

Part 6: Wages

Chapter 19: The Transformation of the Value (and Respective Price) of Labour-Power into Wages

On the surface of bourgeois society the wage of the labourer appears as the price of labour, a certain quantity of money that is paid for a certain quantity of labour. Thus people speak of the value of labour and call its expression in money its necessary or natural price. On the other hand they speak of the market-prices of labour, i.e., prices oscillating above or below its natural price.

But what is the value of a commodity? The objective form of the social labour expended in its production. And how do we measure the quantity of this value? By the quantity of the labour contained in it. How then is the value, e.g., of a 12 hour working-day to be determined? By the 12 working-hours contained in a working day of 12 hours, which is an absurd tautology.¹

In order to be sold as a commodity in the market, labour must at all events exist before it is sold. But, could the labourer give it an independent objective existence, he would sell a commodity and not labour.²

Apart from these contradictions, a direct exchange of money, i.e., of realized labour, with living labour would either do away with the law of value which only begins to develop itself freely on the basis of capitalist production, or do away with capitalist production itself, which rests directly on wage-labour. The working day of 12 hours embodies itself, e.g., in a money-value of 6s. Either equivalents are exchanged, and then the labourer receives 6s. for 12 hours' labour; the price of his labour would be equal to the price of his product. In this case he produces no surplus-value for the buyer of his labour, the 6s. are not transformed into capital, the basis of capitalist production vanishes. But it is on this very basis that he sells his labour and that his labour is wage-labour. Or else he receives for 12 hours' labour less than 6s., i.e., less than 12 hours' labour. Twelve hours' labour are exchanged against 10, 6, &c., hours' labour. This equalisation of unequal quantities not merely does away with the determination of value. Such a self-destructive contradiction cannot be in any way even enunciated or formulated as a law.³

It is of no avail to deduce the exchange of more labour against less, from their difference of form, the one being realized, the other living.⁴ This is the more absurd as the value of a commodity is determined not by the quantity of labour actually realized in it, but by the quantity of living labour necessary for its production. A commodity represents, say, 6 working-hours. If an invention is made by which it can be produced in 3 hours, the value, even of the commodity already produced, falls by half. It represents now 3 hours of social labour instead of the 6 formerly necessary. It is the quantity of labour required for its production, not the realized form of that labour, by which the amount of the value of a commodity is determined.

That which comes directly face to face with the possessor of money on the market, is in fact not labour, but the labourer. What the latter sells is his labour-power. As soon as his labour actually begins, it has already ceased to belong to him; it can therefore no longer be sold by him. Labour is the substance, and the immanent measure of value, but has itself no value.⁵

In the expression "value of labour," the idea of value is not only completely obliterated, but actually reversed. It is an expression as imaginary as the value of the earth. These imaginary expressions, arise, however, from the relations of production themselves. They are categories for the phenomenal forms of essential relations. That in their appearance things often represent themselves in inverted form is pretty well known in every science except Political Economy.⁶

Classical Political Economy borrowed from every-day life the category “price of labour” without further criticism, and then simply asked the question, how is this price determined? It soon recognized that the change in the relations of demand and supply explained in regard to the price of labour, as of all other commodities, nothing except its changes i.e., the oscillations of the market-price above or below a certain mean. If demand and supply balance, the oscillation of prices ceases, all other conditions remaining the same. But then demand and supply also cease to explain anything. The price of labour, at the moment when demand and supply are in equilibrium, is its natural price, determined independently of the relation of demand and supply. And how this price is determined is just the question. Or a larger period of oscillations in the market-price is taken, e.g., a year, and they are found to cancel one the other, leaving a mean average quantity, a relatively constant magnitude. This had naturally to be determined otherwise than by its own compensating variations. This price which always finally predominates over the accidental market-prices of labour and regulates them, this “necessary price” (Physiocrats) or “natural price” of labour (Adam Smith) can, as with all other commodities, be nothing else than its value expressed in money. In this way Political Economy expected to penetrate athwart the accidental prices of labour, to the value of labour. As with other commodities, this value was determined by the cost of production. But what is the cost of production - of the labourer, i.e., the cost of producing or reproducing the labourer himself? This question unconsciously substituted itself in Political Economy for the original one; for the search after the cost of production of labour as such turned in a circle and never left the spot. What economists therefore call value of labour, is in fact the value of labour-power, as it exists in the personality of the labourer, which is as different from its function, labour, as a machine is from the work it performs. Occupied with the difference between the market-price of labour and its so-called value, with the relation of this value to the rate of profit, and to the values of the commodities produced by means of labour, &c., they never discovered that the course of the analysis had led not only from the market-prices of labour to its presumed value, but had led to the resolution of this value of labour itself into the value of labour-power. Classical economy never arrived at a consciousness of the results of its own analysis; it accepted uncritically the categories “value of labour,” “natural price of labour,” &c., as final and as adequate expressions for the value-relation under consideration, and was thus led, as will be seen later, into inextricable confusion and contradiction, while it offered to the vulgar economists a secure basis of operations for their shallowness, which on principle worships appearances only.

Let us next see how value (and price) of labour-power, present themselves in this transformed condition as wages.

We know that the daily value of labour-power is calculated upon a certain length of the labourer's life, to which, again, corresponds a certain length of working day. Assume the habitual working day as 12 hours, the daily value of labour-power as 3s., the expression in money of a value that embodies 6 hours of labour. If the labourer receives 3s., then he receives the value of his labour-power functioning through 12 hours. If, now, this value of a day's labour-power is expressed as the value of a day's labour itself, we have the formula: Twelve hours' labour has a value of 3s. The value of labour-power thus determines the value of labour, or, expressed in money, its necessary price. If, on the other hand, the price of labour-power differs from its value, in like manner the price of labour differs from its so-called value.

As the value of labour is only an irrational expression for the value of labour-power, it follows, of course, that the value of labour must always be less than the value it produces, for the capitalist always makes labour-power work longer than is necessary for the reproduction of its own value. In the above example, the value of the labour-power that functions through 12 hours is 3s., a

value for the reproduction of which 6 hours are required. The value which the labour-power produces is, on the other hand, 6s., because it, in fact, functions during 12 hours, and the value it produces depends, not on its own value, but on the length of time it is in action. Thus, we have a result absurd at first sight that labour which creates a value of 6s. possesses a value of 3s.⁷

We see, further: The value of 3s. by which a part only of the working day – i.e., 6 hours' labour-is paid for, appears as the value or price of the whole working day of 12 hours, which thus includes 6 hours unpaid for. The wage form thus extinguishes every trace of the division of the working day into necessary labour and surplus labour, into paid and unpaid labour. All labour appears as paid labour. In the *corvée*, the labour of the worker for himself, and his compulsory labour for his lord, differ in space and time in the clearest possible way. In slave labour, even that part of the working day in which the slave is only replacing the value of his own means of existence, in which, therefore, in fact, he works for himself alone, appears as labour for his master. All the slave's labour appears as unpaid labour.⁸ In wage labour, on the contrary, even surplus labour, or unpaid labour, appears as paid. There the property-relation conceals the labour of the slave for himself; here the money-relation conceals the unrequited labour of the wage labourer.

Hence, we may understand the decisive importance of the transformation of value and price of labour-power into the form of wages, or into the value and price of labour itself. This phenomenal form, which makes the actual relation invisible, and, indeed, shows the direct opposite of that relation, forms the basis of all the juridical notions of both labourer and capitalist, of all the mystifications of the capitalistic mode of production, of all its illusions as to liberty, of all the apologetic shifts of the vulgar economists.

If history took a long time to get at the bottom of the mystery of wages, nothing, on the other hand, is more easy to understand than the necessity, the *raison d'être*, of this phenomenon.

The exchange between capital and labour at first presents itself to the mind in the same guise as the buying and selling of all other commodities. The buyer gives a certain sum of money, the seller an article of a nature different from money. The jurist's consciousness recognizes in this, at most, a material difference, expressed in the juridically equivalent formula: "*Do ut des, do ut facias, facio ut des, facio ut facias.*"⁹

Furthermore, exchange-value and use-value, being intrinsically incommensurable magnitudes, the expressions "value of labour," "price of labour," do not seem more irrational than the expressions "value of cotton," "price of cotton." Moreover, the labourer is paid after he has given his labour. In its function of means of payment, money realizes subsequently the value or price of the article supplied – i.e., in this particular case, the value or price of the labour supplied. Finally, the use-value supplied by the labourer to the capitalist is not, in fact, his labour-power, but its function, some definite useful labour, the work of tailoring, shoemaking, spinning, &c. That this same labour is, on the other hand, the universal value-creating element, and thus possesses a property by which it differs from all other commodities, is beyond the cognizance of the ordinary mind.

Let us put ourselves in the place of the labourer who receives for 12 hours' labour, say the value produced by 6 hours' labour, say 3s. For him, in fact, his 12 hours' labour is the means of buying the 3s. The value of his labour-power may vary, with the value of his usual means of subsistence, from 3 to 4 shillings, or from 3 to 2 shillings; or, if the value of his labour-power remains constant, its price may, in consequence of changing relations of demand and supply, rise to 4s. or fall to 2s. He always gives 12 hours of labour. Every change in the amount of the equivalent that he receives appears to him, therefore, necessarily as a change in the value or price of his 12 hours' work. This circumstance misled Adam Smith, who treated the working day as a constant quantity,¹⁰ to the assertion that the value of labour is constant, although the value of the means of

subsistence may vary, and the same working day, therefore, may represent itself in more or less money for the labourer.

Let us consider, on the other hand, the capitalist. He wishes to receive as much labour as possible for as little money as possible. Practically, therefore, the only thing that interests him is the difference between the price of labour-power and the value which its function creates. But, then, he tries to buy all commodities as cheaply as possible, and always accounts for his profit by simple cheating, by buying under, and selling over the value. Hence, he never comes to see that, if such a thing as the value of labour really existed, and he really paid this value, no capital would exist, his money would not be turned into capital.

Moreover, the actual movement of wages presents phenomena which seem to prove that not the value of labour-power is paid, but the value of its function, of labour itself. We may reduce these phenomena to two great classes: 1.) Change of wages with the changing length of the working day. One might as well conclude that not the value of a machine is paid, but that of its working, because it costs more to hire a machine for a week than for a day. 2.) The individual difference in the wages of different labourers who do the same kind of work. We find this individual difference, but are not deceived by it, in the system of slavery, where, frankly and openly, without any circumlocution, labour-power itself is sold. Only, in the slave system, the advantage of a labour-power above the average, and the disadvantage of a labour-power below the average, affects the slave-owner; in the wage-labour system, it affects the labourer himself, because his labour-power is, in the one case, sold by himself, in the other, by a third person.

For the rest, in respect to the phenomenal form, “value and price of labour,” or “wages,” as contrasted with the essential relation manifested therein, viz., the value and price of labour-power, the same difference holds that holds in respect to all phenomena and their hidden substratum. The former appear directly and spontaneously as current modes of thought; the latter must first be discovered by science. Classical Political Economy nearly touches the true relation of things, without, however, consciously formulating it. This it cannot, so long as it sticks in its bourgeois skin.

¹ “Mr. Ricardo ingeniously enough avoids a difficulty which, on a first view, threatens to encumber his doctrine — that value depends on the quantity of labour employed in production. If this principle is rigidly adhered to, it follows that the value of labour depends on the quantity of labour employed in producing it — which is evidently absurd. By a dexterous turn, therefore, Mr. Ricardo makes the value of labour depend on the quantity of labour required to produce wages; or, to give him the benefit of his own language, he maintains, that the value of labour is to be estimated by the quantity of labour required to produce wages; by which he means the quantity of labour required to produce the money or commodities given to the labourer. This is similar to saying, that the value of cloth is estimated, not by the quantity of labour bestowed on its production, but by the quantity of labour bestowed on the production of the silver, for which the cloth is exchanged.” — “A Critical Dissertation on the Nature, &c., of Value,” pp. 50, 51.

² “If you call labour a commodity, it is not like a commodity which is first produced in order to exchange, and then brought to market where it must exchange with other commodities according to the respective quantities of each which there may be in the market at the time; labour is created the moment it is brought to market; nay, it is brought to market before it is created.” — “Observations on Certain Verbal Disputes,” &c., pp. 75, 76.

³ “Treating labour as a commodity, and capital, the produce of labour, as another, then, if the values of these two commodities were regulated by equal quantities of labour, a given amount of labour would ... exchange for that quantity of capital which had been produced by the same amount of labour;

antecedent labour would ... exchange for the same amount as present labour. But the value of labour in relation to other commodities ... is determined not by equal quantities of labour." — E. G. Wakefield in his edition of Adam Smith's "Wealth of Nations," Vol. I., London, 1836, p. 231, note.

⁴ "There has to be a new agreement" (a new edition of the social contract!) "that whenever there is an exchange of work done for work to be done, the latter" (the capitalist) "is to receive a higher value than the former" (the worker). — Simonde (de Sismondi), "De la Richesse Commerciale," Geneva, 1803, Vol I, p. 37.

⁵ "Labour the exclusive standard of value ... the creator of all wealth, no commodity." Thomas Hodgskin, "Popul. Polit. Econ.," p. 186.

⁶ On the other hand, the attempt to explain such expressions as merely poetic license only shows the impotence of the analysis. Hence, in answer to Proudhon's phrase; "Labour is called value, not as being a commodity itself, but in view of the values supposed to be potentially embodied in it. The value of labour is a figurative expression," &c. I have remarked: "In labour, commodity, which is a frightful reality, he (Proudhon) sees nothing but a grammatical ellipsis. The whole of existing society, then, based upon labour commodity, is henceforth based upon a poetic license, on a figurative expression. Does society desire to eliminate all the inconveniences which trouble it, it has only to eliminate all the ill-sounding terms. Let it change the language, and for that it has only to address itself to the Academy and ask it for a new edition of its dictionary." (Karl Marx, "Misère de la Philosophie," pp. 34, 35.) It is naturally still more convenient to understand by value nothing at all. Then one can without difficulty subsume everything under this category. Thus, e.g., J. B. Say: "What is value?" Answer: "That which a thing is worth"; and what is "price"? Answer: "The value of a thing expressed in money." And why has agriculture a value? Answer: "Because one sets a price on it." Therefore value is what a thing is worth, and the land has its "value," because its value is "expressed in money." This is, anyhow, a very simple way of explaining the why and the wherefore of things.

⁷ Cf. "Zur Kritik &c.," p. 40, where I state that, in the portion of that work that deals with Capital, this problem will be solved: "How does production, on the basis of exchange-value determined simply by labour-time, lead to the result that the exchange-value of labour is less than the exchange-value of its product?"

⁸ The "Morning Star," a London Free-trade organ, naif to silliness, protested again and again during the American Civil War, with all the moral indignation of which man is capable, that the Negro in the "Confederate States" worked absolutely for nothing. It should have compared the daily cost of such a Negro with that of the free workman in the East-end of London.

⁹ I give in order that you may give; I give in order that you may produce; I produce so that you may give; I produce so that you may produce.

¹⁰ Adam Smith only accidentally alludes to the variation of the working day when he is referring to piece-wages.

Chapter 20: Time-Wages

Wages themselves again take many forms, a fact not recognizable in the ordinary economic treatises which, exclusively interested in the material side of the question, neglect every difference of form. An exposition of all these forms however, belongs to the special study of wage labour, not therefore to this work. Still the two fundamental forms must be briefly worked out here.

The sale of labour-power, as will be remembered, takes place for a definite period of time. The converted form under which the daily, weekly, &c., value of labour-power presents itself, is hence that of time wages, therefore day-wages, &c.

Next it is to be noted that the laws set forth, in the 17th chapter, on the changes in the relative magnitudes of price of labour-power and surplus-value, pass by a simple transformation of form, into laws of wages. Similarly the distinction between the exchange-value of labour power, and the sum of the necessities of life into which this value is converted, now reappears as the distinction between nominal and real wages. It would be useless to repeat here, with regard to the phenomenal form, what has been already worked out in the substantial form. We limit ourselves therefore to a few points characteristic of time-wages.

The sum of money¹ which the labourer receives for his daily or weekly labour, forms the amount of his nominal wages, or of his wages estimated in value. But it is clear that according to the length of the working day, that is, according to the amount of actual labour daily supplied, the same daily or weekly wage may represent very different prices of labour, i.e., very different sums of money for the same quantity of labour.² We must, therefore, in considering time-wages, again distinguish between the sum-total of the daily or weekly wages, &c., and the price of labour. How then, to find this price, i.e., the money-value of a given quantity of labour? The average price of labour is found, when the average daily value of the labour-power is divided by the average number of hours in the working day. If, e.g., the daily value of labour-power is 3 shillings, the value of the product of 6 working-hours, and if the working day is 12 hours, the price of 1 working hour is $3/12$ shillings = 3d. The price of the working-hour thus found serves as the unit measure for the price of labour.

It follows therefore that the daily and weekly wages, &c., may remain the same, although the price of labour falls constantly. If, e.g., the habitual working day is 10 hours and the daily value of the labour-power 3s., the price of the working-hour is $3 \frac{3}{5}$ d. It falls to 3s. as soon as the working day rises to 12 hours, to $2 \frac{2}{5}$ d as soon as it rises to 15 hours. Daily or weekly wages remain, despite all this, unchanged. On the contrary, the daily or weekly wages may rise, although the price of labour remains constant or even falls. If, e.g., the working day is 10 hours, and the daily value of labour-power 3 shillings, the price of one working-hour is $3 \frac{3}{5}$ d. If the labourer, in consequence of increase of trade, works 12 hours, the price of labour remaining the same, his daily wage now rises to 3 shillings $7 \frac{1}{5}$ d. without any variation in the price of labour. The same result might follow if, instead of the extensive amount of labour, its intensive amount increased.

³The rise of the nominal daily or weekly wages may therefore be accompanied by a price of labour that remains stationary or falls. The same holds as to the income of the labourer's family, as soon as the quantity of labour expended by the head of the family is increased by the labour of the members of his family. There are, therefore, methods of lowering the price of labour independent of the reduction of the nominal daily or weekly wages.⁴

As a general law it follows that, given the amount of daily or weekly labour, &c., the daily or weekly wages depend on the price of labour which itself varies either with the value of labour-power, or with the difference between its price and its value. Given, on the other hand, the price of labour, the daily or weekly wages depend on the quantity of the daily or weekly labour.

The unit-measure for time-wages, the price of the working-hour, is the quotient of the value of a day's labour-power, divided by the number of hours of the average working day. Let the latter be 12 hours, and the daily value of labour-power 3 shillings, the value of the product of 6 hours of labour. Under these circumstances the price of a working hour is 3d.; the value produced in it is 6d. If the labourer is now employed less than 12 hours (or less than 6 days in the week), e.g., only 6 or 8 hours, he receives, with this price of labour, only 2s. or 1s. 6d. a day.⁵ As on our hypothesis he must work on the average 6 hours daily, in order to produce a day's wage corresponding merely to the value of his labour power, as according to the same hypothesis he works only half of every hour for himself, and half for the capitalist, it is clear that he cannot obtain for himself the value of the product of 6 hours if he is employed less than 12 hours. In previous chapters we saw the destructive consequences of over-work; here we find the sources of the sufferings that result to the labourer from his insufficient employment.

If the hour's wage is fixed so that the capitalist does not bind himself to pay a day's or a week's wage, but only to pay wages for the hours during which he chooses to employ the labourer, he can employ him for a shorter time than that which is originally the basis of the calculation of the hour-wage, or the unit-measure of the price of labour. Since this unit is determined by the ratio

daily value of labour-power

working day of a given number of hours'

it, of course, loses all meaning as soon as the working day ceases to contain a definite number of hours. The connection between the paid and the unpaid labour is destroyed. The capitalist can now wring from the labour a certain quantity of surplus labour without allowing him the labour-time necessary for his own subsistence. He can annihilate all regularity of employment, and according to his own convenience, caprice, and the interest of the moment, make the most enormous overwork alternate with relative or absolute cessation of work. He can, under the pretense of paying "the normal price of labour," abnormally lengthen the working day without any corresponding compensation to the labourer. Hence the perfectly rational revolt in 1860 of the London labourers, employed in the building trades, against the attempt of the capitalists to impose on them this sort of wage by the hour. The legal limitation of the working day puts an end to such mischief, although not, of course, to the diminution of employment caused by the competition of machinery, by changes in the quality of the labourers employed, and by crises partial or general.

With an increasing daily or weekly wage the price of labour may remain nominally constant, and yet may fall below its normal level. This occurs every time that, the price of labour (reckoned per working-hour) remaining constant, the working day is prolonged beyond its customary length. If in the fraction:

daily value of labour power

working day

the denominator increases, the numerator increases yet more rapidly. The value of labour-power, as dependent on its wear and tear, increases with the duration of its functioning, and in more rapid proportion than the increase of that duration. In many branches of industry where time-wage is the general rule without legal limits to the working-time, the habit has, therefore, spontaneously grown up of regarding the working day as normal only up to a certain point, e.g., up to the

expiration of the tenth hour ("normal working day," "the day's work," "the regular hours of work"). Beyond this limit the working-time is over-time, and is, taking the hour as unit-measure, paid better ("extra pay"), although often in a proportion ridiculously small.⁶ The normal working day exists here as a fraction of the actual working day, and the latter, often during the whole year, lasts longer than the former.⁷ The increase in the price of labour with the extension of the working day beyond a certain normal limit, takes such a shape in various British industries that the low price of labour during the so-called normal time compels the labourer to work during the better paid over-time, if he wishes to obtain a sufficient wage at all.⁸ Legal limitation of the working day puts an end to these amenities.⁹

It is a fact generally known that, the longer the working days, in any branch of industry, the lower are the wages.¹⁰ A. Redgrave, factory inspector, illustrates this by a comparative review of the 20 years from 1839-1859, according to which wages rose in the factories under the 10 Hours Law, whilst they fell in the factories in which the work lasted 14 to 15 hours daily.¹¹

From the law, "the price of labour being given, the daily or weekly wage depends on the quantity of labour expended," it follows, first of all, that the lower the price of labour, the greater must be the quantity of labour, or the longer must be the working day for the labourer to secure even a miserable average wage. The lowness of the price of labour acts here as a stimulus to the extension of the labour-time.¹²

On the other hand, the extension of the working-time produces, in its turn, a fall in the price of labour, and with this a fall in the day's or week's wages.

The determination of the price of labour by:

daily value of labour power

working day of a given number of hours

shows that a mere prolongation of the working day lowers the price of labour, if no compensation steps in. But the same circumstances which allow the capitalist in the long run to prolong the working day, also allow him first, and compel him finally, to nominally lower the price of labour until the total price of the increased number of hours is lowered, and, therefore, the daily or weekly wage. Reference to two circumstances is sufficient here. If one man does the work of 1½ or 2 men, the supply of labour increases, although the supply of labour-power on the market remains constant. The competition thus created between the labourers allows the capitalist to beat down the price of labour, whilst the falling price of labour allows him, on the other hand, to screw up still further the working-time.¹³ Soon, however, this command over abnormal quantities of unpaid labour, i.e., quantities in excess of the average social amount, becomes a source of competition amongst the capitalists themselves. A part of the price of the commodity consists of the price of labour. The unpaid part of the labour-price need not be reckoned in the price of the commodity. It may be presented to the buyer. This is the first step to which competition leads. The second step to which it drives is to exclude also from the selling price of the commodity at least a part of the abnormal surplus-value created by the extension of the working day. In this way, an abnormally low selling price of the commodity arises, at first sporadically, and becomes fixed by degrees; a lower selling price which henceforward becomes the constant basis of a miserable wage for an excessive working-time, as originally it was the product of these very circumstances. This movement is simply indicated here, as the analysis of competition does not belong to this part of our subject. Nevertheless, the capitalist may, for a moment, speak for himself. "In Birmingham there is so much competition of masters one against another that many are obliged to do things as employers that they would otherwise be ashamed of; and yet no more money is made, but only the public gets the benefit."¹⁴ The reader will remember the two sorts of

London bakers, of whom one sold the bread at its full price (the “full-priced” bakers), the other below its normal price (“the under-priced,” “the undersellers”). The “full-priced” denounced their rivals before the Parliamentary Committee of Inquiry: “They only exist now by first defrauding the public, and next getting 18 hours’ work out of their men for 12 hours’ wages.... The unpaid labour of the men was made ... the source whereby the competition was carried on, and continues so to this day.... The competition among the master bakers is the cause of the difficulty in getting rid of night-work. An underseller, who sells his bread below the cost-price according to the price of flour, must make it up by getting more out of the labour of the men.... If I got only 12 hours’ work out of my men, and my neighbor got 18 or 20, he must beat me in the selling price. If the men could insist on payment for over-work, this would be set right.... A large number of those employed by the undersellers are foreigners and youths, who are obliged to accept almost any wages they can obtain.”¹⁵

This jeremiad is also interesting because it shows how the appearance only of the relations of production mirrors itself in the brain of the capitalist. The capitalist does not know that the normal price of labour also includes a definite quantity of unpaid labour, and that this very unpaid labour is the normal source of his gain. The category of surplus labour-time does not exist at all for him, since it is included in the normal working day, which he thinks he has paid for in the day’s wages. But over-time does exist for him, the prolongation of the working day beyond the limits corresponding with the usual price of labour. Face to face with his underselling competitor, he even insists upon extra pay for this over-time. He again does not know that this extra pay includes unpaid labour, just as well as does the price of the customary hour of labour. For example, the price of one hour of the 12 hours’ working day is 3d., say the value-product of half a working-hour, whilst the price of the over-time working-hour is 4d., or the value-product of 2/3 of a working hour. In the first case the capitalist appropriates to himself one-half, in the second, one-third of the working-hour without paying for it.

¹ The value of money itself is here always supposed constant.

² “The price of labour is the sum paid for a given quantity of labour.” (Sir Edward West, “Price of Corn and Wages of Labour,” London, 1836, p. 67.) West is the author of the anonymous “Essay on the Application of Capital to Land.” by a Fellow of the University College of Oxford, London, 1815. An epoch-making work in the history of Political Economy.

³ “The wages of labour depend upon the price of labour and the quantity of labour performed.... An increase in the wages of labour does not necessarily imply an enhancement of the price of labour. From fuller employment, and greater exertions, the wages of labour may be considerably increased, while the price of labour may continue the same.” (West, op. cit., pp. 67, 68, 112.) The main question: “How is the price of labour determined?” West, however, dismisses with mere banalities.

⁴ This is perceived by the fanatical representative of the industrial bourgeoisie of the 18th century, the author of the “Essay on Trade and Commerce” often quoted by us, although he puts the matter in a confused way: “It is the quantity of labour and not the price of it” (he means by this the nominal daily or weekly wages) “that is determined by the price of provisions and other necessities: reduce the price of necessities very low, and of course you reduce the quantity of labour in proportion. Master manufacturers know that there are various ways of raising and felling the price of labour, besides that of altering its nominal amount.” (op. cit., pp. 48, 61.) In his “Three Lectures on the Rate of Wages,” London, 1830, in which N. W. Senior uses West’s work without mentioning it, he says: “The labourer is principally interested in the amount of wages” (p. 14), that is to say, the labourer is principally interested in what he receives, the nominal sum of his wages, not in that which he gives, the amount of labour!

⁵ The effect of such an abnormal lessening of employment is quite different from that of a general reduction of the working day, enforced by law. The former has nothing to do with the absolute length of the working day, and may occur just as well in a working day of 15, as of 6 hours. The normal price of labour is in the first case calculated on the labourer working 15 hours, in the second case on his working 6 hours a day on the average. The result is therefore the same, if he in the one case is employed only for 7½, in the other only for 3 hours.

⁶ “The rate of payment for overtime (in lace-making) is so small, from ½ d. and ¾ d. to 2d. per hour, that it stands in painful contrast to the amount of injury produced to the health and stamina of the workpeople.... The small amount thus earned is also often obliged to be spent in extra nourishment.” (“Child.Empl.Com., II. Rep.,” p. xvi., n. 117.)

⁷ E.g., in paper-staining before the recent introduction into this trade of the Factory Act. “We work on with no stoppage for meals, so that the day’s work of 10½ hours is finished by 4:30 p.m., and all after that is over-time, and we seldom leave off working before 6 p.m., so that we are really working over-time the whole year round.” (Mr. Smith’s “Evidence in Child. Empl. Com., 1. Rep.,” p. 125.)

⁸ E.g., in the Scotch bleaching-works. “In some parts of Scotland this trade” (before the introduction of the Factory Act in 1862) “was carried on by a system of over-time, i.e., ten hours a day were the regular hours of work, for which a nominal wage of 1s. 2d. per day was paid to a man, there being every day over-time for three or four hours, paid at the rate of 3d. per hour. The effect of this system ... a man could not earn more than 8s. per week when working the ordinary hours ... without over-time they could not earn a fair day’s wages.” (“Rept. of Insp. of Factories,” April 30th, 1863, p. 10.) “The higher wages, for getting adult males to work longer hours, are a temptation too strong to be resisted.” (“Rept. of Insp. of Fact.,” April 30th, 1848, p. 5.) The book-binding trade in the city of London employs very many young girls from 14 to 15 years old, and that under indentures which prescribe certain definite hours of labour. Nevertheless, they work in the last week of each month until 10, 11, 12, or 1 o’clock at night, along with the older labourers, in a very mixed company. “The masters tempt them by extra pay and supper,” which they eat in neighboring public houses. The great debauchery thus produced among these “young immortals” (“Children’s Employment Comm., V. Rept.,” p. 44, n. 191) is compensated by the fact that among the rest many Bibles and religious books are bound by them.

⁹ See “Reports of Insp. of Fact.,” 30th April, 1863, p. 10. With very accurate appreciation of the state of things, the London labourers employed in the building trades declared, during the great strike and lock-out of 1860, that they would only accept wages by the hour under two conditions: (1), that, with the price of the working-hour, a normal working day of 9 and 10 hours respectively should be fixed, and that the price of the hour for the 10 hours’ working day should be higher than that for the hour of the 9 hours working day; (2), that every hour beyond the normal working day should be reckoned as over-time and proportionally more highly paid.

¹⁰ “It is a very notable thing, too, that where long hours are the rule, small wages are also so.” (“Report of Insp. of Fact.,” 31st. Oct., 1863, p. 9.) “The work which obtains the scanty pittance of food, is, for the most part, excessively prolonged.” (“Public Health, Sixth Report,” 1864, p. 15.)

¹¹ “Report of Inspectors of Fact.,” 30th April, 1860, pp. 31, 32.

¹² The hand nail-makers in England, e.g., have, on account of the low price of labour, to work 15 hours a day in order to hammer out their miserable weekly wage. “It’s a great many hours in a day (6 a.m. to 8 p.m.), and he has to work hard all the time to get 11 d. or 1s., and there is the wear of the tools, the cost of firing, and something for waste iron to go out of this, which takes off altogether 2½d. or 3d.” (“Children’s Employment Com., III. Report,” p. 136, n. 671.) The women earn by the same working-time a week’s wage of only 5 shillings. (l.c., p. 137, n. 674.)

¹³ If a factory-hand, e.g., refused to work the customary long hours, “he would very shortly be replaced by somebody who would work any length of time, and thus be thrown out of employment.” (“Reports of Inspectors of Factories,” 30th April, 1848. Evidence, p. 39, n. 58.) “If one man performs the work of two... the rate of profits will generally be raised ... in consequence of the additional supply of labour having diminished its price.” (Senior, l.c., p. 15.)

¹⁴ “Children’s Employment Com., III Rep.,” Evidence, p. 66, n. 22.

¹⁵ “Report, &c., Relative to the Grievances Complained of by the Journeymen Bakers.” London, 1862, p. 411, and ib. Evidence, notes 479, 359, 27. Anyhow the full-priced bakers, as was mentioned above, and as their spokesman, Bennett, himself admits, make their men “generally begin work at 11 p.m. ... up to 8 o’clock the next morning.... They are then engaged all day long ... as late as 7 o’clock in the evening.” (l.c., p. 22.)

Chapter 21: Piece Wages

Wages by the piece are nothing else than a converted form of wages by time, just as wages by time are a converted form of the value or price of labour-power.

In piece wages it seems at first sight as if the use-value bought from the labourer was, not the function of his labour-power, living labour, but labour already realized in the product, and as if the price of this labour was determined, not as with time-wages, by the fraction

daily value of labour-power

the working day of a given number of hours

but by the capacity for work of the producer.¹

The confidence that trusts in this appearance ought to receive a first severe shock from the fact that both forms of wages exist side by side, simultaneously, in the same branches of industry; e.g.,

“the compositors of London, as a general rule, work by the piece, time-work being the exception, while those in the country work by the day, the exception being work by the piece. The shipwrights of the port of London work by the job or piece, while those of all other parts work by the day.”²

In the same saddlery shops of London, often for the same work, piece wages are paid to the French, time-wages to the English. In the regular factories in which throughout piece wages predominate, particular kinds of work are unsuitable to this form of wage, and are therefore paid by time.³ But it is, moreover, self-evident that the difference of form in the payment of wages alters in no way their essential nature, although the one form may be more favorable to the development of capitalist production than the other.

Let the ordinary working day contain 12 hours of which 6 are paid, 6 unpaid. Let its value-product be 6 shillings, that of one hour's labour therefore 6d. Let us suppose that, as the result of experience, a labourer who works with the average amount of intensity and skill, who, therefore, gives in fact only the time socially necessary to the production of an article, supplies in 12 hours 24 pieces, either distinct products or measurable parts of a continuous whole. Then the value of these 24 pieces, after subtraction of the portion of constant capital contained in them, is 6 shillings, and the value of a single piece 3d. The labourer receives 1 ½d. per piece, and thus earns in 12 hours 3 shillings. Just as, with time-wages, it does not matter whether we assume that the labourer works 6 hours for himself and 6 hours for the capitalist, or half of every hour for himself, and the other half for the capitalist, so here it does not matter whether we say that each individual piece is half paid, and half unpaid for, or that the price of 12 pieces is the equivalent only of the value of the labour-power, whilst in the other 12 pieces surplus-value is incorporated.

The form of piece wages is just as irrational as that of time-wages. Whilst in our example two pieces of a commodity, after subtraction of the value of the means of production consumed in them, are worth 6d. as being the product of one hour, the labourer receives for them a price of 3d. Piece wages do not, in fact, distinctly express any relation of value. It is not, therefore, a question of measuring the value of the piece by the working-time incorporated in it, but on the contrary, of measuring the working-time the labourer has expended by the number of pieces he has produced. In time-wages, the labour is measured by its immediate duration; in piece wages, by the quantity of products in which the labour has embodied itself during a given time.⁴ The price of labour time

itself is finally determined by the equation: value of a day's labour = daily value of labour-power. Piece-wage is, therefore, only a modified form of time-wage.

Let us now consider a little more closely the characteristic peculiarities of piece wages.

The quality of the labour is here controlled by the work itself, which must be of average perfection if the piece-price is to be paid in full. piece wages become, from this point of view, the most fruitful source of reductions of wages and capitalistic cheating.

They furnish to the capitalist an exact measure for the intensity of labour. Only the working-time which is embodied in a quantum of commodities determined beforehand, and experimentally fixed, counts as socially necessary working-time, and is paid as such. In the larger workshops of the London tailors, therefore, a certain piece of work, a waistcoat, e.g., is called an hour, or half an hour, the hour at 6d. By practice it is known how much is the average product of one hour. With new fashions, repairs, &c., a contest arises between master and labourer as to whether a particular piece of work is one hour, and so on, until here also experience decides. Similarly in the London furniture workshops, &c. If the labourer does not possess the average capacity, if he cannot in consequence supply a certain minimum of work per day, he is dismissed.⁵

Since the quality and intensity of the work are here controlled by the form of wage itself, superintendence of labour becomes in great part superfluous. Piece wages therefore lay the foundation of the modern "domestic labour," described above, as well as of a hierarchically organized system of exploitation and oppression. The latter has two fundamental forms. On the one hand, piece wages facilitate the interposition of parasites between the capitalist and the wage-labourer, the "sub-letting of labour." The gain of these middlemen comes entirely from the difference between the labour-price which the capitalist pays, and the part of that price which they actually allow to reach the labourer.⁶ In England this system is characteristically called the "sweating system." On the other hand, piece-wage allows the capitalist to make a contract for so much per piece with the head labourer – in manufactures with the chief of some group, in mines with the extractor of the coal, in the factory with the actual machine-worker – at a price for which the head labourer himself undertakes the enlisting and payment of his assistant work people. The exploitation of the labourer by capital is here effected through the exploitation of the labourer by the labourer.⁷

Given piece-wage, it is naturally the personal interest of the labourer to strain his labour-power as intensely as possible; this enables the capitalist to raise more easily the normal degree of intensity of labour.⁸ It is moreover now the personal interest of the labourer to lengthen the working day, since with it his daily or weekly wages rise.⁹ This gradually brings on a reaction like that already described in time-wages, without reckoning that the prolongation of the working day, even if the piece wage remains constant, includes of necessity a fall in the price of the labour.

In time-wages, with few exceptions, the same wage holds for the same kind of work, whilst in piece wages, though the price of the working time is measured by a certain quantity of product, the day's or week's wage will vary with the individual differences of the labourers, of whom one supplies in a given time the minimum of product only, another the average, a third more than the average. With regard to actual receipts there is, therefore, great variety according to the different skill, strength, energy, staying-power, &c., of the individual labourers.¹⁰ Of course this does not alter the general relations between capital and wage-labour. First, the individual differences balance one another in the workshop as a whole, which thus supplies in a given working-time the average product, and the total wages paid will be the average wages of that particular branch of industry. Second, the proportion between wages and surplus-value remains unaltered, since the mass of surplus labour supplied by each particular labourer corresponds with the wage received by him. But the wider scope that piece-wage gives to individuality tends to develop on the one

hand that individuality, and with it the sense of liberty, independence, and self-control of the labourers, and on the other, their competition one with another. Piece-work has, therefore, a tendency, while raising individual wages above the average, to lower this average itself. But where a particular rate of piece-wage has for a long time been fixed by tradition, and its lowering, therefore, presented especial difficulties, the masters, in such exceptional cases, sometimes had recourse to its compulsory transformation into time-wages. Hence, e.g., in 1860 a great strike among the ribbon-weavers of Coventry.¹¹ Piece-wage is finally one of the chief supports of the hour-system described in the preceding chapter.¹²

From what has been shown so far, it follows that piece-wage is the form of wages most in harmony with the capitalist mode of production. Although by no means new – it figures side by side with time-wages officially in the French and English labour statutes of the 14th century – it only conquers a larger field for action during the period of manufacture, properly so-called. In the stormy youth of modern industry, especially from 1797 to 1815, it served as a lever for the lengthening of the working day, and the lowering of wages. Very important materials for the fluctuation of wages during that period are to be found in the Blue books: “Report and Evidence from the Select Committee on Petitions respecting the Corn Laws” (Parliamentary Session of 1813-14), and “Report from the Lords’ Committee, on the State of the Growth, Commerce, and Consumption of Grain, and all Laws relating thereto” (Session of 1814-15). Here we find documentary evidence of the constant lowering of the price of labour from the beginning of the anti-Jacobin War. In the weaving industry, e.g., piece wages had fallen so low that, in spite of the very great lengthening of the working day, the daily wages were then lower than before.

“The real earnings of the cotton weaver are now far less than they were; his superiority over the common labourer, which at first was very great, has now almost entirely ceased. Indeed... the difference in the wages of skillful and common labour is far less now than at any former period.”¹³

How little the increased intensity and extension of labour through piece wages benefited the agricultural proletariat, the following passage borrowed from a work on the side of the landlords and farmers shows:

“By far the greater part of agricultural operations is done by people who are hired for the day or on piece-work. Their weekly wages are about 12s., and although it may be assumed that a man earns on piece-work under the greater stimulus to labour, 1s. or perhaps 2s. more than on weekly wages, yet it is found, on calculating his total income, that his loss of employment, during the year, outweighs this gain...Further, it will generally be found that the wages of these men bear a certain proportion to the price of the necessary means of subsistence, so that a man with two children is able to bring up his family without recourse to parish relief.”¹⁴

Malthus at that time remarked with reference to the facts published by Parliament:

“I confess that I see, with misgiving, the great extension of the practice of piece-wage. Really hard work during 12 or 14 hours of the day, or for any longer time, is too much for any human being.”¹⁵

In the workshops under the Factory Acts, piece wages become the general rule, because capital can there only increase the efficacy of the working day by intensifying labour.¹⁶

With the changing productiveness of labour the same quantum of product represents a varying working-time. Therefore, piece-wage also varies, for it is the money expression of a determined working-time. In our example above, 24 pieces were produced in 12 hours, whilst the value of the

product of the 12 hours was 6s., the daily value of the labour-power 3s., the price of the labour-hour 3d., and the wage for one piece $\frac{1}{2}$ d. In one piece half-an-hour's labour was absorbed. If the same working day now supplies, in consequence of the doubled productiveness of labour, 48 pieces instead of 24, and all other circumstances remain unchanged, then the piece-wage falls from $1\frac{1}{2}$ d. to $\frac{3}{4}$ d., as every piece now only represents $\frac{1}{4}$, instead of $\frac{1}{2}$ of a working-hour. 24 by $1\frac{1}{2}$ d. = 3s., and in like manner 48 by $\frac{3}{4}$ d. = 3s. In other words, piece-wage is lowered in the same proportion as the number of the pieces produced in the same time rises,¹⁷ and, therefore, as the working time spent on the same piece falls. This change in piece-wage, so far purely nominal, leads to constant battles between capitalist and labour. Either because the capitalist uses it as a pretext for actually lowering the price of labour, or because increased productive power of labour is accompanied by an increased intensity of the same. Or because the labourer takes seriously the appearance of piece wages (viz., that his product is paid for, and not his labour-power) and therefore revolts against a lowering of wages, unaccompanied by a lowering in the selling price of the commodity.

“The operatives...carefully watch the price of the raw material and the price of manufactured goods, and are thus enabled to form an accurate estimate of their master's profits.”¹⁸

The capitalist rightly knocks on the head such pretensions as gross errors as to the nature of wage-labour.¹⁹ He cries out against this usurping attempt to lay taxes on the advance of industry, and declares roundly that the productiveness of labour does not concern the labourer at all.²⁰

¹ “The system of piece-work illustrates an epoch in the history of the working-man; it is halfway between the position of the mere day-labourer depending upon the will of the capitalist and the co-operative artisan, who in the not distant future promises to combine the artisan and the capitalist in his own person. Piece-workers are in fact their own masters, even whilst working upon the capital of the employer.” (John Watts: “Trade Societies and Strikes, Machinery and Co-operative Societies.” Manchester, 1865, pp. 52, 53.) I quote this little work because it is a very sink of all long-ago-rotten, apologetic commonplaces. This same Mr. Watts earlier traded in Owenism and published in 1842 another pamphlet: “Facts and Fictions of Political Economists,” in which among other things he declares that “property is robbery.” That was long ago.

² T. J. Dunning: “Trades' Unions and Strikes,” Lond., 1860, p. 22.

³ How the existence, side by side and simultaneously, of these two forms of wage favors the masters' cheating: “A factory employs 400 people, the half of which work by the piece, and have a direct interest in working longer hours. The other 200 are paid by the day, work equally long with the others, and get no more money for their over-time.... The work of these 200 people for half an hour a day is equal to one person's work for 50 hours, or $5\frac{1}{6}$'s of one person's labour in a week, and is a positive gain to the employer.” (“Reports of Insp. of Fact., 31st Oct., 1860,” p. 9.) “Over-working to a very considerable extent still prevails; and, in most instances, with that security against detection and punishment which the law itself affords. I have in many former reports shown ... the injury to workpeople who are not employed on piece-work, but receive weekly wages.” (Leonard Horner in “Reports of Insp. of Fact.,” 30th April, 1859, pp. 8, 9.)

⁴ “Wages can be measured in two ways: either by the duration of the labour, or by its product.” (“Abrégé élémentaire des principes de l'économie politique.” Paris, 1796, p. 32.) The author of this anonymous work: G. Garnier.

⁵ “So much weight of cotton is delivered to him” (the spinner), “and he has to return by a certain time, in lieu of it, a given weight of twist or yarn, of a certain degree of fineness, and he is paid so much per pound for all that he so returns. If his work is defective in quality, the penalty falls on him, if less in

quantity than the minimum fixed for a given time, he is dismissed and an abler operative procured.” (Ure, l.c., p. 317.)

⁶ “It is when work passes through several hands, each of which is to take its share of profits, while only the last does the work, that the pay which reaches the workwoman is miserably disproportioned.” (“Child. Emp. Comm. II Report,” p. 1xx., n. 424.)

⁷ Even Watts, the apologetic, remarks: “It would be a great improvement to the system of piece-work, if all the men employed on a job were partners in the contract, each according to his abilities, instead of one man being interested in over-working his fellows for his own benefit.” (l.c., p. 53.) On the vileness of this system, cf. “Child. Emp. Comm., Rep. III,” p. 66, n. 22, p. 11, n. 124, p. xi, n. 13, 53, 59, &c.

⁸ This spontaneous result is often artificially helped along, e.g., in the Engineering Trade of London, a customary trick is “the selecting of a man who possesses superior physical strength and quickness, as the principal of several workmen, and paying him an additional rate, by the quarter or otherwise, with the understanding that he is to exert himself to the utmost to induce the others, who are only paid the ordinary wages, to keep up to him ... without any comment this will go far to explain many of the complaints of stinting the action, superior skill, and working-power, made by the employers against the men” (in *Trades-Unions*. Dunning, l.c., pp. 22, 23). As the author is himself a labourer and secretary of a Trades’ Union, this might be taken for exaggeration. But the reader may compare the “highly respectable” “Cyclopedia of Agriculture” of J. C. Morton, Art., the article “Labourer,” where this method is recommended to the farmers as an approved one.

⁹ “All those who are paid by piece-work ... profit by the transgression of the legal limits of work. This observation as to the willingness to work over-time is especially applicable to the women employed as weavers and reelers.” (“Rept. of Insp. of Fact., 30th April, 1858,” p. 9.) “This system” (piece-work), “so advantageous to the employer ... tends directly to encourage the young potter greatly to over-work himself during the four or five years during which he is employed in the piece-work system, but at low wages.... This is ... another great cause to which the bad constitutions of the potters are to be attributed.” (“Child. Empl. Comm. I. Rept.,” p. xiii.)

¹⁰ “Where the work in any trade is paid for by the piece at so much per job ... wages may very materially differ in amount.... But in work by the day there is generally an uniform rate ... recognized by both employer and employed as the standard of wages for the general run of workmen in the trade.” (Dunning, l.c., p. 17.)

¹¹ “The work of the journeyman-artisans will be ruled by the day or by the piece. These master-artisans know about how much work a journeyman-artisan can do per day in each craft, and often pay them in proportion to the work which they do; the journey men, therefore, work as much as they can, in their own interest, without any further inspection.” (Cantillon, “*Essai sur la Nature du Commerce en général*,” Amst. Ed., 1756, pp. 185 and 202. The first edition appeared in 1755.) Cantillon, from whom Quesnay, Sir James Steuart & A. Smith have largely drawn, already here represents piece-wage as simply a modified form of time-wage. The French edition of Cantillon professes in its title to be a translation from the English, but the English edition: “*The Analysis of Trade, Commerce, &c.*,” by Philip Cantillon, late of the city of London, Merchant, is not only of later date (1759), but proves by its contents that it is a later and revised edition: e.g., in the French edition, Hume is not yet mentioned, whilst in the English, on the other hand, Petty hardly figures any longer. The English edition is theoretically less important, but it contains numerous details referring specifically to English commerce, bullion trade, &c., that are wanting in the French text. The words on the title-page of the English edition, according to which the work is “taken chiefly from the manuscript of a very ingenious gentleman, deceased, and adapted, &c.,” seem, therefore, a pure fiction, very customary at that time.

¹² “How often have we seen, in some workshops, many more workers recruited than the work actually called for? On many occasions, workers are recruited in anticipation of future work, which may never materialize. Because they are paid by piece wages, it is said that no risk is incurred, since any loss of time will be charged against the unemployed.” (H. Gregoir: “Les Typographes devant le Tribunal correctionnel de Bruxelles,” Bruxelles, 1865, p. 9.)

¹³ “Remarks on the Commercial Policy of Great Britain,” London, 1815.

¹⁴ “A Defense of the Landowners and Farmers of Great Britain,” 1814, pp. 4, 5

¹⁵ Malthus, “Inquiry into the Nature and Progress of Rent,” Lond., 1815.

¹⁶ “Those who are paid by piece-work ... constitute probably four-fifths of the workers in the factories.” “Report of Insp. of Fact.,” 30th April, 1858.

¹⁷ “The productive power of his spinning-machine is accurately measured, and the rate of pay for work done with it decreases with, though not as, the increase of its productive power.” (Ure, l.c., p. 317.) This last apologetic phrase Ure himself again cancels. The lengthening of the mule causes some increase of labour, he admits. The labour does therefore not diminish in the same ratio as its productivity increases. Further: “By this increase the productive power of the machine will be augmented one-fifth. When this event happens the spinner will not be paid at the same rate for work done as he was before, but as that rate will not be diminished in the ratio of one-fifth, the improvement will augment his money earnings for any given number of hours’ work,” but “the foregoing statement requires a certain modification.... The spinner has to pay something additional for juvenile aid out of his additional sixpence, accompanied by displacing a portion of adults” (l.c., p. 321), which has in no way a tendency to raise wages.

¹⁸ H. Fawcett: “The Economic Position of the British labourer.” Cambridge and London, 1865, p. 178.

¹⁹ In the “London Standard” of October 26, 1861, there is a report of proceedings of the firm of John Bright & Co., before the Rochdale magistrates “to prosecute for intimidation the agents of the Carpet Weavers Trades’ Union. Bright’s partners had introduced new machinery which would turn out 240 yards of carpet in the time and with the labour (!) previously required to produce 160 yards. The workmen had no claim whatever to share in the profits made by the investment of their employer’s capital in mechanical improvements. Accordingly, Messrs. Bright proposed to lower the rate of pay from 1½d. per yard to 1d., leaving the earnings of the men exactly the same as before for the same labour. But there was a nominal reduction, of which the operatives, it is asserted, had not fair warning beforehand.”

²⁰ “Trades’ Unions, in their desire to maintain wages, endeavor to share in the benefits of improved machinery.” (Quelle horreur!) “... the demanding higher wages, because labour is abbreviated, is in other words the endeavor to establish a duty on mechanical improvements.” (“On Combination of Trades,” new ed., London, 1834, p. 42.)

Chapter 22: National Differences of Wages

In the 17th chapter we were occupied with the manifold combinations which may bring about a change in magnitude of the value of labour-power – this magnitude being considered either absolutely or relatively, i.e., as compared with surplus-value; whilst on the other hand, the quantum of the means of subsistence in which the price of labour is realized might again undergo fluctuations independent of, or different from, the changes of this price.¹ As has been already said, the simple translation of the value, or respectively of the price, of labour-power into the exoteric form of wages transforms all these laws into laws of the fluctuations of wages. That which appears in these fluctuations of wages within a single country as a series of varying combinations, may appear in different countries as contemporaneous difference of national wages. In the comparison of the wages in different nations, we must therefore take into account all the factors that determine changes in the amount of the value of labour-power; the price and the extent of the prime necessities of life as naturally and historically developed, the cost of training the labourers, the part played by the labour of women and children, the productiveness of labour, its extensive and intensive magnitude. Even the most superficial comparison requires the reduction first of the average day-wage for the same trades, in different countries, to a uniform working day. After this reduction to the same terms of the day-wages, time-wage must again be translated into piece-wage, as the latter only can be a measure both of the productivity and the intensity of labour.

In every country there is a certain average intensity of labour below which the labour for the production of a commodity requires more than the socially necessary time, and therefore does not reckon as labour of normal quality. Only a degree of intensity above the national average affects, in a given country, the measure of value by the mere duration of the working-time. This is not the case on the universal market, whose integral parts are the individual countries. The average intensity of labour changes from country to country; here it is greater, there less. These national averages form a scale, whose unit of measure is the average unit of universal labour. The more intense national labour, therefore, as compared with the less intense, produces in the same time more value, which expresses itself in more money.

But the law of value in its international application is yet more modified by the fact that on the world-market the more productive national labour reckons also as the more intense, so long as the more productive nation is not compelled by competition to lower the selling price of its commodities to the level of their value.

In proportion as capitalist production is developed in a country, in the same proportion do the national intensity and productivity of labour there rise above the international level.² The different quantities of commodities of the same kind, produced in different countries in the same working-time, have, therefore, unequal international values, which are expressed in different prices, i.e., in sums of money varying according to international values. The relative value of money will, therefore, be less in the nation with more developed capitalist mode of production than in the nation with less developed. It follows, then, that the nominal wages, the equivalent of labour-power expressed in money, will also be higher in the first nation than in the second; which does not at all prove that this holds also for the real wages, i.e., for the means of subsistence placed at the disposal of the labourer.

But even apart from these relative differences of the value of money in different countries, it will be found, frequently, that the daily or weekly, &c., wage in the first nation is higher than in the

second, whilst the relative price of labour, i.e., the price of labour as compared both with surplus-value and with the value of the product, stands higher in the second than in the first.³

J. W. Cowell, member of the Factory Commission of 1833, after careful investigation of the spinning trade, came to the conclusion that

“in England wages are virtually lower to the capitalist, though higher to the operative than on the Continent of Europe.”⁴

The English Factory Inspector, Alexander Redgrave, in his report of Oct. 31st, 1866, proves by comparative statistics with continental states, that in spite of lower wages and much longer working-time, continental labour is, in proportion to the product, dearer than English. An English manager of a cotton factory in Oldenburg declares that the working time there lasted from 5:30 a.m. to 8 p.m., Saturdays included, and that the workpeople there, when under English overlookers, did not supply during this time quite so much product as the English in 10 hours, but under German overlookers much less. Wages are much lower than in England, in many cases 50%, but the number of hands in proportion to the machinery was much greater, in certain departments in the proportion of 5:3.

Mr. Redgrave gives very full details as to the Russian cotton factories. The data were given him by an English manager until recently employed there. On this Russian soil, so fruitful of all infamies, the old horrors of the early days of English factories are in full swing. The managers are, of course, English, as the native Russian capitalist is of no use in factory business. Despite all over-work, continued day and night, despite the most shameful under-payment of the workpeople, Russian manufacture manages to vegetate only by prohibition of foreign competition.

I give, in conclusion, a comparative table of Mr. Redgrave's, on the average number of spindles per factory and per spinner in the different countries of Europe. He himself remarks that he had collected these figures a few years ago, and that since that time the size of the factories and the number of spindles per labourer in England has increased. He supposes, however, an approximately equal progress in the continental countries mentioned, so that the numbers given would still have their value for purposes of comparison.

AVERAGE NUMBER OF SPINDLES PER FACTORY	
England , <i>average of spindles per factory</i>	12,600
France , <i>average of spindles per factory</i>	1,500
Prussia , <i>average of spindles per factory</i>	1,500
Belgium , <i>average of spindles per factory</i>	4,000
Saxony , <i>average of spindles per factory</i>	4,500
Austria , <i>average of spindles per factory</i>	7,000
Switzerland , <i>average of spindles per factory</i>	8,000
AVERAGE NUMBER OF PERSONS EMPLOYED TO SPINDLES	
France	<i>one person to 14 spindles</i>
Russia	<i>one person to 28 spindles</i>
Prussia	<i>one person to 37 spindles</i>
Bavaria	<i>one person to 46 spindles</i>
Austria	<i>one person to 49 spindles</i>
Belgium	<i>one person to 50 spindles</i>
Saxony	<i>one person to 50 spindles</i>

Switzerland	<i>one person to 55 spindles</i>
Smaller States of Germany	<i>one person to 55 spindles</i>
Great Britain	<i>one person to 74 spindles</i>

“This comparison,” says Mr. Redgrave, “is yet more unfavorable to Great Britain, inasmuch as there is so large a number of factories in which weaving by power is carried on in conjunction with spinning” (whilst in the table the weavers are not deducted), “and the factories abroad are chiefly spinning factories; if it were possible to compare like with like, strictly, I could find many cotton spinning factories in my district in which mules containing 2,200 spindles are minded by one man (the minder) and two assistants only, turning off daily 220 lbs. of yarn, measuring 400 miles in length.”⁵

It is well known that in Eastern Europe, as well as in Asia, English companies have undertaken the construction of railways, and have, in making them, employed side by side with the native labourers, a certain number of English working-men. Compelled by practical necessity, they thus have had to take into account the national difference in the intensity of labour, but this has brought them no loss. Their experience shows that even if the height of wages corresponds more or less with the average intensity of labour, the relative price of labour varies generally in the inverse direction.

In an “Essay on the Rate of Wages,”⁶ one of his first economic writings, H. Carey tries to prove that the wages of the different nations are directly proportional to the degree of productiveness of the national working days, in order to draw from this international relation the conclusion that wages everywhere rise and fall in proportion to the productiveness of labour. The whole of our analysis of the production of surplus-value shows the absurdity of this conclusion, even if Carey himself had proved his premises instead of, after his usual uncritical and superficial fashion, shuffling to and fro a confused mass of statistical materials. The best of it is that he does not assert that things actually are as they ought to be according to his theory. For State intervention has falsified the natural economic relations. The different national wages must be reckoned, therefore, as if that part of each that goes to the State in the form of taxes, came to the labourer himself. Ought not Mr. Carey to consider further whether those “State expenses” are not the “natural” fruits of capitalistic development? The reasoning is quite worthy of the man who first declared the relations of capitalist production to be eternal laws of nature and reason, whose free, harmonious working is only disturbed by the intervention of the State, in order afterwards to discover that the diabolical influence of England on the world market (an influence which, it appears, does not spring from the natural laws of capitalist production) necessitates State intervention, i.e., the protection of those laws of nature and reason by the State, alias the System of Protection. He discovered further that the theorems of Ricardo and others, in which existing social antagonisms and contradictions are formulated, are not the ideal product of the real economic movement, but on the contrary, that the real antagonisms of capitalist production in England and elsewhere are the result of the theories of Ricardo and others! Finally he discovered that it is, in the last resort, commerce that destroys the inborn beauties and harmonies of the capitalist mode of production. A step further and he will, perhaps, discover that the one evil in capitalist production is capital itself. Only a man with such atrocious want of the critical faculty and such spurious erudition deserved, in spite of his Protectionist heresy, to become the secret source of the harmonious wisdom of a Bastiat, and of all the other Free-trade optimists of today.

¹ “It is not accurate to say that wages” (he deals here with their money expression) “are increased, because they purchase more of a cheaper article.” (David Buchanan in his edition of Adam Smith’s “Wealth of Nations,” 1814, Vol. 1, p. 417, note.)

² We shall inquire, in another place, what circumstances in relation to productivity may modify this law for individual branches of industry.

³ James Anderson remarks in his polemic against Adam Smith: “It deserves, likewise, to be remarked, that although the apparent price of Labour is usually lower in poor countries, where the produce of the soil, and grain in general, is cheap; yet it is in fact for the most part really higher than in other countries. For it is not the wages that is given to the labourer per day that constitutes the real price of labour, although it is its apparent price. The real price is that which a certain quantity of work performed actually costs the employer; and considered in this light, labour is in almost all cases cheaper in rich countries than in those that are poorer, although the price of grain and other provisions is usually much lower in the last than in the first.... Labour estimated by the day is much lower in Scotland than in England.... Labour by the piece is generally cheaper in England.” (James Anderson, “Observations on the Means of Exciting a Spirit of National Industry,” &tc., Edin. 1777, pp. 350, 351.) On the contrary, lowness of wages produces, in its turn, dearness of labour. “Labour being dearer in Ireland than it is in England ... because the wages are so much lower.” (N. 2079 in “Royal Commission on Railways, Minutes,” 1867.)

⁴ (Ure, op. cit., p. 314.)

⁵ (“Reports of Insp. of Fact.,” 31st Oct., 1866, pp. 31-37, passim.)

⁶ “Essay on the Rate of Wages, with an Examination of the Causes of the Differences in the Condition of the Labouring Population throughout the World,” Philadelphia, 1835.