

History's Verdict on Wage Control

By Edward Atlas

Congress recently defeated a measure for the control and regulation of wages and hours. The defeat may be attributed largely to differences between the American Federation of Labor and the Committee for Industrial Organization over the form regulation should take.

Some sort of wage-hour bill may be resubmitted to the next regular session of Congress. Yet, regardless of what form the measure may take, it will prove powerless to govern wages. History affords an interesting example of an attempt to regulate wages by law—the Statute of Laborers in England—and a convincing demonstration of its futility.

In England, in the first half of the fourteenth century, under the feudal system, lands of manors were divided pretty equally between the lord and the tenants. Each tenant usually had a garden plot surrounding his cottage and, in addition, generally had the right to use wood from the lord's timber, except oak and ash, and to use common pastures without stint. Perhaps half the area of England was held in common. Under such conditions it is not surprising that the wages of laborers were relatively high.

High though wages were, there occurred, in 1348, an event which raised them higher still. In that year the Black Plague appeared in England and carried away, on a conservative estimate, one-third of the population. The immediate economic consequence of the Black Plague was an increased competition among landlords for laborers and so an enhancement of wages.

To combat this situation, King Edward III issued a proclamation and circulated it amongst the sheriffs of the various counties. He directed that no higher wages than those which formerly were customary be paid, under penalties of fines upon the officials, which fines were called amercements. The proclamation was universally disobeyed. The King then laid heavy penalties on landlords if they paid laborers more than the pre-

vious customary wages. Severe penalties were also fixed upon laborers for accepting higher than the previous customary wages. But all to no avail. A rising trend in wage levels persisted.

At the next meeting of Parliament, the King's proclamation was reduced to an act, the famous Statute of Laborers. The essential feature of the statute was its attempt to fix wages of farm laborers at wages customary in the year 1347. The law proved to be no more enforceable than the proclamation. Even the landlords themselves, in the competition between them for laborers schemed to circumvent the act. They were mediaeval "chiselers." One common method was by falsifying the manor rolls to show payments to laborers of less wages than they actually received. Parliament from time to time re-enacted the Statute of Laborers with new penalties and added precautions to plug up loop holes for evasions. Nevertheless, wages maintained their high level in spite of all the law of the realm.

The Statute of Laborers was finally repealed during the reign of Queen Elizabeth. By that time the need for it, from the point of view of the landlords, had disappeared. During the two centuries of its existence, enclosures were taking place in England. The commons were disappearing under force of private appropriation. By the time of Queen Elizabeth's reign, enclosures had progressed sufficiently so that the English farm laborer found that he had lost much of his heritage in the soil of England. He was becoming a landless man.

The economic consequence of enclosures was an increased competition of laborers for employment, and so a decline in wages. What the

Statute of Laborers could not do with all its coercive measures, the quasi-monopoly of land accomplished with ease. From the day of Queen Elizabeth on, England has no longer been troubled with the problem of high wages; from that day to this, her problem has been the problem of pauperism. For over three centuries she has been striving by poor law and dole to provide a bare em-bruting subsistence to a large and ever-increasing portion of her population.

History has thus demonstrated that when natural conditions, i.e. the system of land tenure, were such as to be conducive to high wages, Parliament by law could not, with all the powers at its command, enforce low wages. We may learn from this the lesson, that if natural conditions in this country are conducive to low wages, Congress will find that, with all the powers at its command, it is powerless to decree high wages. Any attempt by Congress to legislate high wages, without disturbing the cause of low wages, can confidently be predicted to be doomed to complete failure. It will be another example of an attack upon the symptom instead of upon the disease.

When statesmen learn that the wages of labor are not a sum of money, but the sum of the goods and services that labor can command; when statesmen learn that the wages of all laborers are based upon what a laborer can earn working for himself upon the most productive land available rent free; in short, when statesmen learn that the wage question is the land question, it is then, and only then, that we can hope to secure legislation for the public appropriation of ground rent, thereby dealing a death blow to land monopoly, the prime cause of low wages.

See: "Progress and Poverty," p. 23, p. 213.



Jailed for Fraud

Two New Jersey real estate men were sentenced to jail two weeks ago for fraudulently promoting, through the mail, lots in Englewood. Only two?