

Industrialization and the Social Question in XIXth Century Austria

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The advance of the industrial revolutions in the XIXth century was over-shadowed by their social consequences. Even though the reaction against industrialization amongst the upper classes and the intelligentsia did not go as far in other European countries as in Britain after the mid-XIXth century (Wiener, 1981), the conditions of the emergent working class gave rise to growing discontent that provided the political basis for the first new mass opposition parties.

Such developments were in contradiction to the fundamental principles of classical political economy, which argued that market forces determined social relations and would bring about an increasingly egalitarian society. Economic relations would no longer be governed by principles of superiority or subordination derived from privileges, duties and rights imposed on individuals since economic exchange would now take place in a free and impersonal market place. Goods, services and the factors of production would be offered, and only price would influence the strength of demand. Such an analysis was also extended to the labour market. The quantity of labour was no longer to be determined by institutionally imposed duties and obligations, and any attempt to achieve industrial production through the use of unfree labour was considered futile. In institutional terms the status of the worker had changed greatly with respect to the past, even though it would take a long time before all citizens achieved real equality before the law. But although the labour market was governed by the laws of supply and demand, the providers and employers of labour met on very different terms.

The employer's need to find workers was generally less acute than the workers' need to find a job and if blockages in the labour supply might cause the entrepreneur to lose profits, for the worker they were in this period a threat to his or her very existence.

The balance between supply and demand in the labour market was also affected by the existence of regional markets, which meant that in some cases skilled labour was in a reasonably strong position. But in general the workers' position was weak because of the demographic boom which peaked in this period, creating a dramatic increase in the supply of labour. In this context the claims put forward by writers like Marx and Lasalle that the new industrial capitalism would always impose subsistence wage levels were hardly surprising. Their conclusions followed from those of the classical economists who had argued that a constantly growing labour supply must exert a downward pressure on wages. At the same time it was argued that these market structures meant that those profits which resulted from improvements in productivity, the key mechanism in the process of industrialization, would always accrue to the entrepreneur and not to the workers, thereby bringing about a permanent shift in the distribution of income that was entirely to the advantage of the former. All these claims seemed to find empirical demonstration in the condition of the working classes, yet there are in fact many questions and problems that remain unanswered in these terms.

Workers' Incomes

Many contemporaries and also historians depicted the new industrial working classes as having the lowest incomes of all working people, and cite in their support evidence of atrocious living conditions and the resulting levels of child mortality and life expectancy which were respectively higher and lower than in the countryside. The recruitment records of the Austrian army

similarly indicate that the average standard of health of young factory workers was much worse than their rural counterparts. However, one must also bear in mind that from the beginning of the XIXth century there had been a massive flow of labour out of the countryside into the towns, and especially into Vienna. There is, of course, absolutely no evidence that a migratory movement on this scale was attracted by lower employment opportunities or living standards in the towns, where most of those features which would later constitute the attractions of urban life were still lacking, quite irrespective of job opportunities. It seems more likely that in Austria, as in the first industrial countries and in today's developing countries, people moved into the cities because they could not find work in the countryside at comparable wages (Lindert/Williamson 1985, p. 196).

Since the expansion of the urban labour market has been uninterrupted down to the present, we must ask whether any phase of industrial development has been accompanied by an "impoverishment" of the workers' relative income levels. After a major and wide-ranging debate on the situation in Britain, historians have concluded that between 1790 and 1820 the real wages of English industrial workers did not change greatly and that thereafter they experienced a steady and uninterrupted upswing — meaning that the working classes did share in the prosperity of the British economy (Lindert/Williamson 1985). Recent studies on Germany reach similar conclusions and have challenged earlier images of progressive poverty and impoverishment. For most groups of workers wage levels in Germany touched their lowest point in the 1840s, but from the 1860s onwards began to rise steadily (Kocka, 1983, p. 141).

In the case of Austria there are few data series that cover the whole XIXth century (Otruba, 1980 p. 129), although for some towns there is information on the wages of workers employed by the day (Sandgruber, 1982, p. 115). These pose great problems for reconstructing real income since it is impossible to know how many days a year were worked, but nonetheless

Sandgruber has reconstructed the nominal and real wages of Viennese building workers in the period after 1830 and his estimates provide some valuable information. They suggest that real wages remained fairly constant until the early 1860s and then began to rise steadily until the First World War (Sandgruber, 1982, p. 121).

As yet there does not seem to be any reliable means for calculating family incomes, however. This is important because even when the real income of individual workers did not increase, the expansion of employment may have given more members of a family the opportunity to work. There is some evidence from the data on urban consumption that this was indeed happening.

The Table below gives Sandgruber's calculations of food consumption in Vienna between 1784 and 1910 (Sandgruber, 1982, p. 150). At first sight the figures would seem to confirm the hypothesis that living standards fell during the course of the XIXth century since the highest figures are recorded for the late XVIIIth century while, *per capita*, except for meat the consumption of other foodstuffs fell down to the 1830s and then showed little improvement before 1914. The only exceptions were milk consumption which increased fourfold and to a lesser extent beer, although this increase reflected a decrease in wine consumption.

These figures must be seen in the light of the major changes that were taking place in the composition of the Viennese population in the same period, however. At the end of the XVIIIth century the Court, aristocracy, and the *haute bourgeoisie* were the principal consumers, but during the course of the XIXth century the share of the working classes increased dramatically although in many cases, of course, workers' levels of consumption remained well below average. The inquiries carried out for the Labour Bureau of the Ministry of Trade between 1910 and 1914 also provide some roughly comparable data on the incomes and living standards of working class Vien-

nese families. These indicate that between 1912-14 workers consumption of meat, poultry, game, fish, butter and beer was about 50% less than average consumption in 1910 and in 1890 (Sandgruber, 1982, p. 263). The above average levels for the consumption of milk, bread and pulses reflects the consumer habits that were specific to those on lower incomes.

Table 1
FOOD CONSUMPTION IN VIENNA 1784-1910
(in kg per head of population)

Year	1784	1830	1850	1870	1890	1910	1984/85 ¹⁾
Bread/bread							
Grain	220.4	145.1	147.8	136.3	103.9	—	64.8 ²⁾
Rice	—	1.4	1.5	1.0	2.1	—	3.2
Pulses	9.6	6.2	4.4	2.6	1.8	—	0.7
Potatoes turnips							
cabbage	—	47.3	61.3	—	—	—	61.6 ³⁾
Meat	72.4	85.3	70.3	79.1	74.2	74.9	73.0
Poultry/							
game	11.7	8.5	5.0	4.5	6.2	7.5	13.5
Fish	2.2	1.8	1.8	1.7	1.6	1.5	3.2
Milk (in l.)	—	39.0	41.3	75.3	103.0	154.5	128.7
Butter	5.8	4.6	4.5	3.5	4.1	—	5.2
Cheese	2.5	1.5	1.8	2.1	2.1	—	6.3
Eggs							
(no.)	—	125,5	102,2	75,7	102,7	—	—
Wine (in l.)	133.0	63.0	41.2	35.4	45.4	35.1	35.8
Beer (in l.)	128.6	114.2	101.4	117.2	129.5	135.9	109.8

Source: Sandgruber 1982, p. 150 and Österreichisches Statistisches Zentralamt, Statistische Nachrichten, Heft 2/1986. ¹⁾ Average food consumption in Austria between 1 July 1984 and 30 June 1985. ²⁾ Wheat and rye flour. ³⁾ Only potatoes.

The growing number of working people in the Viennese population should have led to a lowering of average levels of consumption over time. Therefore, the fact that many levels of *per capita* consumption remained constant indicates that more was being consumed by working people — unless of course this was due to a proportional increase in upper class consumption, but there is no evidence for this.

Table 2
 CONSUMPTION OF NON-ESSENTIAL GOODS
 IN THE AUSTRIAN TERRITORIES 1780-1910
 (per head)

	Salt kg	Sugar kg	Coffee ¹⁾ kg	Beer l	Spirits l	Tobacco kg
1780	—	0.15	0.04	—	—	0.50
1800	—	0.40	0.05	—	—	0.79
1830	7.4	1.00	0.12	20	—	0.76
1841	8.0	1.00	0.18	26	9.5	0.88
1850	8.9	2.50	0.36	32	5.5	0.97
1860	9.4	3.00	0.59	37	7.8	1.20
1870	10.1	3.60	0.74	46	—	1.31
1880	9.8	6.10	0.89	49	3.1	1.41
1890	11.0	10.00	0.86	57	4.4	1.29
1900	9.7	14.70	0.98	78	5.5	1.37
1910	7.6	18.00	1.14	73	5.5	1.31

Source: Sandgruber 1982, p. 197. ¹⁾ The whole monarchy.

Further information can be added if we extend the analysis to the "Austrian half of the Empire" as a whole. Austria, Bohemia and Moravia shared similar patterns of economic development and hence are more comparable to the situation in Vienna than other regions of the Dual Monarchy which did not experience industrialization in the first half of the XIXth century. The data available refer to semi-luxury goods for which demand was highly income elastic, so that it is particularly significant that most of the groups reveal a steady increase from the end of the XVIII century to the outbreak of the First World War with salt and tobacco reaching peaks in the late XIXth century. Growing market integration was clearly a factor in increasing consumption without wholly accounting for it.

The average figures for the Austrian provinces as a whole cannot have varied very much from those for Austria alone, and figures on tobacco consumption in both regions bear this out (Sandgruber, 1982, p. 213).

The evidence for Austria is as yet much more preliminary

than for many other countries, but does suggest that the principal causes of the social question in Austria were not the result of the unrelievedly poor or progressively declining incomes of working class families in this period.

The Roots of the Social Problem

In that case the growing demands for better living standards in the XIXth century must have had other roots. Not only did the industrial revolutions cause existing social structures to be totally transformed, but they did so in a very short space of time, making unprecedented demands on the generations involved who had to adapt to rapidly changing circumstances. In retrospect it is hardly surprising that these massive and rapid changes engendered a whole host of frictions and discontents.

Industrial production requires a highly mobile labour force, but this hardly existed in the Austrian lands at the time when the industrial revolutions began. Most people were engaged in agriculture, were tied by law and by their own instincts and emotions to the place where they worked, and in general worked on their own account except for labour services owed under the feudal *robot*. When workers began to take up industrial employment this involved frequently not just one but often many changes of domicile, forcing the worker to abandon his settled rural habitat and accept one that was both new and unknown. When the new workers moved from the countryside into the towns they were acutely conscious of the changed conditions in which they found themselves. But although deplorable, the housing available for the workers in the towns and cities was often better than in the countryside although it was nonetheless perceived to be different. The same was true of food, which the data indicate was on average more plentiful in the towns than in the countryside and probably of better quality too.

The urban environment was perceived to be different from the countryside in human as well as material terms. In the coun-

tryside, personal ties of dependence on the landlord, the family and the parish survived. For many these dependencies were seen as oppressive, but they did constitute the sinews of the emotional and social bonds that gave the community its collective identity. This was recognised in the legislation on pauperism, for example, which made the parish responsible for the welfare of its members — which was one reason why the urban authorities often sent the urban unemployed back to their rural parishes.

Such social and emotional ties and safeguards did not exist in the towns, and while similar structures did exist in coal-mining areas they were absent from the newer industries. The urban workers, therefore, constituted a group that had no protection against the risks of industrial employment and as a result faced problems of survival that were very different from those in the countryside (Brusatti, 1979, p. 118).

Factory work itself was also completely new. Previously these workers had set their own output and organized the ways in which they did their work, but now they found themselves subject to strict, almost military discipline. Previously, individual labour had been integrated to some extent with that of the family as a whole, but under the new circumstances work and the household or the family were strictly segregated. The economic advantages of the new system cannot have been readily apparent to a worker who was obliged to complete a working day of between 12 and 14 hours, not allowing for the long journey on foot to and from the place of work.

Nor was there any framework of new legal and political institutions to help the individual come to terms with these changes. Where problems were identified, the standard response was to invoke measures and practices that already existed and were rooted in the agrarian economy. One example is the widespread use of child labour which is generally seen as one of the worst abuses of the early industrial revolutions as well as being bitterly denounced by many contemporaries and becoming the subject of the first measures of social legislation. But if child-

labour was a consequence of the employers' desire to maintain profits through the use of the cheapest form of labour available, this owed less to their immorality than to the inability to understand that the advent of the new industries had completely changed the character and condition of work.

Child-labour constitutes one of the first stains on the white coat of nascent capitalism, and took on particularly revolting features as the factory system spread. Yet the use of child-labour was not an invention of capitalism, but had existed since time immemorial and was actively condoned by the pre-capitalist absolutist state. In agriculture, child labour and the family economy were inseparable and a variety of tasks were deemed suitable for children according to their age. As late as 1795 the Hungarian Palatine attacked proposals for introducing rural primary schools on the grounds that:

...since even very small children are employed looking after the cattle and in other mean tasks in the fields, the creation of village schools would be quite pointless'.

Right down to the present centuries peasant families used similar arguments against the imposition of compulsory schooling.

The family also provided the original model for the employment of children in factories, since many factories grew directly from domestic production. In the putting-out system it was frequently the case that the work was done almost entirely by women and children. To meet rising demand they were often grossly over-worked, with poor wages that were generally inadequate to meet subsistence needs although working hours were extremely long. It was this that caused many families to migrate to factories that paid better wages, and it was the lower wage rates that were accepted by women and children, together with their readiness to accept the discipline of the factory, that encouraged employers to rely on this section of the labour force. In many parts of Bohemia industrialization gave rise to what can only be described as migrations of children, and the

importance of child-labour can be gauged from a report of 1845 which showed that of those employed in paper-making and cotton spinning 14.7% were children (Weidenholzer, 1985, p. 80).

There were also similarities between the very long working hours in the new industries and those that had previously obtained in agriculture and artisan production where there had never been any form of institutional regulation or restriction. In agriculture, the working day was regulated by the length of daylight, the weather and the season. Although the latter did not affect craft production, it was, like agriculture, also regulated by numerous religious and customary holidays that were deeply rooted in popular tradition, such as "Blue Monday". The new system of factory production was quick to reduce these holidays so that the entrepreneurs might more fully exploit the workers without considering the effects on their health or productivity.

Yet despite the changes in the organization of production there was no new awareness of the changed character of industrial work and the conditions of the workers, and hence no basis for new forms of institutional intervention. The development of industrial production was predicated on the development of the concept of private property, the realization of which owed much to new Liberal ideologies even though it was already firmly enshrined in Roman Law. But it was in this light that the contract between employer and worker was also envisaged, although the Liberal concept of the freedom of contract took no account of the great disparity in the economic position and power of the employer and the worker. The Civil Law Code made no reference to workers but only to employees of higher status and master-craftsmen, while since the concept of a "worker" did not really exist in the first half of the XIXth century the only regulations on working conditions in factories and workshops were those set down in the "ordinances for domestic servants" of 1810. But these reflected an older mentality and while laying down sanctions against damage caused by the worker's failure to observe contractual obligations they did also

establish certain rights for the worker and establish sanctions against employers when these were infringed.

The position changed with the commercial regulations of 1859 which combined the principles of contractual freedom and public regulation over industrial production, setting down the rights and obligations of both employers and workers. Employers were no longer entitled to impose arbitrary contractual conditions, but on the other hand, the introduction of the compulsory "worker's record card" increased their control over their employees. The new regulations banned the truck system and limited child-labour, but their effectiveness was greatly impaired by the lack of means of enforcement although some progress was made in 1869 when new trade courts were set up (Weidenholzer, 1985, p. 113).

These measures all reflected an awareness of the new character of the relations between employers and workers and the need to offer some protection to the latter — but no more than that. Taken together with the characteristics of the labour market and the conditions of the industrial workers which we have already described, they contributed to the growing belief that the conditions of the workers in the newly emergent industrial society were highly unsatisfactory. The upper classes, the aristocracy and the *haute bourgeoisie*, looked on the working classes as something threatening and alien, and this attitude was reflected — amongst other motives — in Francis 1's decree that no factories should be permitted in Vienna. The same attitude was also evident in the repeated tendency to resort to police measures and repression in response to social discontent and social problems.

The workers themselves reacted to and absorbed these attitudes, and came to feel that they were indeed social outcasts. The speed of the economic and social changes in which they were caught up had not only adversely affected their lives in many ways but had also over-stretched their capacity to adapt and respond — in just the same way that the state also failed to

adapt and change. The growing sense of helplessness and despair on both sides increasingly found expression in violence.

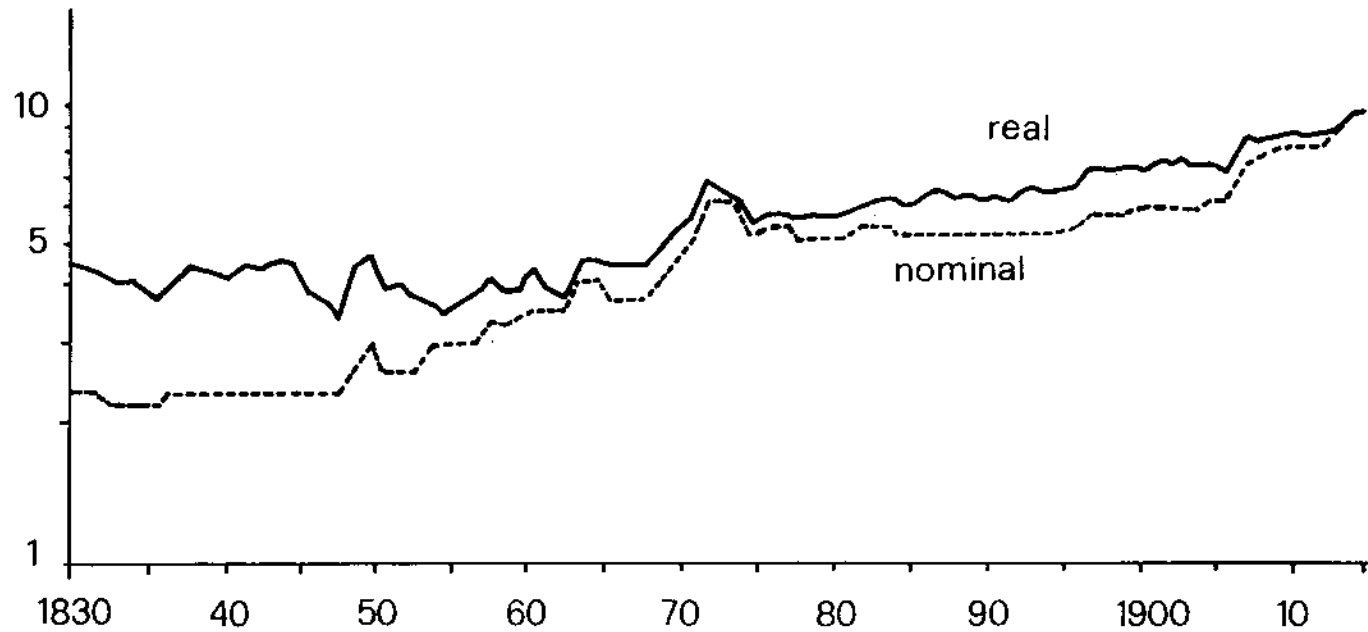
It was only in the second half of the century that the working classes began to be integrated more positively into Austrian society. The process of integration was complex, and certainly owed something to the Josephine tradition in the Austrian bureaucracy which always looked to advance the interests of Austrian society as a whole rather than the sectional interests of the upper classes alone. But new political voices also played their part as the interests of the workers found champions — albeit of very different colours — amongst the Christian Socialists, the Liberals and the Socialists. Similar issues were also developed in the debates that centred around the *Verein für Sozialpolitik* in Germany and which were soon taken up by Austrian intellectuals as well.

Above all the actions of the workers themselves played the key role in this process. The development of an organized labour movement was never simply a product of poverty but indeed was directed at overcoming the workers' political and material subordination through organized action. The lead came from amongst the best paid groups of workers, the miners, printers and railwaymen who soon established themselves as the shock-troops of working class politics.

To conclude, therefore, it would seem that the origins of the "social question" in the XIXth century were only marginally a matter of workers' relative incomes. They had much more to do with the speed and intensity of social changes that affected working people much more directly than any other social group. The middle classes were long accustomed to urban life, while the agrarian economy was slow to change. It was the industrial workers who emerged as the new social force in this period, and the one that was most effectively cut-off from the past. As a result they had to bear the main burdens of adaptation to the new demands of a new industrial society that was not to be fully achieved until the XXth century.

Graph I
WAGES OF VIENNESE BUILDING WORKERS 1830-1914

1914 = 100



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