

The Iron Law of Wages. The  
poor were pushed to the wall.

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The great influence of the Methodist  
Revival in the direction of Philanthropy  
-ie activity can hardly be too much  
emphasised. Fundamental in the  
idea was the movement was the  
idea that faith in Christ must  
express itself in down right honest  
endeavour to save for the poor and  
the outcasts. Not merely to feed them  
but to help remove the conditions  
which fostered poverty and sin.  
We are not surprised to see George  
Whitefield devoting all his energies  
to founding and supporting an  
orphan's asylum in Georgia; and  
that upon his labors depended not  
less than a hundred orphan children  
for their daily bread; that all his  
spare time was devoted to charitable

labours.

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That less zealous was Wesley. He was engaged in every line of work which we now carried on by the Salvation Army. Starting relief work for the unemployed, organizing systematically for gifts of food and ~~clothing~~ clothing to the poor, starting a "poor man's book", or a medical dispensary. Another line of his activities is suggested by a record of Feb. 8 1783: "I visited one <sup>in</sup> of the Marshalsea prison, a nursery of all manner of wickedness. Oh! shame to man that there should be such a place, such a picture of hell upon earth. On Friday or Saturday I visited as many more as I could. Some I found in cells underground; others in their garrets, half-starved both with cold and hunger added to weakness and pain. But I found not one of them unemployed

who was able to crawl about the room.  
 So wickedly, devilishly false is that  
 common objection: "They are poor  
 only because they are idle." If you  
 saw these things with your own  
 eyes, could you lay out money in  
 ornaments and superfluities?!

These illustrations suggest the field of  
 the movement in so far as it touches  
 upon the questions of poverty and crime  
 and sin. Green in his history says  
 of the movement. "But the Methodists  
 themselves were the least result of  
 the Methodist Revival. Its action upon  
 the church broke the lethargy of the  
 clergy; and the "Evangelical" movement  
 which found representatives like Newton  
 and Cecil within the fold of the Es-  
 tablishment, made the fox-hunting  
 fason, and the absentee rector at  
 last impossible. In Wolpole's

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day the English clergy were the idler and worst believers in the world.....  
In the nation at large appeared a new moral enthusiasm, which, rigid and pedantic as it often seemed, was still healthy in its social tone, and whose power was seen in the profligacy which had disgraced the upper classes, and the foulness which had disgraced <sup>imparted</sup> literature ever since the ~~first~~ reformation.  
Restoration. A new philanthropy reformed our prisons, infused clemency and wisdom into our penal laws, abolished the slave trade, and gave the first impulse to popular education."

Quen. Vol. IV. P. 150.

It is a mistake to suppose that the Revival was the cause of all this

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great reform, which ushered in  
the Modern England. It was a part  
of it, and an important part of the  
great intellectual, social, moral,  
and religious awakening, which is  
building up the modern world.

But our intent to night is to look  
at this awakening from the point  
of view of the laboring man, and the  
poor man. How did he fare in these  
great reforms that were taking place?

We find here as elsewhere that the  
poor workman had to bear the hard-  
ship of the great industrial and social  
revolution which was taking place  
in England, as elsewhere. We remember  
how in the days of Queen Elizabeth  
the government assumed all control  
of regulating industrial affairs, and  
even of determining wages and  
conditions of labor. But of this

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flaw there came no relief to the  
laboring man. So the laboring man  
cast his lot with the Puritans in the  
overthrow of the Govt. which did  
not help. Now under the rule of the  
House of Hannover, we find that  
instead of the Government's control  
control of industrial affairs, we  
find a strong policy of work which  
said, "Hands off." "Let them shift for  
them-selves;" "Let the people work  
closely connected with these ideas adjust  
their own affairs, ~~as~~ as best they  
can. In fact so ~~the~~ strongly in-  
trenched had this idea become, that  
it found expression in the writings  
of Adam Smith, the first and greatest  
exponent of the Laissez faire doctrine.  
In his "Wealth of Nations" published  
in 1776, he urged that the true

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way for a nation to become rich  
is to leave its citizens free to conduct  
business as they wish."

Bullock, Intro to study of Econ. P. 481.

This book which is the ~~argument~~ based  
upon this idea gave some authority to  
what had already been a matter of  
common practice for years. Although  
the Elizabethan four laws, and the  
law of apprentices had not been  
repealed, they had been infra-  
tine for years, and so far as all  
practical purposes were concerned  
they occupied a position somewhat  
similar to our old blue laws of  
early days, which in many places  
are still on the statute books. When  
Smith published *The Wealth of Nations*, he  
gave a new impetus, and brought  
into discussion, and developed the

significance of an idea which had<sup>18</sup>  
been the working basis of industrial  
and commercial life for many  
years. Perhaps I can suggest the reason  
and the significance of this "let alone  
idea" which was characteristic of  
the developing ideas of the 18<sup>th</sup> Century.  
The indifference of the Govt. and  
the inability to affair which did  
not directly effect their pleasures, had  
left the laboring and manufacturing  
classes to go their own way independ-  
antly. The result of this negligence  
on the part of the Govt. had been the  
development of industrial activities  
independent of its influence, just  
as the negligence of the established  
the church, had given opportunity  
for the rise of Methodism.

It is not easy to get a picture of conditions<sup>10</sup>  
at any one time, particular time in history.  
But it seems to be true that the Methodist  
movement had done a great deal towards  
relieving the extreme conditions of poverty  
and suffering, and that the general  
awakening had made the lot of the  
poor and the laborer quite comfortable.  
Hibbins in his industrial history of  
England says that this period just  
before 1776 was one of encouragement.  
Neither the agricultural laborer, nor  
the manufacturing operative was  
quite divorced from the land. The  
weaver, for instance, often lived  
in the country, in a cottage with  
some land attached to it. But in  
other respects there had certainly been  
changes in the industrial system  
before 1760. At first the weaver had  
furnished himself with warp and  
weft, worked it up, and brought it

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to the market himself; but by degrees  
this system grew too cumbersome, and  
the yarn was given out by merchants  
to the weaver, and at last the merchant  
got together a certain number of looms  
in a town or village, and worked them  
under his own supervision. But even  
yet the domestic system, as it is  
commonly called, retained in many  
if not in most cases the distinctive  
feature that the manufacturing  
industry was not the only industry  
in which the artisan was engaged,  
but that he generally combined with  
it a certain amount of agricultural  
work in the cultivation of his own  
plot of land. This fact explains to  
some extent the comparative comfort  
of the operatives in this cottage in-  
dustry, for that they were fairly  
well off is the testimony of Adam

Smith in 1776. "

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Gibbins "Industry in England"

P. 336.

Under these conditions of cottage manufacturing, or small industrial plants, the free competition was not altogether a bad plan, and it showed some sagacity on the part of the writer of the *Wealth of Nations*, when he made his "hands off" idea fundamental in his economic system. It rests upon the same idea that we found to be at the bottom of the Methodist movement. In theological terms, the individual was free to ~~be~~ repent, believe, and be saved. He might stay in his life of sin if he wished, but the opportunity had been given him to enter into salvation, and it was in his own fault if he did not avail himself of the opportunity. It was the

extreme individualistic interpretation<sup>13</sup>  
of religious life that is behind has  
the doctrine of conversion. The same  
idea interpreted in terms of political  
economy said, "Go to work, earn  
money and become well-to-do.  
The government does not hinder,  
the opportunity is before you.  
If you can accept it, you are all  
right. If you do not accept it you  
are to blame for your suffering  
and poverty." This I take it is  
a clear statement of the essential  
idea of the free competition in labor  
which Lassalle called the ~~iron law~~  
in later years called the iron law  
of wages.

In fact this law is very satisfactory  
for those who are on the upward  
move, but it is a cruel and dis-  
couraging proposition for the chaps

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of the labor market, for those who  
for one reason or another are down  
or thrown out of employment. That  
theological doctrine of repent, believe  
and be saved is offers a very  
cheerful future for he who becomes  
assured of his salvation, but the  
outlook is very gloomy for those  
who are too degraded even to repent.  
Every system must give account  
not only for those it helps, but  
for those it crushes. This "hands  
off" policy of free competition had to  
give an account <sup>for</sup> of the crushing  
grinding cruelty which it followed  
in its trail when the great in-  
dustrial revolution of the latter part  
of the 18<sup>th</sup> century was under way.  
We fear now to mention that, and  
vote its relatives to the "hands off"  
doctrine of "Political Economy"

The whole problem of manufacturing<sup>15</sup>  
was revolutionized by a series of  
inventions which followed one  
upon another between 1770. and  
1785.

In 1770 James Hargreaves patented a  
~~spinning~~ jenny, by which he was  
enabled to spin at first 5 times,  
then 16 times, and finally 120 or more  
threads as he had been able to do  
with old hand spinning wheel.

In 1771 Arkwright established a  
mill at Derwent in which he  
employed wode use of water  
for turning his spinning machine.

In 1779 ~~Robert~~ Thomas Bolton  
combined the ideas of these two  
machines, and into the spinning  
Jenny mule. So successful were  
these mules that in 30 years over

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four and one half millions of  
spindles worked by mules were in  
use in English factories.

But in 1785 Dr. Edmund Cartwright  
invented and patented  
a power-loom for weaving. This  
was a fatal blow to the simple  
domestic system of manufacturing.  
"The death blow," says Gibbins, "was  
yet to come." In 1785 the steam  
engine, which had been invented  
in 1769 by Wotts, was installed in  
a factory at Nottinghamshire.  
Here are the three elements of the  
modern factory, the spinning mule,  
the loom, and steam power.

These inventions revolutionized  
the industrial life of England.

The immediate effect of this  
revolution was to increase the wages

of the labourer, but this was not only<sup>17</sup>  
a temporary thing. The old principle  
of free competition, and "touch off"  
which had worked ~~so~~ with some  
satisfaction, now became almost a  
death grapple. It was near to the  
end, and when the scuffle was  
over, and the smoke had cleared  
away, the old domestic system of  
manufacturing had faded away.  
Factories were running, manu-  
facturing cities were being established.  
The Capitalistic class had become  
a fixed thing, and the poor labourer  
was left gasping and struggling,  
amazed at his condition.

I must spend some few minutes<sup>18</sup>  
in showing the condition in which  
the laborer found himself after  
the introduction of machinery  
and the establishment of factories  
by men who believed in the  
principle of free mercileless com-  
petition of the "laissez faire"  
doctrine of Economics.

Absolutely free competition based  
upon the assumption that the laborer  
is merely an economic man is  
not a tenable proposition in its practical  
workings under the system of  
manufacturing which the industrial  
revolution would produce. The  
greater working power of the single  
man when using a machine  
necessarily throws many of  
his fellow workmen out of employ-  
ment.

ment. I saw the supply corner to <sup>119</sup>  
exceed the demand, and the rate  
of wages is dropped. This continual  
practice on the part of the capitalist  
in working the misfortune of  
the less fortunate laboring man  
the fulcrum, which he uses to  
reduce the scale of wages, and  
lift his own profits has been and  
still is used by business men with-  
out any compunction. The new  
mode capitalists, the craftsmen of  
the industrial revolution of the  
last quarter of the eighteenth century  
used this effective method in a  
most merciless and cruel manner.  
Their tactics in business were such  
as would hardly be tolerated to-day.

The employment of women  
and children in the new  
factories, and the great increase

of the use of machinery had thrown<sup>20</sup>  
so many labourers out of employment  
that the problem of Pauperism  
again became a pressing one. In  
1795 the Berkshire justices met  
together and besought the em-  
ployers to pay better wages to their  
labourers. In as much as they  
did not feel it to be expedient  
to regulate the wages in accordance  
with the former granted them the  
Elizabethan act, in addition to  
urging the employers to more con-  
siderate treatment, they determined  
to sware it the duty of each  
parish to give enough money  
to each person, as a gift of charity  
so that he might live, together  
with his wages enough to  
live on.

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This proved a very bad step, for the  
employers taking advantage of the  
measure in many cases reduced  
the wages immediately and  
let the parishes take up the burden.  
The result of this ~~act~~ custom was  
poor. Arthur Young was worst down-  
olizing. Many authors have  
remarked with surprise the great  
change which has taken place  
in the spirit of the lower classes  
of the people within the last twenty  
years. There was formerly found  
an unconquerable aversion to  
depend on the parish, in so much  
that many would struggle through  
life with large families, never  
applying for relief. That spirit is  
annihilated: applications of late  
have been as numerous as

as the poor; and one great mis-  
 fortune attending the change is  
 that every sort of industry flags  
 when once the parochial dependence  
 takes place." The truth is that the  
 average of the capitals under  
 this system of free competition had  
 not only reduced the wages below  
 the point of absolute necessities,  
 but it had broken the walls  
 of moral respectability, and  
 transformed the honest laborer  
 into a beggar, and a pauper.

But I will leave the conclusion at  
 this point. In spite of the great  
 moral, intellectual, industrial  
 progress of the 18th Cen. and in  
 spite of the rather satisfactory  
 condition in which the laborer  
 found himself <sup>when</sup> about the middle

of the century, the lobbing was <sup>23</sup>  
entirely the 19<sup>th</sup> century in a con-  
dition about as hopeless as he had  
ever found. He had lived under  
the feudal Baron, and become  
a half starved brute in his hands.  
He had lived under the careful  
paternalizing government of  
Queen Elizabeth and James I?<sup>!</sup>  
but his condition had not been  
bettered. He had learned the  
bitter lesson of Laissey faire  
in the 15<sup>th</sup> century, only to find  
that the policy of "hands off" would  
help only the strong man, while  
the economically weak man would  
be crushed in the fight. It had  
been a sad experience, but  
his lesson had been learned

and in the next century he took  
the first step towards menching  
his conditions,

The old world has been left  
behind and we are now well  
over the threshold and in the  
new world. The authority of  
the King, the authority of the church  
has been cast aside by the  
laboring man. He has tried  
to stand alone, and has been  
knocked down. ~~He~~ The next  
step is voluntary union for  
purposes of self protection.