



OXFORD JOURNALS
OXFORD UNIVERSITY PRESS

East London

Author(s): F. C. Huntington

Source: *The Quarterly Journal of Economics*, Oct., 1889, Vol. 4, No. 1 (Oct., 1889), pp. 83-96

Published by: Oxford University Press

Stable URL: <https://www.jstor.org/stable/1883004>

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in value between them, we should have no motive for saving. Surely, it is not the saving that makes us value the thing saved. If interest is due to abstinence, value is due to cost. The two hang together, and have a common proof or disproof.

Mr. Giddings's theory, then, of the cost of capital may be true or false; but it cannot be supplement or complement of a radically different doctrine about the mutual relations of cost and value.

J. BONAR.

EAST LONDON.*

MUCH has been written of late about the squalor and vice of East London and of that seemingly vast horde, the army of the unemployed. Most realistic pictures of starving mothers and naked children have filled the newspapers. Now comes the practical question, Are these individual cases, presented with such dramatic effect, typical of East London life? We are satisfied as to the intensity of the evil; but what is its extent? These are the questions which the book before us attempts to answer. It is not a sensational account of misery and crime, but a sober and careful investigation of the actual conditions of life and labor in East London.

The area dealt with — East London and Hackney — contains about 900,000 inhabitants, whom Mr. Booth has divided into eight classes according to their means, and into sections according to employments. The second division, in connection with the first, shows the numbers contributed by each trade to the different grades of poverty. The statistics relied on for making these divisions are those gathered by the School Board visitors. Every house in the district is visited, and information obtained in regard to every family having children of school age. In this way, about one-half of the population is tested, and then the assumption is made that the whole will be divided among the different classes in the same proportions. The assumption is evidently unwarranted in the case of the lowest class of all,—those whose

* *Labor and Life of the People*. Vol. I. East London. Edited by Charles Booth. Contributors: Charles Booth, Beatrice Potter, David F. Schloss, Ernest Aves, Stephen N. Fox, Jesse Argyle, Clara E. Collet, H. Llewellyn Smith. London: Williams & Norgate. 1889.

children live in the gutter, if they live anywhere; and, in trying to count this class, Mr. Booth frankly admits that he has had some difficulty. Even in the classes above the lowest, the validity of the assumption may well be questioned; though, for these classes at least, it seems fair to assume that the condition of the whole mass is at any rate no worse than that of the portion who have children of school age. Nevertheless, though the figures may not be exact, they are probably as near the truth as is necessary for all practical purposes. In fact, it does not seem that the problem of poverty would be much altered by the mistake of a few hundreds, here and there, as to the number of men who live on five shillings a week compared with those who live on seven. We wish to know in a general way how large a problem has to be dealt with, and Mr. Booth's figures certainly give this information.

The division into classes is of course arbitrary: to separate the poor from the very poor, on the one side, and the just not poor on the other, is largely a matter of taste. In order to understand Mr. Booth's figures, we must get some idea of his method of drawing lines. Roughly, then, his eight classes are as follows:—

A. The lowest class of occasional laborers, loafers, and semi-criminals. Their life is the life of savages, with vicissitudes of extreme hardship and occasional excess. Their food is of the coarsest description, and their only luxury is drink. . . . They render no useful service, they create no wealth: more often they destroy it. They degrade whatever they touch, and as individuals are perhaps incapable of improvement. (p. 38.)

As mentioned above, the estimate for this class is much more uncertain than the others. It is put at 11,000, or $\frac{1}{40}$ of the population; but Mr. Booth is confident that, whatever be the exact numbers, they bear a small proportion to the rest of the population.

The hordes of barbarians of whom we have heard, who, issuing from their slums, will one day overwhelm modern civilization, do not exist. There are barbarians, but they are a handful, a small and decreasing percentage: a disgrace, but not a danger. (p. 39.)

B. "Casual earnings, 'very poor,'" those who live in a state of chronic want. The members of this class do not, on

an average, get more than three days' work in a week; but many of them want no more.

The ideal of such persons is to work when they like and play when they like; these it is who are rightly called the "leisure class" amongst the poor,—leisure bounded very closely by the pressure of want, but habitual to the extent of second nature. (p. 43.)

Many persons in B, however, have fallen rather by misfortune than by negligence from the higher classes. The whole of this class adds up to about 100,000, or $11\frac{1}{4}$ per cent. of the population. Their average expenditure, obtained from the actual accounts of several families, is put at 5s. a week per male adult. One family mentioned is composed of a casual dock laborer in poor health, a consumptive wife, a son of eighteen, who gets regularly 8s. a week as carman's boy, and two girls of eight and six. They live in two rooms about 10 feet square each, which, one is surprised to learn, are "patterns of tidiness and cleanness." It is added, however, that this is not common with Class B. Their rent is about 17s. a month. On firing and the like, they spend in five weeks 10s. 4d.,—a very large amount, to be explained probably by the fact that they are invalids. As for food, each meal, per person, costs about 1d., and consists of $\frac{1}{2}$ pound of bread and $\frac{1}{2}$ ounce of butter, besides tea, milk, and sugar. This diet is varied occasionally by small quantities of fish, bacon, and eggs, besides charitable soup.

Imagine the man a drunkard or the woman a slattern, or take away the boy who earns half the income and put in his place a child of ten or twelve who earns nothing and must be fed, and it is easy to realize that extremer form of want when distress is felt or complete pauperism supervenes. From the poor living of the family there is no room to subtract anything; but Class B, none the less, contains numbers who are worse off than this family. (p. 141.)

C. "Intermittent earnings, } together 'the poor.'"
D. "Small regular earnings, }

The distinction between C and D in matter of income is not very clearly defined and hard to determine. Members of Class C are said to be peculiarly the victims of competition and depression in trade. When the dull season comes in any trade, the worst workmen are thrown out of employment and

bear the brunt of the misfortune; and, as will be seen later, there are many trades in East London in which employment, from one cause and another, is particularly irregular. As a natural result of this irregularity of income, Class C are, in general, improvident. The following quotations will give perhaps a sufficiently clear idea of the position of Classes C and D, taken together:—

The poor (C and D) are those whose means may be sufficient, but are barely sufficient for decent independent life. (p. 33.) Though they would be much better off for more of everything, they are not “in want.” They are neither ill-nourished nor ill-clad, according to any standard that can reasonably be used. Their lives are an unending struggle and lack comfort, but I do not know that they lack happiness. (p. 131.)

In both these classes, the women generally eke out the men’s earnings. The average weekly expenditure per male adult is put, taking C and D together, at about 7*s.* 6*d.*; while that of Class E, the next above, is 10*s.*

E. “Regular standard earnings, above the line of poverty.” This class forms perhaps 42 per cent. of the whole population, and may be said to be independent and fairly comfortable. The men earn from 22*s.* to 30*s.* per week; and, as a rule, their wives do not work, though the children all do.

F is still higher, including the better paid artisans, foremen, and small employers. Many small employers are found, however, below this class, and are sometimes as poor as the hands whom they employ.

G. “The lower middle class,—shop-keepers, small employers, clerks, etc.,—a hard-working, sober, energetic class.”

H. “Upper middle class. All above G are lumped together, and may be shortly defined as the servant-keeping class.”

Bearing in mind, then, the meaning of the different letters, as briefly indicated above, the distribution of numbers between the different classes in East London and Hackney may be seen from the following table:—

A,	11,000	E,	377,000
B,	100,000	F,	121,000
C,	74,000	G,	34,000
D,	129,000	H,	45,000
		Total,	891,000

Grouping the classes together, A, B, C, and D are the classes of poverty sinking into want, and add up to 314,000, or 35 per cent. of the population; while E, F, G, and H are the classes in comfort rising to affluence, and add up to 577,000, or 65 per cent. of the population (p. 62).

No careful comparison with the rest of Great Britain is attempted; but Mr. Booth states that he takes E and F together as truly representing the standard of life in England.

If these figures be correct, the majority of the people in East London have assuredly no cause for complaint. The 100,000, however, who live on 1*d.* meals, will hardly be comforted by the fact that the majority of people in their district have enough to eat. Taken absolutely, the number in abject poverty is not a small one; and it is by no means the object of the book before us to underrate the gravity of the situation. In fact, the reader is warned against striking a balance between one man's pain and another's pleasure.

Poverty in East London we know exists, and we have now some idea of its dimensions. But what are the causes? Further, what, if any, is the remedy? This second question the book in hand does not attempt to answer: its object is merely an impartial statement of the facts, though, as we shall see later, Mr. Booth cannot resist throwing out a few suggestions as to remedies. The causes of poverty he divides into three groups: "Questions of employment, lack of work (including incapacity), or low pay; questions of habit, idleness, drunkenness, or thriftlessness; questions of circumstance, sickness, or large families" (p. 146). On this basis, he has analyzed 4,000 cases of the poor and very poor. In classes A and B, for instance, the poverty of 55 per cent. of the cases analyzed is put down to questions of employment. In regard to this, he states that, though there may be many good enough men now walking about idle,

Those of their number who drop low enough to ask charitable aid rarely stand the test of work. Such usually cannot keep work when they get it. Lack of work is not really the disease with them, and the mere provision of it is therefore useless as a cure. (p. 149.)

The value of such a classification is at least questionable. If lack of work includes incapacity, the line between questions of employment and questions of habit would seem to be very

shady. A man is thriftless and has irregular employment and low pay: is his thriftlessness the cause of his irregular employment, or has irregular employment made him thriftless? No doubt the two things interact; and, in any such case, the way the balance turns in deciding whether the circumstances make the man or the man the circumstances would seem to depend largely on the bias of the person making the decision. The Socialist loudly insists that the industrial system only is at fault, and everybody knows the well-worn reply that the evil in human nature defies any industrial system.

Before deciding whether a system of industry is at fault or not, one thing needful is to find out what the system is. This is the task undertaken in Part II. We have laid before us descriptions of the various trades in East London, the actual circumstances under which men work. Among all these facts, to say which is cause and which effect is by no means easy; but it is something to have the facts.

If the reader wishes details of the almost countless processes through which a coat or a boot wanders to completion, or of "shillings per week" in innumerable cases, he will find them in almost too great abundance. This part of the book suffers from being written by so many hands. It is to be regretted, for instance, that Mr. Booth's A, B, C classes, with which the reader has with some difficulty become familiar, should now entirely disappear. Each writer* pursues his own method, and the reader is left to himself to make comparisons between masses of details differently arranged.

Here, however, we can do no more than note one or two of the general characteristics; and these are not hard to discover. To an American reader, the most striking is the fact that, wherever the nature of the trade permits, the greater part of the work is done, not in factories, but in the homes, either of small employers with a few hands under them or of individual workmen, assisted perhaps by their wives and children. Yet it must not be imagined that this is the old system under which each workman makes the whole journey from raw

* For the eight chapters in Part II. there are seven writers.

material to finished product. On the contrary, division of labor is pushed to its extremes. The man who makes the sole of a shoe has nothing to do with the heel. Work is given out over the counter of a wholesale house, sometimes to the individual workman, who brings it back advanced only one short stage, but more often to a man who agrees to put it through several processes. He is a small employer, perhaps, who has under him men of different degrees of skill, or he does one part of the work himself, gets one neighbor with a machine to do another part, and gives another neighbor still a different task.

The organization of labor varies with the circumstances of each trade. In tailoring, for instance, the group of workers necessary to turn out a coat are generally in one shop, but with the making of trousers and waistcoats they have nothing to do. As to the size of the shops, we learn that, of 901 Jewish coat-makers employing hands other than their own family, 76 per cent. employed under 10 hands, while only 16 per cent. employed over 25 hands. In the furniture trade, on the other hand, though there are several general subdivisions, the most excessive specialization is found not in the making of parts, but in the making of different finished articles. No elaborate organization of labor in a single workshop is required. Thus, in the furniture trade, it is exceedingly easy to set up for one's self. A man may very soon learn how to knock together a wardrobe, though he has not the faintest conception of how to construct a chair. He gets credit from the little timber merchant hard by; and, since he needs but few tools, almost no capital is necessary. He knows the prices for which his former master worked, and he goes to the wholesale warehouse and makes a lower bid. If there are mouldings to be made by machines, there is a shop in the next street where he can get the work done. In these shops, by the way, there seems to be a custom of letting each machine, a turning-lathe or whatever it may be, to an individual who works in the shop on his own account.

Thus, whatever the particular circumstances of each trade, the general tendency is toward great specialization of industry under the management of small employers,—the much ma-

ligned "sweaters."* The "sweater" has been held up before the public as a monster, sucking the life-blood of the laborer. This illusion may be dispelled by reading the chapter on "Sweating" in Part III. It appears that the smallest employers in most cases work harder than the hands they employ; while — since it is so easy to become an employer — competition reduces their profits to such an extent that in many cases they earn even less than their hands. The larger employers may make more profits; but, on the other hand, their laborers are better paid and have more regular work than they would be able to get by themselves or under the small employers.

It is suggested (coming back again to the question of causation) that this system of small employers lowers wages by vastly increasing competition. Yet it would seem that the small employer merely acts as proxy for the laborers themselves. Do away with this connecting link, the small employer, and let the wholesale house employ all the laborers directly (some of the small employers becoming foremen, perhaps),—as long as the number of laborers remains the same, will not competition force down wages to the same extent? But, it is urged, it is this very competition which causes low wages; and, on account of the rivalry of the small employers, combination is difficult, though, even as things are, it is, perhaps, not impossible.

Cut-throat competition among the small masters themselves and between the large master and small could and should be checked by combination. The lack of united action between small masters and those they employ plays into the hands of the only approach to a "monster" I have met with in my researches,—namely, the wholesale house, which strictly puts into practice the precepts of the economists, cheapening that which it buys, irrespective of personal feeling. (p. 497.)

In fact, in many passages in the book where competition is spoken of as one of the main causes of low wages, stress is

*The word "sweater" seems to have been originally used by tailors to describe contemptuously those who worked at home out of hours. Then it came to mean the "chamber" or "garret" master,—he who makes others sweat. Finally, the word has been accepted by the general public "as meaning any employer whose work-people are badly paid, harshly used, or ill provided with accommodation, or any subcontractor or middleman who squeezes a profit out of the labor of the poor." (p. 481.)

laid, not on the number of men who are competing for work, but on the fact that among these men, whatever their numbers, there is competition instead of combination. Yet there is no lack of authority and reason for the statement that trades-unions are only successful in permanently raising wages in so far as they limit the numbers of the workmen; and it is much to be doubted whether, in the case of these laborers at the bottom of the social scale, trades-unions would bring about that result. Particular trades-unions have been successful in so far as they have kept out other laborers: now, these laborers we are considering are the very men who have been kept out. They are confined to a limited portion of the industrial field, and it might be argued that it is largely at their expense that trades-unions have prospered.

But to come back to our system of small employers, it is to be said that Mr. Booth considers it only a symptom of the disease; the real causes lie deeper. In short, as indeed every one knows, the standard of the laborer must be raised. Nevertheless, the system, it is said, is in many ways an aggravation of the evil. It is accountable, for instance, for much of the irregularity of employment, and also for the bad sanitary conditions under which the work is done. A large factory with expensive plant must be kept running; but the orders given out over the counter of a wholesale house can be expanded and contracted at pleasure, thus accentuating the perhaps inevitable slack seasons. In most of the trades in East London, the distinction between the dull and the active seasons is well marked. In tailoring, for example, the busy seasons are from March to August and October to Christmas; while at other times men are out of work for weeks together.*

*In many cases, irregularity comes from the nature of the trade itself. The most marked case of this kind is the employment at the docks. Steamships must be unloaded when they arrive, be it noon or midnight; and arrivals are by no means evenly distributed. There is, it is true, a permanent staff of laborers, but, besides these, a vast rabble outside the gates, who are employed only as occasion demands. These "casuals" are apparently the very dregs of civilization; and any man of better calibre, driven by circumstances to seek work at the dock-gates, is soon demoralized by the irregularity and uncertainty of employment. The known fact, moreover, that at the docks no questions as to a man's character are asked, is said to act as a direct encouragement in many a downward career. The whole system is compared to "out-door relief" on a large scale, and the evils summed up in "the seemingly paradoxical statement,—the difficulty of living by regular work and the ease of living without it."

We have spoken of the small employer as characteristic of the East End; but there are certain industries which are carried on wholly in factories,—tobacco (on account of excise regulations), confectionery, and match industries. A chapter is devoted to “Tobacco Workers”; and we learn that, in general, wages are “distinctly above the average of the other local industries. But it must be borne in mind that a very large part of the labor employed is ‘skilled,’ and requires a term of apprenticeship and a degree of excellence that would always command adequate remuneration.” (p. 371.) We are warned, moreover, against drawing any hasty conclusion that the factory system should be applied to all other industries in East London. “Each trade, in fine, must be examined in connection with its immediate surroundings.” (p. 388.)

Thus we see that it is impossible to put one’s finger on any one thing and say, This is the cause of poverty in East London. The multitude of apparent proximate causes, brought out by an investigation of special cases, presents a problem in the resolution of forces by no means easy to solve; and it is doubtful if any man will ever be able, except by actual experiment (which of course would have to be on some enormous scale), to persuade the world that his particular solution is the right one.

Yet, though, as before mentioned, the main purpose of the book is to state facts, not theories, Mr. Booth throws out a suggestion as to remedy; and it is an interesting one. He speaks of his plan as a “limited form of Socialism.” Individual freedom of action is the ideal, and works well in the case of those members of the community who are fit for it; but there are certain classes who, like children, are incapable of taking care of themselves. They should be put into leading-strings. Let Classes A and B, who, as matters now stand, are worse than useless to the community, be set to work under State supervision. Take them to some spot by themselves, give them decent lodgings, and let them live in families as now; but make them work, take possession of the product and support them. No doubt, the profits on this kind of slave-keeping would be a minus quantity; but these classes to-day

cost the community a vast amount. If any man's work does not come up to a certain standard, ship him off to the workhouse, where the restrictions are more severe. If, on the other hand, a family becomes industrious and thrifty, surpassing a certain standard in productive power, let them go free.

Of course, the danger is that this support provided by the State will prove too attractive to the laboring classes generally. To prevent this result, restrictions are to be put on the liberty of the individual. There is a question, no doubt, whether anything short of absolute imprisonment would do. But, provided you make the conditions disagreeable enough, the effect on the outside world is that of a threat. Live up to a certain standard, or off you go to this improved form of workhouse,—such is the mandate given to every man.* The question of population, however, is an ugly one. The system, instead of acting as a threat, might be taken as an insurance against risk. Men would know that they and their children could not go very far to the bad, because, if they began to sink into the mire, the State would be at hand to help them out and set them on their feet again.

Mr. Booth's plan, however, is not developed in detail; and it may be that all such difficulties are to be successfully met. He makes no suggestions for immediate action, and is by no means like the Socialist, who apparently desires to destroy and rebuild society in a single night. Mr. Booth merely indicates the line in which he thinks experiments should be tried. We must be rid of the lowest classes. Since killing them is out of the question, there is nothing left but to improve them. How can it be done? Such is the problem,—not a new one. Indiscriminate almsgiving has been tried, and has done little except to bid the beggar increase and multiply. Already, charity is being organized; and Mr. Booth proposes organization more complete. His solution of the problem is, in fact, a compromise between Individualism and Socialism. To quote his own words:—

My idea is to make the dual system, Socialism in the arms of Individualism, under which we already live, more efficient by extending some-

* It is obvious that there might be some difficulties in practice in deciding on a standard, and again in deciding whether a given case were above or below the standard chosen.

what the sphere of the former, and making the division of function more distinct. Our Individualism fails because our Socialism is incomplete. In taking charge of the lives of the incapable, State Socialism finds its proper work, and, by doing it completely, would relieve us of a serious danger. The Individualist system breaks down as things are, and is invaded on every side by Socialistic innovations; but its hardy doctrines would have a far better chance in a society purged of those who cannot stand alone. Thorough interference on the part of the State with the lives of a small fraction of the population would tend to make it possible, ultimately, to dispense with any Socialistic interference in the lives of all the rest. (p. 167.)

To come back from the region of theory to that of fact, we find in Part III. an interesting chapter on "Influx of Population." Under this heading, one is surprised to learn that, though the influx has been large, it has been exceeded by the efflux. Although, between 1871 and 1881, the population of East London and Hackney was increased by 114,138, yet the excess of births over deaths within the district itself accounted not only for the whole of this increase, but for 6,928 more. Nevertheless, in spite of this overflow, 280 out of every 1,000 of the population in 1881 were immigrants from the outside. Out of this 280, 248 appear to have been born in the United Kingdom and but 32 abroad. Such are the census returns; but there are apparently reasons for believing that the number of foreign-born inhabitants is understated. Since 1881, owing largely to persecution abroad, there has been a large increase in the influx of foreign Jews. It is estimated that to-day there are at least 60,000 Jews in East London (about one-twelfth of the population), and that half of them are foreign-born; but for the present, at any rate, the influx is said to be at an end.

The chapter on the "Jewish Community," by the way, is particularly interesting, and presents a very vivid picture. Popular prejudice has so distorted our ideas of the Jew that to many readers it may be a surprise to find how many good qualities he has. Hunted out of Russia or Poland, he has brought with him, not material wealth, but a trained intellect and a capacity for endurance almost beyond belief. Not so much by craft and cunning as by hard work and prudent saving, he rises from almost absolute destitution to comfort

and gaudy splendor. He is kind to his wife and children, and he is a peaceable citizen.

In marked contrast with this rise of the Jew is the downward progress of the strong and hearty English countryman. We quote at length the conclusion of the chapter on "Influx of Population":—

The movement of the Jewish immigrants when once absorbed into London is, as has been observed in a previous chapter, a movement upwards from below. This is in sharp distinction to the movement of the influx from the country. The characteristics of the Jew which make for success—his persistency, his adaptability, his elastic standard of comfort—are discussed elsewhere. Jewish London is kept down by the foreign element, with the standard of living and cleanliness of Warsaw drifting in from below, afterwards to be transformed into industrious citizens. English London is kept up in bone and sinew and energy by the country element pouring in from above, afterwards to be transformed into waste.

It is the result of the conditions of life in great towns, and especially in this, the greatest town of all, that muscular strength and energy get gradually used up. The second generation of Londoners is of lower physique and has less power of persistent work than the first, and the third generation (where it exists) is lower than the second.

A certain proportion—the weak, the shiftless, the improvident (and of these many are born daily into the world)—are deposited every year from the ranks of labor, and form a kind of sediment at the bottom of the social scale.

To speak of these men as elbowed out by incomers is an abuse of language. The work that the country immigrant does is what they might like to be paid for performing, but certainly not what they could perform. . . . If we must use a metaphor, though metaphors are usually misleading, I should rather liken the process to a suction from within than a pressure from without,—a vacuum created by the process of precipitation and filled in by an influx from around.

Whatever loss to society may be implied by the drain of countrymen into London, it is no loss to London itself. It is a vivifying, not a death-bringing stream. We may cry, "London for the English," if we will; he would be rash indeed who cried, "London for the Londoner." (p. 553.)

Of the book as a whole, it is to be said that it presents not hasty generalizations, but 600 pages crowded with facts. Yet, in spite of its 600 pages, it is only the first volume, and by no means exhausts the subject. It contains a vast amount of material which we have not dwelt upon (such, for example, is the description of workingmen's clubs); but, as is pointed

out in the concluding chapter, there are several topics which the book hardly mentions. "Drink is treated incidentally, but deserved a prominent place. On the 'Housing of the Poor' nothing is said. Early marriages, prostitution, education, religion, are barely touched upon." (p. 591.)

The facts which are stated, however, appear to have been very carefully collected, and are for the most part presented in such a way as to leave a distinct impression on the mind. For the casual reader there are, no doubt, some dreary wastes of statistics; but, on the whole, one gets not merely inanimate rows of figures, but a picture of life. In two words, the book is long, but interesting.

F. C. HUNTINGTON.