‘Progress and Poverty.’

To the Editors of the Western Daily Press. Gentlemen,—You publish to-day a letter from Mr Wallace, in which he brings two charges against my recent public lectures. The first is that I overlooked many advantages which the agricultural labourer enjoyed a hundred years ago. Now it happens that we have more detailed and trustworthy accounts of the diet, dress, and mode of living of the labourer at that time than at any other, with the exception of the last 30 years. I had re-read some of these accounts just before my lectures, and had carefully considered all the points to which Mr Wallace refers. A hundred years ago the labourer’s common rights had already been much curtailed; philanthropists regretted that he could not afford to rent land on which to keep a cow; they did not propose that he should keep one on common land. His house rent averaged 7d a week in 1770 and 1s a week a little later on. Considering the vile accommodation that he had, this can hardly be called a nominal rent. Mr Wallace thinks he often had milk free from the farmers. No doubt skimmed milk was given away in some places when it was plentiful; but so it is now. There are good reasons for thinking that the amount of milk produced per head of the population was not much greater then than now; while the amount per head that was consumed without passing through the churn or the cheese vat was probably less than now. The farmer kept on an average three pigs on the produce of every ten cows, and this fact confirms the direct evidence of Eden and Arthur Young, that the labourer did not get very much even of skimmed milk. Still, as I said in my lecture, milk was one of the very few things with regard to which he was in some cases better off than now. I agree with Mr Wallace that it is a pity that brown bread is not generally eaten now. But he is, I think, mistaken in supposing that it was largely eaten a hundred years ago. At that time only white wheaten bread was commonly eaten in the South of England, though in the North brown bread was sometimes eaten and porridge generally. Mr Wallace says that the labourer got his fuel very easily. But the fact is that wood had become so scarce that the labourer who was not near coal mines was often terribly pinched for fuel, the cost of inland carriage of coal being very high. The average of a vast mass of statistics collected by Arthur Young gives £1 3s 11d as the sum expended on firing by the labourer in 1770. But the supply he got for this price was so small that in order to save firing he went in the South of England almost entirely without warm food of any kind, except tea.

Mr Wallace’s second attack relates to the rates of interest and wages in Asia. Mr George had said that it was a necessary and universal law that when wages are low, interest is low. I asserted that wherever capital is scarce and population abundant, interest will be high, though wages are low; and I said that this was the case in Asia. Of course, bad government has been one of the causes of the small supply of capital in Asia; and in some parts of Asia, though not in all, want of perfect security now makes it necessary to deduct a good deal of the insurance from the nominal rate of interest before finding the real rate. But that interest is really higher in Asia than in Europe is proved by the fact that when a railway has to be built there, it is cheaper to borrow the capital in Europe than on the spot. Again, when I say that wages are low in Asia, I mean, of course, not only money wages, but real wages—i.e., the food, clothing, and houseroom
which the labourer obtains. Mr Wallace denies this, but I do not think your readers will expect me to prove it. Had I been wrong on all the points on which he attacks me, my main argument that the adoption of his scheme would injure the farmer and labourer as well as the landlord would have remained practically intact.

Perhaps you will allow me to take this opportunity of explaining a quotation from Mr Gladstone’s Midlothian speeches that Mr Henry Rogers made after my last lecture. It was the only objection raised in the lecture room that I did not attempt to answer at the time. According to Mr Rogers, Mr Gladstone said that French peasant proprietorship had increased the earnings 40 per cent. in 14 years, while the English system has only increased it 20 per cent. in 30 years. I felt sure that Mr Gladstone’s meaning had been misunderstood, but could not at the time say how. I now find that he is reported to have said at West Calder that “in 1842 the agricultural income of England was £42,000,000, and that in 1876 it was £52,000,000.” But this sum includes no earnings, it is simply the rent of land. The agricultural income proper is the sum of the net incomes of all the agricultural classes, or, in other words, it is the sum of the values of all agricultural net produce. Mr Caird tells us that for the United Kingdom this amounts to about £260,000,000. The complaint of the land-nationalisers is that wages are kept down by the rapid rise of rents in England. Mr Gladstone's figures have so far the opposite tendency to that which Mr Rogers ascribes to them. But Mr Gladstone further said that the agricultural income of France (by which I suppose he meant the assessed rental value) rose from £75,000,000 in 1851 to £106,000,000 in 1864. I should like to offer an explanation of this. We have Lavergne’s very careful statistics as to 1847. At that time rents were 25s an acre in England, and 10s an acre in France; that is, for lands of equal natural fertility they were probably in France about a third of what they were in England. The great gold discoveries were made about 1850, and from that time to 1864 there was a vast rise in prices. Meanwhile the Imperial Government had restored the security which was shaken in 1848-52; and this, of course, specially enhanced the value of land. But it was a very expensive Government, and according to general report it took every opportunity of screwing up assessments. Lastly, the free trade measures of 1860 had immensely increased the export of wine and the value of French vineyards. Under these circumstances the land system must indeed have been bad if it had prevented the assessed rental value from rising rapidly. Probably the value of the land in France will go on rising more rapidly than here; for it is still far behind and has therefore more room for improvement, and America is a market for and not a rival to French vineyards. No one doubts that the French peasant works hard and is thrifty, but I believe that with less work the English labourer is generally better fed, clothed, and housed, and that with equal thrift he would soon become richer. I do not contend that the English system is well adapted to the French character. The fact that their wheat crops are less than half as much per acre as ours is chiefly due to the fact that wheat is a large farm crop, and that French large farms are often badly managed.

Yours, &c., Alfred Marshall.
University College, Bristol, 17th March.