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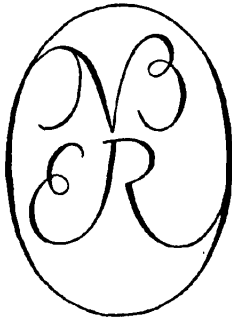
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BY CLARENCE D. LONG

The Johns Hopkins University



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FOREWORD

This monograph by Professor Clarence D. Long is one of several reports¹ on the history of wage rates and of changes in productivity in the United States over the past century which were made possible by a grant to the National Bureau from the Alfred P. Sloan Foundation. (The Foundation, of course, is not to be held responsible for the conclusions.) The period, 1860-1890, covered by Mr. Long's study is most interesting, for it included a great civil war followed by years of rapid industrialization, and saw a long decline in prices. Intensive study of the period was possible because of the availability for these years of the wage and price data of the Aldrich and Weeks reports, earnings data of the Census, and various collections of wage data by individual states and by the United States Department of Labor.

In reconstructing the wage history of this important segment in American economic development, Mr. Long shows the difficulties encountered in arriving at any single, most acceptable measure of money wages, prices, and real wages for a remote historical period in which the available data were sparse and of doubtful quality. He therefore places before the reader alternative bodies of data, discusses their respective virtues and defects, and finally chooses the series which, for the reasons he gives, appear most satisfactorily to depict the course of events he is engaged in describing.

A major finding is, first, that the money daily wage rate of factory employees in the United States, 1860-1890, increased about 50 per cent. Since hours of work declined during this period, money hourly earnings are found to have risen 60 per cent. By constructing a new index number of the cost of living, based on the index of Miss Ethel D. Hoover of the U.S. Department of Labor for the period 1860-1880 and on retail prices collected by himself for the decade 1880-1890, Mr. Long finds that cost of living in 1890 was 2 per cent less than in 1860. It follows, then, that real daily wages of factory employees, 1860-1890, rose by 50 per cent, and that real hourly earnings increased 60 per cent, or 1.6 per cent a year.

¹ John W. Kendrick, *Productivity Trends: Capital and Labor*, Occasional Paper 53, New York, NBER, 1956, and *Productivity Trends in the United States* (in preparation); Solomon Fabricant, *Basic Facts on Productivity Change*, Occasional Paper 63, New York, NBER, 1959; Albert Rees, *Real Wages in Manufacturing, 1890-1914* (in preparation), and a forthcoming paper presenting some revised statistics of real wages since 1914.

FOREWORD

In addition, Mr. Long throws fresh light on changes in wage differentials—between regions, industries, occupations, and other classes of workers; and, during his discussion, suggests some of the important factors that played a significant role in accounting for the changes in wages and wage structure that he finds.

Everyone interested in the economic history of the United States and in the rate of development—past and future—in this and other countries will be influenced in his thinking by the combinations of data set forth and documented in Mr. Long's study.

LEO WOLMAN

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THE present work was begun at the suggestion of Leo Wolman, who turned over to me some files which had earlier been compiled under his direction. The study has benefited from the critical comments of Gerhard Bry, Richard A. Easterlin, Solomon Fabricant, Geoffrey H. Moore, Albert Rees, George Soule, and Leo Wolman. Much of any merit it possesses was made possible through the careful research assistance of Margaret Chen. H. Irving Forman drew the charts.

CLARENCE D. LONG

Baltimore, Maryland

CONTENTS

| | |
|--|-----|
| Foreword | vii |
| Acknowledgments | ix |
| 1. Introduction | |
| The Time and the Questions | 3 |
| The Kind of Wage Statistics Needed | 5 |
| Sources and Coverage of Data | 5 |
| 2. The Course of Money Wages during 1860-1890 | |
| Daily Wages in Manufacturing and Building | 13 |
| The Method Used in This Study | 15 |
| Methods Used by Others | 17 |
| Comparison of Average Wages Obtained in This and Other Investigations Using Aldrich Data | 19 |
| Comparison of Average Wages Obtained in This and Other Investigations Using Weeks Data | 24 |
| Comparison of Average Wages from the Several Sources of Wage Data | 25 |
| Averages of Wages from a Constant List versus an Increasing List of Occupations or Establishments | 32 |
| Trends in Length of Workday | 35 |
| 3. Annual Earnings | |
| Sources and Nature of the Earnings Data | 39 |
| Comparison of Census Average Annual Earnings and the Daily Wage Data of the Aldrich and Weeks Reports | 43 |
| 4. The Buying Power of Wages and Earnings | |
| The Previous Indexes of Living Cost | 50 |
| The New Consumer Price Index: | 53 |
| The Hoover Index for 1860-1880 | 53 |
| This Study's Index for 1880-1890 | 56 |
| Real Wages in Manufacturing and Building | 61 |
| Real Annual Earnings for Decennial Years | 68 |

CONTENTS

| | |
|--|-----|
| 5. Wages by Industry and Region | |
| Wages by Industry | 69 |
| Wages by Region | 79 |
| 6. Wages by Occupational and Individual Characteristics | |
| Wages by Occupation | 94 |
| Wages by Sex and Age | 104 |
| 7. Summary and Conclusions | 109 |
| Appendixes (see list of Appendix Tables, pages xvi-xvii) | |
| Index | 167 |

TABLES

Text tables show data at five- or ten-year intervals through the period (unless otherwise stated). Annual series are given in the appendixes.

| | |
|--|----|
| 1. Money Average Daily Wages in Manufacturing Industries, Based on Aldrich, Weeks, and Bulletin 18 Reports, Compared with Census-Reported Average Annual Earnings in Manufacturing: 1860-1890 | 14 |
| 2. Money Average Daily Wages in the Building Trades, Aldrich and Bulletin 18 Reports, 1860-1890 | 15 |
| 3. Relatives of Average Daily Wage-Rates, Computed from the Aldrich Report in This and Other Investigations: 1860-1890 | 20 |
| 4. Relatives of Average Daily Wage-Rates in the Building Trades, Computed from the Aldrich Report in This and Other Investigations: 1860-1890 | 22 |
| 5. Factors Explaining the Discrepancy in Relative Behavior between the Weighted Mean of Dollar Wage-Rates in Manufacturing Derived in This Study from the Aldrich Report, and the Weighted Mean of Relative Wage-Rates, Derived from It by Wesley Mitchell for the Manufacturing Industries along with Others: 1860-1890 | 22 |
| 6. Factors Explaining the Discrepancy in Relative Behavior between the Weighted Mean of Dollar Wages in Building Derived in This Study from the Aldrich Report, and the Weighted Mean of Relative Wages Derived from It by Wesley Mitchell: 1860-1890 | 24 |
| 7. Relatives of Average Daily Wage-Rates Computed in This and Mitchell's Investigations from the Weeks Report: 1860-1880 | 25 |
| 8. Daily Wage-Rates in Selected Occupations: Aldrich and Bulletin 18 Data Compared by States, 1870-1890 | 27 |
| 9. Wage-Rates in Same Industry, Occupation, and State: Selected Data Comparing Aldrich Report and First Annual Report, 1885 | 30 |
| 10. Comparison of Hourly Wages from the Aldrich Report and the Dewey Report, Ten Manufacturing Industries, 1890 | 33 |
| 11. Weighted Average Daily Wage-Rates for a Constant List of 69 Establishments, 1860-1880, Compared with a List Including Establishments Newly Reporting during the Period; from the Weeks Report | 34 |
| 12. Hours per Day: Distribution of Manufacturers' Statements Concerning Length of Workday, Weeks Report, 1860-1880 | 35 |
| 13. Hours per Day in Manufacturing Industries, Based on Aldrich Report Hours Data; Annually 1860-1890 | 37 |

TABLES

| | | |
|-----|--|----|
| 14. | Adjustments to Data on Wage-Earners and Earnings as Reported by the Census of Manufactures, in Order to Exclude Nonmanufacturing Industries and Others: 1860-1890 | 42 |
| 15. | Index of Average Annual Earnings in Manufacturing from the Census Compared with Wage Indexes for Manufacturing Computed in This Study and with Wage Indexes for Mixed Industries by Other Investigators: 1860-1890 | 44 |
| 16. | Number of Men, Women, and Children Reported as Wage Earners to the Census of Manufactures, 1860-1890 | 45 |
| 17. | Indexes of Cost of Living, Country-Wide, 1860-1890 | 60 |
| 18. | Index of Real Daily Wages in Manufacturing in the East, Based on Aldrich Wage Data and Hoover-Long Consumer Price Index; Compared with Indexes for Mixed Industries Computed by Other Investigators from Aldrich Data and Various Price Indexes: 1860-1890 | 63 |
| 19. | Indexes of Real Wages in Manufacturing, Based on Weeks-Bulletin 18 Wage Data and Hoover-Long Consumer Price Index; Compared with Indexes Computed by Mitchell: United States and East and West, 1860-1890 | 65 |
| 20. | Indexes of Real Wages in Building, Based on Aldrich Report and Bulletin 18 Data and on Hoover-Long Consumer Price Index: United States, and East, West, and South, 1860-1890 | 65 |
| 21. | Real Average Annual Earnings in Manufacturing, 1860-1890 | 68 |
| 22. | Daily Wages for 18 Manufacturing Industries, with Relative Wages and Rankings; Weeks Report, 1860-1880 | 69 |
| 23. | Daily Wages for 13 Manufacturing Industries and for the Building Trades, with Relative Wages and Rankings; Aldrich Report, 1860-1890 | 70 |
| 24. | Average Annual Earnings of Wage Earners for 17 Manufacturing Industries, with Relative Earnings and Rankings; Census, 1860-1890 | 72 |
| 25. | Average Deviation of Daily Wages among Ten Industries Having Data Separately for East and West; Weeks Report, 1860 and 1880 | 75 |
| 26. | Average Deviation of Annual Earnings among 17 Manufacturing Industries, in the United States and Five Major Regions; Census, 1860 and 1890 | 76 |
| 27. | Average Deviation of Hourly Wages among Different Manufacturing Industries for the Same Selected Occupations, First Annual Report, 1885 | 77 |
| 28. | Effect of Fixed versus Current Employment Weights on Wages or Earnings Indexes, 1860-1890 | 78 |

TABLES

| | | |
|-----|--|----|
| 29. | Weighted Average Daily Wage-Rates in Manufacturing Industries for the East, West, and South; Weeks Report, 1860-1880 | 79 |
| 30. | Percentage Ratio of Daily Wages in Western and Southern Establishments to Those in Eastern Establishments; Identical Industries, Weeks Report, 1860-1880 | 80 |
| 31. | Percentage Ratio of Wages in Manufacturing Industries in Southern and Western States to Those in Eastern States, 1885 and 1890; First Annual and Dewey Reports | 82 |
| 32. | Percentage Ratio of Average Annual Earnings in Four Major Regions to Those in the Middle Atlantic Region, for 17 Manufacturing Industries; Census, 1860-1890 | 84 |
| 33. | Average Deviation of Average Annual Earnings of Employees in 17 Manufacturing Industries, among States: United States and Five Major Regions; Census, 1860-1890 | 85 |
| 34. | Percentage Ratio of Daily Wages in Southern and Western Establishments to Those in Eastern Establishments for the Same Occupation: 10 Manufacturing and 4 Building Occupations, Bulletin 18, 1870-1890 | 87 |
| 35. | Percentage Ratio of Average Hourly Wages in Selected Occupations and Industries of Major Regions to Those in Middle Atlantic States, First Annual Report, 1885 | 88 |
| 36. | Daily Wages of Workers of the Same Sex in the Same Occupation and Industry: Selected Data for Southern, Eastern, and Western States; First Annual Report, 1885 | 89 |
| 37. | Percentage Ratio of Daily Wages in Southern, Eastern, and Western Establishments to Those in Middle Atlantic Establishments; Selected Occupations, Males 16 and Older, Dewey-Census Report, 1890 | 90 |
| 38. | Average Deviation of Hourly Wages in Selected Occupations and Industries, among States within Regions and among Regions; First Annual Report, 1885 | 92 |
| 39. | Average Daily or Hourly Wages in Five Skilled Occupations, Occurring in Various Manufacturing Establishments, Weeks and Aldrich Reports, 1860-1890 | 94 |
| 40. | Median Daily Wages of Workers of All Reported Occupations, for Four Industries; Aldrich Report, 1860-1890. | 95 |
| 41. | Average Deviation of Daily Wages among Different Occupations in the Same Establishment: 15 Establishments from Each of 15 Industries, Weeks Report, 1860-1880 | 97 |
| 42. | Average Daily Wages for 14 Occupations in Large Cities, from Bulletin 18, Weighted by Census-Reported Number Attached to the Occupation in the Respective State; 1870-1890 | 98 |

TABLES

| | | |
|-----|--|-----|
| 43. | Average Wage-Rates of Laborers and of Five Skilled Occupations; Weeks Report, 1860-1880, Aldrich Report, 1860-1890 | 99 |
| 44. | Percentage Ratio of Daily Wages of Journeymen in Specific Occupations to Wages of Foremen or Overseers for Those Occupations, in the Same Establishment; Aldrich Report, 1860-1890 | 101 |
| 45. | Percentage Ratio of Daily Wage-Rates of Journeymen's Helpers to Those of Journeymen in Specific Occupations, in the Same Establishment; Aldrich Report, July, 1860-1890 | 102 |
| 46. | Percentage Ratio of Daily Wage-Rates of Helpers to Those of Journeymen in the Same Occupation and Establishment, Weeks Report, 1860-1880 | 103 |
| 47. | Average Daily Wages of Adult Males, Adult Females, and Children and Youths; First Annual Report, 1885 | 105 |
| 48. | Median Hourly Wage-Rates of Males and Females 16 and Older and of Males under 16; Dewey Report, 1890 | 106 |
| 49. | Median Daily Wage-Rates of Males and Females in Cotton and Woolen Goods Manufacturing, 1860-1890 | 106 |
| 50. | Daily Wage-Rates of Females as a Percentage of Wages of Males in Identical Occupations and Establishments, Aldrich Report, 1860-1890 | 107 |
| 51. | Daily Wages of Boys as Percentages of Wages of Laborers in the Same Establishment; Weeks Report, 1860-1880. | 108 |

APPENDIX TABLES

| | | |
|------|--|-----|
| A-1. | Daily Wage-Rates in 13 Manufacturing Industries and in Building from the Aldrich Report, Weighted by Employment within the Establishment and by Number Gainfully Occupied Reported Attached to the Industries at the Decennial Censuses; January and July, 1860-1890 | 121 |
| A-2. | Daily Wage-Rates in Seven Manufacturing Industries with Establishments Reporting from Two or More States, Aldrich Report, Weighted by Employment within the Establishment; January and July, 1860-1890 | 125 |
| A-3. | Daily Wage-Rates in 18 Manufacturing Industries from the Weeks Report, Weighted by Number of Gainfully Occupied Reported Attached to These Industries at the Decennial Censuses; United States, by Regions, Annually 1860-1880 | 129 |
| A-4. | Daily Wage-Rates in 10 "Manufacturing" Occupations and 4 "Building" Occupations from Bulletin 18 of the Department of Labor, Weighted by Number Reported Attached to the Occupations at the Decennial Censuses; United States, by Regions, Annually 1870-1880 | 135 |

TABLES

| | | |
|-------|---|-----|
| A-5. | Hourly Wages of Five Skilled Occupations and of Laborers, Various Manufacturing Establishments, Aldrich Report, January and July, 1860-1890 | 143 |
| A-6. | Daily Wages of Five Skilled Occupations and of Laborers, Occurring in Various Manufacturing Establishments, Weeks Report, Annually 1860-1880 | 144 |
| A-7. | Daily and Hourly Wage-Rates by Sex, Age, Industry, and Number of Employees, First Annual Report, 1885 | 145 |
| A-8. | Hourly Wage-Rates by Sex, Age, Industry, and Number of Employees, Dewey Report, 1890 | 148 |
| A-9. | Average Annual Earnings of Manufacturing Wage Earners in 17 Industries; United States, by Regions; Census, Decennial Years Ending May 31, 1860-1890 | 150 |
| A-10. | Manufacturing and Building Wages (Aldrich, Weeks, Bulletin 18 Data) Adjusted for Changes in Living Cost; Annually 1860-1890 | 152 |
| A-11. | Average Hourly Wages in Manufacturing Adjusted for Changes in Living Cost; Annually 1860-1890 | 153 |
| A-12. | Wages of Skilled and Laboring Occupations (Aldrich and Weeks Data) Adjusted for Changes in Living Cost; Annually 1860-1890 | 154 |
| A-13. | Annual Earnings of Factory Wage Earners (Census) Adjusted for Changes in Living Cost; United States, by Industry and Region, Decennial Years Ending May 31, 1860-1890 | 155 |
| B-1. | The Hoover Consumer Price Index for the United States during 1860-1880 | 156 |
| B-2. | A New Consumer Price Index for the United States during 1880-1890, Prepared in This Study for Linkage with the Hoover Index. | 157 |
| B-3. | A New Consumer Price Index Constructed from Retail Price Data for Food, Clothing, Housing, Fuel and Light, and Other Cost of Living Items, 1880-1890 | 158 |
| C-1. | Employment in 13 Manufacturing Industries from the Aldrich Report, January and July, 1860-1890 | 161 |
| C-2. | Employment of Manufacturing Wage Earners in 17 Industries; United States, by Regions, Decennial Years Ending May 31, 1860-1890 | 165 |

CHARTS

1. Daily Money and Real Wages in Manufacturing, Annually,
1860-1890 62
2. Daily Money and Real Wages in Building, Annually, 1860-1890 66
3. Hourly Money and Real Wages in Manufacturing, Annually,
1860-1890 67
4. Wages of Laborers and of 5 Skilled Occupations 100
 - A. Hourly Wage-Rates from the Aldrich Report, Annually,
1860-1890
 - B. Daily Wage-Rates from the Weeks Report, Annually,
1860-1880