

because we do not desire the commodity enough to pay the price asked, but because the price asked is so much above the cost of production. If utility determines the maximum that can be obtained, cost of production, in the case of labor, determines the minimum that must be paid in order to secure it for any considerable length of time.

C. E. COLLET.

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The passage criticised was certainly too condensed to be quite free from ambiguity, and its writer can only plead the straitness of the limits of space and time unavoidably imposed on him at Leeds.

The drift was meant to be: (*a*) that the standard of living is not the only lever for raising wages; (*b*) that, on the contrary, the standard is generally raised by means of the raising of the wages, not the wages by means of it; and (*c*) that a high standard cannot be kept up without a restraint on numbers.

Miss Collet points out a case where the standard is raised, not by a raising of the wages, but by co-operative housekeeping or (if you like) by a prudent prolongation of residence in the parents' house instead of the early formation of new households. This is, no doubt, an actual example drawn from Miss Collet's knowledge of East London life. Such cases, however, are, I think, the exception; and the general rule must be chiefly considered when we are dealing with the general rate of wages.

We may look at the matter in this way. Some are born with the high standard, some achieve it, and some have it thrust on them. It seems to me that, whether the workers achieve it or have it thrust on them, in either case the general rule is that high wages come before the high standard.

To take the steps by themselves. The project or idea of increased comfort is not the comfort itself. The idea may be suggested long before there is power to carry it out, and it may long remain simply an unfulfilled aspiration. The actual achievement of it needs fresh resources, whether this means

a greater income or a way of making the old go farther. We can illustrate the matter from recent events in English industry. The burst of manufacturing activity which raised wages in 1873 suddenly put the workers of England in a position to achieve a higher standard; and (in spite of the subsequent depression of trade) many of them have done so permanently, and are now looking to a still higher. The *Economist's* annual summary for 1890, for example, abounds in statements like the following: "Prices have fluctuated, but wages have remained high. The present time sees the impulse of 1873 still in operation among the working classes of England and Scotland."

The high standard was, in a sense, thrust on them in 1873. They are now bent on achieving a high standard. The determined efforts made, especially in the two past years, to secure higher wages and shorter hours seem to show that the more quiet and peaceable way suggested by Miss Collet is thought within the range of the workmen's practical politics. Their leaders, in Germany especially, have even argued that teetotalism and co-operation and vegetarianism simply lead to a lowering of wages, as enabling men to live more cheaply, and therefore work for less money. And this is, of course, what might possibly happen, provided there was no combined action among the workmen. Both the visible and the invisible, or (in Miss Collet's words) the conscious and unconscious, trades-unions seem, as things are, to be essential to victory. The "unconscious" is needed to secure the permanence of the achievement, but it is the conscious that will place the achievement within reach in the first instance. We should all be glad if friction could be avoided, and Miss Collet's more excellent way universally followed. But there are few signs of this.

In regard to the retention of a standard already acquired, our views seem to be in substantial agreement; and, as to the third point touched on in Miss Collet's letter,—the relation of cost to value,—I have too heavily burdened the indulgent pages of this *Journal* with arguments on the subject to add anything more.

J. BONAR.

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