

INTRODUCTORY ESSAY.

T. PAST AND PRESENT.

1. Eight hundred years have now passed since William Domesday of Normandy carried out a great survey of the kingdom he had secured, and embodied the result of his enquiry as to its economic condition in Domesday Book. This work stands out as a great monument which plainly records the general character of English life in bygone days, though there is much difficulty in interpreting the details of the information it contains. A very little consideration of its plan and contents serves to bring to light extraordinary contrasts between the past and the present, and to show the nature of the difficulties which we must face when we attempt to trace. and to describe, the course which English industrial progress has from that time pursued. One need hardly add that there are additional difficulties in regard to the still earlier ages from which but little accurate information survives.

There has been, to begin with the most obvious Contrasts difference, an extraordinary change, since the time of the in the relative im-Conqueror, in the relative wealth and importance of different portance parts of the country. The most casual traveller through England to-day could hardly fail to remark that a very large part of the national industry is concentrated in the northern counties; Lancashire and Yorkshire are occupied by great masses of busy population. The wealth of our coal and iron beds, and the skill we have shown in using these materials, have been important factors in enabling us to secure our present industrial supremacy. These northern counties,

С. Н. 1



2

INTRODUCTORY ESSAY.

where waterpower, as well as coal and iron, is to be found, have attracted to themselves the textile industries, for which they afford both mechanism and power on the easiest terms. London is the great emporium of commerce, but the north of England is the workshop of the world. The records of Norman times portray a very different state of affairs. Neither coal nor iron formed an important item in English industry or trade, and the weaving trade was but little developed. Tin and lead were the chief mineral wealth, and raw wool and hides were the staple articles of trade for many succeeding generations; we had hardly any manufactures to send to foreign markets but we exported raw materials for others to work up.

and different dis-

tricts.

of different industries,

> The staple articles of trade in the Norman period were quite different from those in which we now excel, and the great centres of modern production had not succeeded at that time in attracting any considerable share of the national wealth. York had been an important city in Roman Britain, in some ways more important than London itself,—and Northumbria had been for a time the dominant kingdom in the newly settled England; but the power of the North had begun to wane before the ravages of the Danes, and the rising power of Wessex. The Norman king himself, however, dealt the blow which destroyed it utterly; King William harried the North so thoroughly that page after page of the Survey describes how one manor or another, which had been fairly stocked with meat and men in the time of King Edward, was valueless and waste. The lands between the Ribble and the Mersey had not suffered similarly, but they were scarcely more populous, and long centuries elapsed before they began to take a leading part in the industrial life of England.

Contrasts
in the
character
of town

- 3. If we confine our attention to any one district and contrast its condition at that time and the present day, another series of differences is likely to attract our notice; the striking contrast which we now find between town and country life was then unknown. Our manufacturing towns,
- 1 Cloth was obviously an imported article, see below p. 130, n. 4, on London trade; also on Irish merchants, p. 180, n. 2.



PAST AND PRESENT.

with their masses of population, could hardly have been supplied with the necessaries of life in any age when there were few facilities for internal communication; but even the sleepiest country town, with shops containing goods from all parts of the world, suffices to illustrate the extraordinary change that has taken place. At the time of the great Survey there were hardly any towns, as we understand the term; even in a place like Cambridge¹, which had a fairly A.D. 1086 advanced municipal life, the burgesses were engaged in rural pursuits and were bound to supply teams to the Sheriff; and the men of Leicester were responsible for predial services and made payments in lieu of them at a much later date²; A.D. 1190 the people of the towns were still engaged in agriculture. Again, there were in these towns few if any shops stored with quantities of wares ready for sale. We may specify two of the commonest classes; there were no grocers' shops, for commerce was too fitful to supply foreign wares by regular trade, and no butchers' shops, for these are of comparatively recent introduction even in towns like Aberdeen and Lanarks; while the craftsmen would have a comparatively small stock of finished goods and would for the most part execute work Markets there doubtless were in most of the towns, and a few annual fairs near others; but just because booths, erected on these occasions, sufficed for the greater part of the internal commerce of the country, there was no need for regular shops4 as we know them to-day.

The primitive character of the towns harmonised with a and country condition of rural life that differed much from that which we life. have in the present day; just because the villagers had not learned to depend on shops in the towns for the supply of many commodities, they made more effort to supply themselves. There seems to have been in each village a larger proportion of craftsmen than we should find among the rural population now; each household, or at any rate each little group, had the requisite skill for supplying the main articles

1-2

3

Domesday, 1. 189 a.
See below, p. 215.

⁸ Sampson, History of Advertising, p. 59.

⁴ Shops are frequently mentioned in the *Hundred Rolls*: it appears that the wooden front was made to fold down so as to form a sort of counter. Parker, *Domestic Architecture*, 154.



4 INTRODUCTORY ESSAY.

of clothing and domestic use, so that the villages were not so purely agricultural as they are to-day, while the townsmen had not entirely severed themselves from rural pursuits; differentiation between town and country was incomplete, indeed it would be more true to say that it had hardly begun.

Contrasts in the social structure

The contrasts in regard to the structure of the various industrial groups and the relationships of the persons who composed them, are even more striking than those we have noticed in connection with the external aspects of society. In every kind of industrial group, urban or rural, we may now distinguish three classes,—the landlord who owns the soil where the work proceeds, the employers who supply the capital and the labourers who carry through the actual manual toil. Even in those cases where three classes cannot be distinguished, it is convenient, for the purpose of explaining the process of production and even for understanding the accounts and financial position of any undertaking, to analyse out the factors of Labour, Capital and But though, when we have these distinctions clearly in mind, we may find them in eleventh century society in England, we find them under very different forms; and it is not an exaggeration to say that Capital, as now understood, had no place in the industry of that period. Capital means a store of wealth which can be employed in one direction or another as the prospects of remuneration are more or less favourable; it is part of its very nature that it is fluid; it is continually being expended in tools, materials or wages and replaced by sales, and thus it affords constant opportunities for increased or diminished investment. But though the craftsman of the eleventh century had the few simple tools that were necessary for doing his work, there must have been many cases where he had no stock of materials of his own, but relied on his customer to give the materials or supply money in advance for buying them. While industry was thus conducted, there was no fund which could be used for planting new industries, or calling labour into new directions; stock-in-trade there undoubtedly was, but no Capital as we now use the term.

in regard to Capital,

There were also great differences between Labour, as we



PAST AND PRESENT.

understand it now, and the workers of the time of the Survey. Just as we assume in our ordinary discussions the fluidity of Capital¹, so we are accustomed to take "the fluidity of Labour" for granted and to assume that a man to Labour who cannot get remunerative work in one place will go and seek it in another, so that high wages in one district attract labourers to that locality. But at the time of the Survey, labour was by no means fluid; partly because a very large proportion of the population were serfs who could not move to other estates or to towns, and partly because others had such rights in the land, or at a later date such status in particular towns, that they were unwilling to try their fortunes elsewhere. The labourer, as a man who depended on some employer for the opportunity and means of doing his work, seems to have been almost unknown in the eleventh century.

There were also great differences in regard to land and and the income which was derived from it. The contrast, which Sir John Phear draws between a Bengali and an English proprietor in the present time, holds good between the English proprietor of eight hundred years ago and his successor now. The rent of the proprietor now is directly connected with the physical character of his estate, its productiveness and its situation. The income of the lord of a Domesday Manor depended on the tolls he received, and the payments of his dependents; and thus was based on the way in which his estates were stocked with meat and men, rather than on the physical condition of the land. His income was a very different thing from modern rent.

We may thus see that English Society at the time of the The Survey was so different from our own, that the language connotation in which we habitually discuss the industrial condition of the present day is inapplicable, if we wish to analyse the circumstances of these earlier times. Labour, Capital, and Rent have all altered their connotation so much, that we run considerable risk of confusing ourselves if we are satisfied with adopting modern language to describe the period of the Domesday Survey. This is perhaps the

5

¹ Bagehot, Economic Studies, 41.

² The Aryan Village, 136.



6 INTRODUCTORY ESSAY.

greatest difficulty with which we have to contend; not only have the industry and commerce grown immensely, but the very terms in which we habitually describe them and express our ideas regarding them, have changed their signification as that growth has taken place.

II. THE SCOPE OF ECONOMIC HISTORY.

The Body Economic

5. While the greatness of the changes which we are about to trace makes the task of examining them difficult, the wide extent of the field which we must survey renders it still harder. In analysing and tabulating the events of any brief period, statisticians can separate economic from other phenomena; but in tracing the growth of the different parts of English Society we cannot draw a hard and fast line of separation. The student of morbid anatomy may dissect out the various organs, or describe the alimentary system in itself and with little reference to the nerves, but in the living subject there is no such severance; the alimentary and nervous systems are interconnected, and the process of mastication and digestion would not long continue if the nerves were completely paralysed; if we are discussing the operations of healthy life, or the disorders which actually occur, we cannot neglect the interconnection of the two systems, or treat one fully without an implied recognition of the importance of the other. So too with the constitution and the industrial system of a State. We may separate them in thought or verbally, but they never are and never can be separated in actual life; for purposes of study it may often be convenient to look at them apart, but if we are to understand their working at any one time, still more if we are to understand the changes which have taken place in the course of centuries, we must bear in mind that economic and political circumstances constantly re-act on one another. The forces which are applied to the maintenance and enrichment of the inhabitants of England, have been controlled in very different ways and to very different degrees at various periods of our history; but at each epoch we have had to do,



SCOPE OF ECONOMIC HISTORY.

not with dead matter, but with a living organism; we cannot comprehend the growth of our industrial system, without an implied recognition of the constitutional changes that were taking place side by side.

Indeed a very few moments' consideration will show us The interthat there is no fact in our nation's history but has some of events.
traceable bearing on the industry of the time, and none that
we should be justified in ignoring as if it were wholly unconnected with our subject. Wars and Revolutions, Court
Intrigues as well as Religious Movements, have all had an
industrial side; they have dissipated wealth, or they have
altered the conditions under which wealth was obtained, or
the terms on which it was divided, or perhaps they have
done all three. Numberless cases might be alleged where
trifling incidents have been links in the chain of causes that
have produced most marked industrial effects.

There is more need to insist on this interconnection between industrial and commercial history on the one hand, and the constitutional, dynastic, or any other side of our national story on the other, because the fact seems to be imperfectly recognised in some of our best historical works. The manner of treatment sometimes adopted conveys the impression that facts about industry and commerce can be easily distinguished from the rest, and dealt with in separate chapters; but this can never be a thorough way of working. We might indeed gather the facts of industry, but not the facts that have a bearing on industry and explain the changes in industry; and if we wish to understand the real progress we must pay some attention to both.

It might have seemed that by insisting that the sphere of The sphere our study is so extensive, we are making the task a hopeless one. If such a mass of facts is to be taken into account, how are we to use them, or to hope to obtain conclusions from them? We shall have to group them in some way, and if our conclusions are to be worth having, we must take great care to marshal the facts wisely. This we cannot do by making an arbitrary selection to start with, but only by and the grouping of carefully taking a special point of view, and noting what facts. facts come into prominence when seen from this outlook.

е

7



8

INTRODUCTORY ESSAY.

We get very different views of London from the Monument and from S. Paul's; the same buildings lie around us in both cases, but they are differently placed, and what is prominent in one case is half hidden in the other. So we may look at the facts of a nation's history from a constitutional standpoint, and note the bearings of the various events on the growth of the political institutions; many reported occurrences will be of slight, a few will be of striking importance. If we took a dynastic standpoint, and viewed the course of the same history as bearing on dynastic fortunes, we should find that our attention was called to other facts as the most important; so too from our economic standpoint we still deal with the same recorded facts, but they have a different interest; much that seemed valueless before comes to have a vast importance for us now, while great political struggles may perhaps be disregarded without serious loss. Economic History is not so much the study of a special class of facts, as the study of all the facts of a nation's history from a special point of view. We wish to draw from the records of the past all that bears upon the maintaining and prolonging of human life in any form, whether corporate life in the family or town or nation, or individual existence as a private citizen.

Political History describes

Nor should we be justified in contending that the special point of view from which we look at these changes is the one which gives us the most important and adequate survey of the national story. Political, moral and industrial changes are closely interconnected and re-act on one another, but we shall understand the industrial changes most truly if we regard them as subordinate to the others. It is of course true that, if its industrial system is not adequate, a nation cannot continue to be a great moral power as a civilised state, or to hand down monuments of its literary and artistic Political greatness and high civilisation imply the existence of industrial prosperity, and of sound industrial conditions, if they are to be at all stable. But after all, the life is more than meat; each nation takes its place in the history of the world, not merely by its wealth, but by the use that it makes of it; industrial prosperity does not in



SCOPE OF ECONOMIC HISTORY.

9

itself produce national greatness; political views not only control the application of national wealth, but affect its increase. Industrial progress has often been stimulated by new political aims and conditions. Changes in the con-the framestitution of society, and in the police and foreign relations industry of the country, have given an altered framework to which and comour industry and commerce have time after time been forced each to adapt themselves. The marriage of Edward III. with Philippa, the severities of Alva, and the revocation of the Edict of Nantes, had conspicuous results in England; the aims of the Angevins set our towns free to carry on a prosperous trade; the ambitions of later days led to the formation of our colonies and the successful struggle for mercantile supremacy. Economic affairs have indeed modified the course of political events; time after time industrial movements reacted on political life and contributed to great constitutional changes,—when the men of London joined in the demand for Magna Carta, when financial stress rendered Charles I. more dependent on parliament than his predecessors had been, or when the industrial revolution and factory system produced a state of affairs in which the First Reform Bill was inevitable. Economic conditions are a factor in such changes; they set before us the special causes of discontent with an existing régime, but they never directly determine the nature of the changes that are eventually carried through. Our national polity is not the direct outcome of our economic conditions; whereas time after time, our industrial life has been directly and permanently affected by political affairs, and politics are more important than economics in English History. Industrial changes have been necessarily correlated with changes in the social and political systems; and the framework of society at each period did much to determine the character of the industrial habits and institutions.

While the form of industrial institutions has thus Current been chiefly determined by political conditions, there have morality. been other influences which have done much to control and modify their actual working. It may be that the traders' conscience has not been very sensitive in any age, and we



10

INTRODUCTORY ESSAY.

hear enough of commercial immorality in our own day, but at no time has it been possible for dealers or others publicly to defy common sense opinion as to right and wrong altogether. Current conviction has controlled with more or less success the manner in which industry and trade have been carried on; it has found very different organs of expression and been supported by various sanctions. In some cases it made itself felt in the customs of traders who believed that honesty was the best policy; in others it was enforced by ecclesiastical discipline or royal authority, or by public opinion expressed in an Act of Parliament; but from the time when usury was discredited to the days when the protection of Factory Acts was given to women and children, it has constantly modified industrial and trading habits. industrial abuses may have called forth new moral indignation, and some industrial successes have done much to qualify moral judgments; but on the whole we may see that the current conviction in regard to the morality of certain transactions has greatly affected the conduct of industry and trade in each succeeding generation.

Human resources.

We shall have to bear in mind at each epoch then, that the economic changes which we trace are changes which occurred in a definite political society and which were influenced by the current views of right and wrong; these are presupposed in every civilisation; and they give the basis of all economic institutions and the atmosphere in which they worked. But this social structure and this civilised life must be sustained; there are physical needs which must be attended to if the population is to be maintained in health and strength and the government in vigour and power, and these aims can only be accomplished by the application of Energy and skilful energy and patient foresight. These are the resources with which individual human beings are able to procure the satisfaction of their wants; and on the larger scale, industry comes into being or grows, when men, feeling any need, strive to supply it by bringing these resources into play; these are the factors which are invariably present. The manner of their working, and the forms which they take,

will vary very much in different times and places; the skill