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SPEEDHITCHS AND PRICES.

We described, in a recent number of The Nation, the general and rapid rise in prices which has taken place during the last twenty years to the extraordinary additions made by California, Australia, and other gold-bearing regions to the quantity of the precious metals in circulation. That this has been the main cause of the greatly increased cost of living which is now observable in every civilized country there can be no sort of question. But there has been another agency at work of which political economists have taken no notice, but which we think may be safely said to have had a large part in the present condition in which we will not say of all commodities—nothing but an increase in the volume of the circulating medium can do this—but of a number of commodities on which the inhabitants of towns at least are largely dependent for their comfort. We mean the reckless and lavish habits of the immense body of persons whom the industrial and commercial activity of the last thirty years has made, if not suddenly, rapidly rich. This class is perhaps larger in the United States than in any other country, but it is also very large in England and in France, and is becoming very large in Germany.

To explain in what way its existence affects prices, we must remember that down to the beginning of this century the old aristocracy—that is, persons with fixed or declining incomes which they had inherited from their fathers—were almost the only rich men in every community. But what with entails and provisions for daugh-
ters and younger sons, and charges of all kinds, inseparable from what is called "position," the aristocracy in all countries has long been a needy class. The plate and diamonds and other fine things owned by the proudest houses in Europe have, in nine cases out of ten, been handed down by some extravagant progenitor of the seventeenth or eighteenth century. Except in the few cases where estates have risen greatly in value, owing to the discovery of mines on them or the growth of cities in their neighborhood, there have really, for a century or more, been very few aristocrats in the world in a position to indulge in lavish expenditure. They have generally been obliged to regulate their expenses very strictly, to confine each item very rigidly within certain limits—to live in fact by rule, and often to deny themselves everything but what was absolutely essential to the maintenance of their "position." Any aristocracy which refused to do so, such as the Irish and Prussian, has disappeared, or been reduced to poverty and insignificance.

Out of this necessity there grew up, of course, habits of economy, of self-denial, and a strong dislike of display. We are assured the quietness which aristocracies now affect in dress, equipages, and furniture, though largely due to the growth of good taste, may be partly ascribed to the increasing strain on incomes. It must not be forgotten, too, that men accustomed to the possession of wealth from their youth up, are generally much more measured in their enjoyment of it, and spend it much more skilfully than those who fall into it after their character and habits have been formed. If, therefore, the old feudal aristocracies had continued to be the only rich class, although prices would undoubtedly have risen as the quantity of gold increased; the disturbance in them would have been much less violent than it has been and is.

The feudal aristocracies have not remained the only rich class. It is, in fact, now comparatively poor. There has grown up beside it a commercial class whose aggregate wealth is enormous, and in which fortunes of which dukedoms only dream are becoming quite common, and which, not being burdened with the obligation, real or supposed, of handing a family "down the ages," in splendor, is now enjoying its money with all its might. There is to be found in it a very large amount of taste and culture, and, consequently, it has given a wonderful stimulus to art and literature. There is to be found in it, too, a very large amount of Christian zeal and of Christian charity, and it is, consequently, founding beneficent institutions and siting on foot enterprises for the instruction or elevation of the human race on a scale and with a munificence before unheard of. The public spirit of great merchants is, of course, nothing new, and is not peculiar to our time; but in our time there are one thousand great merchants for the one that an encroaching age could boast.

But there is also in this class, in every country, a large body of persons to whom money is simply or mainly a means of personal enjoyment, and having had no experience in spending it, and having inherited no principles or rules of spending it, and being bound by no traditions about it, they rush into the markets of the world in the wildest indifference as to the value of things. What they want they buy, cost what it may, and they take a certain pride in paying lavishly for it. Nothing can be learnt from their usages as to the value of things, because they take no pains whatever, either by challenging or holding off, to bring sollen down to the real price. To servants they give any wages they choose to ask, and pay for everything that ministers directly to personal enjoyment—carriages, horses, clothes, houses, furniture, jewelry, food—the highest price that dealers venture to put on them. The waste wrought by this class is frightful, in sinking large sums in things essentially worthless and generally ugly; and the influence of their example on servants, on the young, and on the poor is, of course, very pernicious.

It is not with their moral influence, however, that we concern ourselves here, but with their economical influence; and this, we think, is very marked. They of course all live in great cities, and the markets of great cities, owing to the railways, now fix the prices almost over the entire country. One hundred miles from New York, or Paris, or London one can hardly get anything for less than it will bring in the city, and what it will bring in the city is what the tribe of people engaged in the enjoyment of newly-acquired fortunes are willing to pay for it. The wages of servants, for instance, is really now determined by this to a degree of which most people are not aware. There are very few great cities where servants are receiving the political economist's market price. What they get is what their labor is worth in the existing state of the demand and supply, but what John, or Thomas, or Bridget had the impudence to ask. Mr. Corner, of the Stock Exchange, or Mr. Paten-through, of the Great Gammon and Spainish Company, and which he at once gave, partly through indifference about money and partly through pride in spending it lavishly. The same thing may be said of horses and of plate and jewelry, of houses, of hotels and restaurant prices, and even of land in desirable situations. In fact, we are witnessing, on a larger scale and clothed with somewhat greater re-
teriority, the class of phenomena so common at "the diggings," where miners who happen to be "flush" pay a small fortune for a drink or a game of billiards.

The disturbance which this lavishness is causing in the social ar-
rangements of the great cities is such that in nearly all of them the middle classes are being driven out or forced into a plainer style of living. And we do see much prospect of any change for the better until the resources of all the new countries are much more nearly exhausted than they are now, a period still very remote, as it may be said that it is only since the invention of steam locomotion that those of this continent and of Australia have begun to be worked. Africa and South America, both regions of incalculable wealth, are still untouched. What the effect on modern society of the application of Northern capital and energy to them will be, is impossible to conjecture. But we may safely look, for a century to come, for a constant upheaval to the surface of the lower strata of society, and for the possession of large fortunes by persons untrained in the use of them. The spread of education and of taste will be less gradually do much to correct the evils which at present flow from this state of things, and it may be that we are just now at the lowest point. But there can be no question that the manners of a portion of the "new men" of our time do constitute an economical agency of some importance.
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