THE NATION AS A BUSINESS FIRM: AN ATTEMPT TO CUT A PATH THROUGH JUNGLE

Published @ 2017 Trieste Publishing Pty Ltd

ISBN 9780649286393

The nation as a business firm: an attempt to cut a path through jungle by W. H. Mallock

Except for use in any review, the reproduction or utilisation of this work in whole or in part in any form by any electronic, mechanical or other means, now known or hereafter invented, including xerography, photocopying and recording, or in any information storage or retrieval system, is forbidden without the permission of the publisher, Trieste Publishing Pty Ltd, PO Box 1576 Collingwood, Victoria 3066 Australia.

All rights reserved.

Edited by Trieste Publishing Pty Ltd. Cover @ 2017

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, re-sold, hired out, or otherwise circulated without the publisher's prior consent in any form or binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

www.triestepublishing.com



THE NATION AS A BUSINESS FIRM: AN ATTEMPT TO CUT A PATH THROUGH JUNGLE

Trieste

THE NATION AS A BUSINESS FIRM

AN ATTEMPT TO CUT A PATH THROUGH JUNGLE

BY

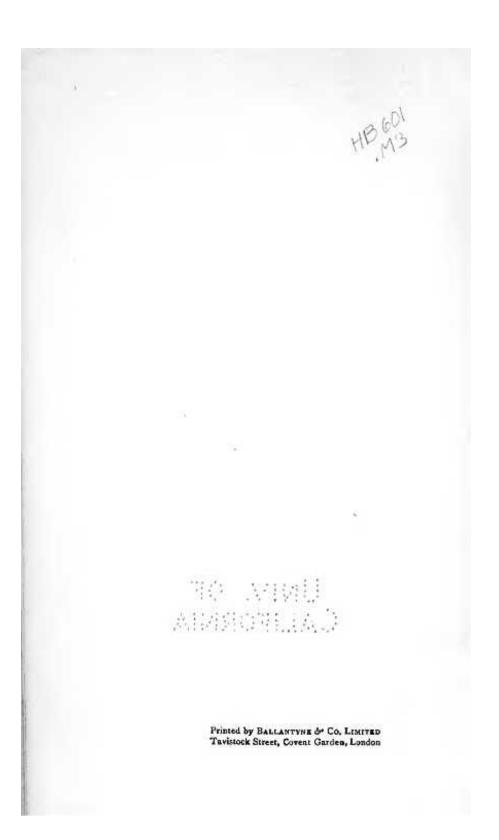
W. H. MALLOCK

AUTHOR OF "ARISTOCRACY AND EVOLUTION" " LABOUR AND THE POPULAR WELFARE" ETC.



UNIV. OF California

LONDON ADAM AND CHARLES BLACK 1910



SECTION I

PAGE

WHAT IS ATTEMPTED IN THIS VOLUME

The duty of statisticians is like that of the officials of a company—Falsification of the company's books— Difficulties of national statistics, and degrees of unavoidable error—The kind of claims made for the present volume—Objections raised in advance against portions of this volume

1-7

SECTION II

EXAMINATION OF THE ARCH ILLUSION

BEING AN HISTORICAL SURVEY OF THE INCOME OF THE POORER CLASSES FROM THE BEGINNING OF THE NINETEENTH CENTURY UP TO THE PRESENT TIME

SUB-SECTION I

PRELIMINARY OBSERVATIONS

The kinds and degrees of accuracy possible in general estimates—Individual variations from averages, more important in some cases than in others—Application of the above remarks in statistical averages to the present subject—The doctrine of Marx, essentially a doctrine of averages, and susceptible of correction only by means of corrected averages

8-15

SUB-SECTION II

THE INCOME OF THE POORER CLASSES SINCE THE YEAR 1800

What is generally meant by the "poorer classes" in discussions such as the present—The periods which will be here dealt with—Sir R. Giffen's evidence for the year 1886, restated by him some years later— General estimate of the income of the "poorer classes" at the present time—General estimate of

the "poorer classes" in the year 1850—Income per head of the "poorer classes" at the three periods already mentioned—Income of the entire nation in the year 1800—Four periods compared—General conclusions as to the incomes of the "poorer classes"— The foregoing conclusions pertinent, precisely because they are general—The conclusions of agitators generally, an absolute inversion of historical facts

15

SECTION III

THE DISTRIBUTION OF THE NATIONAL INCOME TO-DAY

SUB-SECTION I

PRESENT DISTRIBUTION OF THE INCOME OF THE POORER CLASSES

Explanation of the methods by which our preliminary rough conclusions will be reached—The numbers of the labouring wage-earners and lower middle-class about the year 1883—Wages of labour about the year 1883—Number of persons earning different amounts —Incomes of lower middle-class about 1885—Incomes of wage-earning and lower middle-class combined about 1888—Large family incomes, jointly earned, not assessed, though exceeding the assessment limit —Incomes of wage-earning and lower middle-class at the present day

39

SUB-SECTION II

DISTRIBUTION OF THE INCOMES OF THE RICHER CLASSES

The assessed income of the country at the present day, with special reference to the year 1905—Incomes between £160-£700—Reasons for supposing that the number of incomes between £160-£700 is generally under-estimated—Rough provisional verification of the amended figures—Incomes about £700 a year— The net total of all private assessed incomes—Incomes over £700—What is left after deducting the sum of incomes below £700 from the net total—The actual number of private houses having different rental values—The presumable relation of the value of houses to the incomes of their occupants—Average proportion of rent to the entire income of the nation —House-rent as related to incomes exceeding £700

a year—House rent as related to incomes exceeding f_{5000} a year—Limits imposed on possible number of largest incomes by paucity of suitable houses—The main divergence of these estimates from those of other statisticians—The evidence of houses reviewed in relation to the number of families with incomes between f_{160} and f_{700} —Various independent tests of the accuracy of the foregoing estimates—Summary of the conclusions thus far reached with regard to the distribution of incomes

53-94

SUB-SECTION III

THE PROBLEM OF POVERTY AS RELATED TO THE GENERAL DIFFUSION OF WEALTH

Certain common confusions of thought with regard to the distressed classes—The ranks of the vory poor made up of two distinct classes—The class whose earnings are normally low or precarious—The class whose poverty arises from contractions of normal employment 95

95-103

SECTION IV

THE ECONOMIC ORIGINS OF THE RESPECTIVE INCOMES OF THE VARIOUS CLASSES OF THE POPULATION

SUB-SECTION I

"EARNED" INCOMES

What is commonly meant by earned incomes— Number of families earning incomes by manual effort and effort of other kinds—The workers who are employed by others—The employing workers—The independent and semi-dependent workers—Classes of workers summarised, other than the productive employers—Earnings of workers other than productive employers—The productive employers—The earnings of the manufacturing employers—The assessments under Schedule D of "persons" and private firms— The larger incomes earned by "persons" and private firms—The public companies and individual earnings —The smaller public companies—The greater

companies and the earnings of individuals connected with them—Elements of personal earnings in the profits of the greater companies—The preceding tables relating to earnings of all classes combined 104-

SUB-SECTION II

THE SO-CALLED UNEARNED PORTION OF THE NATIONAL INCOME

Methods by which the "unearned" incomes are computed—Over.estimates of "unearned" incomes explained—The three main questions with regard to "unearned" incomes—Income of foreign origin—The distribution of the "unearned" income—The "unearned" element in incomes exceeding £700 a year— The earned and unearned incomes of the population taken as a whole 135-

SECTION V

CERTAIN OF THE ESTIMATES GIVEN IN THE PRECEDING SECTIONS RE-EXAMINED

SUB-SECTION I

THE ANNUAL VALUE OF LAND, AND THE PROPORTION BORNE BY IT TO INCOME FROM OTHER SOURCES

Curious extravagance of popular estimates as to land —Two main reasons which render such errors possible—General results of the New Doomsday Survey restated—The true net incomes derived from agricultural land and building sites—Wild illusions as to the increase of rents in modern countries 15

159-

SUB-SECTION II

THE NUMBER AND INCOMES OF THE RICH TESTED BY ACCESSORY EVIDENCES

Incomes of the rich, as estimated in previous tables, tested by number of male servants, and carriages of the more expensive kinds—Estimated number of male servants employed in different households—The evidence afforded by carriages as to the number of large incomes 170-1

viii

SUB-SECTION III

THE EVIDENCE OF HOUSES, AS RELATED TO THE EXPANSION OF THE MIDDLE-CLASS

General observations—Possible objections to certain arguments used in this volume—The case of London 179-192

SUB-SECTION IV

EARNED INCOME AND UNEARNED INCOME, AN ANALYSIS OF THE MEANINGS IMPLIED BY THESE PHRASES

Ordinary idea of "earned" income—Inadequacy of the ordinary idea—House rent as earned income— House rent and interest on other forms of fixed capital—Henry George on the interchangeability of all forms of capital—The Income from capital a form of indirect or deferred earning—Land as a theoretical exception—The biatus in the logic of Henry George —The true productive unit, not one life but a sequence of two or of three—Rarity of cases in which unearned income is being conserved in the same families

192-204

SUB-SECTION V

THE RELATION OF PROFITS TO WAGES, AS ESTIMATED IN THE PREVIOUS TABLES, COMPARED WITH CERTAIN RECENT STATISTICS

The evidence of recent official statistics with regard to the great industries 204-209

SUB-SECTION VI

A COMPARISON OF CERTAIN OF THE DETAILED ESTIMATES GIVEN IN THIS VOLUME WITH CORRESPONDING ESTIMATES REACHED BY OTHER STATISTICIANS USING INDEPENDENT METHODS

Certain estimates of Sir H. Primrose and Mr. Bowley —The recent estimates of Mr. Ireson—Certain conclusions summarised by Sir R. Giffen 210-214 b