

Space for Notes



Trades Societies Their Objects and Policy*

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[*Delivered by request of the Trades Unionists' Political Association in the Co-operative Hall, Upper Medlock Street, Hulme, Manchester, March 31st, 1868.]

- I. Preface.
- II. The Legal Position of Trades Societies.
- III. The Different Objects they have in view.
- IV. Their Actions as Friendly Societies.
- V. Their Actions as Sanitary Associations.
- VI. Their Attempts to Regulate Wages.
- VII. How far are such attempts successful P
- VIII. Opposition to the Introduction of Machinery.
- IX. On Co-operation and Conciliation.
- X. The Future of the Operative Classes.

I.

WHEN I received an invitation from the Trades Unionists' Political Association to address you on the present occasion, I felt it to be an honour and a pleasure to have an opportunity of putting before you my ideas upon a question which now occupies so much public attention, and is of such great importance to the prosperity of the country. I must, first of all, acknowledge warmly the liberal and candid spirit in which the association have offered to one whom they probably suppose to be an opponent, an opportunity of bringing forward his unwelcome views. It happens that rather more than a year ago, in a public lecture which it was my duty to give at Owens College, I touched upon the subject of Trades Unions, and my words were strongly criticised by Mr. Macdonald, the president of this association, and by some others who seemed to think that my opinions were most unbecoming in the so-called "Cobden Lecturer." I have no doubt therefore that the association and the unionists of this city suppose me to be totally against their views, and I am glad to be able to-night to explain exactly how far it may be the case. At any rate I hope to convince you that I am not in any degree involved in the prejudices of the other party, the capitalists.

I can add most sincerely that my only reluctance in addressing you arose from my consciousness of the imperfect manner in which I may put my notions before you. Others who address you have every advantage of oratorical power and popularity in their favour. I labour under the double misfortune of feeling impelled to put forward some opinions which may not please you, and of putting them forward imperfectly.

It is impossible in my opinion wholly to praise or wholly to condemn a great and wide-spread institution like that of Trades Societies. The men who compose and who manage these societies differ so much in different places and in different trades, and the objects and actions which societies put before themselves are so diverse, that we must carefully discriminate in the award of praise or blame.

Public opinion seldom sufficiently discriminates, and is too apt to ascribe to the whole what it knows only of the part. But it seems to me that as we should certainly not condemn the whole aristocracy because a few of its members are convicted of crime, or misconduct, or folly, so we should still less assail the character of such a vast number of men as the united operatives of England, because some of their number have been concerned in deeds which we cannot approve.

So far am I from wishing that the workmen of England should cease to associate and unite together, that I believe some kind of association to be indispensable to the progress and amelioration of the largest and in some respects the most important class of our population. I believe that the capacity which British workmen exhibit in so high a degree for forming legitimate and orderly associations is one of the finest characteristics of our race, and one of the best proofs of the innate capacity for self-government which I believe we all possess. No one who looks upon the growing numbers and improving organisation of the Trades Societies can doubt that they will play a considerable part in the history of this kingdom. But the greater their extent and influence become, the more essential it is that they should be well advised and really liberal in their aims and actions. It is in their power to do almost incalculable good or harm to themselves and the country of which they form so considerable a part. It is therefore especially necessary that those who direct the policy of these societies should reflect and inquire thoroughly into the results of their rules and actions. They would then perceive that the objects which they set forth as their purpose cannot in some cases be properly achieved by the means they use, and that though the immediate results of their policy may seem to be beneficial, the ultimate results involve injury of a hidden but most extensive kind, which they would not easily have anticipated. There are certain ancient fallacies which have misled men since trades began to be carried on, and it is only within the last hundred years that economists have at all seen their way out of these fallacies, and discovered the true beneficence of the freedom of trade and the freedom of industry. It is the grand principle of freedom of industry, explained by Adam Smith and gradually brought into practice in the policy and laws of the kingdom, which has in great part secured to us our present prosperity. And it would be an inconceivable misfortune for this country and the world if the productive classes, whose numbers and powers increase with that prosperity, should thoughtlessly reverse the policy which gave them birth.

I cannot help quoting here what is said on this point by one of the most conscientious, liberal, and learned statesmen this country ever had-I mean Sir George Cornewall Lewis. He says:

“Some theories, indeed, are so alluring and attractive, especially on a superficial consideration, that nothing short of an actual experimental proof of their evil operation is sufficient to convince the world of their unsoundness . . . Such is the theory of commercial protection, and such too is the theory of protection of labour, which is now advancing into popular favor, and under which mankind seem destined to suffer before they have discovered its true tendencies.” – See *his Treatises on The Methods of Observation and Reasoning in Politics*.

II.

I wish to speak in the first place of the legal position of Trades' Societies. A

recent trial at the Manchester Law Courts has shown that these societies are in no way illegal, except that they have not the special facilities granted to Friendly Societies by the statute concerning them.

The members of a union are subject to no penalty or disability because they belong to a union, and can as individuals protect their property as before. They suffer under no grievance therefore, and are in no worse position than clubs, committees, or private societies, of which thousands exist or are created every year in other classes of society, but which are not incorporated or registered under the Friendly Societies Act.

But if unionists think that there is still something vexatious and hurtful in their exclusion from the advantages of the Friendly Societies Act, I for my part should be glad to see them brought under it.

I think that the change would probably tend to raise their character in the eyes of themselves and of the public-would make them open associations rather than close and secret clubs. I hope that the time is not far distant when all Trades Societies will stand upon an open and recognised basis-will have their accounts properly audited and published to all whom they may concern. It is with great pleasure that I occasionally notice the accounts and report of the Amalgamated Society of Carpenters and Joiners, published in the daily papers, and I look forward to the time when all Trades Societies may be thus open and above-board.

Again, I think it is very necessary that the reformed House of Commons should endeavour to define the law of conspiracy as relating to Trades Societies-should distinguish as far as possible between legal persuasion and illegal intimidation, so that, while every unionist may aid his fellow-men in truly voluntary association, he will know accurately when he is infringing the liberty which is the most sacred possession of every one of us.

III.

Coming to the chief subject of my lecture, what I wish most strongly to point out is the fact that Trades Societies have usually *three distinct kinds of object in view*.

Neither the societies themselves, nor the public, sufficiently distinguish these very, diverse objects. It is sufficiently apparent indeed that Unions usually combine the character of Benefit and Friendly Societies with those of strict Trades Societies ; but I have not seen it sufficiently pointed out that, even in strikes and trade disputes there is often a twofold object in view, the one relating simply to the rate of wages, the other to the hours of labour, the health, safety, comfort, and moral condition of the operative. Now I must insist that the rate of wages is a question to be kept distinct from all others, and I proceed to consider the three separate objects which Unions fulfil.

IV.

The first and most obvious way in which Trades Societies strive to confer benefit upon their members is in acting as Benefit or Friendly Societies. So far as they relieve the necessitous and unfortunate at the expense of the prosperous they confer an unmitigated benefit, and act as insurance societies of most efficient character. Friendly Societies, such as the Odd Fellows, the Foresters,

the Hearts of Oak, the Royal Liver Society, etc., are very excellent things in their way, but men of a trade have peculiar facilities for giving each other legitimate and judicious aid from the intimate knowledge which they naturally possess or can easily gain of each other's circumstances. Lord Elcho well observed in his speech at Dalkeith (*Times*, January 29th, 1867), that Trades Societies are thus a great benefit to the country. "They are the means," he says, "by their sick funds, by their accident funds, by their death funds, by their funds for supporting men when out of employment, of keeping men off the poor rates." The advantages thus conferred are, however, so evident, they have been so well summed up by Messrs. Ludlow and Jones in their excellent little work on the "Progress of the Working-classes" (pp. 211-214), and they are so generally recognised, even by Lord Derby himself, that I need hardly dwell further on them.

At the same time, it is impossible to help seeing that men in a trade when acting together are always apt to become narrow and exclusive in their ideas, whether they be merchants, bankers, manufacturers, or operatives. It is in Trades Societies which combine many grades of workmen and several branches of industry, like the Amalgamated Society of Engineers, that we naturally find the most enlightened policy. It is, therefore, I am, glad to notice every step which the societies take towards amalgamation or united action. This amalgamation must gradually destroy selfish or exclusive notions, and it will often render apparent to the men of one trade that they are pursuing objects inconsistent with the welfare of their fellow-men in another trade.

V.

A second and more distinctive function or duty of Unions consists in their efforts to shorten the hours of labour, to render factories more wholesome and safe, and generally to improve the condition of the workman. Under this head I do not refer to any attempt to raise the mere rate of wages, which is altogether a different matter, and will be considered a little later. Both workmen and employers seem to me too indiscriminating in this respect. The employer is too apt to resent and refuse every demand of his men as an infringement of his right of judgment and management. The workmen, on the other hand, are too much given to make a rise of wages the hidden if not the apparent result of every reform they demand. I suppose that no Union ever yet proposed a reduction of the hours of labour without wanting the same wages as before; thus really attempting somewhat by a sidewind to raise the rate per hour. But the rate of wages and the length of hours are two totally distinct things. Ten hours' labour are certainly not worth so much to an employer as twelve hours'; though, as the workman is fresher and more careful, they are probably worth as much as eleven hours on the old system. I think then that those who demand a reduction of one-sixth in the hours of labour should be willing to concede a reduction of at least one-twelfth in the wages. Not but that the workman is at liberty, if he like, to ask for an increase in the rate of wages too. What I want to say is, that it is not judicious for him to mix up in one demand two totally different objects; for if he does not discriminate between the objects he has in view, he can hardly expect the employer will. I say again, that I think the rate of wages is a matter which stands upon a totally different footing from any regulations which concern the health and safety of the workman.

Here I should probably find myself at variance with most of the class of employers who are too much accustomed by habit and prejudice to disregard a hundred little matters which are of vital importance to the workman. The man employed is too often regarded by the employer as a mere machine working for

the benefit of the employer, who naturally endeavours to get the most out of him, regardless of moral and sanitary results. But in the eye of the economist and the statesman, in regard to the public interests, and before the face of God, the welfare of the working-man and the workingman's class is as much an object of care as that of the wealthiest capitalist; and, indeed, in proportion to the numbers concerned, vastly more so. The fact is, that property and capital are jealously guarded by the legislator, not so much for the benefit of a small exclusive class, but because capital can hardly be accumulated and employed without vivifying industry, and diffusing comfort and subsistence through the whole body of society. I am quite free to allow that the wealthy capitalist is but as the trustee who holds his capital rather for the good of others than himself. The man who employs a hundred thousand pounds in manufactures or trade diffuses almost infinitely more benefit to those he employs than any satisfaction he draws from it himself. No one, again, who in the least understands the mysterious working of society would think of interfering with the capitalist in the disposal of his capital. He must be allowed to put it into a trade or take it out with the most perfect freedom, otherwise property would cease to be property, and would soon cease to exist at all.

But, on the other hand, I must contend that the workman has a right to guard his own health, convenience, comfort, and safety, and this he cannot efficiently do while he remains an isolated individual. The reason is evident; the employers form a small class, between whom communication and concert are much more easy than between their men, and who have usually a strong disinclination to alter, for the benefit of their men, any custom or regulation which seems to be for their own advantage. The single workman, dependent for his living upon his week's wages, is utterly incompetent to enforce any concession from his wealthy employer. Union is the natural remedy. It is true that public opinion, the example of the more liberal employers, or the paternal care of the legislature, may effect and has effected many important improvements. But progress through these means is too slow for the nineteenth century, and for my part I doubly esteem any improvement or progress which a man obtains for himself. It is the noblest attribute of the Anglo-Saxon that, go where he may, he is able to take care of himself. It is the consciousness of that which renders us a self-governed and yet a most orderly people.

I am sure, therefore, that it is desirable for every class of workmen to combine and take care of their own interests; for unless they are very much wanting in sense and intelligence, they can do it better than anyone can do it for them. I like to see journeymen bakers reduce their hours of labour to a length approaching moderation. I only wish that shopmen, clerks, and others could more readily unite in obtaining a shortening of the hours of attendance, the length of which reduces their opportunities of improvement, rest, and relaxation without equivalent benefit to the public. I am perfectly ready to admit that as the power of machinery increases, as the industry of the country improves generally, and wealth becomes not only greater but more diffused, a general shortening of the hours of labour may be one of the best objects in view and one of the best means to further progress. An Eight Hours Bill has been attempted in America, and has been more than whispered here, and it is in no way an illegitimate object to keep in view. But it must be pursued with great moderation and deliberation, for many reasons. By reducing the productive powers of machinery one-fifth, it would place the manufacturers of this country at a great disadvantage compared with those on the Continent, who now possess the best English machinery, or other machinery equal to it, and who can even now occasionally send yarn into the Manchester market.

But what I wish especially to point out to you is that a man's duty to himself after all should give place to his duty to his children and his wife. It is right for a man or for anyone who works to desire to reduce his working hours from ten to eight, but I think he should abstain from doing so until his children are put to school, and kept there till they are well educated and likely to do better than their parents. It will be a happy day for England when the working-classes shall agitate thoroughly, not for an Eight Hours Bill, but for compulsory education and further restrictions in the employment of children. Our children first, ourselves after, is a policy I should like to see Unions adopt; and I am glad to see that the Trades Unionists' Association is not unmindful of the subject of education in their prospectus.

In a great many instances I think that workmen are not half careful enough of their safety and welfare. In the case of the coal-mines especially, I am sorry to see the complaints and agitation of unionists directed rather to raising the wages and regulating the mode of weighing the coal, etc., than to measures for securing the safety and wholesomeness of the mines. It is probable that coal-mines will never be properly looked after until the men take it upon themselves to do so; for they alone can have the most intimate knowledge of the condition of the mine, and they alone can efficiently restrain and detect the carelessness which every year leads to such deplorable disasters. I am well aware that the Coal-miners' Unions have already often demanded improved inspection of mines, and they aided in procuring a law for the compulsory sinking of a second shaft in every coal-mine. But I think that great good would result if they would bestow still more attention on the safety and wholesomeness of mines, and leave the rate of wages to the operation of natural laws. Mines will never be thoroughly safe until the men in each form a sort of vigilance committee, alive to every imperfection or carelessness in the management. Watchfulness on the part of the men will not at all tend to relax the care of the proprietors and viewers, but will rather tend to increase it. And if the managers of a mine will not listen to the complaints of their men, it is quite right that there should be some organised association of miners competent to bring forward any reasonable complaints in an efficient manner.

VI.

When I come to the third and usually the chief object which Unions have in view, namely, the regulation of the rate of wages, I feel I shall part company with the sympathies of most of you. The more I learn and think about the subject the more I am convinced that the attempt to regulate wages is injurious to the workmen immediately concerned in the majority of cases, and that in all cases it is thoroughly injurious to the welfare of the community. And if there is one conclusion we can draw from the history of past times, or from the uniform opinion of the best writers, it is that to interfere with the prices and rates at which men find it profitable to exchange with each other is hurtful and mistaken.

You may think it absurd that I should wish to see Union assisting in regulating the hours of labour, and many other circumstances concerning their welfare, and yet should wish them to desist from any interference in the still more important point, their wages. But that is just the point I want to bring out clearly; whether a man shall work eight or ten to twelve hours a day is in his own power to determine; but whether, when he does work, he shall fairly earn four or six or eight shillings a day, it is not within his own power to determine. It depends upon a multitude of circumstances entirely beyond his control. If he

attempts to secure more than the free course of trade, and the skill of his own hands give him, he either fails ignominiously, or he only succeeds by depriving others of their fair earnings.

That I may be the more clear and distinct I will put my notions in the form of the following propositions

Firstly. The supposed struggle with capitalists in which many Unions engage, for the purpose of raising wages, is not really a struggle of labour against capital, but of labour against labour—that is, of certain classes or sections of labourers against other classes or sections.

Secondly. It is a struggle in which only, a few peculiarly situated trades can succeed in benefiting themselves.

Thirdly. Unions which succeed in maintaining a high rate of wages only succeed by PROTECTION - that is, by levying contributions from other classes of labourers and from the population in general.

Fourthly. Unionism as at present conducted tends therefore to aggravate the differences of wages between the several classes of operatives; it is an effort of some sections to raise themselves at the expense of others.

I feel sure you will not at first believe my statement that the struggle of the Unions is not with capitalists but with their fellow-workmen. Probably you imagine that when certain workmen in a factory combine and get higher wages than before, the increase comes out of the excessive profits of the employer. But this is not the case. His loss, if any, will be very temporary, and he will indemnify himself by raising the price of his goods. It is the purchasers and consumers who will pay, and these comprehend the whole of the population.

Take the case of the building trades, and let us assume that their Unions obtain for them higher wages than they would otherwise gain, which from their peculiar circumstances is probably the case. Do you suppose the increase comes out of the pockets of master-builders and contractors? Certainly not. Before making a tender every contractor ascertains the cost of his materials and the amount of wages he will have to pay, and adds on the profit he thinks proper. Those pay the increase of wages who pay for the building; and, to make a long matter short, everyone who lives in a house pays a contribution in the form of increased rent to the class of operatives engaged in the building trades. The rich pay this tax in the building of their mansions. They can easily bear it; but it is the very poor who suffer, for they are to some extent compelled by it to live in unhealthy and degrading dwellings. You must know how much the condition of a family is influenced by the cleanliness and comfort of their dwelling. "As the home, so the people." Accordingly a multitude of schemes have been proposed and partly carried out in London, Liverpool, and elsewhere, for rebuilding the unhealthy dwellings of the poorest classes. To this excellent movement the high cost of building is a great, if not at present an insuperable, obstacle. It is found almost impossible to make the new houses comfortable and wholesome, and yet to pay the current rate of interest on house property, without which the undertaking cannot be carried on but from charitable motives. If then the operatives of the building trades gain, it is at the expense mainly of multitudes of their fellow-countrymen who are retained in wretched unhealthy dwellings unworthy of the nineteenth century.

What is true of this example is more or less true of others. If the Printers' and

Compositors' Unions, for instance, keep their wages at a higher level, the excess is paid in every newspaper and book, hindering the diffusion of knowledge. We have removed the advertisement and newspaper stamp, and paper duty, because they hindered the diffusion of knowledge, the proceeds of which at any rate went to the general purposes of the country, and yet you continue to pay a small tag to a body not exceeding in all about 30,000 men.

In the case of some trades, such as the iron trade or the coal trade, the effect of increased prices is even more injurious. Not only do consumers pay in the increased cost of coal or of iron goods, but even wages are affected. Coal and iron are materials of such universal importance that they cannot rise in price without diminishing the prosperity of many other trades. It is the cheapness of these materials which has greatly contributed to render Lancashire and Staffordshire the workshops of the world, and so far as colliers raise their own wages by combination, they do it by obstructing the very source and fountain-head of the prosperity of all other classes.

Unionism, then, is simply PROTECTION. Every Union which, by limiting the number of apprentices, by prohibiting labour, below a certain rate of wages, or by any similar device, keeps the rate above what it would otherwise be, levies a little protective revenue of its own.

Perhaps you will reply that combination is equally open and lawful for all. Let all trades combine, and then they will all be benefited, and the increased wages must come out of the pockets of the capitalists. Nothing however could be more unfounded.

In the first place all trades have not equal opportunities for combination. Small close trades like those of Sheffield, carried on in one spot only, have the greatest facilities and must have the advantage over those which are scattered about in every part of the country.

Those who require special skill and apprenticeship, like compositors, will be more successful than those whose work is readily learned. The hatters are said to be very successful in their combinations; the tailors are less so, for very obvious reasons; while the shoemakers, who carry on their work in every street and in every part of the country, are hardly organised at all, so far as I am aware.

There is again this important difference between trades some work for home trade only, like the building trade, and do not meet any foreign competition; others work for foreign consumers, and cannot raise their wages and prices without losing their customers.

It is pretty obvious, then, that all trades cannot enjoy equally the supposed advantages of combination, and that some, therefore, must gain by the loss of others. But even if all were equally able to combine, we should only come to the result that each trade would be trying to improve its position at the expense of every other trade, and none would experience any real benefit, but, instead of benefit, a great deal of loss. Unionists overlook the fact that wages are only worth what they will buy. You cannot live upon the gold or silver you get at the week's end, and you must turn it into food and drink and clothing before it is of any use to you. How much you will get depends upon the price at which you can buy things as much as upon the amount of wages. Thus it is evident that if the prices of things are increased, the wages are so far of less benefit to the workman who receives them. And even supposing wages to be raised ten

per cent., this would bring with it no advantage if prices were raised in the same degree.

One of the chief means by which the condition of the English people has been improved of late years has been the cheapening of manufactures and bread and a great variety of imported commodities. By taking off duties, by making trade free, and by increasing the productive powers of machinery, the comforts of life are placed within the reach of persons who could not before afford them. Even if wages in general were not much raised above what they were twenty or thirty years ago, more could be bought for the wages.

Unionists overlook all this. They look upon men as producers only, and imagine the dearer things are, the better people will be off. But we only produce that we may consume, and real prosperity consists in having a great abundance of cheap comforts which everyone can purchase. The cheaper things are the better we are off. You know and feel the advantages of cheap bread, and the hardship of dear bread. But you do not consider that every combination of workmen who can rise their own wages makes something dearer for other workmen, and that even if all could combine with equal case they would only make all things dear, and hinder the production of the commodities upon which we live.

I apprehend that the notion which lies at the bottom of Unionism is this: That a man is bound to think, not only of himself, but of his fellow-workmen. The principles of Unionism condemn a man who accepts work at a less rate than the current wages, because he may be leading the way to a reduction of wages affecting hundreds or thousands of fellow-workmen. There can be no doubt that in one point of view this principle of looking to the advantage of the many rather than the one, is noble and disinterested; and I do not doubt that if the history of strikes and trade disputes were fully written, it would disclose as many instances of fidelity and heroism and the fearless encounter of hardship and even death as many a war described in history.

But the Unionist overlooks the fact that the cause to which he is so faithful, is only the cause of a small exclusive class; his triumph is the injury of a vastly greater number of his fellow-workmen, and regarded in this point of view, his cause is a narrow and selfish one, rather than a broad and disinterested one. The more I admire the perseverance, the self-forgetfulness, the endurance, abstinence, and a hundred other good qualities which English workmen often display during the conduct of a great trade dispute, the more sincerely do I regret that so many good qualities should be thrown away, or rather misused, in a cause which is too often a hurtful one to their fellow-men.

VII.

I wish to say a few words on the question how far Trades Societies have succeeded in raising wages, for it is a very favourite and apparently strong argument with Union leaders to point to the improved condition of their men as a proof of the benefits conferred by the Union. I am far from denying that in some trades, especially the building trades, wages have been raised, because those trades have special opportunities for protecting themselves at the cost of the rest of the country.

But I believe there are no grounds for asserting that a general rise of wages has been secured by means of Trades Unions. Assuming such a general rise to have occurred, there are several other causes which would amply account for it. The

liberation of industry and trade from many mistaken restrictions, the removal of Government protective duties, and the progress of free trade, in many countries, have thrown manufactures into a state of progress more rapid than was ever known before. Our exports and imports were doubled in the twelve years from 1854 to 1866. This could hardly fail to increase wages in many trades. A candid observer who inquired into the subject would soon, I believe, come to this conclusion, that it is only in progressive trades that strikes and combinations succeed at all in raising wages, and it is the progressive state of the trade that is the secret of their success. It is a little of the breeze of general prosperity which really fills the sails of the unions.

Continued and extensive emigration has further contributed to the rise of wages. It has gone so far that we have heard complaints, both from the United States and New South Wales, that you are swamping the labour market there, and infringing your own union principles.

Another cause that has contributed to the rise in money wages is the depreciation of gold following upon the greatly increased supplies from California and Australia. It seems now to be pretty generally received as true that the prices of materials and such articles as are not cheapened by the removal of duty or the improvement of manufactures, have tended to become seriously higher. It is doubtful whether the money cost of living has not advanced for this reason, in spite of the causes which would render it cheaper. Under these circumstances it was to be expected that wages and all salaries not invariably fixed would advance; otherwise the receivers would be worse off than before, instead of better. I ask you then how you can be sure, supposing you receive 20 or 40 per cent. higher wages now than fifteen years ago, that a good part -of the increase is not due to the depreciation of gold, and the rest perhaps to the prosperity of trade.

I am confirmed in these opinions by the fact that, in a great many occupations in which combinations are quite unknown, considerable improvements in wages have been enjoyed, together with a reduction of the hours of labour in many cases. No one has ever heard of an Amalgamated Society of Cooks and Housemaids, and yet cooks and housemaids, as every housekeeper knows and feels, are able to ask higher wages now by 20 or 30 per cent. than they were ten or twenty years ago. Those who used to get £10 to £14 a year would now get between £12 and £18.

In the same way I believe there has been a general rise in the salaries of mercantile clerks; and it was on this ground that the clerks of the Bank of England not long since applied to the Directors for a general advance of salaries, which they readily obtained. In all Government offices there has been a rise of salaries, varying from 17 to 70 per cent., and the Custom House clerks are now urging a further advance of their salaries on the ground that they stand much lower in the scale of increase than the other Government establishments. Similarly it is found necessary by degrees to raise the wages of soldiers, policemen, and postmen. These are all facts which tend to show that increased money wages are not necessarily due to the beneficent action of Trades Unions. To the extent of 20 per cent., or more, the rise may be after all nominal, and due to the depreciation of the money in which the wages are paid. After we deduct this, the surplus is, in most cases, probably due to the natural prosperity of the trade; and it is liberty of trade and industry-not restriction-which favours industrial prosperity.

VIII.

To go to another point—that of the introduction of machinery—I really will not insult you by supposing that you are, generally speaking, opposed to the introduction of machinery. It must be apparent to you that it is by the use of machinery that the power and usefulness and prosperity of the artizans of this kingdom are created. Opposition to its introduction is purely suicidal. All the more enlightened Trades Societies have, I believe, ceased any such opposition; and if they wish to advance the social and intellectual condition of their fellow-men they will urge upon them to favour machinery. Every step achieved in the use of machinery raises man above a mere labourer, and makes him an intellectual agent, capable of ruling the things about him. In America they view the use of machinery in a very different light, and all classes welcome the introduction of a labour-saving machine because it means the supply of more of the conveniences of life at diminished cost and trouble. There was a remarkable account in *The New York Tribune* lately of a new machine, which enables a single workman to make 60,000 fish-hooks in a day. It remarks, "That the fish-hooks are cheaper than any other need hardly be added. Hitherto the Americans have fished with British-made hooks, but that day is over. The European hooks have till now been made by hand—slowly, clumsily, expensively. We read recently an account in *The (British) Working-man* of the fish-hook manufacture in England, which seems, in the light of what we saw in Newhaven, the description of some antediluvian process invented by Tubal Cain. The aggregate cost must be ten times that of making by the automatic Crosby process." Perhaps you will say that the English artizan thinks of his fellow-men and objects to seeing the hand-hook makers thrown out of work. If so, perhaps he may be induced to look a little further, and remember the much more extensive class of fishermen who will be benefited by having cheap hooks. He may even look a little further, and observe that the supply of fish is really the object in view, and that any invention which enables us to catch fish more cheaply and plentifully than before is a lasting good to the whole population.

IX.

And now before concluding let me say in a few words how I think you may most surely advance the condition of your order. It is not by fighting against capital and against machinery, but by having them on your side. Do not lay aside associations, but direct their exertions to the most useful ends. It is not Unions which seem to me and to many others mistaken; it is the object which Unions aim at, and still more the policy they adopt to reach it.

I wish to see workmen becoming by degrees their own capitalists--sharers in all the profits and all the advantages which capital confers. You cannot do without capital. He must be a dreamer who tells you that you can, and he only plays upon words who tells you that labour is capital.

Labour alone will not suffice for raising a factory, or a house, nor even for cultivating an acre of ground. You must have a sum of money to buy the tools and materials, or at all events to maintain yourself whilst you are working. If not, why do you not dispense with employers altogether, and raise your own factories and works ?

But when once you determine to have capital on your side I believe you can do it: the Hall in which we meet is evidence that you can do it. Save money, however little, and invest it in a co-operative society, and let it grow, and when you have a little sum, join with others in co-operative works. I believe that

there are a multitude of different kinds of business requiring only a moderate amount of capital, which workmen will readily be able to carry on upon their own account when they set themselves seriously to think of it.

There are many branches of trade, however, in which such great capitals are required that you can hardly be able to undertake them safely without the aid of capitalists. In some trades again, especially the iron trade, there are great ups and downs in profits. For several years losses rather than profits may be the result, and then for several years large profits may be reached. As the wages of the operatives have to be raised or lowered accordingly, I see no way of avoiding interminable disputes but by the workmen themselves being admitted to receive a share of the profits under the Industrial Partnerships Act. The Partnerships scheme has been tried with success in Messrs. Briggs' collieries, and Messrs. Fox, Head & Co.'s Newport Iron Mills. I believe that many employers are well inclined to try it, and it only remains for the men to appreciate the advantages of becoming themselves capitalists in a small way.

If other modes of conciliating the claims of labour and capital fail, it is yet open to you to form Boards of Conciliation, as proposed by Mr. Mundella, and successfully carried out at Nottingham. In these Boards representatives of employers and employed may meet and come to a clear understanding of the points of difference. As the rate of wages is always a matter of bargain, and should be freely determined by the course of the market, I do not think that such Boards of Conciliation should have any legislative power; but they may nevertheless be of the greatest utility in bringing the two parties to the bargain nearer together, so that all unnecessary causes of misunderstanding may be removed.

X.

A word more in conclusion : I cannot but believe that all this agitation about the labour question shows that the larger part of the people are feeling their way to a condition far higher and better than they have hitherto occupied. But they do not hit at once upon the right way. They feel themselves suffering under *something*, and they call it the *tyranny of capital*, and they organise themselves in opposition to capital. But this tyranny is really the tyranny of a man's own stomach; you must eat every day, and as long as you have no accumulated wealth, no savings, you must find work every day. You cannot help yourselves, and are at the mercy of the capitalist, who alone can give you work. But all this is changed for the man who has even a moderate amount of savings. Not only does he disarm sickness or misfortune of half its terrors, but he may also, by co-operation, become his own employer; and then he will, I presume, cease to complain of the tyranny of capital. I hope for the working-men of this country more than they generally hope for themselves: that they may become in a great degree their own capitalists, and may be the builders of their own fortunes.

I have the honour of a very remote connection with the name of Mr. Cobden, as I fill the office of the Cobden Lectureship, established at Owens College as a memorial of his services to the people of this country. I have been charged by Mr. Macdonald, of the Trades Unionists' Political Association, with holding doctrines unworthy of the name of Cobden; but I beg to challenge anyone here to give a proof that my opinions are at variance with the opinions of Mr. Cobden as regards the freedom of trade or the freedom of labour. And to show you what were his views of the mode by which the people may raise themselves, I will end by quoting a sentence or two from a speech of his

delivered at Birmingham on the 13th of November, 1849, at a time when he was in the full career of usefulness, success, and popularity.

He said: "I wish to see the great mass of the working-classes of this country elevate themselves by increased temperance, frugality, and economy. I tell you, candidly, that no people were ever yet elevated except through their own advancing wealth, morality, and intelligence; and anyone who tells the working-men of this country that they may be raised in the social scale by any other process than that of reformation in themselves, is interested either in flattering or deceiving *them*." - *Speeches of Richard Cobden, Esq., M.P., on Peace, etc., delivered during 1849, revised by himself*, p. 171.

[Scanned from W. Stanley Jevons, *Methods of Social Reform*, London: MacMillan & Company, 1883. Reprinted, New York: Augustus M. Kelley Publisher, 1965.]