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# An Inquiry Into The Nature and Causes Of The Wealth Of Nations

In Two Volumes

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**London, 1776** 

Chap. VIII. Of the Wages of Labour.

urn:nbn:de:gbv:45:1-1628

THE NATURE AND CAUSES OF

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or poverty of that fociety; 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.

#### CHAP. 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 of things

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

CHAP.

Bur 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 acquifition, therefore, would be twice as easy as before.

Bur 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 confiderable 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 foon as land becomes private property, the landlord demands a share of whatever produce the labourer can either raise, or collect



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

IT feldom 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 compleated. 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 fometimes happens, indeed, that a fingle independant workman has stock sufficient both to purchase the materials of his work, and to maintain himself till it be compleated. 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 independent; and the wages of labour are every where understood

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

of reproach to a maller among his neighbours and equals. We

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 defire to get as much, the mafters 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 difpute, and force the other into a compliance with their terms. The mafters, being fewer in number, cannot only combine more eafily, but the law authorifes their combinations, or at leaft 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 difputes the masters can hold out much longer. A landlord, a farmer, a mafter manufacturer, or merchant, though they did not employ a fingle workman, could generally live a year or two upon the stocks which they have already acquired. Many workmen could not fubfift a week, few could fubfift a month, and fcarce any a year without employment. In the long-run the workman may be as necessary to his mafter as his master is to him; but the necessity is not so immediate.

WE rarely hear, it has been faid, 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 fort of tacit, but constant and uniform combination, not to VOL. I. M raife

BOOK raise the wages of labour above their actual rate. To violate this combination is every where a most unpopular action, and a fort of reproach to a master among his neighbours and equals. We feldom, indeed, hear of this combination, because it is the usual, and one may fay, the natural state of things which nobody ever hears of. Masters too sometimes enter into particular combinations to fink the wages of labour even below this rate. These are always conducted with the utmost filence and secreey, till the moment of execution, and when the workmen yield, as they fometimes do, without refistance, though severely felt by them, they are never heard of by other people. Such combinations, however, are frequently refifted by a contrary defensive combination of the workmen; who fometimes too, without any provocation of this kind, combine of their own accord to raise the price of their labour. Their usual pretences are, fometimes, the high price of provisions; fometimes 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 fometimes 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 mafters upon these occasions are just as clamorous upon the other side, and never cease to call aloud for the affistance 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 feldom derive any advantage from the violence of those tumultuous combinations, which, partly from the interpolition of the civil magistrate, partly from the superior steadiness of the masters, partly from the neceffity which the greater part of the workmen are under of fubmitting

mitting for the fake of prefent subfiftence, generally end in no- CHAP. thing, but the punishment or ruin of the ringleaders.

Bur though in disputes with their workmen, masters must generally have the advantage, there is however a certain rate below which it feems 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. They must even upon most occasions be somewhat more; otherwise it would be impossible to bring up a family, and the race of fuch workmen could not last beyond the first generation. Mr. Cantillon feems, 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 herfelf. 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 The labour of an able-bodied flave, the fame 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 flave. 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 fomething more than what is precifely necessary for their own maintenance; but in what proportion, whether in that above M 2 mentioned.

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BOOK mentioned, or in any other, I shall not take upon me to deter-

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 fufficient to maintain his own family, he employs either the whole or a part of the furplus in maintaining one or more menial fervants. Increase this furplus, and he will naturally increase the number of those servants.

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

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

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.

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 fixpence currency, with a pint of rum worth fixpence sterling, equal in all to fix shillings and fixpence sterling; house carpenters and bricklayers, eight shillings currency, equal to four shillings and fixpence sterling; journeymen taylors, five shillings currency, equal to about two shillings and ten-pence sterling. These prices are all above the London price; and wages are faid 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 VOL. I. M 3

BOOK have always had a fufficiency 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 conveniencies of life which it conveys to the labourer, must be higher in a still greater proportion.

> Bur though North America is not yet fo 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 faid, frequently see there from fifty to a hundred, and fometimes many more, descendants from their own body. Labour is there fo well rewarded that a numerous family of children, instead of being a burthen, is a fource 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 fo little chance for a fecond hufband, is there frequently courted as a fort 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 feems, still faster than they can find labourers to employ.

> > THOUGH

THOUGH the wealth of a country should be very great, yet CHAP. if it has been long stationary, we must not expect to find the wages of labour very high in it. The funds deftined 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 eafily fupply, and even more than fupply, the number wanted the following year. There could feldom be any fcarcity of hands, nor could the mafters 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 fuch a country the wages of labour had ever been more than fufficient 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 confiftent 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 defcribed by travellers in the prefent 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, inconfiftent 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 workhouses,

BOOK houses, for the calls of their customers, as in Europe, they are continually running about the freets 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 furpaffes that of the most beggarly nations in Europe. In the neighbourhood of Canton many hundred, it is commonly faid, many thousand families have no habitation on the land, but live conftantly in little fishing boats upon the rivers and canals. The fublistence 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 flinking, 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 faid to be the avowed business by which some people earn their sublistence.

> CHINA, however, though it may perhaps stand still, does not feem to go backwards. Its towns are nowhere deferted by their inhabitants. The lands which had once been cultivated are nowhere neglected. The fame or very nearly the fame 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 fcanty fubfiftence, must some way or another make shift to continue their race fo far as to keep up their usual numbers.

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

classes of employments, be less than it had been the year before. CHAP. Many who had been bred in the fuperior classes, not being able to find employment in their own bufiness, would be glad to feek 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 fo 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 feek a fubfistence 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 eafily 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, confequently, should not be very difficult, and where, notwithstanding, three or four hundred thousand people die of hunger in one year, we may be affured 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 oppreffes and domineers 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.

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In Great Britain the wages of labour feem, 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 sewel, 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 destray his winter expence; and that through the whole year they do not exceed what is necessary to maintain his samily 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 samilies 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 fenfible rife in the money CHAP. 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.

THIRDLY, as the price of provisions varies more from year to year than the wages of labour, fo, 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 fame or very nearly the fame through the greater part of the united kingdom. These and most other things which are fold 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 feems is not always fufficient 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 foon reduce them more nearly to a level. After all that has been faid of the levity and inconfrancy of human nature, it appears evidently from experience that a man is of all forts of luggage the most difficult



BOOK 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 fupplies. 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 fold dearer in Scotland than the Scotch corn that comes to the fame 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 meafure 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 fame rank in England. This difference, however, in the mode of their fubfistence 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 CHAP. keeps a coach, and because the other is poor he walks a-foot.

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 forts of grain in every different county of Scotland. If fuch 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 fomewhat 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 fixpence in fummer 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 eightpence a day; ten-pence, fometimes 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 confiderable rife in the demand for labour, about Glafgow, Carron, Ayr-shire, &c. In England the improvements of agriculture, manufactures and commerce began much earlier

BOOK than in Scotland. The demand for labour, and confequently its price, must necessarily have increased with those improvements. In the last century, accordingly, as well as in the prefent, the wages of labour were higher in England than in Scotland. They have rifen too confiderably fince 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 foldier was the fame 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 fcot foldiers are commonly drawn. Lord Chief Justice Hales, who wrote in the time of Charles II. computes the necessary expence of a labourer's family, confifting of fix persons, the father and mother, two children able to do fomething, and two not able, at ten shillings a week, or twenty-fix 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 fubject. 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-fervants to be fifteen pounds a year to a family, which he supposed to confift, one with another, of three and a half perfons. His calculation, therefore, though different in appearance, corresponds very nearly at bottom with that of judge Hales. Both suppose the weekly expence of fuch families to be about twenty-pence a head. Both the pecuniary income and expence of fuch families have increased considerably since that time through the greater part of the kingdom; in some places more, and in some less; though perhaps fcarce any where fo much as fome exaggerated accounts of the prefent wages of labour have lately reprefented them to the publick. The price of labour, it must be observed, cannot be afcertained very accurately anywhere, different prices being

being often paid at the fame place and for the fame fort of labour, CHAP. not only according to the different abilities of the workmen, but according to the eafiness 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 fo.

THE real recompence of labour, the real quantity of the necessaries and conveniencies 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 fomewhat cheaper, but many other things from which the industrious poor derive an agreeable and wholefome 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 raifed but by the fpade, but which are now commonly raifed by the plough. All fort of garden stuff too has become cheaper. The greater part of the apples and even of the onions confumed in Great Britain were in the last century imported from Flanders. The great improvements in the coarfer 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 inftruments of trade, as well as with many agreeable and convenient pieces of household furniture. Soap, falt, 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 confuming, is so very small that:

BOOK the increase in their price does not compensate the diminution in that of fo many other things. 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 fame food, cloathing and lodging which fatisfied them in former times, may convince us that it is not the money price of labour only, but its real recompence which has augmented.

> 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 fociety? The answer feems at first fight abundantly plain. Servants, labourers and workmen of different kinds, make up the far greater part of every great political fociety. But what improves the circumstances of the greater part can never be regarded as an inconveniency to the whole. No fociety can furely 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. It feems 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 exhaufted by two or three. Barrenness, so frequent among women of fashion, is very rare among those of inferior station. Luxury in the fair fex, while it enslames perhaps the paffion for enjoyment, feems always to weaken and frequently to destroy altogether the powers of generation.

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Bur poverty, though it does not prevent the generation, is CHAP. extreamly unfavourable to the rearing of children. The tender plant is produced, but in fo cold a foil and fo fevere a climate, foon 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 affured me that fo far from recruiting their regiment, they have never been able to fupply it with drums and fifes from all the foldiers children that were born in it. A greater number of fine children, however, is feldom feen anywhere than about a barrack of foldiers. Very few of them, it feems, 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 feven; 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.

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

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



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BOOK naturally tends to widen and extend those limits. It deserves to be remarked too, that it necessarily does this as nearly as poffible 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 foon 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 foon 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 flowly, 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 progreffive in the first, slow and gradual in the fecond, and altogether stationary in the last.

THE tear and wear of a flave, it has been faid, is at the expence of his mafter; but that of a free fervant is at his own expence. The tear and wear of the latter, however, is, in reality, as much at the expence of his mafter as that of the former. The wages paid to journeymen and fervants 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

of his mafter, it generally costs him much less than that of a CHAP. flave. The fund destined for replacing or repairing, if I may fay fo, the tear and wear of the flave, 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 economy 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 fuch 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 flaves. It is found to do fo even at Boston, New York, and Philadelphia, where the wages of common labour are fo 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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THE liberal reward of labour, as it encourages the propagation, fo 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 fubfiftence 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 cafe 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 fupposed 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 higherthan ordinary. Almost every class of artificers is subject to some peculiar infirmity occasioned by excessive application to their peculiar species of work. Ramuzzini, an eminent Italian physician, has written a particular book concerning fuch difeases. We do not reckon our foldiers the most industrious set of people among us. Yet when foldiers have been employed in some particular forts 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 fum every day, according to the rate at which they were paid. Till this stipulation was made, mutual

mutual emulation and the defire of greater gain, frequently prompt- CHAP: ed 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, fo much and fo loudly complained of. Great labour, either of mind or body, continued for several days together, is in most men naturally followed by a great defire of relaxation, which, if not restrained by force or by some strong necessity, is almost irrefiftable. It is the call of nature, which requires to be relieved by some indulgence, sometimes of case only, but sometimes too of diffipation and divertion. If it is not complied with, the confequences are often dangerous, and fometimes fatal, and fuch as almost always, fooner 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 fort of trade, that the man who works fo moderately, as to be able to work conftantly, not only preferves 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 substitution, 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

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

In years of plenty, fervants frequently leave their masters, and trust their substitute 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 independant 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 forts, therefore, frequently make better bargains with their fervants 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

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years. The rents of the one and the profits of the other depend CHAP. very much upon the price of provisions. Nothing can be more abfurd, however, than to imagine that men in general should work lefs 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 mafter. The one, in his separate, independant state, is less liable to the temptations of bad company, which in large manufactories fo frequently ruin the morals of the other. The fuperiority of the independant workman over those fervants 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 fer-

vants 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 filk, 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.

THE



BOOK I.

lens 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 neceffarily depend, not fo much upon the dearness or cheapness of the feafons in the countries where they are carried on, as upon the circumstances which affect the demand in the countries where they are confumed; upon peace or war, upon the prosperity or declenfion of other rival manufactures, and upon the good or bad humour of their principal customers. A great part of the extraordinary work, befides, which is probably done in cheap years, never enters the publick registers of manufactures. The men-fervants who leave their mafters 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 fale, 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 with so much parade, and from which our merchants and CHAP. manufacturers would often vainly pretend to anounce the prosperity or declension of the greatest empires.

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 requifite for purchafing this quantity. Though the money price of labour, therefore, is fometimes 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 fudden 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, Vol. I.

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BOOK which fometimes raifes both the real and the money price of their labour.

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 substitutes. 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 confumption 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, CHAP. he endeavours to fupply 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 confequence of these improvements, come to be produced by fo much less labour than before, that the increase of its price does not compensate the diminution of its quantity.

profit. When the flories of many rich merchants are turned into the fame reads, their sturied confection nertifully reads to lower its profit; and when there is a like increase of thock in all the difffeesing trailes carried on in the lame feelers, the linns confection.

Ir is not cally, in has cheady been obliged, to afterfain what

a particular time. Ave can even in this case, sedom determine more than what are the most which wages. But even this can feldom be dotte with segard to the profits of flock. Profit is to

profit, edt is affected, not only by every variation of price in the composities which he deals in, but by the good or bad fortune

very floshinsting, that the perfou who carries on a particular earnot always tell you himself what is the average of his

and produce the fame shield in them all."

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