WILEY

Review

Author(s): David F. Schloss

Review by: David F. Schloss

Source: *The Economic Journal*, Vol. 10, No. 40 (Dec., 1900), pp. 532-534

Published by: Wiley on behalf of the Royal Economic Society

Stable URL: <http://www.jstor.org/stable/2956845>

Accessed: 26-06-2016 00:32 UTC

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at

<http://about.jstor.org/terms>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.

Wiley, Royal Economic Society are collaborating with JSTOR to digitize, preserve and extend access to *The Economic Journal*

Geschichte der russischen Fabrik. By M. TUGAN-BARANOWSKY.
Translated into German by Dr. B. MINZÈS. (Berlin : Emil Felber. 1900. London : Williams & Norgate. Pp. vi. and 626. Price 12s.)

PROFESSOR TUGAN-BARANOWSKY'S *History of the Russian Factory*, recently published in St. Petersburg, has been made accessible to a wider circle of readers by a translation into German, the Russian author taking advantage of this opportunity to revise certain portions of the original, in which it had not been possible to express his views as freely as the change of language now permits. A second volume is promised, which will deal with the actual circumstances of factory industry in Russia. In the present work the author traces the growth of the factory system from the days of Peter the Great, who erected numerous factories at the cost of the State, handing them over, when completed, to private *entrepreneurs*; while in other cases persons, who built factories, were assisted by the Government by the grant of large loans, free of interest, and in other ways. Highly skilled foremen were sent for from abroad. Important privileges were conferred both upon manufacturers and upon their workpeople. The result was that, while before Peter's time Russia possessed no factories, at his death the country could boast of 233, some of them fairly large concerns. The total number of the workpeople at present employed in Russian factories and smelting works and on Russian railways is estimated at not less than 3,000,000.

While it is impossible within present limits to attempt an analysis of this bulky volume, a few points of interest may be indicated. The details given in relation to the growth of the cotton manufacturing industry in the first part of the present century are very striking. Comparing the imports of raw cotton and cotton yarn in 1812-15 with those in 1856-60, we find these to have increased nearly seventeen-fold in this period. At first foreign (mainly English) yarn was used. In 1812-15 the weight of raw cotton as compared with that of cotton yarn imported was as 5 to 12, but in 1856-60 as 262 to 21. Thus, already in 1860, the Russian cotton manufacturers had, to a great extent, emancipated themselves from their previous dependence upon the spinning mills of Lancashire.

Taking together all factories of every kind in European Russia, with the exclusion of Poland and Finland, we learn that, while in 1815 there were in operation 4,189 factories with 172,882 employees, in 1861 there were at work 14,148 factories, employing altogether 522,500 workpeople. In 1861 a new era in Russian industry opened with the abolition of serfdom. The effects of this measure were severely felt. In numerous places the emancipated serfs deserted their employment, and a marked decrease in production ensued, from which it took nearly ten years before the industry of Russia completely recovered. With regard to the extraordinary development of Russian manufactures in

more recent years, some figures of a remarkable character are given. Thus, we learn that the output of pig-iron in Russia rose from 514,286 tons in 1886 to 1,430,357 tons in 1895, and the weight of coal raised rose from 3,230,357 tons in 1880 to 8,919,643 tons in 1895.

Not the least interesting pages of Professor Tugan-Baranowsky's book are those which deal with the history of factory legislation in Russia. Already in 1845 a Decree was made forbidding the employment of children under 12 in night-work in factories; but this regulation never had any practical effect; and it was not until 1882 that the first actually operative law for the regulation of children's labour in factories was enacted. By this statute the employment of children under 12 years of age was prohibited, while the working-day of children of 12 to 15 years was restricted to eight hours, and employment at night and on Sundays and holidays was forbidden for juvenile workers. The employers were required to make such arrangements as would permit children, whose elementary education had not been completed, to attend school. A staff of factory inspectors was created in order to secure compliance with the law. This Factory Act was followed, in 1884-86, by further efforts to regulate the labour of children, young persons and women, an Act passed in 1885 prohibiting (experimentally for three years) all night work in the case of women and of young persons of either sex, under the age of 17, in cotton, flax, and wool factories, while a law of 1886 contained important provisions in the nature of our Truck Acts, invested the factory inspectors with increased authority, and at the same time imposed severe penalties upon persons promoting or taking part in strikes, quitting work before the termination of their engagement, or wilfully damaging machinery, &c.

In consequence of the vigorous opposition directed against this novel legislation by the factory owners, a new law was passed in 1890, which weakened in material respects the protection afforded to factory operatives by the previous enactments. The employment of children of 12 to 15 years in glass works was again permitted, and provisions were made enabling exemptions to be granted in relation to the employment of juvenile workers on Sundays and holidays, and in regard to night work by women and young persons of 15 to 17 years. Power was also conferred upon the Minister of Finance, acting in concert with the Ministry of the Interior, to permit in certain cases the employment of children of 10 to 12 years. Thus it lies in the power of the administrative authorities to make the protection afforded to children, young persons, and women by the factory laws to a great extent illusory. But in what manner these authorities have exercised the very wide discretion accorded to them cannot be stated. "With regard to the practical results of the law of 1890, as also with respect to the laws of 1885 and 1886, we are unable," says our author, "to give any information, since the last reports of the factory inspectors relate to the year 1885." The author, however, tells us that the law of 1886 certainly did something to improve the position of factory

operatives. Passing over intermediate legislation of minor importance we come to the Act of 1897, which purports to restrict the labour of all workpeople, including adults. This law provides that workmen exclusively employed in the day-time must not work on ordinary days more than $11\frac{1}{2}$ hours in 24, on Saturdays and on the days preceding the great festivals not more than 10 hours. Workmen, whose labour is employed during the whole or any part of the night, are not allowed to work more than 10 hours out of 24. On Sundays and on great festivals (14 in the year) work must be entirely suspended. But if an agreement to that effect is arrived at between an employer and his workmen, work may be carried on on a Sunday instead of a weekday. The law, however, gives the Government power to grant exemptions from compliance with its requirements in exceptional cases, so that the degree of efficacy possessed by this enactment with regard to the actual regulation of the hours of labour largely depends upon the manner in which the law is, in practice, applied by those to whom its administration is entrusted. Professor Tugan-Baranowsky is of opinion that the Act of 1897 has been practically abrogated by the latest circular of the Ministry of Finance, dated March 14th, 1898, which authorises overtime to be worked absolutely without limitation.

DAVID F. SCHLOSS

The Distribution of Wealth. A Theory of Wages and Interest.

By JOHN BATES CLARK. (New York: Macmillan Co.
London: Macmillan & Co.)

PROFESSOR CLARK labours under a disadvantage incident to the originators of doctrines that have become widely accepted. If the general reader ever dips into Locke or Bacon, he is apt not to be duly impressed with their originality, just because the truths revealed by them have now become common property. A similarly mistaken impression may be formed about this volume, in which the author has incorporated the substance of much that he has contributed to periodicals in the course of the last twenty years. But literary justice requires that we should attribute independent origination to most of his reflections, priority to those which were published before the epoch 1889.

The leading idea of the book, distinguishing it from a future volume which will treat of progress, is the conception of the "static" condition of economics, much the same as Professor Marshall's "Stationary State," in which the "general conditions of production and consumption, of distribution and exchange remain motionless" (*Principles of Economics*, Book V., ch. v., § 2). And yet "it is full of movement; for it is a mode of life" (*ibid.*); or, as Professor Clark says, "industry is always action" (p. 59). That combination of stability and movement which the physicist briefly designates as "steady motion" (*Cp.*, Marshall, *ECONOMIC JOURNAL*, VIII, p. 41) Professor Clark expresses