

CHAPTER XV

SOME EFFECTS OF MODERN INDUSTRY UPON THE WORKERS
AS CONSUMERS.

- § 1. *How far the different Working Classes gain from the Fall of Prices.*
- § 2. *Part of the Economy of Machine-production compensated by the growing Work of Distribution.*
- § 3. *The Lowest Class of Workers gains least from Machine-production.*

§ 1. In considering the effect of machine-production upon a body of workers engaged in some particular industry we are not confined to tracing the effects of improvements in the arts and methods of that single branch of production. As consumers they share in the improvements introduced into other industries reflected in a fall of retail prices. Inasmuch as all English workers consume bread they are benefited by the establishment of a new American railway or the invention of new milling machinery which lowers the price of bread; as all consume boots the advantage which the introduction of boot-making machinery confers upon the workers is not confined to the higher wages which may be paid to some operatives in the boot factory, but is extended to all the workers who can buy cheaper boots.

How far do methods of modern capitalist production tend to benefit the labourer in his capacity as consumer?

Economic theory is in tolerably close accord with experience in the answer it gives to this question. Each portion of the working classes gains in its capacity of consumer from improved methods of production in proportion to the amount by which its income exceeds the bare subsistence wage of unskilled workers. The highly-paid mechanic gains