometimes lowers both the real and the money price of labour. In 1740, a year of extraordinary scarcity, many people were willing to work for bare subsistence. In the succeeding years of plenty, it was more difficult to get labourers and servants.

THE scarcity of a dear year, by diminishing the demand for labour, tends to lower its price, as the high price of provisions tends to raise it. The plenty of a cheap year, on the contrary, by increasing the demand, tends to raise the price of labour, as the cheapness of provisions tends to lower it. In the ordinary variations of the price of provisions, those two opposite causes seem to counter-balance one another; which is probably in part the reason why the wages of labour are every where so much more steady and permanent than the price of provisions.

THE increase in the wages of labour necessarily increases the price of many commodities, by increasing that part of it which resolves itself into wages, and so far tends to diminish their consumption both at home and abroad. The same cause, however, which raises the wages of labour, the increase of stock, tends to increase its productive powers, and to make a smaller quantity of labour produce a greater quantity of work. The owner of the stock which employs a great number of labourers, necessarily endeavours, for his own advantage, to make such a proper division and distribution of employment, that they may be enabled to produce

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duce the greatest quantity of work possible. For the same reason, he endeavours to supply them with the best machinery which either he or they can think of. What takes place among the labourers in a particular workhouse, takes place, for the same reason, among those of a great society. The greater their number, the more they naturally divide themselves into different classes and subdivisions of employment. More heads are occupied in inventing the most proper machinery for executing the work of each, and it is, therefore, more likely to be invented. There are many commodities, therefore, which, in consequence of these improvements, come to be produced by so much less labour than before, that the increase of its price does not compensate the diminution of its quantity.

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Of the Profits of Stock.

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THE rise and fall in the profits of stock depend upon the same causes with the rise and fall in the wages of labour, the increasing or declining state of the wealth of the society; but those causes affect the one and the other very differently.

the more supply of labourers exceed the demand for them, the less wages - the more the demand exceeds the supply, the higher are wages - the more sellers exceed buyers, the less profit does each seller receive - overstocked, (i.e. which yield a supply greater than the demand) can not afford profit to those who increase the supply by their labours.

THE increase of stock, which raises wages, tends to lower profit. When the stocks of many rich merchants are turned into the same trade, their mutual competition naturally tends to lower its profit; and when there is a like increase of stock in all the different trades carried on in the same society, the same competition must produce the same effect in them all.

It is not easy, it has already been observed, to ascertain what are the average wages of labour even in a particular place, and at a particular time. We can, even in this case, seldom determine more than what are the most usual wages. But even this can seldom be done with regard to the profits of stock. Profit is so very fluctuating, that the person who carries on a particular trade cannot always tell you himself what is the average of his annual profit. It is affected, not only by every variation of price in the commodities which he deals in, but by the good or bad fortune both of his rivals and of his customers, and by a thousand other

The gentleman blockhead that wrote the above has been a great ~~off~~ - I think he that wrote the one of these wrote the other only he has tried to change his name a little accidents

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accidents to which goods when carried either by sea or by land, or even when stored in a warehouse, are liable. It varies, therefore, not only from year to year, but from day to day, and almost from hour to hour. To ascertain what is the average-profit of all the different trades carried on in a great kingdom, must be much more difficult; and to judge of what it may have been formerly, or in remote periods of time, with any degree of precision, must be altogether impossible.

BUT though it may be impossible to determine, with any degree of precision, what are or were the average profits of stock, either in the present, or in antient times, some notion may be formed of them from the interest of money. It may be laid down as a maxim, that wherever a great deal can be made by the use of money, a great deal will commonly be given for the use of it; and that wherever little can be made by it, less will commonly be given for it. According, therefore, as the usual market rate of interest varies in any country, we may be assured that the ordinary profits of stock must vary with it, must sink as it sinks, and rise as it rises. The progress of interest, therefore, may lead us to form some notion of the progress of profit.

By the 37th of Henry VIII, all interest above ten per cent. was declared unlawful. More, it seems, had sometimes been taken before that. In the reign of Edward VI, religious zeal prohibited all interest. This prohibition, however, like all others of the same kind, is said to have produced no effect, and probably rather increased than diminished the evil of usury. The statute of Henry VIII was revived by the 13th of Elizabeth cap. 8, and ten per cent. continued to be the legal rate of interest till the 21st of James I. when it was restricted to eight per cent. It was reduced

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to six per cent. soon after the restoration, and by the 12th of Queen Anne, to five per cent. All these different statutory regulations seem to have been made with great propriety. They seem to have followed and not to have gone before the market rate of interest, or the rate at which people of good credit usually borrowed. Since the time of Queen Anne, five per cent. seems to have been rather above than below the market rate. Before the late war, the government borrowed at three per cent.; and people of good credit in the capital, and in many other parts of the kingdom, at three and a half, four, and four and a half per cent. X

SINCE the time of Henry VIII, the wealth and revenue of the country have been continually advancing, and, in the course of their progress, their pace seems rather to have been gradually accelerated than retarded. They seem, not only to have been going on, but to have been going on faster and faster. The wages of labour have been continually increasing during the same period, and in the greater part of the different branches of trade and manufactures the profits of stock have been diminishing.

It generally requires a greater stock to carry on any sort of trade in a great town than in a country village. The great stocks employed in every branch of trade, and the number of rich competitors, generally reduce the rate of profit in the former below what it is in the latter. But the wages of labour are generally higher in a great town than in a country village. In a thriving town the people who have great stocks to employ, frequently cannot get the number of workmen they want, and therefore bid against one another in order to get as many as they can, which raises the wages of labour, and lowers the profits of stock. In the remote parts of the country there is frequently not stock sufficient to employ all the people, who therefore bid against one another in order

*About John I. . .
time it was 40 per
cent. See. Thomas King
of England }*

order to get employment, which lowers the wages of labour, and raises the profits of stock.

IN Scotland, though the legal rate of interest is the same as in England, the market rate is rather higher. People of the best credit there seldom borrow under five per cent. Even private bankers in Edinburgh give four per cent. upon their promissory notes, of which payment either in whole or in part may be demanded at pleasure. Private bankers in London give no interest for the money which is deposited with them. There are few trades which cannot be carried on with a smaller stock in Scotland than in England. The common rate of profit, therefore, must be somewhat greater. The wages of labour, it has already been observed, are lower in Scotland than in England. The country too is not only much poorer, but the steps by which it advances to a better condition, for it is evidently advancing, seem to be much slower and more tardy.

THE legal rate of interest in France has not, during the course of the present century, been always regulated by the market rate. In 1720 interest was reduced from the twentieth to the fiftieth penny, or from five to two per cent. In 1724 it was raised to the thirtieth penny, or to $3\frac{1}{3}$ per cent. In 1725 it was again raised to the twentieth penny, or to five per cent. In 1766, during the administration of Mr. Laverdy, it was reduced to the twenty-fifth penny, or to four per cent. The Abbe Terray raised it afterwards to the old rate of five per cent. The supposed purpose of many of those violent reductions of interest was to prepare the way for reducing that of the public debts; a purpose which has sometimes been executed. France is perhaps in the present times not so rich a country as England; and though the legal rate of interest has

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in France frequently been lower than in England, the market rate has generally been higher; for there, as in other countries, they have several very safe and easy methods of evading the law. The profits of trade, I have been assured by British merchants who had traded in both countries, are higher in France than in England; and it is no doubt upon this account that many British subjects chuse rather to employ their capitals in a country where trade is in disgrace, than in one where it is highly respected. The wages of labour are lower in France than in England. When you go from Scotland to England, the difference which you may remark between the dress and countenance of the common people in the one country and in the other, sufficiently indicates the difference in their condition. The contrast is still greater when you return from France. France, though no doubt a richer country than Scotland, seems not to be going forward so fast. It is a common and even a popular opinion in the country that it is going backwards; an opinion which, I apprehend, is ill founded even with regard to France, but which nobody can possibly entertain with regard to Scotland, who sees the country now and who saw it twenty or thirty years ago.

THE province of Holland, on the other hand, in proportion to the extent of its territory and the number of its people, is a richer country than England. The government there borrow at two per cent. and private people of good credit at three. The wages of labour are said to be higher in Holland than in England; and the Dutch, it is well known, trade upon lower profits than any people in Europe. The trade of Holland, it has been pretended by some people, is decaying, and it may perhaps be true that some particular branches of it are so. But these symptoms seem to indicate sufficiently that there is no general decay. When

profit diminishes, merchants are very apt to complain that trade decays; though the diminution of profit is the natural effect of its prosperity, or of a greater stock being employed in it than before. During the late war the Dutch gained the whole carrying trade of France, of which they still retain a very large share. The great property which they possess both in the French and English funds, about forty millions, it is said, in the latter; (in which I suspect, however, there is a considerable exaggeration), the great sums which they lend to private people in countries where the rate of interest is higher than in their own, are circumstances which no doubt demonstrate the redundancy of their stock, or that it has increased beyond what they can employ with tolerable profit in the proper business of their own country: but they do not demonstrate that that business has decreased. As the capital of a private man, though acquired by a particular trade, may increase beyond what he can employ in it, and yet that trade continue to increase too; so may likewise the capital of a great nation.

In our North American and West Indian colonies, not only the wages of labour, but the interest of money, and consequently the profits of stock are higher than in England. In the different colonies both the legal and the market rate of interest run from six to eight per cent. High wages of labour and high profits of stock, however, are things, perhaps, which scarce ever go together, except in the peculiar circumstances of new colonies. A new colony must always for some time be more understocked in proportion to the extent of its territory, and more underpeopled in proportion to the extent of its stock, than the greater part of other countries. They have more land than they have stock to cultivate. What they have, therefore, is applied to the cultivation only of what is most fertile and most favourably situated, the lands near the sea shore, and along the banks of navigable rivers. Such land too is frequently purchased at a price below the value even of its natural produce.

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produce. Stock employed in the purchase and improvement of such lands must yield a very large profit, and consequently afford to pay a very large interest. Its rapid accumulation in so profitable an employment enables the planter to increase the number of his hands faster than he can find them in a new settlement. Those whom he can find, therefore, are very liberally rewarded. As the colony increases, the profits of stock gradually diminish. When the most fertile and best situated lands have been all occupied, less profit can be made by the cultivation of what is inferior both in soil and situation, and less interest can be afforded for the stock which is so employed. In the greater part of our colonies, accordingly, both the legal and the market rate of interest have been considerably reduced during the course of the present century. As riches, improvement, and population have increased, interest has declined. The wages of labour do not sink with the profits of stock. The demand for labour increases with the increase of stock whatever be its profits; and after these are diminished, stock may not only continue to increase, but to increase much faster than before. It is with industrious nations who are advancing in the acquisition of riches, as with industrious individuals. A great stock, though with small profits, generally increases faster than a small stock with great profits. Money, says the proverb, makes money. When you have got a little, it is often easy to get more. The great difficulty is to get that little. The connection between the increase of stock and that of industry, or of the demand for useful labour, has partly been explained already, but will be explained more fully hereafter in treating of the accumulation of stock.

THE acquisition of new territory, or of new branches of trade, may sometimes raise the profits of stock, and with them the interest of money, even in a country which is fast advancing in the acquisition of riches. The stock of the country not being sufficient

for the whole accession of business, which such acquisitions present to the different people among whom it is divided, is applied to those particular branches only which afford the greatest profit. Part of what had before been employed in other trades, is necessarily withdrawn from them, and turned into some of the new and more profitable ones. In all those old trades, therefore, the competition comes to be less than before. The market comes to be less fully supplied with many different sorts of goods. Their price necessarily rises more or less, and yields a greater profit to those who deal in them, who can, therefore, afford to borrow at a higher interest. For some time after the conclusion of the late war, not only private people of the best credit, but some of the greatest companies in London, commonly borrowed at five per cent. who before that had not been used to pay more than four, and four and a half per cent. The great accession both of territory and trade, by our acquisitions in North America and the West Indies, will sufficiently account for this, without supposing any diminution in the capital stock of the society. So great an accession of new business to be carried on by the old stock, must necessarily have diminished the quantity employed in a great number of particular branches, in which the competition being less, the profits must have been greater. I shall hereafter have occasion to mention the reasons which dispose me to believe that the capital stock of Great Britain was not diminished even by the enormous expence of the late war.

THE diminution of the capital stock of the society, or of the funds destined for the maintenance of industry, however, as it lowers ~~the wages of~~ labour, so it raises the profits of stock, and consequently the interest of money. By the wages of labour being lowered, the owners of what stock remains in the society can bring their goods cheaper to market than before, and less stock

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being employed in supplying the market than before, they can sell them dearer. Their goods cost them less, and they get more for them. Their profits, therefore, being augmented at both ends, can well afford a large interest. The great fortunes so suddenly and so easily acquired in Bengal and the other British settlements in the East Indies, may satisfy us that as the wages of labour are very low, so the profits of stock are very high in those ruined countries. The interest of money is proportionably so. In Bengal, money is frequently lent to the farmers at forty, fifty, and sixty per cent. and the succeeding crop is mortgaged for the payment. As the profits which can afford such an interest must eat up almost the whole rent of the landlord, so such enormous usury must in its turn eat up the greater part of those profits. Before the fall of the Roman republick, a usury of the same kind seems to have been common in the provinces, under the ruinous administration of their proconsuls. The virtuous Brutus lent money in Cyprus at five and forty per cent. as we learn from the letters of Cicero.

In a country which had acquired that full complement of riches which the nature of its soil and climate and its situation with respect to other countries allowed it to acquire; which could, therefore, advance no further, and which was not going backwards, both the wages of labour and the profits of stock would probably be very low. In a country fully peopled in proportion to what either its territory could maintain or its stock employ, the competition for employment would necessarily be so great as to reduce the wages of labour to what was barely sufficient to keep up the number of labourers, and, the country being already fully peopled, that number could never be augmented. In a country fully stocked in proportion to all the business it had to transact, as great a quantity of stock would be employed in every particular branch as the nature and extent of the trade would admit. The

competition, therefore, would everywhere be as great, and consequently the ordinary profit as low as possible.

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BUT perhaps no country has ever yet arrived at this degree of opulence. China seems to have been long stationary, and had probably long ago acquired that full complement of riches which is consistent with the nature of its laws and institutions. But this complement may be much inferior to what, with other laws and institutions, the nature of its soil, climate, and situation might admit of. A country which neglects or despises foreign commerce, and which admits the vessels of foreign nations into one or two of its ports only, cannot transact the same quantity of business which it might do with different laws and institutions. In a country too, where, though the rich or the owners of large capitals enjoy a good deal of security, the poor or the owners of small capitals enjoy scarce any, but are liable, under the pretence of justice, to be pillaged and plundered at any time by the inferior mandarines, the quantity of stock employed in all the different branches of business transacted within it, can never be equal to what the nature and extent of that business might admit. In every different branch, the oppression of the poor must establish the monopoly of the rich, who, by engrossing the whole trade to themselves, will be able to make very large profits. Twelve per cent. accordingly is said to be the common interest of money in China, and the ordinary profits of stock must be sufficient to afford this large interest.

A DEFECT in the law may sometimes raise the rate of interest considerably above what the condition of the country, as to wealth or poverty, would require. When the law does not enforce the performance of contracts, it puts all borrowers nearly upon the same footing with bankrupts or people of doubtful credit in
better

BOOK I. better regulated countries. The uncertainty of recovering his money makes the lender exact the same usurious interest which is usually required from bankrupts. Among the barbarous nations who overrun the western provinces of the Roman empire, the performance of contracts was left for many ages to the faith of the contracting parties. The courts of justice of their kings seldom intermeddled in it. The high rate of interest which took place in those antient times may perhaps be partly accounted for from this cause.

WHEN the law prohibits interest altogether, it does not prevent it. Many people must borrow, and nobody will lend without such a consideration for the use of their money as is suitable, not only to what can be made by the use of it, but to the difficulty and danger of evading the law. The high rate of interest among all Mahometan nations is accounted for by Mr. Montesquieu, not from their poverty, but partly from this, and partly from the difficulty of recovering the money.

THE lowest ordinary rate of profit must always be something more than what is sufficient to compensate the occasional losses to which every employment of stock is exposed. It is this surplus only which is neat or clear profit. What is called gross profit comprehends frequently, not only this surplus, but what is retained for compensating such extraordinary losses. The interest which the borrower can afford to pay is in proportion to the clear profit only.

THE lowest ordinary rate of interest must, in the same manner, be something more than sufficient to compensate the occasional losses to which lending, even with tolerable prudence, is exposed. Were it not more, charity or friendship could be the only motives for lending.

IN a country which had acquired its full complement of riches, where in every particular branch of business there was the greatest quantity of stock that could be employed in it, as the ordinary rate of clear profit would be very small, so the usual market rate of interest which could be afforded out of it, would be so low as to render it impossible for any but the very wealthiest people to live upon the interest of their money. All people of small or middling fortunes would be obliged to superintend themselves the employment of their own stocks. It would be necessary that almost every man should be a man of business, or engage in some sort of trade. The province of Holland seems to be approaching near to this state. It is there unfashionable not to be a man of business. Necessity makes it usual for almost every man to be so, and custom every where regulates fashion. As it is ridiculous not to dress, so is it, in some measure, not to be employed, like other people. As a man of a civil profession seems awkward in a camp or a garrison, and is even in some danger of being despised there, so does an idle man among men of business.

THE highest ordinary rate of profit may be such as, in the price of the greater part of commodities, eats up the whole of what should go to the rent of the land, and leaves only what is sufficient to pay the labour of preparing and bringing them to market, according to the lowest rate at which labour can any where be paid; the bare subsistence of the labourer. The workman must always have been fed in some way or other while he was about the work; but the landlord may not always have been paid. The profits of the trade which the servants of the East India Company carry on in Bengal may not perhaps be very far from this rate.

THE proportion which the usual market rate of interest ought to bear to the ordinary rate of clear profit, necessarily varies as profit

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profit rises or falls. Double interest is in Great Britain reckoned, what the merchants call, a good, moderate, reasonable profit; terms which I apprehend mean no more than a common and usual profit. In a country where the ordinary rate of clear profit is eight or ten per cent. it may be reasonable that one half of it should go to interest wherever business is carried on with borrowed money. The stock is at the risk of the borrower, who, as it were, insures it to the lender; and four or five per cent. may in the greater part of trades, be both a sufficient profit upon the risk of this insurance, and a sufficient recompence for the trouble of employing the stock. But the proportion between interest and clear profit might not be the same in countries where the ordinary rate of profit was either a good deal lower, or a good deal higher. If it were a good deal lower, one half of it perhaps could not be afforded for interest; and more might be afforded if it were a good deal higher.

IN countries which are fast advancing to riches, the low rate of profit may, in the price of many commodities, compensate the high wages of labour, and enable those countries to sell as cheap as their less thriving neighbours, among whom the wages of labour may be lower.

C H A P. X.

Of Wages and Profit in the different Employments of Labour and Stock.

THE whole of the advantages and disadvantages of the different employments of labour and stock must, in the same neighbourhood, be either perfectly equal or continually tending to equality. If in the same neighbourhood, there was any employment either evidently more or less advantageous than the rest, so many people would crowd into it in the one case, and so many would desert it in the other, that its advantages would soon return to the level of other employments. This at least would be the case in a society where things were left to follow their natural course, where there was perfect liberty, and where every man was perfectly free both to chuse what occupation he thought proper, and to change it as often as he thought proper. Every man's interest would prompt him to seek the advantageous and to shun the disadvantageous employment.

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PECUNIARY wages and profit, indeed, are every where in Europe extremely different according to the different employments of labour and stock. But this difference arises partly from certain circumstances in the employments themselves, which, either really, or at least in the imaginations of men, make up for a small pecuniary gain in some, and counter-balance a great one in others; and partly from the policy of Europe, which nowhere leaves things at perfect liberty.

THE particular consideration of those circumstances and of that policy will divide this chapter into two parts.

PART I.

Inequalities arising from the Nature of the Employments themselves.

THE five following are the principal circumstances which, so far as I have been able to observe, make up for a small pecuniary gain in some employments, and counter-balance a great one in others: first, the agreeableness or disagreeableness of the employments themselves; secondly, the easiness and cheapness, or the difficulty and expence of learning them; thirdly, the constancy or inconstancy of employment in them; fourthly, the small or great trust which must be reposed in those who exercise them; and, fifthly, the probability or improbability of success in them.

FIRST, The wages of labour vary with the ease or hardship, the cleanliness or dirtiness, the honourableness or dishonourableness of the employment. Thus in most places, take the year round, a journeyman taylor earns less than a journeyman weaver. His work is much easier. A journeyman weaver earns less than a journeyman smith. His work is not always easier, but it is much cleaner. A journeyman blacksmith, though an artificer, seldom earns so much in twelve hours as a collier, who is only a labourer, does in eight. His work is not quite so dirty, is less dangerous, and is carried on in day-light, and above ground. Honour makes a great part of the reward of all honourable professions. In point of pecuniary gain, all things considered, they are generally under-recompensed, as I shall endeavour to show by and by. Disgrace has the contrary effect. The trade of a
butcher

butcher is a brutal and an odious business; but it is in most places more profitable than the greater part of common trades. The most detestable of all employments, that of public executioner, is, in proportion to the quantity of work done, better paid than any common trade whatever.

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HUNTING and fishing, the most important employments of mankind in the rude state of society, become in its advanced state their most agreeable amusements, and they pursue for pleasure what they once followed from necessity. In the advanced state of society, therefore, they are all very poor people who follow as a trade, what other people pursue as a pastime. Fishermen have been so since the time of Theocritus. A poacher is every where a very poor man in Great Britain. In countries where the rigour of the law suffers no poachers, the licensed hunter is not in a much better condition. The natural taste for those employments makes more people follow them than can live comfortably by them, and the produce of their labour, in proportion to its quantity, comes always too cheap to market to afford any thing but the most scanty subsistence to the labourers.

DISAGREEABLENESS and disgrace affect the profits of stock in the same manner as the wages of labour. The keeper of an inn or tavern, who is never master of his own house, and who is exposed to the brutality of every drunkard, exercises neither a very agreeable nor a very creditable business. But there is scarce any common trade in which a small stock yields so great a profit.

SECONDLY, The wages of labour vary with the easiness and cheapness or the difficulty and expence of learning the business.

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WHEN any expensive machine is erected, the extraordinary work to be performed by it, before it is worn out, it must be expected, will replace the capital laid out upon it, with at least its ordinary profits. A man educated at the expence of much labour and time to any of those employments which require extraordinary dexterity and skill, may be compared to one of those expensive machines. The work which he learns to perform, it must be expected, over and above the usual wages of common labour, will replace to him the whole expence of his education, with at least the ordinary profits of an equally valuable capital. It must do this too in a reasonable time, regard being had to the very uncertain duration of human life, in the same manner as to the more certain duration of the machine.

THE difference between the wages of skilled labour and those of common labour, is founded upon this principle.

THE policy of Europe considers the labour of all mechanicks, artificers, and manufacturers, as skilled labour; and that of all country labourers as common labour. It seems to suppose that of the former to be of a more nice and delicate nature than that of the latter. It is so perhaps in some cases; but in the greater part it is quite otherwise, as I shall endeavour to shew by and by. The laws and customs of Europe, therefore, in order to qualify any person for exercising the one species of labour, impose the necessity of an apprenticeship, though with different degrees of rigour in different places. They leave the other free and open to every body. During the continuance of the apprenticeship, the whole labour of the apprentice belongs to his master. In the mean time he must, in many cases, be maintained by his parents or relations, and in almost all cases must be cloathed by them. Some money too is commonly given to the master for teaching him his trade. They

who cannot give money, give time, or become bound for more than the usual number of years; a consideration which, though it is not always advantageous to the master, on account of the usual idleness of apprentices, is always disadvantageous to the apprentice. In country labour, on the contrary, the labourer, while he is employed about the easier, learns the more difficult parts of his business, and his own labour maintains him through all the different stages of his employment. It is reasonable, therefore, that in Europe the wages of mechanicks, artificers, and manufacturers, should be somewhat higher than those of common labourers. They are so accordingly, and their superior gains make them in most places be considered as a superior rank of people. This superiority, however, is generally very small; the daily or weekly earnings of journeymen in the more common sorts of manufactures, such as those of plain linen and woollen cloth, computed at an average, are, in most places, very little more than the day wages of common labourers. Their employment, indeed, is more steady and uniform, and the superiority of their earnings, taking the whole year together, may be somewhat greater. It seems evidently, however, to be no greater than what is sufficient to compensate the superior expence of their education.

EDUCATION in the ingenious arts and in the liberal professions, is still more tedious and expensive. The pecuniary recompence, therefore, of painters and sculptors, of lawyers and physicians, ought to be much more liberal, and it is so accordingly.

THE profits of stock seem to be very little affected by the easiness or difficulty of learning the trade in which it is employed. All the different ways in which stock is commonly employed in great towns seem, in reality, to be almost equally easy and equally

BOOK I. equally difficult to learn. One branch either of foreign or domestic trade, cannot well be a much more intricate business than another.

THIRDLY, The wages of labour in different occupations vary with the constancy or inconstancy of employment.

EMPLOYMENT is much more constant in some trades than in others. In the greater part of manufactures, a journeyman may be pretty sure of employment almost every day in the year that he is able to work. A mason or bricklayer, on the contrary, can work neither in hard frost nor in foul weather, and his employment at all other times depends upon the occasional calls of his customers. He is liable, in consequence, to be frequently without any. What he earns, therefore, while he is employed, must not only maintain him while he is idle, but make him some compensation for those anxious and desponding moments which the thought of so precarious a situation must sometimes occasion. Where the computed earnings of the greater part of manufacturers, accordingly, are nearly upon a level with the day wages of common labourers, those of masons and bricklayers are generally from one-half more to double those wages. Where common labourers earn four and five shillings a week, masons and bricklayers frequently earn seven and eight; where the former earn six, the latter often earn nine and ten; and where the former earn nine and ten, as in London, the latter commonly earn fifteen and eighteen. No species of skilled labour, however, seems more easy to learn than that of masons and bricklayers. Chairmen in London, during the summer season, are said sometimes to be employed as bricklayers. The high wages of those workmen, therefore, are not so much the recompence of their skill, as the compensation for the inconstancy of their employment.

A HOUSE carpenter seems to exercise rather a nicer and more ingenious trade than a mason. In most places, however, for it is not universally so, his day-wages are somewhat lower. His employment, though it depends much, does not depend so entirely upon the occasional calls of his customers; and it is not liable to be interrupted by the weather.

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WHEN the trades which generally afford constant employment, happen in a particular place not to do so, the wages of the workmen always rise a good deal above their ordinary proportion to those of common labour. In London almost all journeymen artificers are liable to be called upon and dismissed by their masters from day to day, and from week to week, in the same manner as day-labourers in other places. The lowest order of artificers, journeymen taylor, accordingly earn there half a crown a-day, though eighteen-pence may be reckoned the wages of common labour. In small towns and country villages, the wages of journeymen taylor frequently scarce equal those of common labour; but in London they are often many weeks without employment, particularly during the summer.

WHEN the inconstancy of employment is combined with the hardship, disagreeableness and dirtiness of the work, it sometimes raises the wages of the most common labour above those of the most skilful artificers. A collier working by the piece is supposed, at Newcastle, to earn commonly about double, and in many parts of Scotland about three times the wages of common labour. His high wages arise altogether from the hardship, disagreeableness, and dirtiness of his work. His employment may, upon most occasions, be as constant as he pleases. The coal-heavers in London exercise a trade which in hardship, dirtiness, and disagreeableness, almost equals that of colliers; and from the unavoidable

irregularity

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irregularity in the arrivals of coal ships, the employment of the greater part of them is necessarily very inconstant. If colliers, therefore, commonly earn double and triple the wages of common labour, it ought not to seem unreasonable that coal-heavers should sometimes earn four and five times those wages. In the enquiry made into their condition a few years ago, it was found that at the rate at which they were then paid, they could earn from six to ten shillings a-day. Six shillings are about four times the wages of common labour in London, and in every particular trade, the lowest common earnings may always be considered as those of the far greater number. How extravagant soever those earnings may appear, if they were more than sufficient to compensate all the disagreeable circumstances of the business, there would soon be so great a number of competitors as, in a trade which has no exclusive privilege, would quickly reduce them to a lower rate.

THE constancy or inconstancy of employment cannot affect the ordinary profits of stock in any particular trade. Whether the stock is or is not constantly employed depends, not upon the trade, but the trader.

FOURTHLY, The wages of labour vary according to the small or great trust which must be reposed in the workmen.

THE wages of goldsmiths and jewellers are every where superior to those of many other workmen, not only of equal, but of much superior ingenuity; on account of the precious materials with which they are intrusted.

WE trust our health to the physician; our fortune and sometimes our life and reputation to the lawyer and attorney. Such
confidence

confidence could not safely be reposed in people of a very mean or low condition. Their reward must be such, therefore, as may give them that rank in the society which so important a trust requires. The long time and the great expence which must be laid out in their education, when combined with this circumstance, necessarily enhance still further the price of their labour.

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WHEN a person employs only his own stock in trade, there is no trust; and the credit which he may get from other people, depends, not upon the nature of his trade, but upon their opinion of his fortune, probity, and prudence. The different rates of profit, therefore, in the different branches of trade, cannot arise from the different degrees of trust reposed in the traders.

FIFTHLY, The wages of labour in different employments vary according to the probability or improbability of success in them.

THE probability that any particular person shall ever be qualified for the employment to which he is educated, is very different in different occupations. In the greater part of mechanick trades, success is almost certain; but very uncertain in the liberal professions. Put your son apprentice to a shoemaker, there is little doubt of his learning to make a pair of shoes: But send him to study the law, it is at least twenty to one if ever he makes such proficiency as will enable him to live by the business. In a perfectly fair lottery, those who draw the prizes ought to gain all that is lost by those who draw the blanks. In a profession where twenty fail for one that succeeds, that one ought to gain all that should have been gained by the unsuccessful twenty. The

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counsellor at law who, perhaps, at near forty years of age, begins to make something by his profession, ought to receive the retribution, not only of his own so tedious and expensive education, but of that of more than twenty others who are never likely to make any thing by it. How extravagant soever the fees of counsellors at law may sometimes appear, their real retribution is never equal to this. Compute in any particular place, what is likely to be annually gained, and what is likely to be annually spent, by all the different workmen in any common trade, such as that of shoemakers or weavers, and you will find that the former sum will generally exceed the latter. But make the same computation with regard to all the counsellors and students of law, in all the different inns of court, and you will find that their annual gains bear but a very small proportion to their annual expence, even though you rate the former as high, and the latter as low, as can well be done. The lottery of the law, therefore, is very far from being a perfectly fair lottery; and that, as well as many other liberal and honourable professions, are, in point of pecuniary gain, evidently under-recompenced.

Those professions keep their level, however, with other occupations, and, notwithstanding these discouragements, all the most generous and liberal spirits are eager to crowd into them. Two different causes contribute to recommend them. First, the desire of the reputation which attends upon superior excellence in any of them; and, secondly, the natural confidence which every man has more or less, not only in his own abilities, but in his own good fortune.

To excel in any profession, in which but few arrive at mediocrity, is the most decisive mark of what is called genius or superior talents. The publick admiration which attends upon such distinguished

tinguished abilities, makes always a part of their reward; a greater or smaller in proportion as it is higher or lower in degree. It makes a considerable part of it in the profession of physick; a still greater perhaps in that of law; in poetry and philosophy it makes almost the whole. CHAP.
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THERE are some very agreeable and beautiful talents of which the possession commands a certain sort of admiration; but of which the exercise for the sake of gain is considered, whether from reason or prejudice, as a sort of publick prostitution. The pecuniary recompence, therefore, of those who exercise them in this manner, must be sufficient, not only to pay for the time, labour, and expence of acquiring the talents, but for the discredit which attends the employment of them as the means of subsistence. The exorbitant rewards of players, opera-singers, opera-dancers, &c. are founded upon those two principles; the rarity and beauty of the talents, and the discredit of employing them in this manner. It seems absurd at first sight that we should despise their persons, and yet reward their talents with the most profuse liberality. While we do the one, however, we must of necessity do the other. Should the publick opinion or prejudice ever alter with regard to such occupations, their pecuniary recompence would quickly diminish. More people would apply to them, and the competition would quickly reduce the price of their labour. Such talents, though far from being common, are by no means so rare as is imagined. Many people possess them in great perfection, who disdain to make this use of them; and many more are capable of acquiring them, if any thing could be made honourably by them.

THE over-weening conceit which the greater part of men have of their own abilities, is an antient evil remarked by the philosophers and moralists of all ages. Their absurd presumption in their

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their own good fortune, has been less taken notice of. It is, however, if possible, still more universal. There is no man living who, when in tolerable health and spirits, has not some share of it. The chance of gain is by every man more or less over-valued, and the chance of loss is by most men under-valued, and by scarce any man, who is in tolerable health and spirits, valued more than it is worth.

THAT the chance of gain is naturally overvalued, we may learn from the universal success of lotteries. The world neither ever saw, nor ever will see, a perfectly fair lottery; or one in which the whole gain compensated the whole loss; because the undertaker could make nothing by it. In the state lotteries the tickets are really not worth the price which is paid by the original subscribers, and yet commonly sell in the market for twenty, thirty, and sometimes forty per cent. advance. The vain hope of gaining some of the great prizes is the sole cause of this demand. The soberest people scarce look upon it as a folly to pay a small sum for the chance of gaining ten or twenty thousand pounds; though they know that even that small sum is perhaps twenty or thirty per cent. more than the chance is worth. In a lottery in which no prize exceeded twenty pounds, though in other respects it approached much nearer to a perfectly fair one than the common state lotteries, there would not be the same demand for tickets. In order to have a better chance for some of the great prizes, some people purchase several tickets, and others, small shares in a still greater number. There is not, however, a more certain proposition in mathematicks than that the more tickets you adventure upon, the more likely you are to be a loser. Adventure upon all the tickets in the lottery, and you lose for certain; and the greater the number of your tickets the nearer you approach to this certainty.

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THAT the chance of loss is frequently undervalued, and scarce ever valued more than it is worth, we may learn from the very moderate profit of insurers. In order to make insurance, either from fire or sea risk, a trade at all, the common premium must be sufficient to compensate the common losses, to pay the expence of management, and to afford such a profit as might have been drawn from an equal capital employed in any common trade. The person who pays no more than this, evidently pays no more than the real value of the risk, or the lowest price at which he can reasonably expect to insure it. But though many people have made a little money by insurance, very few have made a great fortune; and from this consideration alone it seems evident enough that the ordinary balance of profit and loss is not more advantageous in this than in other common trades by which so many people make fortunes. Moderate, however, as the premium of insurance commonly is, many people despise the risk too much to care to pay it. Taking the whole kingdom at an average, nineteen houses in twenty, or rather perhaps ninety-nine in a hundred, are not insured from fire. Sea risk is more alarming to the greater part of people, and the proportion of ships insured to those not insured is much greater. Many sail, however, at all seasons and even in time of war, without any insurance. This may sometimes, perhaps, be done without any imprudence. When a great company, or even a great merchant, has twenty or thirty ships at sea, they may, as it were, insure one another. The premium saved upon them all, may more than compensate such losses as they are likely to meet with in the common course of chances. The neglect of insurance upon shipping, however, in the same manner as upon houses, is, in most cases, the effect of no such nice calculation, but of mere thoughtless rashness and presumptuous contempt of the risk.

THE contempt of risk and the presumptuous hope of success, are in no period of life more active than at the age at which young people

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people chuse their professions. How little the fear of misfortune is then capable of balancing the hope of good luck, appears still more evidently in the readiness of the common people to enlist as soldiers or to go to sea, than in the eagerness of those of better fashion to enter into what are called the liberal professions.

WHAT a common soldier may lose is obvious enough. Without regarding the danger, however, young volunteers never enlist so readily as at the beginning of a new war; and though they have scarce any chance of preferment, they figure to themselves in their youthful fancies a thousand occasions of acquiring honour and distinction which never occur. These romantick hopes make the whole price of their blood. Their pay is less than that of common labourers, and in actual service their fatigues are much greater.

THE lottery of the sea is not altogether so disadvantageous as that of the army. The son of a creditable labourer or artificer may frequently go to sea with his father's consent; but if he enlists as a soldier, it is always without it. Other people see some chance of his making something by the one trade: Nobody but himself sees any of his making any thing by the other. The great admiral is less the object of publick admiration than the great general, and the highest success in the sea service promises a less brilliant fortune and reputation than equal success in the land. The same difference runs through all the inferior degrees of preferment in both. By the rules of precedency a captain in the navy ranks with a colonel in the army: but he does not rank with him in the common estimation. As the great prizes in the lottery are less, the smaller ones must be more numerous. Common sailors, therefore, more frequently get some fortune and preferment than common soldiers; and the hope of those prizes is what principally recommends the trade. Though their skill and dexterity are much superior

superior to that of almost any artificers; and though their whole life is one continual scene of hardship and danger, yet for all this dexterity and skill, for all those hardships and dangers, while they remain in the condition of common sailors, they receive scarce any other recompence but the pleasure of exercising the one and of surmounting the other. Their wages are not greater than those of common labourers at the port which regulates the rate of seamen's wages. As they are continually going from port to port, the monthly pay of those who sail from all the different ports of Great Britain, is more nearly upon a level than that of any other workmen in those different places; and the rate of the port to and from which the greatest number sail, that is the port of London, regulates that of all the rest. At London the wages of the greater part of the different classes of workmen are about double those of the same classes at Edinburgh. But the sailors who sail from the port of London seldom earn above three or four shillings a month more than those who sail from the port of Leith, and the difference is frequently not so great. In time of peace, and in the merchant service, the London price is from a guinea to about seven and twenty shillings the calendar month. A common labourer in London, at the rate of nine or ten shillings a week, may earn in the calendar month from forty to five and forty shillings. The sailor, indeed, over and above his pay, is supplied with provisions. Their value, however, may not perhaps always exceed the difference between his pay and that of the common labourer; and though it sometimes should, the excess will not be clear gain to the sailor, because he cannot share it with his wife and family, whom he must maintain out of his wages at home.

THE dangers and hair-breadth escapes of a life of adventures, instead of disheartening young people, seem frequently to recommend a trade to them. A tender mother, among the inferior ranks

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ranks of people, is often afraid to send her son to school at a seaport town, lest the sight of the ships and the conversation and adventures of the sailors should entice him to go to sea. The distant prospect of hazards, from which we can hope to extricate ourselves by courage and address, is not disagreeable to us, and does not raise the wages of labour in any employment. It is otherwise with those in which courage and address can be of no avail. In trades which are known to be very unwholesome, the wages of labour are always remarkably high. Unwholesomeness is a species of disagreeableness, and its effects upon the wages of labour are to be ranked under that general head.

In all the different employments of stock, the ordinary rate of profit varies more or less with the certainty or uncertainty of the returns. These are in general less uncertain in the inland than in the foreign trade, and in some branches of foreign trade than in others; in the trade to North America, for example, than in that to Jamaica. The ordinary rate of profit always rises more or less with the risk. It does not, however, seem to rise in proportion to it, or so as to compensate it completely. Bankruptcies are most frequent in the most hazardous trades. The most hazardous of all trades, that of a smuggler, though when the adventure succeeds it is likewise the most profitable, is the infallible road to bankruptcy. The presumptuous hope of success seems to act here as upon all other occasions, and to entice so many adventurers into those hazardous trades, that their competition reduces the profit below what is sufficient to compensate the risk. To compensate it completely, the common returns ought, over and above the ordinary profits of stock, not only to make up for all occasional losses, but to afford a surplus profit to the adventurers of the same nature with the profit of insurers. But if the common returns were suf-

ficient for all this, bankruptcies would not be more frequent in these than in other trades. CHAP.
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OF the five circumstances, therefore, which vary the wages of labour, two only affect the profits of stock; the agreeableness or disagreeableness of the business, and the risk or security with which it is attended. In point of agreeableness or disagreeableness, there is little or no difference in the far greater part of the different employments of stock; but a great deal in those of labour; and the ordinary profit of stock, though it rises with the risk, does not always seem to rise in proportion to it. It should follow from all this, that, in the same society or neighbourhood, the average and ordinary rates of profit in the different employments of stock should be more nearly upon a level than the pecuniary wages of the different sorts of labour. They are so accordingly. The difference, between the earnings of a common labourer and those of a well employed lawyer or physician, is evidently much greater, than that, between the ordinary profits in any two different branches of trade. The apparent difference, besides, in the profits of different trades, is generally a deception arising from our not always distinguishing what ought to be considered as wages, from what ought to be considered as profit.

APOTHECARIES profit is become a bye-word, denoting something uncommonly extravagant. This great apparent profit, however, is frequently no more than the reasonable wages of labour. The skill of an apothecary is a much nicer and more delicate matter than that of any artificer whatever; and the trust which is reposed in him is of much greater importance. He is the physician of the poor in all cases, and of the rich when the distress or danger is not very great. His reward, therefore, ought to be suitable to his skill and his trust, and it arises generally from the price at

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which he sells his drugs. But the whole drugs which the best employed apothecary, in a large market town, will sell in a year, may not perhaps cost him above thirty or forty pounds. Though he should sell them, therefore, for three or four hundred, or at a thousand per cent. profit, this may frequently be no more than the reasonable wages of his labour charged, in the only way in which he can charge them, upon the price of his drugs. The greater part of the apparent profit is real wages disguised in the garb of profit.

IN a small sea-port town, a little grocer will make forty or fifty per cent. upon a stock of a single hundred pounds, while a considerable wholesale merchant in the same place will scarce make eight or ten per cent. upon a stock of ten thousand. The trade of the grocer may be necessary for the conveniency of the inhabitants, and the narrowness of the market may not admit the employment of a larger capital in the business. The man, however, must not only live by his trade, but live by it suitably to the qualifications which it requires. Besides possessing a little capital, he must be able to read, write, and account, and must be a tolerable judge too of, perhaps, fifty or sixty different sorts of goods, their prices, qualities, and the markets where they are to be had cheapest. He must have all the knowledge, in short, that is necessary for a great merchant, which nothing hinders him from becoming but the want of a sufficient capital. Thirty or forty pounds a year cannot be considered as too great a recompence for the labour of a person so accomplished. Deduct this from the seemingly great profits of his capital, and little more will remain, perhaps, than the ordinary profits of stock. The greater part of the apparent profit is, in this case too, real wages.

THE difference between the apparent profit of the retail and that of the wholesale trade, is much less in the capital than in
small

small towns and country villages. Where ten thousand pounds can be employed in the grocery trade, the wages of the grocer's labour make but a very trifling addition to the real profits of so great a stock. The apparent profits of the wealthy retailer, therefore, are there more nearly upon a level with those of the wholesale merchant. It is upon this account that goods sold by retail are generally as cheap and frequently much cheaper in the capital than in small towns and country villages. Grocery goods, for example, are generally much cheaper; bread and butcher's-meat frequently as cheap. It costs no more to bring grocery goods to the great town than to the country village; but it costs a great deal more to bring corn and cattle, as the greater part of them must be brought from a much greater distance. The prime cost of grocery goods, therefore, being the same in both places, they are cheapest where the least profit is charged upon them. The prime cost of bread and butcher's-meat is greater in the great town than in the country village; and though the profit is less, therefore, they are not always cheaper there, but often equally cheap. In such articles as bread and butcher's-meat, the same cause, which diminishes apparent profit, increases prime cost. The extent of the market, by giving employment to greater stocks, diminishes apparent profit; but by requiring supplies from a greater distance, it increases prime cost. This diminution of the one and increase of the other seem, in most cases, nearly to counter-balance one another; which is probably the reason that, though the prices of corn and cattle are commonly very different in different parts of the kingdom, those of bread and butcher's-meat are generally very nearly the same through the greater part of it.

THOUGH the profits of stock both in the wholesale and retail trade are generally less in the capital than in small towns and country villages, yet great fortunes are frequently acquired from

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small beginnings in the former, and scarce ever in the latter. In small towns and country villages, on account of the narrowness of the market, trade cannot always be extended as stock extends. In such places, therefore, though the rate of a particular person's profits may be very high, the sum or amount of them can never be very great, nor consequently that of his annual accumulation. In great towns, on the contrary, trade can be extended as stock increases, and the credit of a frugal and thriving man increases much faster than his stock. His trade is extended in proportion to the amount of both, and the sum or amount of his profits is in proportion to the extent of his trade, and his annual accumulation in proportion to the amount of his profits. It seldom happens, however, that great fortunes are made even in great towns by any one regular, established, and well known branch of business, but in consequence of a long life of industry, frugality, and attention. Sudden fortunes, indeed, are sometimes made in such places by what is called the trade of speculation. The speculative merchant exercises no one regular, established, or well known branch of business. He is a corn merchant this year, and a wine merchant the next, and a sugar, tobacco, or tea merchant the year after. He enters into every trade when he foresees that it is likely to be more than commonly profitable, and he quits it when he foresees that its profits are likely to return to the level of other trades. His profits and losses, therefore, can bear no regular proportion to those of any one established and well known branch of business. A bold adventurer may sometimes acquire a considerable fortune by two or three successful speculations; but is just as likely to lose one by two or three unsuccessful ones. This trade can be carried on no where but in great towns. It is only in places of the most extensive commerce and correspondence that the intelligence requisite for it can be had.

THE five circumstances above mentioned, though they occasion considerable inequalities in the wages of labour and profits of stock,

occasion none in the whole of the advantages and disadvantages, real or imaginary, of the different employments of either. The nature of those circumstances is such, that they make up for a small pecuniary gain in some, and counter-balance a great one in others. CHAP.
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IN order, however, that this equality may take place in the whole of their advantages or disadvantages, three things are requisite even where there is the most perfect freedom. First, the employments must be well known and long established in the neighbourhood; secondly, they must be in their ordinary, or what may be called their natural state; and, thirdly, they must be the sole or principal employments of those who occupy them.

FIRST, this equality can take place only in those employments which are well known, and have been long established in the neighbourhood.

WHERE all other circumstances are equal, wages are generally higher in new than in old trades. When a projector attempts to establish a new manufacture, he must at first entice his workmen from other employments by higher wages than they can either earn in their own trades, or than the nature of his work would otherwise require, and a considerable time must pass away before he can venture to reduce them to the common level. Manufactures for which the demand arises altogether from fashion and fancy, are continually changing, and seldom last long enough to be considered as old established manufactures. Those, on the contrary, for which the demand arises chiefly from use or necessity, are less liable to change, and the same form or fabrick may continue in demand for whole centuries together. The wages of labour, therefore, are likely to be higher in manufactures of the former, than

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than in those of the latter kind. Birmingham deals chiefly in manufactures of the former kind; Sheffield in those of the latter; and the wages of labour in those two different places, are said to be suitable to this difference in the nature of their manufactures.

THE establishment of any new manufacture, of any new branch of commerce, or of any new practice in agriculture, is always a speculation, from which the projector promises himself extraordinary profits. These profits sometimes are very great, and sometimes, more frequently, perhaps, they are quite otherwise; but in general they bear no regular proportion to those of other old trades in the neighbourhood. If the project succeeds, they are commonly at first very high. When the trade or practice becomes thoroughly established and well known, the competition reduces them to the level of other trades.

SECONDLY, this equality in the whole of the advantages and disadvantages of the different employments of labour and stock, can take place only in the ordinary, or what may be called the natural state of those employments.

THE demand for almost every different species of labour, is sometimes greater and sometimes less than usual. In the one case the advantages of the employment rise above, in the other they fall below the common level. The demand for country labour is greater at hay-time and harvest, than during the greater part of the year; and wages rise with the demand. In time of war, when forty or fifty thousand sailors are forced from the merchant service into that of the king, the demand for sailors to merchant ships necessarily rises with their scarcity, and their wages upon such occasions commonly rise from a guinea and seven and twenty shillings, to forty shillings and three pounds a month. In a decaying

James Colquhoun

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caying manufacture, on the contrary, many workmen, rather than quit their old trade, are contented with smaller wages than would otherwise be suitable to the nature of their employment.

THE profits of stock vary with the price of the commodities in which it is employed. As the price of any commodity rises above the ordinary or average rate, the profits of at least some part of the stock that is employed in bringing it to market, rise above their proper level, and as it falls they sink below it. All commodities are more or less liable to variations of price, but some are much more so than others. In all commodities which are produced by human industry, the quantity of industry annually employed is necessarily regulated by the annual demand, in such a manner that the average annual produce may, as nearly as possible, be equal to the average annual consumption. In some employments, it has already been observed, the same quantity of industry will always produce the same, or very nearly the same quantity of commodities. In the linen or woollen manufactures, for example, the same number of hands will annually work up very nearly the same quantity of linen and woollen cloth. The variations in the market price of such commodities, therefore, can arise only from some accidental variation in the demand. A publick mourning raises the price of black cloth. But as the demand for most sorts of plain linen and woollen cloth is pretty uniform, so is likewise the price. But there are other employments in which the same quantity of industry will not always produce the same quantity of commodities. The same quantity of industry, for example, will, in different years, produce very different quantities of corn, wine, hops, sugar, tobacco, &c. The price of such commodities, therefore, varies not only with the variations of demand, but with the much greater and more frequent variations of quantity, and is consequently extremely fluctuating. But the profit of some of the dealers must necessarily

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I. necessarily fluctuate with the price of the commodities. The operations of the speculative merchant are principally employed about such commodities. He endeavours to buy them up when he foresees that their price is likely to rise, and to sell them when it is likely to fall.

THIRDLY, This equality in the whole of the advantages and disadvantages of the different employments of labour and stock, can take place only in such as are the sole or principal employments of those who occupy them.

WHEN a person derives his subsistence from one employment, which does not occupy the greater part of his time; in the intervals of his leisure he is often willing to work at another for less wages than would otherwise suit the nature of the employment.

THERE still subsists in many parts of Scotland a set of people called Cotters or Cottagers, though they were more frequent some years ago than they are now. They are a sort of out-servants of the landlords and farmers. The usual reward which they receive from their masters is a house, a small garden for pot-herbs, as much grass as will feed a cow, and, perhaps, an acre or two of bad arable land. When their master has occasion for their labour, he gives them, besides, two pecks of oatmeal a week, worth about sixteen-pence sterling. During a great part of the year he has little or no occasion for their labour, and the cultivation of their own little possession is not sufficient to occupy the time which is left at their own disposal. When such occupiers were more numerous than they are at present, they are said to have been willing to give their spare time for a very small recompence to any body, and to have wrought for less wages than other labourers.

In antient

tient times they seem to have been common all over Europe. In countries ill cultivated and worse inhabited, the greater part of landlords and farmers could not otherwise provide themselves with the extraordinary number of hands, which country labour requires at certain seasons. The daily or weekly recompence which such labourers occasionally received from their masters, was evidently not the whole price of their labour. Their small tenement made a considerable part of it. This daily or weekly recompence, however, seems to have been considered as the whole of it, by many writers who have collected the prices of labour and provisions in antient times, and who have taken pleasure in representing both as wonderfully low.

THE produce of such labour comes frequently cheaper to market than would otherwise be suitable to its nature. Stockings in many parts of Scotland are knit much cheaper than they can any where be wrought upon the loom. They are the work of servants and labourers, who derive the principal part of their subsistence from some other employment. More than a thousand pair of Shetland stockings are annually imported into Leith, of which the price is from five-pence to seven-pence a pair. At Learwick, the small capital of the Shetland islands, ten-pence a day, I have been assured, is a common price of common labour. In the same islands they knit worsted stockings to the value of a guinea a pair and upwards.

THE spinning of linen yarn is carried on in Scotland nearly in the same way as the knitting of stockings, by servants who are chiefly hired for other purposes. They earn but a very scanty subsistence, who endeavour to get their whole livelihood by either of those trades. In most parts of Scotland she is a good spinner who can earn twenty-pence a week.

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I.

IN opulent countries the market is generally so extensive, that any one trade is sufficient to employ the whole labour and stock of those who occupy it. Instances of people's living by one employment, and at the same time deriving some little advantage from another, occur chiefly in poor countries. The following instance, however, of something of the same kind is to be found in the capital of a very rich one. There is no city in Europe, I believe, in which house-rent is dearer than in London, and yet I know no capital in which a furnished apartment can be hired so cheap. Lodging is not only much cheaper in London than in Paris; it is much cheaper than in Edinburgh of the same degree of goodness; and what may seem extraordinary, the dearness of house-rent is the cause of the cheapness of lodging. The dearness of house-rent in London, arises, not only from those causes which render it dear in all great capitals, the dearness of labour, the dearness of all the materials of building, which must generally be brought from a great distance, and above all the dearness of ground-rent, every landlord acting the part of a monopolist, and frequently exacting a higher rent for a single acre of bad land in a town, than can be had for a hundred of the best in the country; but it arises in part from the peculiar manners and customs of the people, which oblige every master of a family to hire a whole house from top to bottom. A dwelling-house in England means every thing that is contained under the same roof. In France, Scotland, and many other parts of Europe, it frequently means no more than a single story. A tradesman in London is obliged to hire a whole house in that part of the town where his customers live. His shop is upon the ground-floor, and he and his family sleep in the garret; and he endeavours to pay a part of his house-rent by letting the two middle stories to lodgers. He expects to maintain his family by his trade, and not by his lodgers. Whereas, at Paris and Edinburgh, the people who let lodgings, have commonly no other means of subsistence;

and

and the price of the lodging must pay, not only the rent of the house, but the whole expence of the family.

CHAP.
X.

PART II.

Inequalities occasioned by the Policy of Europe.

SUCH are the inequalities in the whole of the advantages and disadvantages of the different employments of labour and stock, which the defect of any of the three requisites above mentioned must occasion, even where there is the most perfect liberty. But the policy of Europe, by not leaving things at perfect liberty, occasions other inequalities of much greater importance.

IT does this chiefly in the three following ways. First, by restraining the competition in some employments to a smaller number than would otherwise be disposed to enter into them; secondly, by increasing it in others beyond what it naturally would be; and, thirdly, by obstructing the free circulation of labour and stock, both from employment to employment and from place to place.

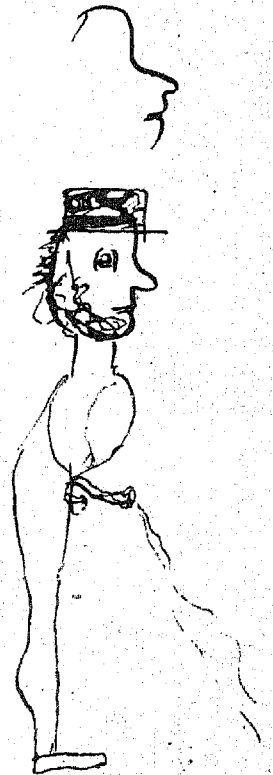
FIRST, The policy of Europe occasions a very important inequality in the whole of the advantages and disadvantages of the different employments of labour and stock, by restraining the competition in some employments to a smaller number than might otherwise be disposed to enter into them.

THE exclusive privileges of corporations are the principal means it makes use of for this purpose.

THE exclusive privilege of an incorporated trade necessarily restrains the competition, in the town where it is established, to

U 2

those



BOOK

I.

those who are free of the trade. To have served an apprenticeship in the town, under a master properly qualified, is commonly the necessary requisite for obtaining this freedom. The bye-laws of the corporation regulate sometimes the number of apprentices which any master is allowed to have, and almost always the number of years which each apprentice is obliged to serve. The intention of both regulations is to restrain the competition to a much smaller number than might otherwise be disposed to enter into the trade. The limitation of the number of apprentices restrains it directly. A long term of apprenticeship restrains it more indirectly, but as effectually, by increasing the expence of education.

IN Sheffield no master cutler can have more than one apprentice at a time, by a bye-law of the corporation. In Norfolk and Norwich no master weaver can have more than two apprentices, under pain of forfeiting five pounds a month to the king. No master hatter can have more than two apprentices any where in England, or in the English plantations, under pain of forfeiting five pounds a month, half to the king, and half to him who shall sue in any court of record. Both these regulations, though they have been confirmed by a publick law of the kingdom, are evidently dictated by the same corporation spirit which enacted the bye-law of Sheffield. The silk weavers in London had scarce been incorporated a year when they enacted a bye-law restraining any master from having more than two apprentices at a time. It required a particular act of parliament to rescind this bye-law.

SEVEN years seem antiently to have been, all over Europe, the usual term established for the duration of apprenticeships in the greater part of incorporated trades. All such incorporations were antiently called universities; which indeed is the proper Latin name for any incorporation whatever. The university of smiths, the university of taylors, &c. are expressions which we commonly meet

meet with in the old charters of antient towns. When those particular incorporations which are now peculiarly called universities were first established, the term of years which it was necessary to study, in order to obtain the degree of master of arts, appears evidently to have been copied from the term of apprenticeship in common trades, of which the incorporations were much more antient. As to have wrought seven years under a master properly qualified, was necessary in order to intitle any person to become a master and to have himself apprentices in a common trade; so to have studied seven years under a master properly qualified, was necessary to entitle him to become a master, teacher, or doctor (words antiently synonimous) in the liberal arts, and to have scholars or apprentices (words likewise originally synonimous) to study under him.

By the 5th of Elizabeth, commonly called the Statute of Apprenticeship, it was enacted, that no person should for the future exercise any trade, craft, or mystery at that time exercised in England, unless he had previously served to it an apprenticeship of seven years at least; and what before had been the bye-law of many particular corporations, became in England the general and public law of all trades carried on in market towns. For though the words of the statute are very general, and seem plainly to include the whole kingdom, by interpretation its operation has been limited to market-towns, it having been held that in country villages a person may exercise several different trades, though he has not served a seven years apprenticeship to each, they being necessary for the conveniency of the inhabitants, and the number of people frequently not being sufficient to supply each with a particular sett of hands.

By a strict interpretation of the words too the operation of this statute has been limited to those trades which were established

BOOK
I. in England before the 5th of Elizabeth, and has never been extended to such as have been introduced since that time. This limitation has given occasion to several distinctions which, considered as rules of police, appear as foolish as can well be imagined. It has been adjudged, for example, that a coach-maker can neither himself make nor employ journeymen to make his coach-wheels, but must buy them of a master wheel-wright; this latter trade having been exercised in England before the 5th of Elizabeth. But a wheel-wright, though he has never served an apprenticeship to a coach-maker, may either himself make or employ journeymen to make coaches; the trade of a coach-maker not being within the statute, because not exercised in England at the time when it was made. The manufactures of Manchester, Birmingham, and Wolverhampton, are many of them, upon this account, not within the statute; not having been exercised in England before the 5th of Elizabeth.

IN France, the duration of apprenticeships is different in different towns and in different trades. In Paris, five years is the term required in a great number; but before any person can be qualified to exercise the trade as a master, he must, in many of them, serve five years more as a journeyman. During this latter term he is called the companion of his master, and the term itself is called his companionship.

IN Scotland there is no general law which regulates universally the duration of apprenticeships. The term is different in different corporations. Where it is long, a part of it may generally be redeemed by paying a small fine. In most towns too a very small fine is sufficient to purchase the freedom of any corporation. The weavers of linen and hempen cloth, the principal manufactures of the country, as well as all other artificers subservient to them, wheel-makers, reel-makers, &c. may exercise their trades in any

town corporate without paying any fine. In all towns corporate all persons are free to sell butchers-meat upon any lawful day of the week. Three years is in Scotland a common term of apprenticeship even in some very nice trades, and in general I know of no country in Europe in which corporation laws are so little oppressive.

CHAP.
X.

THE property which every man has in his own labour, as it is the original foundation of all other property, so it is the most sacred and inviolable. The patrimony of a poor man lies in the strength and dexterity of his hands; and to hinder him from employing this strength and dexterity in what manner he thinks proper without injury to his neighbour, is a plain violation of this most sacred property. It is a manifest encroachment upon the just liberty both of the workman, and of those who might be disposed to employ him. As it hinders the one from working at what he thinks proper, so it hinders the other from employing whom they think proper. To judge whether he is fit to be employed, may surely be trusted to the discretion of the employers whose interest it so much concerns. The affected anxiety of the law-giver lest they should employ an improper person, is evidently as impertinent as it is oppressive.

THE institution of long apprenticeships can give no security that insufficient workmanship shall not frequently be exposed to publick sale. When this is done it is generally the effect of fraud, and not of inability; and the longest apprenticeship can give no security against fraud. Quite different regulations are necessary to prevent this abuse. The sterling mark upon plate, and the stamps upon linen and woollen cloth, give the purchaser much greater security than any statute of apprenticeship. He generally looks at these, but never thinks it worth while to enquire whether the workman had served a seven years apprenticeship.

THE

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I.

THE institution of long apprenticeships has no tendency to form young people to industry. A journeyman who works by the piece is likely to be industrious, because he derives a benefit from every exertion of his industry. An apprentice is likely to be idle, and almost always is so, because he has no immediate interest to be otherwise. In the inferior employments, the sweets of labour consist altogether in the recompence of labour. They who are soonest in a condition to enjoy the sweets of it, are likely soonest to conceive a relish for it, and to acquire the early habit of industry. A young man naturally conceives an aversion to labour, when for a long time he receives no benefit from it. The boys who are put out apprentices from publick charities are generally bound for more than the usual number of years, and they generally turn out very idle and worthless.

APPRENTICESHIPS were altogether unknown to the antients. The reciprocal duties of master and apprentice make a considerable article in every modern code. The Roman law is perfectly silent with regard to them. I know no Greek or Latin word (I might venture, I believe, to assert that there is none) which expresses the idea we now annex to the word Apprentice, a servant bound to work at a particular trade for the benefit of a master, during a term of years, upon condition that the master shall teach him that trade.

LONG apprenticeships are altogether unnecessary. The arts, which are much superior to common trades, such as those of making clocks and watches, contain no such mystery as to require a long course of instruction. The first invention of such beautiful machines, indeed, and even that of some of the instruments employed in making them, must, no doubt, have been the work of deep thought and long time, and may justly be considered as among the happiest

happiest efforts of human ingenuity. But when both have been fairly invented and are well understood, to explain to any young man, in the compleatest manner, how to apply the instruments and how to construct the machines, cannot well require more than the lessons of a few weeks: perhaps those of a few days might be sufficient. In the common mechanick trades, those of a few days might certainly be sufficient. The dexterity of hand, indeed, even in common trades, cannot be acquired without much practice and experience. But a young man would practise with much more diligence and attention, if from the beginning he wrought as a journeyman, being paid in proportion to the little work which he could execute, and paying in his turn for the materials which he might sometimes spoil through awkwardness and inexperience. His education would generally in this way be more effectual, and always less tedious and expensive. The master, indeed, would be a loser. He would lose all the wages of the apprentice, which he now saves, for seven years together. In the end, perhaps, the apprentice himself would be a loser. In a trade so easily learnt he would have more competitors, and his wages, when he came to be a compleat workman, would be much less than at present. The same increase of competition would reduce the profits of the masters as well as the wages of the workmen. The trades, the crafts, the mysteries, would all be losers. But the public would be a gainer, the work of all artificers coming in this way much cheaper to market.

It is to prevent this reduction of price, and consequently of wages and profit, by restraining that free competition which would most certainly occasion it, that all corporations, and the greater part of corporation laws, have been established. In order to erect a corporation, no other authority in antient times was requisite in many parts of Europe, but that of the town corporate in which it was established.

** A stretched dis-
improvement
course a good
improvement
but they would purchase
more, because there
would be more to
purchase. This is a
sound doctrine
The Artificers way
will not be greater
length because there
is more of the prod
of his labour in the
market. But the
public will pur-
chase cheaper be-
cause there is more
to sell*

*The observation that was
wrote first deserves no praise
but I am obliged for the Gentleman
for my correction*

BOOK

I.

In England, indeed, a charter from the king was likewise necessary. But this prerogative of the crown seems to have been reserved rather for extorting money from the subject, than for the defence of the common liberty against such oppressive monopolies. Upon paying a fine to the king, the charter seems generally to have been readily granted; and when any particular class of artificers or traders thought proper to act as a corporation without a charter, such adulterine guilds, as they were called, were not always disfranchised upon that account, but obliged to fine annually to the king for permission to exercise their usurped privileges. The immediate inspection of all corporations, and of the bye-laws which they might think proper to enact for their own government, belonged to the town corporate in which they were established; and whatever discipline was exercised over them, proceeded commonly, not from the king, but from that greater incorporation of which those subordinate ones were only parts or members.

THE government of towns corporate was altogether in the hands of traders and artificers; and it was the manifest interest of every particular class of them, to prevent the market from being overstocked, as they commonly express it, with their own particular species of industry; which is in reality, to keep it always understocked. Each class was eager to establish regulations proper for this purpose, and, provided it was allowed to do so, was willing to consent that every other class should do the same. In consequence of such regulations, indeed, each class was obliged to buy the goods they had occasion for from every other within the town, somewhat dearer than they otherwise might have done. But in recompence, they were enabled to sell their own just as much dearer; so that so far it was as broad as long, as they say; and in the dealings of the different classes within the town with one another, none of them were losers by these regulations. But in their dealings with the

country

+ country they were all great gainers; and in these latter dealings consists the whole trade which supports and enriches every town.

EVERY town draws its whole subsistence, and all the materials of its industry, from the country. It pays for these chiefly in two ways: first, by sending back to the country a part of those materials wrought up and manufactured; in which case their price is augmented by the wages of the workmen, and the profits of their masters or immediate employers: secondly, by sending to it a part both of the rude and manufactured produce, either of other countries, or of distant parts of the same country, imported into the town; in which case too the original price of those goods is augmented by the wages of the carriers or sailors, and by the profits of the merchants who employ them. In what is gained upon the first of those two branches of commerce, consists the advantage which the town makes by its manufactures; in what is gained upon the second, the advantage of its inland and foreign trade. The wages of the workmen, and the profits of their different employers, make up the whole of what is gained upon both. Whatever regulations, therefore, tend to increase those wages and profits beyond what they otherwise would be, tend to enable the town to purchase, with a smaller quantity of its labour, the produce of a greater quantity of the labour of the country. They give the traders and artificers in the town an advantage over the landlords, farmers, and labourers in the country, and break down that natural equality which would otherwise take place in the commerce which is carried on between them. The whole annual produce of the labour of the society is annually divided between those two different sets of people. By means of those regulations a greater share of it is given to the inhabitants of the town than would otherwise fall to them; and a less to those of the country.

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THE price which the town really pays for the provisions and materials annually imported into it, is the quantity of manufactures and other goods annually exported from it. The dearer the latter are sold, the cheaper the former are bought. The industry of the town becomes more, and that of the country less advantageous.

THAT the industry which is carried on in towns is, every where in Europe, more advantageous than that which is carried on in the country, without entering into any very nice computations, we may satisfy ourselves by one very simple and obvious observation.

+ In every country of Europe we find, at least, a hundred people who have acquired great fortunes from small beginnings by trade and manufactures, the industry which properly belongs to towns, for one who has done so by that which properly belongs to the country, the raising of rude produce by the improvement and cultivation of land. * Industry, therefore, must be better rewarded, the wages of labour and the profits of stock must evidently be greater in the one situation than in the other. But stock and labour naturally seek the most advantageous employment. They naturally, therefore, resort as much as they can to the town, and desert the country.

THE inhabitants of a town, being collected into one place, can easily combine together. The most insignificant trades carried on in towns have accordingly, in some place or other, been incorporated; and even where they have never been incorporated, yet the corporation spirit, the jealousy of strangers, the aversion to take apprentices, or to communicate the secret of their trade, generally prevail in them, and often teach them, by voluntary associations and agreements, to prevent that free competition which they cannot prohibit by bye-laws. The trades which employ but a small number of hands, run most easily into such combinations. Half a dozen wool-combers perhaps are necessary to keep a thousand spinners and

There seems to be a mistake here for the farmer has made the most money of any class I know of.

But to be sure three or three years past has not been so favourable for the farmer I know that has amassed an enormous heap of money and I am sure upon the whole a year a farmer is worth 10 a merchant in the city for my part I would prefer the one to the other.

*Confounded stuff
Esseur of Novisus - He has mistaken his abilities when he opposed his opinion to that of the learned Butler*

and weavers at work. By combining not to take apprentices they can not only engross the employment, but reduce the whole manufacture into a sort of slavery to themselves, and raise the price of their labour much above what is due to the nature of their work.

THE inhabitants of the country, dispersed in distant places, cannot easily combine together. They have not only never been incorporated, but the corporation spirit never has prevailed among them. No apprenticeship has ever been thought necessary to qualify for husbandry, the great trade of the country. After what are called the fine arts, and the liberal professions, however, there is perhaps no trade which requires so great a variety of knowledge and experience. The innumerable volumes which have been written upon it in all languages, may satisfy us, that among the wisest and most learned nations, it has never been regarded as a matter very easily understood. And from all those volumes we shall in vain attempt to collect that knowledge of its various and complicated operations, which is commonly possessed even by the common farmer; how contemptuously soever the very contemptible authors of some of them may sometimes affect to speak of him. There is scarce any common mechanick trade, on the contrary, of which all the operations may not be as compleatly and distinctly explained in a pamphlet of a very few pages, as it is possible for words illustrated by figures to explain them. In the history of the arts, now publishing by the French academy of sciences, several of them are actually explained in this manner. The direction of operations, besides, which must be varied with every change of the weather, as well as with many other accidents, requires much more judgement and discretion, than that of those which are always the same or very nearly the same.

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I.

Not only the art of the farmer, the general direction of the operations of husbandry, but many inferior branches of country labour require much more skill and experience than the greater part of mechanick trades. The man who works upon brass and iron, works with instruments and upon materials of which the temper is always the same, or very nearly the same. But the man who ploughs the ground with a team of horses or oxen, works with instruments of which the health, strength, and temper are very different upon different occasions. The condition of the materials which he works upon too is as variable as that of the instruments which he works with, and both require to be managed with much judgement and discretion. The common ploughman, though generally regarded as the pattern of stupidity and ignorance, is seldom defective in this judgement and discretion. He is less accustomed, indeed, to social intercourse than the mechanick who lives in a town. His voice and language are more uncouth and more difficult to be understood by those who are not used to them. His understanding, however, being accustomed to consider a greater variety of objects, is generally much superior to that of the other, whose whole attention from morning till night is commonly occupied in performing one or two very simple operations. How much the lower ranks of people in the country are really superior to those of the town, is well known to every man whom either business or curiosity has led to converse much with both. In China and Indostan accordingly both the rank and the wages of country labourers are said to be superior to those of the greater part of artificers and manufacturers. They would probably be so every where, if corporation laws and the corporation spirit did not prevent it. *It is a pity they were not greater here at least.*

Rockhead!!

THE superiority which the industry of the towns has every where in Europe over that of the country, is not altogether owing to

*# that caused ...
 ... his book with ...
 ... his hands would have been sufficient to ...
 ... the way he has shown ...*

to corporations and corporation laws. It is supported by many other regulations. The high duties upon foreign manufactures and upon all goods imported by alien merchants, all tend to the same purpose. Corporation laws enable the inhabitants of towns to raise their prices, without fearing to be under-sold by the free competition of their own countrymen. Those other regulations secure them equally against that of foreigners. The enhancement of price occasioned by both is every where finally paid by the landlords, farmers, and labourers of the country, who have seldom opposed the establishment of such monopolies. They have commonly neither inclination nor fitness to enter into combinations; and the clamour and sophistry of merchants and manufacturers easily persuade them that the private interest of a part, and of a subordinate part of the society, is the general interest of the whole.

IN Great Britain the superiority of the industry of the towns over that of the country, seems to have been greater formerly than in the present times. The wages of country labour approach nearer to those of manufacturing labour, and the profits of stock employed in agriculture to those of trading and manufacturing stock, than they are said to have done in the last century, or in the beginning of the present. This change may be regarded as the necessary, though very late consequence of the extraordinary encouragement given to the industry of the towns. The stock accumulated in them comes in time to be so great, that it can no longer be employed with the antient profit in that species of industry which is peculiar to them. That industry has its limits like every other; and the increase of stock, by increasing the competition, necessarily reduces the profit. The lowering of profit in the town forces out stock to the country, where, by creating a new demand for country labour, it necessarily raises its wages. It then spreads itself, if I may say so, over the face of the land, and by
being

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I.

being employed in agriculture is in part restored to the country, at the expence of which, in a great measure, it had originally been accumulated in the town. That every where in Europe the greatest improvements of the country have been owing to such overflowings of the stock originally accumulated in the towns, I shall endeavour to show hereafter; and at the same time to demonstrate, that though some countries have by this course attained to a considerable degree of opulence, it is in itself necessarily slow, uncertain, liable to be disturbed and interrupted by innumerable accidents, and in every respect contrary to the order of nature and of reason. The interests, prejudices, laws and customs which have given occasion to it, I shall endeavour to explain as fully and distinctly as I can in the third and fourth books of this enquiry.

PEOPLE of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the publick, or in some contrivance to raise prices. It is impossible indeed to prevent such meetings, by any law which either could be executed, or would be consistent with liberty and justice. But though the law cannot hinder people of the same trade from sometimes assembling together, it ought to do nothing to facilitate such assemblies; much less to render them necessary.

A REGULATION which obliges all those of the same trade in a particular town to enter their names and places of abode in a publick register, facilitates such assemblies. It connects individuals who might never otherwise be known to one another, and gives every man of the trade a direction where to find every other man of it.

A REGULATION

The laws allow every person to maintain by his own labour, whether he belongs to a corporation or not, as much of their articles as they please, but let them be allowed to undersell them, if they can

They have secured their object. Let corporations raise the price of their articles as much as they please, but let them be allowed to undersell them, if they can

A REGULATION which enables those of the same trade to tax themselves in order to provide for their poor, their sick, their widows and orphans, by giving them a common interest to manage, renders such assemblies necessary.

CHAP.

X.

AN incorporation not only renders them necessary, but makes the act of the majority binding upon the whole. In a free trade an effectual combination cannot be established but by the unanimous consent of every single member of it, and it cannot last longer than every single member of it continues of the same mind. The majority of a corporation can enact a bye-law with proper penalties, which will limit the competition more effectually and more durably than any voluntary combination whatever.

*George by the
Laws & Customs
of
Britain
Law*

THE pretence that corporations are necessary for the better government of the trade, is without any foundation. The real and effectual discipline which is exercised over a workman, is not that of his corporation, but that of his customers. It is the fear of losing their employment which restrains his frauds and corrects his negligence. An exclusive corporation necessarily weakens the force of this discipline. A particular sett of workmen must then be employed, let them behave well or ill. It is upon this account that in many large incorporated towns no tolerable workmen are to be found, even in some of the most necessary trades. If you would have your work tolerably executed, it must be done in the suburbs, where the workmen having no exclusive privilege, have nothing but their character to depend upon, and you must then smuggle it into the town as well as you can.

It is in this manner that the policy of Europe, by restraining the competition in some employments to a smaller number than

Vol. I.

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would

Public the Prophet

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I.

would otherwise be disposed to enter into them, occasions a very important inequality in the whole of the advantages and disadvantages of the different employments of labour and stock.

SECONDLY, The policy of Europe, by increasing the competition in some employments beyond what it naturally would be, occasions another inequality of an opposite kind in the whole of the advantages and disadvantages of the different employments of labour and stock.

IT has been considered as of so much importance that a proper number of young people should be educated for certain professions, that, sometimes the publick, and sometimes the piety of private founders have established many pensions, scholarships, exhibitions, bursaries, &c. for this purpose, which draw many more people into those trades than could otherwise pretend to follow them. In all christian countries, I believe, the education of the greater part of churchmen is paid for in this manner. Very few of them are educated altogether at their own expence. The long, tedious and expensive education, therefore, of those who are, will not always procure them a suitable reward, the church being crowded with people who, in order to get employment, are willing to accept of a much smaller recompence than what such an education would otherwise have entitled them to; and in this manner the competition of the poor takes away the reward of the rich. It would be indecent, no doubt, to compare either a curate or a chaplain with a journeyman in any common trade. The pay of a curate or chaplain, however, may very properly be considered as of the same nature with the wages of a journeyman. They are, all three, paid for their work according to the contract which they may happen to make with their respective superiors. Till after the middle of the fourteenth century, five merks, containing

about

about as much silver as ten pounds of our present money, was in England the usual pay of a curate or stipendiary parish priest, as we find it regulated by the decrees of several different national councils. At the same period four-pence a day, containing the same quantity of silver as a shilling of our present money, was declared to be the pay of a master mason, and three-pence a day, equal to nine-pence of our present money, that of a journeyman mason. The wages of both these labourers, therefore, supposing them to have been constantly employed, were much superior to those of the curate. The wages of the master mason, supposing him to have been without employment one-third of the year, would have fully equalled them. By the 12th of Queen Anne, c. 12, it is declared, "That whereas for want of sufficient maintenance and encouragement to curates, the cures have in several places been meanly supplied, the bishop is, therefore, empowered to appoint by writing under his hand and seal a sufficient certain stipend or allowance, not exceeding fifty and not less than twenty pounds a year." Forty pounds a year is reckoned at present very good pay for a curate, and notwithstanding this act of parliament, there are many curacies under twenty pounds a year. There are journeymen shoe-makers in London who earn forty pounds a year, and there is scarce an industrious workman of any kind in that metropolis who does not earn more than twenty. This last sum indeed does not exceed what is frequently earned by common labourers in many country parishes. Whenever the law has attempted to regulate the wages of workmen, it has always been rather to lower them than to raise them. But the law has upon many occasions attempted to raise the wages of curates, and for the dignity of the church, to oblige the rectors of parishes to give them more than the wretched maintenance which they themselves might be willing to accept of. And in both cases the law seems to have been equally ineffectual, and has never either been

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able to raise the wages of curates or to sink those of labourers to the degree that was intended; because it has never been able to hinder either the one from being willing to accept of less than the legal allowance, on account of the indigence of their situation and the multitude of their competitors; or the other from receiving more, on account of the contrary competition of those who expected to derive either profit or pleasure from employing them.

THE great benefices and other ecclesiastical dignities support the honour of the church, notwithstanding the mean circumstances of some of its inferior members. The respect paid to the profession too makes some compensation even to them for the meanness of their pecuniary recompence. In England, and in all Roman Catholick countries, the lottery of the church is in reality much more advantageous than is necessary. The example of the churches of Scotland, of Geneva, and of several other protestant churches, may satisfy us that in so creditable a profession, in which education is so easily procured, the hopes of much more moderate benefices will draw a sufficient number of learned, decent and respectable men into holy orders.

IN professions in which there are no benefices, such as law and physick, if an equal proportion of people were educated at the publick expence, the competition would soon be so great, as to sink very much their pecuniary reward. It might then not be worth any man's while to educate his son to either of those professions at his own expence. They would be entirely abandoned to such as had been educated by those publick charities, whose numbers and necessities would oblige them in general to content themselves with a very miserable recompence, to the entire degradation of the now respectable professions of law and physick.

THAT

THAT unprosperous race of men commonly called men of letters, are pretty much in the situation which lawyers and physicians probably would be in upon the foregoing supposition. In every part of Europe the greater part of them have been educated for the church, but have been hindered by different reasons from entering into holy orders. They have generally, therefore, been educated at the publick expence, and their numbers are every where so great as commonly to reduce the price of their labour to a very paultry recompence.

CHAP.
X.

BEFORE the invention of the art of printing, the only employment by which a man of letters could make any thing by his talents, was that of a publick teacher, or by communicating to other people the curious and useful knowledge which he had acquired himself: And this is still surely a more honourable, a more useful, and in general even a more profitable employment than that other of writing for a bookfeller, to which the art of printing has given occasion. The time and study, the genius, knowledge and application requisite to qualify an eminent teacher of the sciences, are at least equal to what is necessary for the greatest practitioners in law and physick. But the usual reward of the eminent teacher bears no proportion to that of the lawyer or physician; because the trade of the one is crowded with indigent people, who have been brought up to it at the publick expence: Whereas those of the other two are incumbered with very few who have not been educated at their own. The usual recompence, however, of publick and private teachers, small as it may appear, would undoubtedly be less than it is, if the competition of those yet more indigent men of letters who write for bread was not taken out of the market. Before the invention of the art of printing, a scholar and a beggar seem to have been terms very nearly synonymous. The different governors of the universities before that time appear to have often granted licences to their scholars to beg.

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I.



IN antient times, before any charities of this kind had been established for the education of indigent people to the learned professions, the rewards of eminent teachers appear to have been much more considerable. Isocrates,† in what is called his discourse against the sophists, reproaches the teachers of his own times with inconsistency. “They make the most magnificent promises to their scholars, says he, and undertake to teach them to be wise, to be happy, and to be just, and in return for so important a service they stipulate the paltry reward of four or five minæ. They who teach wisdom, continues he, ought certainly to be wise themselves; but if any man was to sell such a bargain for such a price, he would be convicted of the most evident folly.”† He certainly does not mean here to exaggerate the reward, and we may be assured that it was not less than he represents it. Four minæ were equal to thirteen pounds six shillings and eight pence: five minæ to sixteen pounds thirteen shillings and four pence. Something not less than the largest of those two sums, therefore, must at that time have been usually paid to the most eminent teachers at Athens. Isocrates himself demanded ten minæ, or thirty-three pounds six shillings and eight pence, from each scholar.* When he taught at Athens, he is said to have had an hundred scholars. I understand this to be the number whom he taught at one time, or who attended what we would call one course of lectures, a number which will not appear extraordinary from so great a city to so famous a teacher, who taught too what was at that time the most fashionable of all sciences, rhetorick. He must have made, therefore, by each course of lectures, a thousand minæ, or 3333*l.* 6*s.* 8*d.* A thousand minæ, accordingly, is said by Plutarch in another place, to have been his Didactron or usual price of teaching. Many other eminent teachers in those times appear to have acquired great fortunes. Gorgias made a present to the temple of Delphi of his own statue in solid gold. We must not, I presume, suppose that it

was

he refined paedagogue!

Isocrates wept when
first exchanged know-
ledge for money!

was as large as the life. His way of living, as well as that of Hippias and Protagoras, two other eminent teachers of those times, is represented by Plato as splendid even to ostentation. Plato himself is said to have lived with a good deal of magnificence. Aristotle, after having been tutor to Alexander and most munificently rewarded, as it is universally agreed, both by him and his father Philip, thought it worth while, notwithstanding, to return to Athens, in order to resume the teaching of his school. Teachers of the sciences were probably in those times less common than they came to be in an age or two afterwards, when the competition had probably somewhat reduced both the price of their labour and the admiration for their persons. The most eminent of them, however, appear always to have enjoyed a degree of consideration much superior to any of the like profession in the present times. The Athenians sent Carneades the academick, and Diogenes the stoick, upon a solemn embassy to Rome; and though their city had then declined from its former grandeur, it was still an independent and considerable republick. Carneades too was a Babylonian by birth, and as there never was a people more jealous of admitting foreigners to publick offices than the Athenians, their consideration for him must have been very great.

THIS inequality is upon the whole, perhaps, rather advantageous than hurtful to the publick. It may somewhat degrade the profession of a publick teacher; but the cheapness of literary education is surely an advantage which greatly over-balances this trifling inconveniency. The publick too might derive still greater benefit from it, if the constitution of those schools and colleges, in which education is carried on, was more reasonable than it is at present through the greater part of Europe.

THIRDLY, The policy of Europe, by obstructing the free circulation of labour and stock both from employment to employment, and

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and from place to place, occasions in some cases a very inconvenient inequality in the whole of the advantages and disadvantages of their different employments.

THE statute of apprenticeship obstructs the free circulation of labour from one employment to another, even in the same place. The exclusive privileges of corporations obstruct it from one place to another, even in the same employment.

It frequently happens that while high wages are given to the workmen in one manufacture, those in another are obliged to content themselves with bare subsistence. The one is in an advancing state, and has, therefore, a continual demand for new hands: The other is in a declining state, and the super-abundance of hands is continually increasing. Those two manufactures may sometimes be in the same town, and sometimes in the same neighbourhood, without being able to lend the least assistance to one another. The statute of apprenticeship may oppose it in the one case, and both that and an exclusive corporation in the other. In many different manufactures, however, the operations are so much alike, that the workmen could easily change trades with one another, if those absurd laws did not hinder them. The arts of weaving plain linen and plain silk, for example, are almost entirely the same. That of weaving plain woollen is somewhat different; but the difference is so insignificant that either a linen or a silk weaver might become a tolerable workman in a very few days. If any of those three capital manufactures, therefore, were decaying, the workmen might find a resource in one of the other two which was in a more prosperous condition; and their wages would neither rise too high in the thriving, nor sink too low in the decaying manufacture. The linen manufacture indeed is, in England, by a particular statute, open to every body; but as it is not much cultivated

tivated through the greater part of the country, it can afford no general resource to the workmen of other decaying manufactures, who, wherever the statute of apprenticeship takes place, have no other choice but either to come upon the parish, or to work as common labourers, for which, by their habits, they are much worse qualified than for any sort of manufacture that bears any resemblance to their own. They generally, therefore, chuse to come upon the parish.

CHAP.
X.

WHATEVER obstructs the free circulation of labour from one employment to another, obstructs that of stock likewise; the quantity of stock which can be employed in any branch of business depending very much upon that of labour which can be employed in it. Corporation laws, however, give less obstruction to the free circulation of stock from one place to another than to that of labour. It is every where much easier for a wealthy merchant to obtain the privilege of trading in a town corporate, than for a poor artificer to obtain that of working in it.

THE obstruction which corporation laws give to the free circulation of labour is common, I believe, to every part of Europe. That which is given to it by the poor laws, so far as I know, is peculiar to England. It consists in the difficulty which a poor man finds in obtaining a settlement, or even in being allowed to exercise his industry in any parish but that to which he belongs. It is the labour of artificers and manufacturers only of which the free circulation is obstructed by corporation laws. The difficulty of obtaining settlements obstructs even that of common labour. It may be worth while to give some account of the rise, progress, and present state of this disorder, the greatest perhaps of any in the police of England.

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WHEN by the destruction of monasteries the poor had been deprived of the charity of those religious houses, after some other ineffectual attempts for their relief, it was enacted by the 43d of Elizabeth, c. 2, that every parish should be bound to provide for its own poor; and that overseers of the poor should be annually appointed, who, with the churchwardens, should raise by a parish rate, competent sums for this purpose.

By this statute the necessity of providing for their own poor was indispensibly imposed upon every parish. Who were to be considered as the poor of each parish, therefore, became a question of some importance. This question, after some variation, was at last determined by the 13th and 14th of Charles II. when it was enacted that forty days undisturbed residence should gain any person a settlement in any parish; but that within that time it should be lawful for two justices of the peace, upon complaint made by the church-wardens or overseers of the poor, to remove any new inhabitant to the parish where he was last legally settled; unless he either rented a tenement of ten pounds a year, or could give such security for the discharge of the parish where he was then living, as those justices should judge sufficient.

SOME frauds, it is said, were committed in consequence of this statute; parish officers sometimes bribing their own poor to go clandestinely to another parish, and by keeping themselves concealed for forty days to gain a settlement there, to the discharge of that to which they properly belonged. It was enacted, therefore, by the 1st of James II. that the forty days undisturbed residence of any person necessary to gain a settlement, should be accounted only from the time of his delivering notice in writing, of the place of his abode and the number of his family, to one of the churchwardens or overseers of the parish where he came to dwell.

BUT

BUT parish officers, it seems, were not always more honest with regard to their own, than they had been with regard to other parishes, and sometimes connived at such intrusions, receiving the notice, and taking no proper steps in consequence of it. As every person in a parish, therefore, was supposed to have an interest to prevent as much as possible their being burdened by such intruders, it was further enacted by the 3d of William III, that the forty days residence should be accounted only from the publication of such notice in writing on Sunday in the church immediately after divine service.

“ AFTER all, says Doctor Burn, this kind of settlement, by continuing forty days after publication of notice in writing, is very seldom obtained; and the design of the acts is not so much for gaining of settlements, as for the avoiding of them, by persons coming into a parish clandestinely: for the giving of notice is only putting a force upon the parish to remove. But if a person's situation is such, that it is doubtful whether he is actually removeable or not, he shall by giving of notice compel the parish either to allow him a settlement uncontested, by suffering him to continue forty days; or, by removing him, to try the right.”

THIS statute, therefore, rendered it almost impracticable for a poor man to gain a new settlement in the old way, by forty days inhabitancy. But that it might not appear to preclude altogether the common people of one parish from ever establishing themselves with security in another, it appointed four other ways by which a settlement might be gained without any notice delivered or published. The first was, by being taxed to parish rates and paying them; the second, by being elected into an annual parish office and serving in it a year; the third, by serving an apprenticeship in the parish;

parish; the fourth, by being hired into service there for a year, and continuing in the same service during the whole of it.

NOBODY can gain a settlement by either of the two first ways, but by the publick deed of the whole parish, who are too well aware of the consequences to adopt any new comer who has nothing but his labour to support him, either by taxing him to parish rates, or by electing him into a parish office.

No married man can well gain any settlement in either of the two last ways. An apprentice is scarce ever married, and it is expressly enacted, that no married servant shall gain any settlement by being hired for a year. The principal effect of introducing settlement by service, has been to put out in a great measure the old fashion of hiring for a year, which before had been so customary in England, that even at this day, if no particular term is agreed upon, the law intends that every servant is hired for a year. But masters are not always willing to give their servants a settlement by hiring them in this manner; and servants are not always willing to be so hired, because as every last settlement discharges all the foregoing, they might thereby lose their original settlement in the places of their nativity, the habitation of their parents and relations.

No independent workman, it is evident, whether labourer or artificer, is likely to gain any new settlement either by apprenticeship or by service. When such a person, therefore, carried his industry to a new parish, he was liable to be removed, how healthy and industrious soever, at the caprice of any churchwarden or overseer, unless he either rented a tenement of ten pounds a year, a thing impossible for one who has nothing but his labour to live by; or could give such security for the discharge of the parish as

two justices of the peace should judge sufficient. What security they shall require, indeed, is left altogether to their discretion; but they cannot well require less than thirty pounds, it having been enacted, that the purchase even of a freehold estate of less than thirty pounds value, shall not gain any person a settlement, as not being sufficient for the discharge of the parish. But this is a security which scarce any man who lives by labour can give; and much greater security is frequently demanded.

CHAP.
X.

IN order to restore in some measure that free circulation of labour which those different statutes had almost entirely taken away, the invention of certificates was fallen upon. By the 8th and 9th of William III. it was enacted, that if any person should bring a certificate from the parish where he was last legally settled, subscribed by the churchwardens and overseers of the poor, and allowed by two justices of the peace, that every other parish should be obliged to receive him; that he should not be removable merely upon account of his being likely to become chargeable, but only upon his becoming actually chargeable, and that then the parish which granted the certificate should be obliged to pay the expence both of his maintenance and of his removal. And in order to give the most perfect security to the parish where such certificated man should come to reside, it was further enacted by the same statute, that he should gain no settlement there by any means whatever, except either by renting a tenement of ten pounds a year, or by serving upon his own account in an annual parish office for one whole year; and consequently neither by notice, nor by service, nor by apprenticeship, nor by paying parish rates. By the 12th of Queen Anne too, stat. 1. c. 18. it was further enacted, that neither the servants nor apprentices of such certificated man should gain any settlement in the parish where he resided under such certificate.

How.

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I.

How far this invention has restored that free circulation of labour which the preceeding statutes had almost entirely taken away, we may learn from the following very judicious observation of Doctor Burn. "It is obvious, says he, that there are
 " divers good reasons for requiring certificates with persons com-
 " ing to settle in any place; namely, that persons residing under
 " them can gain no settlement, neither by apprenticeship, nor by
 " service, nor by giving notice, nor by paying parish rates; that
 " they can settle neither apprentices nor servants; that if they
 " become chargeable, it is certainly known whither to remove
 " them, and the parish shall be paid for the removal, and for
 " their maintenance in the mean time; and that if they fall sick,
 " and cannot be removed, the parish which gave the certificate
 " must maintain them: None of all which can be without a cer-
 " tificate. Which reasons will hold proportionably for parishes
 " not granting certificates in ordinary cases; for it is far more
 " than an equal chance, but that they will have the certificated
 " persons again, and in a worse condition." The moral of this
 observation seems to be, that certificates ought always to be re-
 quired by the parish where any poor man comes to reside, and
 that they ought very seldom to be granted by that which he pro-
 poses to leave. "There is somewhat of hardship in this matter
 " of certificates," says the same very intelligent author in his
 History of the poor laws, "by putting it in the power of a parish
 " officer, to imprison a man as it were for life; however incon-
 " venient it may be for him to continue at that place where he
 " has had the misfortune to acquire what is called a settlement, or
 " whatever advantage he may propose to himself by living else-
 " where."

THOUGH a certificate carries along with it no testimonial of
 good behaviour, and certifies nothing but that the person belongs
 to

to the parish to which he really does belong, it is altogether discretionary in the parish officers either to grant or to refuse it. A mandamus was once moved for, says Doctor Burn, to compel the churchwardens and overseers to sign a certificate; but the court of King's Bench rejected the motion as a very strange attempt.

THE very unequal price of labour which we frequently find in England in places at no great distance from one another, is probably owing to the obstruction which the law of settlements gives to a poor man who would carry his industry from one parish to another without a certificate. A single man, indeed, who is healthy and industrious, may sometimes reside by sufferance without one; but a man with a wife and family who should attempt to do so, would in most parishes be sure of being removed, and if the single man should afterwards marry, he would generally be removed likewise. The scarcity of hands in one parish, therefore, cannot always be relieved by their super-abundance in another, as it is constantly in Scotland, and, I believe, in all other countries where there is no difficulty of settlement. In such countries, though wages may sometimes rise a little in the neighbourhood of a great town, or wherever else there is an extraordinary demand for labour, and sink gradually as the distance from such places increases; till they fall back to the common rate of the country; yet we never meet with those sudden and unaccountable differences in the wages of neighbouring places which we sometimes find in England, where it is often more difficult for a poor man to pass the artificial boundary of a parish, than an arm of the sea or a ridge of high mountains, natural boundaries which sometimes separate very distinctly different rates of wages in other countries.

To remove a man who has committed no misdemeanour from the parish where he chuses to reside, is an evident violation of natural

BOOK I. tural liberty and justice. The common people of England, however, so jealous of their liberty, but like the common people of most other countries never rightly understanding wherein it consists, have now for more than a century together suffered themselves to be exposed to this oppression without a remedy. Though men of reflection too have sometimes complained of the law of settlements as a publick grievance; yet it has never been the object of any general popular clamour, such as that against general warrants, an abusive practice undoubtedly, but such a one as was not likely to occasion any general oppression. There is scarce a poor man in England of forty years of age, I will venture to say, who has not in some part of his life felt himself most cruelly oppressed by this ill contrived law of settlements.

I SHALL conclude this long chapter with observing, that though anciently it was usual to rate wages, first by general laws extending over the whole kingdom, and afterwards by particular orders of the justices of peace in every particular county, both these practices have now gone intirely into disuse. “By the experience of
“above four hundred years, says Doctor Burn, it seems time to
“lay aside all endeavours to bring under strict regulations, what
“in its own nature seems incapable of minute limitation: for
“if all persons in the same kind of work were to receive equal
“wages, there would be no emulation, and no room left for industry or ingenuity.”

PARTICULAR acts of parliament, however, still attempt sometimes to regulate wages in particular trades and in particular places. Thus the 8th of George III. prohibits under heavy penalties all master taylors in London, and five miles round it, from giving, and their workmen from accepting, more than two shillings and seven-

seven-pence halfpenny a day, except in the case of a general mourning. Whenever the legislature attempts to regulate the differences between masters and their workmen, its counsellors are always the masters. When the regulation, therefore, is in favour of the workmen, it is always just and equitable; but it is sometimes otherwise when in favour of the masters. Thus the law which obliges the masters in several different trades to pay their workmen in money and not in goods, is quite just and equitable. It imposes no real hardship upon the masters. It only obliges them to pay that value in money, which they pretended to pay, but did not always really pay, in goods. This law is in favour of the workmen; but the 8th of George III. is in favour of the masters. When masters combine together in order to reduce the wages of their workmen, they commonly enter into a private bond or agreement, not to give more than a certain wage under a certain penalty. Were the workmen to enter into a contrary combination of the same kind, not to accept of a certain wage under a certain penalty, the law would punish them very severely; and if it dealt impartially it would treat the masters in the same manner. But the 8th of George III. enforces by law that very regulation which masters sometimes attempt to establish by such combinations. The complaint of the workmen, that it puts the ablest and most industrious upon the same footing with an ordinary workman, seems perfectly well founded.

IN ancient times too it was usual to attempt to regulate the profits of merchants and other dealers, by rating the price both of provisions and other goods. The assize of bread is, so far as I know, the only remnant of this ancient usage. Where there is an exclusive corporation, it may perhaps be proper to regulate the price of the first necessary of life. But where there is none, the competition will regulate it much better than any assize. The method

VOL. I.

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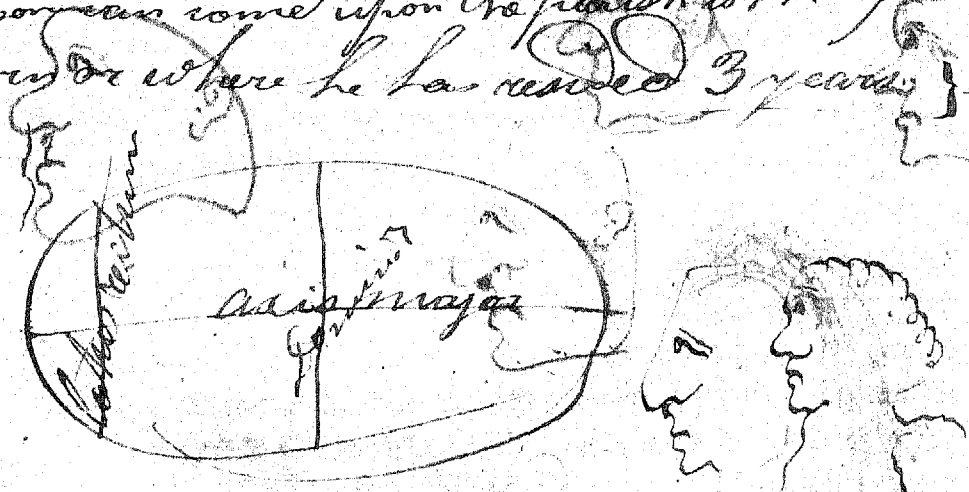
method

*By Substantive**By Robert Dalrymple
J. H. R. J.*

BOOK I. method of fixing the affize of bread established by the 31st of George II. could not be put in practice in Scotland, on account of a defect in the law; its execution depending upon the office of clerk of the market, which does not exist there. This defect was not remedied till the 3d of George III. The want of an affize occasioned no sensible inconveniency, and the establishment of one, in the few places where it has yet taken place, has produced no sensible advantage. In the greater part of the towns of Scotland, however, there is an incorporation of bakers who claim exclusive privileges, though they are not very strictly guarded.

THE proportion between the different rates both of wages and profit in the different employments of labour and stock, seems not to be much affected, as has already been observed, by the riches or poverty, the advancing, stationary, or declining state of the society. Such revolutions in the publick welfare, though they affect the general rates both of wages and profit, must in the end affect them equally in all different employments. The proportion between them, therefore, must remain the same and cannot well be altered, at least for any considerable time, by any such revolutions.

The only way a person can come upon the parish is the parish where he was born or where he has resided 3 years



~~I think that way that it is better will
 not be so polite as to write as follows this
 Book. If the Parish happens to be the
 described in the book he should
 receive as back in the~~