John Stuart Mill on Luddism
By Dr. Mason Gaffney

This article was first published in GroundSwell, a publication from Common Ground, USA. The Robert Schalkenbach Foundation has received approval from Common Ground, USA to republish this article at no cost for educational purposes.

Article citation:
Gaffney, Mason. “John Stuart Mill on Luddism.” *GroundSwell*, Jul. 2004, pp. 9–10.

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INSIGHTS

John Stuart Mill on Luddism

by Mason Gaffney, PhD, Riverside, CA

In 1879 George asked, "What is the effect (on employment) of improvements in the arts (of production)?" (P&P, pp. 244-45). Today we'd say "technology," but it's the same idea except that George includes more than machines and engineering. He answers, "To save labor, and raise demand for land." George's specter of technological unemployment, while imperfect, is better thought out than the simple Luddite perception that "robot replaces man." George thought in terms of three factors: land, labor, and capital. If the landowner could use capital to displace labor from the land, there was no place for labor to go. George teaches us to take "displace" literally: labor is driven from its place, from its land base. Landowners could live without as many workers as before, and dump the rest on the streets. This has obviously happened in farming after 1930, for example, forcing displaced people off farmland into cities.

Now it is happening in cities, too. On industrial land, robots displace many blue-collars. Computers displace many white and pink collars, driving them out of office and retail space. Where shall they go when landowners displace them with machines, short of all the tax-exempt land reserved for cemeteries? George, by focusing on the capture of land by capital, gives more substance to this question than most techno-pessimists do.

Techno-optimists say that new machines create new jobs, too, but they get vague about specifics. Where are these jobs? On whose land? When? If modern capital devices really make as many jobs as they destroy, how do they save money for those who buy and apply them? Techno-optimists need to answer that question, with specifics. George is holding their feet to the fire. The unemployed can't wait.

Mill, actually, had faced this question head-on, and answered it better than most modern writers. Mill points out that there are also land-saving arts. Anything that increases yields per acre (the "average product of land") is land-saving, in economese. George gives one such example, p. 241, "thousands of workers to the acre, working tier on tier,..." but he attributes that entirely to increased population. Credit is due rather to the arts of architecture, construction, planning, and engineering that crafted the elevators, ventilators, pumps, central heating, load-bearing supports, plumbing and sanitation, etc. Men taught themselves these arts, by the way, in deep mines before they used them to build skyscrapers - we learned to build up by building down into our home, The Earth. (May economic theorists profit by the example.)

George unconsciously gives another case, p. 243, in writing of "spaceship earth" (yes, he coined that one) and its hatches. The arts of mining let mineral energy substitute for animal energy, thus releasing the pastureland once used for draft horses. That was 1/3 the land used in farming, thus allowing a 50% increase in land growing food for humans. In addition, tractors can get into wet fields earlier in the spring than horses could; they can pull plows through claypans too tough for horses to handle; and otherwise increase yields per acre.

One point George overlooked, in his doom scenario, was his own influence, and that of people like him. The policies of George himself, applied to finance irrigation in California, are responsible for much of the increased yields that occur when dryland farming gives way to, and is supplemented by, irrigation. The high yields of California farmland have made fruits and vegetables so cheap in the east as to have taken much eastern land out of horticulture. California cotton has released much eastern land for other uses. Much of this production comes from what was desert and swamp before irrigation and drainage changed it. In some places men have drained too much, jeopardizing wildlife and ecology, due to unwise subsidies secured by land speculators, but you can't blame George for that.

To stretch your mind, think of some more land saving arts. It is hard at first, we are so brainwashed with the virtues of "labor-saving," but one soon gets the hang of it. Remember that George includes government, police, manners and morals among the arts.

George's model and foil, J.S. Mill, thought of a few, too. Mill's Principles has a chapter on "Influence of the Progress of Industry and Population on Rents, Profits and Wages," in Article 4 of which Mill stresses that progress may be land-saving, not just land-using. George doesn't refer to this, but should have, because he organized most of his Book IV around juxtaposing his views with those of Mill. Mill, remember, said that growth of population lowers wages, while progress in the arts is all that may offset this, and may even raise wages. George says Mill got it backwards, it is really the other way around. The symmetry makes for good and memorable writing. However, he should have read Mill closer, tedious as that may be, before writing that.

Mill's treatment is vexingly roundabout and obscure, because he runs all his effects through the cost of food, and its presumed effect on wage rates. (The idea is that if food costs less, the "working classes" will accept lower money wages.) Still, George would have strengthened his work by finding Mill's bottom line. When labor is dear, capital goes into saving labor; when land is dear, capital goes into saving land, and developing new lands. Thus the system is more self-equilibrating than George feared in this apocalyptic chapter. It is inconsistent that George, who repeatedly praises the market's equilibrating powers, overlooks this kind of equilibration.

To be sure, that might have weakened his work's immediate impact, because a doom forecast grabs attention and sells books. The fear of technological unemployment is ever present - more so today than ever. He would have silenced some of his later critics, however, who have seized upon his doom forecast and used it to discredit him. Until about 1975 they could dismiss (continued on pg. 10)

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George, and did, by claiming that that real wages in the United States had been rising. Since 1975, though, real wages have been falling, and land prices rocketing into orbit, so George's forecast looks more relevant today than ever. Are the critics now lauding him for his foresight? Dumbesilleh! They have another agenda, and, like fishermen trudging home empty, the truth is not in them.

Is free trade the solution, or part of the problem? George witnessed ably for free trade, but did "free trade" mean to him what it means to its modern corporate supporters? Does it foster outsourcing and make the problem worse? Is it just a ruse to let polluters export their sins? Is it just a handmaiden of neo-imperialism, of Pax Americana and plutocracy booted and spurred in the saddle? Look for future issues of GroundSwell!

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