


Chapter 121f -- Many New Ways To Make A Living

	<p>Dates: 1820 to 1840</p>	<p>Sections:</p> <ul style="list-style-type: none"> • Farming Becomes Less Dominant Especially In The North • Domestic Manufacturing Picks Up Steam • Educated Estimates Of Annual Incomes • Anecdotal Data On “What Things Cost” Around 1840
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Time: 1840

Farming Becomes Less Dominant Especially In The North



Farmers Harvesting Their Crops

As towns and cities develop across the landscape, some remarkable changes are already materializing in how Americans make their living.

At the aggregate level, the percentage of people classified as “in the labor force” is unchanged from 1820, at 33%, as is the much higher incidence among those enslaved (60%) than those who are free (28%).

Total Labor Force Participation (000)

Year	Total US Pop	In Labor Force	% In Labor
1820	9,368	3,135	33%
1830	12,860	4,200	33
1840	17,063	5,560	33

But a major shift is already evident in the character of this labor. The percentage of people working in the agricultural sector has dropped sharply from 79% in 1820 to 63% in 1840. This Census is the first to

examine the non-agricultural component of total labor, and it shows 9% employed in manufacturing, 6% in trade (the middlemen function of buying and selling goods), and the remaining 22% in the broad range of for-pay jobs available in the burgeoning towns and cities.

How People Make Their Living

Year	Agriculture	Manufacturing	Trade	All-Other
1820	79%	na	na	21%
1830	71	na	na	29
1840	63	9%	6%	22

This trend away from Jefferson’s yeoman farmers to Hamilton’s industrialized economy will continue steadily over time – resisted only in the South, where agricultural cash crops of cotton, rice, tobacco, sugar and indigo remain dominant.

Manufacturing growth results from the relentless American wish to make their homes and daily lives easier and more enjoyable. To deliver the goods needed, small “by-hand” workshops start up, typically around population centers. Over three-quarters of these manufacturing jobs are concentrated in the Northeast and Northwest regions.

Location Of Manufacturing Jobs

Region	1820	1840
Northeast	62%	63%
Northwest	7	14
Border	12	8
Southeast	16	11
Southwest	3	4
	100%	100%

Time: 1840

Domestic Manufacturing Picks Up Steam



By 1840 Adam Smith’s “invisible hand” of capitalism seems to be already pointing entrepreneurs toward rich pockets of gold in the American marketplace.

An integrated workshop system for producing shoes starts up in Massachusetts. Connecticut shops turn

The Brownell Carriage Manufacturing Factory

out tinware, household utensils, buttons and wooden clocks. The manufacture of glassware, initiated at Jamestown in 1608, flourishes in New York and New Jersey. Odiferous tanneries convert cattle hides into leather goods. A garment district materializes in major cities along the east coast run by middlemen, called “sweaters.” They acquire raw textiles, and oversee 12 hour a day “sweatshops,” where roomfuls of low paid women hand-sew finished clothing.

Other “cottage industries” pop up to fill in what are becoming necessities of everyday life, with many of these goods reaching their customers through street peddlers who roam the towns and countryside.



Lowell's Waltham Textile Mill

Meanwhile much more complex and larger scale manufacturing initiatives are developing, often modeled around the “factory principles” pioneered in 1812-14 at Frank Lowell's Waltham textile mills.



A Lumbering Operation

Sawmills turn lumber into boards needed by skilled carpenters to make furniture and build houses.



The “First” Grain Mill In Pennsylvania

Grain mills and presses provide needed food staples such as flour, rice, cornmeal, and sugar.

Demand for iron and steel accelerates, to make wagon wheels, horseshoes, a range of tools, firearms and the like. To meet it, miners dig raw ore from the ground, and convey it into huge furnaces or fired to 2000 degrees Fahrenheit. These forges “smelt,” or purify, the ore and enable it to flow into what look like feeding troughs, hence the name “pig iron.” From there it is either fed directly into pre-made molds to make “cast iron” objects, such as cannon balls and wheels, or cooled down into malleable bars, “wrought” by hammering into more refined goods.



Prior to the discovery of iron ore in the Lake Superior region and in Alabama, Pennsylvania produces almost 60% of the nation’s pig iron, with output rising in the 1830’s to meet new demand for railroads and cast iron heating and cooking stoves.

Iron Workers

Time: 1840

Average Annual Incomes Range From \$200-\$500



A Precious \$1 Bill

While it is more art than science to determine how much money average Americans earned from their labor during the antebellum period, several economists have attempted this. One version is based on examining payroll records over time and constructing aggregate trend data for three classes of workers, across the country as a whole.

This pegs the daily wages for common day laborers at 78 cents a day in 1831-40, with skilled laborers at \$1.51 and white collar workers at \$1.80. All three have shown modest increases since 1821-30.

Average Nominal Wages For Workers -- Daily

	Common Laborer	Skilled Artisans	White collar
1821-30	\$0.70	\$1.36	\$1.55
1831-40	0.78	1.51	1.80

Robert Margo, Vanderbilt U

These estimates translate to roughly \$200 per year for common laborers, \$400 for skilled craftsmen, and \$475 for the emerging white collar class.

Average Nominal Wages For Workers – Yearly (12 months)

	Common laborer	Skilled Artisans	White collar
1821-30	\$185	\$359	\$413
1831-40	206	399	474

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Other economists have attempted a more granular analysis, breaking out additional classes of workers, by both gender and geographical regions, while ending up in the same general \$200-\$500 annual income range at the aggregate level. Their work leads to several observations:

- Income for urban workers (\$269) is already surpassing that of farmers (\$196).
- Women are considered cheap labor and earn far less than their male counterparts.
- Miners, soldiers and factory workers earn in the \$250-325 range.
- Skilled craftsmen earn \$400-450, roughly double the average farmer.
- Pay for men teachers and clergymen exceed the artisans by \$150 per year.
- Elite pay (3x all others) goes to lawyers, public officials, surgeons and judges.

Average Nominal Wages For Workers – Yearly (1840-50)

	Northeast	Mid-Atlantic	South Atlantic	Unwt Average
Farm Laborers	\$235	\$195	\$158	\$196
Urban Laborers	298	282	227	269
Female Domestics	135	100	103	113
Females In Manufacturing	162	179	161	167
Female Teachers	187	187	205	193
Miners	---	247	269	258
Seamen/Soldiers	298	282	227	269
Men In Manufacturing	334	369	273	325
Building Trade	412	412	418	414
Craftsmen/Artisans	444	444	451	446
Clergymen	600	600	500	567
Men Teachers	507	617	647	590
Lawyers	1320	1400	2350	1690
Public Commissioners	1275	1500	2647	1807
Surgeons	---	---	1912	1912
Judges	2081	2085	2025	2063

Lindert-Williamson, U California (Davis)

Time: 1840

Anecdotal Data On “What Things Cost” Around 1840



A Saddle Maker Shows His Wares

If the income for most Americans around 1840 is between \$200 to \$450 per year, the question becomes what can be purchased with this amount of money? Aside from the official price of public land – set at \$1.25 per acre with a minimum purchase of 80 acres for \$120 in total – all other data is anecdotal.

It is plucked from entries in personal journals, kept at various times and places, accompanied by often vague descriptions, and collected randomly. Still it provides some small perspective on the “cost of living” in the 1820-1860 timeframe.

For the hard-living men of the era, it appears that a tumbler of whiskey and a chaw of tobacco are easily affordable to all.

To Buy:	Price
33 oz of whiskey	\$.08
1 lb of tobacco	.10

The same can be said for coffee which, at 18 cents per pound of beans, should yield about 36 cups (8 oz size) or roughly a half-penny per serving. Tea is slightly more expensive, with one pound of leaves selling for 75 cents and yielding about 120 cups (8 oz. size).

To Make One:	Price
8 oz. cup of coffee	\$.005
8 oz. cup of tea	.006

The price per pound of sugar is about twice that of salt.

To Buy:	Price
1 lb of salt	\$.03
1 lb of sugar	.08

Eggs are a bit pricier, at 24 cents per dozen. Cheese and butter are also more precious, as is honey.

To Buy:	Price
1 dozen eggs	\$.24
1 lb of cheese	.14
1 lb of butter	.18
1 lb of honey	.25

While both are plentiful and cheap, milled flour costs more than corn meal.

To Buy:	Price
1 lb of corn meal	\$.02
1 lb of flour	.05

Beef prices range upward from 3 cents a pound for calf's veal to 9 cents for salted/preserved options. Pork brings roughly twice as much as beef, with hams and bacon at the top end on pricing. Codfish costs about the same per pound as fresh beef.

To Buy 1 Lb:	Price
Veal	\$.03
Fresh Beef	.05
Codfish	.06
Salted Beef	.09
Fresh Pork	.11
Lard	.12
Ham	.14
Bacon	.15

Rice is priced well above other traditional starches like potatoes.

To Buy:	Price
1 lb of sweet potatoes	\$.03
1 lb of rice	.10

Certain fruits appear to be in shorter supply and hence more expensive.

To Buy:	Price
A single lemon	\$.03
1 lb of dried peaches	.20

Raw yarn ranges from cotton at 8 cents a pound up to sheep's wool at 35 cents.

To Buy:	Price
1 lb of cotton	\$.08
1 lb of sheep's wool	.35

Finished clothing and bedding is considerably more expensive.

To Buy:	Price
1 handkerchief	\$ 1.08
1 flannel shirt	8.00
1 pair of trousers	18.00
1 bed blanket	25.00
1 soldier's jacket	32.00

A pair of shoes might run \$12.00 or boots at twice that much.

To Buy:	Price
1 pair shoes	\$ 12.00
1 pair of boots	24.00

A place setting of blue china runs about \$8.00, while a piano might go for \$195.

To Buy:	Price
1 place setting of blue china	\$ 8.00
1 piano	195.00

A routine doctor's visit is referenced at \$2.00, while a traveler lists one night for room and board at a hotel for \$2.29.

To Buy:	Price
1 routine doctor's visit	\$2.00
Room & board at hotel	2.29

Lumber is plentiful, with one board foot (1'x1'x1") going for 15 cents. Where building or paving involves bricks, they can be had for about 8 cents apiece.

To Buy:	Price
1 board foot of lumber	\$.15
A single finished brick	.08

A new home is recorded as sold in Brooklyn for \$2,500.

A prospector buys a mining pan for \$8.00.

A revolver brings \$15.00; a rifle \$25.00; a good horse \$125.00.

None of these prices should be thought of as "statistically sound or truly representative." Still they can be seen in the context of trying to live off of an income that ran around 75 cents per day for most people.

To buy that new \$12.00 pair of shoes you want will require 16 days of your hard labor.