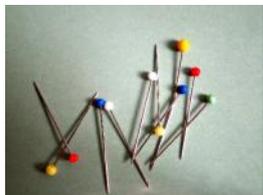


[Of pins and things](#) [1]

Written by [Professor Gavin Kennedy](#) [2] | Monday 28 May 2012



Adam Smith's *Wealth Of Nations* reference to pin making overshadowed the broader significance of this 'trifling manufacture', which had been 'very often taken notice of'. Paucelle (2007) traced Smith's sources to Diderot and d'Alembert's *Encyclopedie* (1755), Duhamel's *Arts & Metiers* (1761), and Macquer's *Dictionnaire portatif* (1766), all detailing the long-established manufacture of *L'Épingles* (Pins). Smith used these details to illustrate the direct association of the division of labour with sustained increases in productivity, leading to the wider consumption of the 'necessaries and conveniences of life', and, we now know, to unprecedented living standards in market societies.

Smith also illustrated his observation of the division of labour in the manufacture of the labourers' common woollen coat. Briefly, it spread markets for many suppliers situated nearby, and far away, rather than confine its benefits to single workshops. Typically, gun manufacturing in the 18th century was highly segmented and, in time, similar sub-divisions appeared in the pin and printing trades too. Steam power, mechanisation and specialised hand-tools led to feeder developments, limited only by the extent of their growing markets. Michael Munger reports that in 1820 there were 11 pin factories in Gloucester, but by 1939 the number in the whole United Kingdom had shrunk to twelve, and by 1978 to only two, using automated and computer-driven pin-making machines, increasing output from each labourer in Smith's report of 5,000 pins a day compared to modern daily outputs of 800,000 pins.

Smith illustrated the early effects on the division of labour on the gradual spread of general opulence. He contrasted the household possessions and relative comforts of an 18th-century 'industrious and frugal peasant' with the scant possessions of 'ten thousand' indigenous people of Africa. He commented that these clear differences in everyday living standards were due to 'the tools of all the different workmen employed in producing those different conveniences' and to the 'variety of labour employed', with the 'assistance and cooperation of many thousands', in contrast to the singular dependence of each 'naked' native on themselves and a few compatriots nearby.

Brad DeLong dramatised the stark gap between today's Yanomamo stone-age, hunter-gatherers along the Orinoco River with modern New Yorkers along the Hudson River, by referring to the availability and access to products. New Yorkers have access to tens of billions of products supplied in complex product chains from across the entire globe, as against only several hundred for the Yanomamo people, limited as they are solely to whatever they can provide for themselves within their tribal territory. New Yorkers, in contrast, have access to the productivity of billions of participants they do not know, nor need to know. The division of labour makes the case for markets where possible.

Gavin Kennedy blogs at [Adam Smith's Lost Legacy](#) [3].

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