Understanding State Welfare: Social Justice or Social Exclusion?

The 'Invisible Hand' and the Emerging State

The 'Invisible Hand' and the Emerging State

The 'invisible hand' and the emerging state

The Market

It is, of course, an error to construct the nineteenth century as the era of doctrinaire prohibition of government intervention. Nonetheless, as Hoppen (1998: 92) has argued, 'the ideology which spoke most powerfully to the condition of the new industrial society was that which had first sprung from the so-called classical economists and then been filtered down through the utilitarianism of Jeremy Bentham and his disciples'.

Adam Smith (1723–1790)

A critique of mercantilist ideas was at the heart of Adam Smith's Inquiry into the Nature and Causes of the Wealth of Nations (1776). Mercantilism, a loose collection of maxims derived from the doctrine of the absolute rights of kings, asserted that, because the wealth in the world is finite, any increase in trade by one nation must be at the expense of its competitors. Mercantilists exhorted each sovereign to aim for a favourable balance of trade to supply the bullion for 'the defence of the realm'. Moreover, 'the task of the wise administration of the nation was to maintain all its objects (persons, things) in their rightful place' (Dean, 1991: 30). The state's human assets – its 'loyal subjects' – had to be regulated both at home and abroad. Welfare measures formed an important part of this social control apparatus (Krieger, 1974: 557). Parishes were required to levy a rate to set the poor to work, labour mobility was discouraged by the severe punishment of 'sturdy vagabonds' and regulations governing wage levels were issued to 'yield to the hired person … a convenient proportion of wages' (Statute of Artificers, 1563). The Navigation Acts (1651–1849) managed overseas trade, restrictions were placed on the export of coal, machinery and wool (Checkland, 1983: 18) and men with mechanical skills were not allowed to emigrate (Floud, 1997: 160).

Adam Smith attacked mercantilism with the argument that a nation's wealth resided, not in the accumulation of bullion, but in the effective use of its stock of labour skills. He claimed the division and specialisation of labour expanded wealth by increasing the dexterity of the labour force and facilitating the use of mechanical devices. Individuals and nations need not be self-sufficient for they could meet their wants 'by treaty, by barter and by purchase' of goods produced by others (Smith, 1776, Book 1: 119). Consumption being 'the sole end and purpose of all production' then 'all are obliged by self-interest to bring the results of their efforts 'into a common stock, where every man may purchase whatever part of the produce of other men's talents he has occasion for' (Smith, 1776, Book 2: 155). The market performs the task of distributing the 'common stock' efficiently. Each person, on entering the market is

led by an invisible hand to promote an end which was no part of his intention … By pursuing his own interest he frequently promotes that of society more effectually than when he really intends to promote it. (Smith, 1776, Book 1: 400)

Thomas Robert Malthus (1766–1834) and David Ricardo (1772–1823)

Thomas Robert Malthus' various essays on the Principle of Population, published between 1798 and 1826, supported Smith's thesis that intervention in markets produced undesirable consequences. Population, Malthus argued, increases in a geometrical ratio, whereas 'the subsistence for man which the earth affords' grows only in an arithmetic ratio. This proposition led to the dismal conclusion that 'positive checks' of famine, infanticide and plague on population growth were inevitable. State intervention to assist the poor to meet their subsistence requirements would not prevent the day of reckoning. On the contrary, by discouraging the 'negative checks' of forgoing marriage and abstaining from sex, it would bring the doomsday forward.

David Ricardo reached a similar conclusion on the futility of state intervention to assist the poor. His Principles of Political Economy and Taxation (1971 [1817]: 1) was 'the inquiry into the laws which determine the

division of the product of industry among the classes who concur in its formation'. Ricardo identified three elements in 'the product of industry'; land, for which rent was paid, labour, remunerated by wages and capital, whose reward was interest. He believed there was little scope for increasing the 'product of industry' through increases in 'rent'. 'A rent is paid because corn is high', he said, not because rent determines the price of 'corn' (the product of the land). Wages were determined by the 'iron law' identified by Malthus and hence there was a national 'wage fund' – the amount necessary to keep the number of labourers constant. Economic progress could come only through augmenting the propensity of capitalists to invest by increasing the interest paid on their investments.

Jeremy Bentham (1748–1832)

Support for 'laissez-faire' from the domain of political theory came from Utilitarianism. Jeremy Bentham, the most influential promoter of the theory, recognised a political response was necessary to the forces of industrialisation that were starting to dissolve the bonds of custom, tradition and religion. In A Fragment of Government (1776) and An Introduction to the Principles of Morals and Legislation (1781) he defined happiness as the 'felicific calculus' of that which reduces individual pain and enhances personal pleasure. Because the 'utility' of a good is 'that property in any object whereby it tends to produce benefit, advantage, good or happiness … to the party whose interest is considered', it followed that no activity has a value above the calculus of individual pleasure and pain. Each person knows what makes him happy so 'Pushpin is as good as poetry'. The objective of government is to promote 'the greatest happiness of the greatest number', an aim best achieved by laissez-faire, but not in every case. When it could be shown beyond reasonable doubt that laissez-faire did not produce 'the greatest happiness of the greatest number' then state intervention was justifiable, but only if such intervention was efficient. Bentham's enthusiasm for efficiency was demonstrated in his Pauper Management Improved (1798) where he presented proposals to convert the 'dross' of society into 'sterling'. A National Charity Company was to be set up to erect 'industry houses', each with 5000 paupers, to which all those without visible means of support would be sent (Jacobs, 1976: 94). Each 'industry house' could be made to yield a profit by 'the unremitting supervision and discipline, the ingenious economics of diet, dress and lodging, the prolonged hours of labour and the enforced stay of apprentices during their years of greatest productivity' (Himmelfarb, 1984: 81).

Externalities

Take my word for it, Sammy, the poor in a loomp is bad.

Alfred Lord Tennyson, The Northern Farmer – New Style, 1856

The notion that the state should 'leave to be' helped to restrict the forms of state intervention developed under mercantilist influence. Assistance to the destitute was curtailed (the Poor Law Amendment Act 1834), agriculture was exposed to foreign competition (the repeal of the Corn Laws 1846) and paternalistic relationships between employer and employee were undermined when the Truck Act of 1831 prevented the payment of wages in kind. The main reason the dominance of 'laissez-faire' did not empty the statute books was the recognition that, in an industrial, urban economy, no man is an island. In the middle years of the nineteenth century, a type of politician/administrator began to emerge who adopted the basic tenets of 'laissez-faire', but supported limited forms of state intervention. A notion of 'the community interest' was an integral part of Utilitarianism (Barry, 1990: 21, Searle, 1998: 27) and, through 'scientific investigation', utility experts discovered what economists in the twentieth century came to call 'externalities'. 'Externalities' occur when there are gains (a positive externality) or losses (a negative externality) 'sustained by others as a result of actions initiated by producers or consumers or both …' (Hardwick et al., 1994: 209).

The urbanisation of the nineteenth century generated massive externalities such as human dunghills, polluted rivers and the keeping of cattle in the backyards of terraced property. Most important were the deaths from cholera and typhoid that, unlike other major killers such as typhus and tuberculosis, spread rapidly to the middle class (Laybourn, 1995: 84). When cholera deaths were traced to houses supplied with water contaminated by human excrement, the need for an efficient sewerage system, available to all households, became clear. Experts in 'utility maximisation' regarded 'externality' as a sufficient reason to justify state

intervention in the form of regulation and, if necessary, the use of collective revenues to provide 'public' services. Nonetheless, this 'expert' recognition of 'externalities' did not automatically lead to intervention. The plea for 'economy', buttressed by a demand for local autonomy, remained strong. As James Hole said of the local boards of health established in many urban areas under the Public Health Act 1848:

They and those that elect them, are … the owners, generally speaking, of the very property which requires improvement … Every pound they vote for drainage, or other sanitary improvement is something taken out of their own pocket … to the ratepayers themselves a little claptrap about centralisation, and still more appeal to their own pockets … is sufficient cause for the rejection of the most useful measures. (Hole, 1866, cited in Wohl, 1983: 170)

Hence the path to public health was twisted and troublesome, which meant the administrative machinery necessary to supply the infrastructure for public health – sewerage and water supply – was not in place until the late 1880s.

The notion of 'externality' helps to explain the movement for public health but politicians/administrators such as Edwin Chadwick, Nassau Senior, James Kay and John Simon interpreted the notion of 'harm to others' in very broad terms equating it with a strong notion of 'national morality'. Their investigations into the 'state of the nation' led them to conclude the 'slum' produced harm to society going well beyond its contribution to the spread of disease. The term 'slum' was applied to an entire area of social pathology as well as to a single dwelling deemed unfit for human habitation. As Mellor (1977: 42) has explained, 'the slum was the locale of vice, crime, delinquency and disease, a disorderly gathering of people beyond society and without community'. It spawned a number of undesirable consequences. Moral degradation, associated with overcrowding, was thought to be endemic in slum areas. John Montgomery told the Social Science Association 'If human beings are crowded together then moral corruption takes place, as certainly as fermentation or putrefaction in a heap of organic matter' (Montgomery, 1862, cited in Wohl, 1983: 287). The high death rate in the slums led to the substitution of young and inexperienced labour for skilled hands and added to the poor rate by the premature death of the main breadwinner (Chadwick, 1842). Conditions in the slums so depressed the human spirit that 'the temptation to drown care in intoxicating liquors … is seldom permanently resisted' (Chadwick, 1842). Mearns summarised the problem in The Bitter Cry of Outcast London:

seething in the very centre of our great cities, concealed by the thinnest crust of civilisation and decency, is a vast mass of moral corruption, of heartbreaking misery and absolute godlessness … The terrible flood of sin and misery is gaining upon us. (Mearns, 1883: 1,56)

The perceived connection between cleanliness and godliness helped to promote local authority provision of public baths and washhouses (Parry, 1993: 207). Relief from 'narrow courts and confined streets' was promoted by The Towns Improvement Act 1847, which granted powers to local authorities to acquire land and maintain parks (Cherry, 1988: 46). The immorality associated with overcrowding was tackled by the Common Lodging-Houses Act of 1851 that required the registration of all common lodging houses, gave local authorities the right to determine how many people could reside in a lodging house and allowed the authorities to evict those above the prescribed maximum. The 1875 Public Health Act declared 'any house or part of a house so overcrowded as to be dangerous or injurious to the health of the inmates' to be a 'statutory nuisance' and liable to closure. The 1875 Artisans' and Labourers' Dwellings Improvement Act (the Cross Act) made provision for the eradication of the slum area. Its aim was to create a 'virtuous circle' whereby state finance, in the form of cheap loans, was used to clear the slums with the enhanced value of the sites providing future resources for clearance. The 'virtuous circle' did not develop. The Cross Act placed a duty on local authorities to arrange for new dwellings to be built on or near the cleared site, sufficient to rehouse the displaced persons (in 1882 this duty was reduced to 50 per cent of displaced persons). However, when local authorities attempted to meet this duty, they found land costs were far greater than housing suppliers could afford so the promise to clear all the slums in London, at a cost to the rates of two million pounds, was not fulfilled (Yelling, 1986). Sometimes the rehousing of former slum dwellers in an 'improvement scheme' was ignored. Joseph Chamberlain – convinced 'the horrible, shameful houses in which many of the poor are expected to live' caused intemperance (Chamberlain, 1874, cited in Watts, 1992: 58) – introduced a 'grand town improvement' scheme to redevelop 93 acres of central Birmingham. However, he left the provision of replacement homes

to the private sector on the argument there was adequate dwelling-house accommodation for the artisan and labouring classes within the borough (Powell, 1972: 27). The death rate declined from 53.2 to 21.3 per thousand but the redeveloped area contained very few houses for the working class. As a local newspaper commented at the time:

New Birmingham recipe for lowering the death rate of an insanitary area. Pull down nearly all the houses and make the inhabitants live somewhere else. 'Tis an excellent plan and I'll tell you for why. Where there's no person living, no person can die. (cited in Watts, 1992: 53)

Philanthropy

Adam Smith held the 'beneficent virtues' in high regard but he did not believe charitable giving was essential to a stable society. 'Society may subsist among different men, as among different merchants', he explained, 'from a sense of utility, without any mutual love or affection' (quoted in Mencher, 1967: 66). Nonetheless, the heyday of laissez-faire was also the heyday of philanthropy. Driven by Evangelical Christianity there was a remarkable increase in the number of charities between 1850 and 1900 (Heasman, 1962: 8).

Religious motivations underpinned charitable activity because magnanimity was the passport to salvation and a good in itself. Moreover, because suffering was linked to sin, if the needy could be attracted into virtuous belief by the example of the donor, then the quality of charity was twice blessed. Benevolence was expressed in a variety of contexts. The Churches were deeply involved in education because children needed to be taught their letters to read the Bible and education was considered inseparable from the teaching of Christian morality. Religious rivalry fuelled the drive to offer schooling for, if taught correctly, the children of today would become the 'true believers' of tomorrow. The National Society for Promoting the Education of the Poor in the Principles of the Established Church supervised the provision of education linked to the Church of England and its rival, the British and Foreign Schools Society, performed a similar task for dissenters.

Health care was also a major arena for philanthropic activity (Abel-Smith, 1964: 41). Hospitals established in earlier times were extended and new 'specialist' hospitals were set up to enable doctors with a particular interest to develop their expertise. Donations to hospitals were encouraged by the 'ticket' system whereby, in return for a donation, the benefactor was entitled to nominate patients for treatment. However, by the late nineteenth century, many voluntary hospitals were in financial difficulties and, in an attempt to raise revenue, they started to introduce pay-wards for the middle class and charge nurses for their training (Waddington, 1996: 189–90). What are now called the 'personal social services', financed today mainly by local authority social services departments, formed a third domain of charitable activity. Special local interest groups, often linked to a national organisation, were created for almost every contingency with 144 new charitable agencies established in London alone in the 1850s (Owen, 1965: 169).

Altruism, arising from religious beliefs, played an important role in the development of voluntary organisations, but philanthropy also served more self-regarding purposes. In his Reflections on the Revolution in France (1790), Edmund Burke emphasised the need for an ordered, hierarchical society – one that promoted social inclusion via reciprocal obligations. The exercise of social control, via the demand for obligations in return for charity, was deeply rooted in the voluntary welfare system. Hannah Moore, the founder of several charitable schools, put the matter bluntly. In a year of severe depression, when labourers had been relieved by charitable organisations, she told the people in her area:

We trust the poor in general … have received what has been done for them as a matter of favour, not of right – if so, the same kindness will, I doubt not, always be extended to them, whenever it shall please God so to afflict the land. (Hannah Moore, 1801, cited in Jones, 1952: 158)

Subtler forms of social control can be found in the activities of the Charity Organisation Society and the voluntary housing movement.

The Charity Organisation Society

Character is the key to circumstances. He therefore that would permanently mend circumstances must aim at character. All that can be done externally to remove obstacles and improve circumstances should be done, but there will be no lasting betterment without the internal change. (23rd Report of the Charity Organisation Society, 1894, cited in Kirkman Gray, 1908: 112)

The proliferation of charities caused concern about the impact of indiscriminate largesse on the moral fibre of its recipients. In 1869 the Society for Organising Charitable Relief and Repressing Mendicity, to become known simply as the Charity Organisation Society (COS), was formed to tackle the problem in London and similar organisations developed in the provinces. The COS's philosophy was based on the notion that charity, 'unwisely administered', was 'capable of doing incalculable harm' by attracting 'the individual from the wise and natural toilsomeness of life' (COS, cited in Humphreys, 1995: 53). By encouraging co-operation between charities and the Poor Law authorities the COS hoped to establish distributive principles for assistance and apply these principles to reward self-help and repress begging. Charles Stewart Loch, the first Secretary of the COS, set out the 'principles of charity' as the person benefiting should be restored to self-dependence, all forms of pressure should be used to promote self-reliance and consideration must be given to the whole family when assessing requests for assistance (Woodroofe, 1962: 33). Restoration to independence was to be achieved through a relationship between the caseworker and the receiver of relief – a relationship intended to restore the personal connection between the classes believed to have been severed by urbanisation. 'In a great city' said Loch 'the larger proportion of applicants for relief are made from strangers to strangers' hence 'the element of obligation inherent in the gift had gone' (Loch, 1895: 61–2). The 'casework' relationship also served as the mechanism for separating genuine 'needs' from artificial 'wants' and for controlling misfeasance. COS volunteers were to 'visit those who have been helped and exercise a personal influence over them, so as to insure that the aid given is really beneficial' (COS, 1893, cited in Fido, 1977: 209). Loch also claimed the voluntary sector and the state had discrete clientele; charitable aid should be restricted to the 'deserving poor' and state relief should be concentrated on the 'undeserving' poor. The COS mounted numerous campaigns against out-relief, favoured by some Guardians because it was economical (Humphreys, 1995: 52). It wished to see the 'undeserving' poor 'treated in the workhouse, with gentleness and human care but under strict regulation and not a high scale of comfort' (Bosanquet, 1893: 329). Begging was to be strictly deterred and the COS recommended 'all who, by begging, proclaim themselves destitute, must be taken at their word. They must be taken up and kept at penal work not for one morning, as now, but for a month or two' (COS, cited in Jones, 1984: 273).

The distinction between 'deserving' and 'undeserving' poor and the associated exclusion of the 'undeserving poor' was at the core of COS philosophy. Whether or not a supplicant for aid was classified as 'deserving' depended on the judgement of the 'caseworkers' employed by the COS. These social workers were responsible for ensuring that material aid formed part of a plan to restore the recipient to independence and, in the absence of other forms of help in times of distress, a needy person was at the mercy of the caseworker. In return for help the applicant had to submit to detailed enquiries into her personal circumstances, receive regular home visits and accept 'simple recipes' on how to manage on a low income from someone whose superior social status was supposed to make her befitting to deliver such lectures (Humphreys, 1995: 145). This process of separating the 'deserving' from the 'undeserving', by the courteous yet patronising dispensers of relief, was resented by the 'dis-respectable' and 'respectable' poor alike. Emerging socialist ideas fuelled this resentment. When George Landsbury was told by Lord Swaythling that he gave one-tenth of his income to the poor, he retorted 'we Socialists want to prevent you from getting the nine-tenths' (cited in Finlayson, 1994: 157). J.A. Hobson accused the COS of hypocrisy because of its belief that cash for the poor, without obligations, was 'undeserved' whereas the 'unearned' income of the rich from land was a legitimate entitlement (Hobson, 1891). Mrs Townshend (1910: 12) added the charge that the COS neglected the influence of social conditions on behaviour. The COS responded to this criticism and, according to a leading figure in the COS, the deserving/undeserving distinction was 'largely passing out of use' by the end of the nineteenth century (Bosanquet, 1917: 112) being replaced by the less censorious terms 'helpable' and 'unhelpable' (Lewis, 1995: 58). Nevertheless, although only alcoholics were routinely denied help, patronising attitudes persisted and the COS remained firmly opposed to any state assistance to the poor outside a stern Poor Law.

The Voluntary Housing Movement

The provision of accommodation by the voluntary sector contained three elements. Some wealthy manufacturers built 'model villages', usually linked to their factories. Often established from the purest of motives – many of the industrial philanthropists had connections with the Society of Friends – these 'model villages' offered a pervasive form of social control. Loss of a job could also mean eviction from home and exclusion from recreation. The mainstream voluntary housing movement was involved in erecting 'model' dwellings, often in clearance areas. Some associations derived their resources entirely from charitable endowments, but most set out to demonstrate that 'wholesome' dwellings could be provided for the working class if financiers limited their investment return to five per cent rather than the normal seven to ten per cent. The demonstration was not successful. The houses, built to sanitary standards, had to be let at rents beyond the means of the poorer sections of the working class. Letting to skilled workers rather than to the poor was defended with the argument that new dwellings, occupied by 'artisans', would release existing houses where poorer people could live. In The Homes of the Working Classes (1866) James Hole claimed '…by increasing the number of first class houses for mechanics the vacated tenements increase the supply for the second and third classes and thus all classes are befitted (quoted in Boddy and Gray, 1979: 43). But 'trickle down' failed. The rapid urban population growth at the time and the limited replacement of demolished dwellings meant the housing needs of the poor were submerged by new household formation. As the Charity Organisation Society noted:

there is a constant influx and migration of people and an annual increase of the population of about 60,000; the vacuum, such as it is, is immediately filled up, and there is no reason for believing that, when 'Dwellings' are erected, houses occupied formerly by better class tenants, are occupied by the next and lower grades. (Charity Organisation Society, 1881: 123–4)

The COS recognised the fundamental housing problem of the urban poor was their inability to afford to live in properties built to 'sufficient' standards (Jones, 1984: 197). However, it rejected subsidies because '…not only would the profits of commercial investment be impaired, but the principle of self dependence would be attacked, habits of self-indulgence would be encouraged, and even the wages of unskilled labour might be reduced' (Charity Organisation Society, 1881: 11). Octavia Hill's solution was to provide accommodation for labourers in irregular work by purchasing dilapidated properties, improving them to basic standards – some of her dwellings were declared unfit for human habitation – and offering rooms to tenants at a low rent (Darley, 1990: 135). She believed 'if the property required 'reconditioning' then 'so sometimes did the occupants' (Curtis, 1956: 58). 'If the loving kindness of the friend', she said, is united 'to the control of the landlord … you will rule a little kingdom in righteousness' (Hill, 1889: 459). In the belief that a great deal of the degradation of the poor could be attributed to the absence of middle-class influence in poor areas (Lewis, 1991: 35), Octavia Hill employed 'governing and guiding' women to improve the character of her tenants. These attempts at moral improvement often failed and, in accordance with Octavia Hill's strict rules on the payment of rent, the tenant was evicted.

The Family

The Elizabethan Poor Law required 'liable relatives' to repay the authorities for the upkeep of their kin; the communal duty to assist the destitute was accompanied by a community right to demand recompense from the 'extended' family of the pauper.

The father and grandfather, mother and grandmother and children of every poor, old, blind, lame and impotent person or other poor person not able to work, being of sufficient ability, shall at their own charge relieve and maintain every such poor person. (43 Elizabeth 1 c.2 cited in Bruce, 1973: 39)

This obligation to support members of the extended family was not complemented by rights vested in children, women and elderly people to claim maintenance directly from the male head of the household. English common law 'did not recognize any enforceable duty on a parent (unless he had made a contract to do so) to support his child or pay his debts or to educate it' (Department of Health and Social Security, 1974b: 100). Until 1870 a man owned the property of his wife and had a common law duty to maintain her. A man owed

this duty to maintain to the community not to his spouse and, until the 1886 Maintenance of Wives Act, a wife could not sue for maintenance in a magistrate's court even when she left her husband (Land, 1995: 85). Elderly people had no legal rights to claim maintenance directly from their children and most Boards of Guardians appeared to have ignored their duty to claim the cost of maintaining elderly people from liable relatives (Hoppen, 1998: 317).

In the early nineteenth century illegitimate children had more legal rights than legitimate children. Under the bastardy laws a single woman could declare a man to be the father of her child and the overseers of the poor could apply to a justice of the peace for a warrant requiring the putative father to pay maintenance. The Poor Law Commissioners believed this right to maintenance was an incentive to female immorality and deception. They expressed concern that 'innocent' men could be made responsible for illegitimate children (Checkland and Checkland, 1974: 259–72) and declared:

what Providence appears to have ordained that it should be, a burthen on its mother, and, where she cannot maintain it, on her parents. The shame of the offence will not be destroyed by its being the means of income and marriage, and we must thrust that as soon as it has become both burdensome and disgraceful, it will become as rare as it is among those classes in this who are above parish relief … (Poor Law Commissioners, 1834, cited in Department of Health and Social Security, 1974: 115)

The bastardy clauses of the 1834 Poor Law Amendment Act reflected the Commissioners' view that females were responsible for illegitimacy.

Maintenance orders could not be for an amount greater than parish relief and they lasted only until the child was seven.

Systematic thinking on the nature of the family as a secular, social institution was rare even at the end of the nineteenth century. However, in 1906, Helen Bosanquet, an influential member of the COS, provided a succinct justification of the prevailing orthodoxy. She summed up the family in a sentence:

What is a Family, and what is its purpose? No one will feel himself at a loss in answering the question; man, woman, and child, the 'practical syllogism', two premises and their conclusion, these in their combination form the Family, and the purpose of the combination is the mutual convenience and protection of all the members belonging to it. (Bosanquet, 1906: 16)

Bosanquet regarded the father as the source of authority in the family. This authority was derived 'not only by natural disposition, but also and mainly by the natural and necessary division of labour between the two chief members of the partnership' (Bosanquet, 1906: 272). The wife was assigned the functions of family income manager and carer of home and children, while the husband and adult children assumed responsibility to provide income. Men, according to Bosanquet, were 'incapable of the more domestic duties incident upon the rearing of children' and it was 'largely this incapacity which gives him the power both of concentration and of width of view' (1906: 272–73). 'If the husband is the head of the family', she continued, 'the wife is the centre. It is she who is primarily responsible for the care of the children; to the utmost extent of which the family means will allow, it is her duty to see they are well cared for, both physically and morally; and it is generally agreed that this duty can be properly fulfilled only by personal attention' (1906: 279). Bosanquet recognised that sometimes women, 'neglected their primary duty' and worked outside the home. Nonetheless she asserted that 'nothing could so well emphasise the importance of the woman in the Family as the miserable condition of home and children when she is not in the Family but in the mill' (1906: 294).

Bosanquet's account captures the dominant view of the relationships involved in the 'ideal' family. The civil and political citizenship of men derived from their rational, abstract, disembodied minds enabled them to apply dispassionate reason and standards of justice (Lister, 1997: 68). The citizenship of the male was enhanced by his role in 'protecting, subsuming and even owning others' (Fraser and Gordon, 1994: 88). Women's concerns were with the particular, the private, the creation of the home as a 'moral haven' and as 'the chancellor of the domestic exchequer' (Select Committee on the Married Women's Property Bill, cited in Lewis, 1999: 254). This did not preclude women from entering the public sphere, indeed Bosanquet was a powerful advocate of their inclusion, but their role was in the civic dimensions of domestic life not in the domains of economic

or foreign policy. The dearth of evidence makes it difficult to assess the extent to which reality of the family matched Bosanquet's rhetoric. Recorded illegitimacy per 1000 births was 42 at the turn of the century (Bliss, 1909: 594) but 'premarital pregnancy was far more common, as high as 40–50 per cent in some parishes early in the century, although far lower later' (Himmelfarb, 1995: 42). In 1901 about 13 per cent of married women were engaged in paid labour outside the home (Bourke, 1994: 100).

The State as Provider

To shift the responsibility of maintenance from the individual to the State is to sterilise the productive power of the community as a whole, and also to impose on the State … so heavy a liability … as may greatly hamper, if not almost ruin, it. (Charles Loch, 1895)

Education

The economists who promoted the market as the most efficient distributive mechanism agreed that education was the most important exception to the general prohibition against state intervention. Adam Smith recognised the idea of 'externalities'. He claimed 'the expense of the institutions for education and religious instruction is … beneficial to the whole society, and may, therefore, without injustice, be defrayed by the general contribution of the whole society' (cited in Copley and Sutherland, 1995: 88). Smith promoted state involvement in education because, with the division of labour, 'the minds of men are contracted and rendered incapable of elevation' and hence, without education, 'corruption and degeneracy' of labouring people were likely (Smith 1776: 734). He recommended that the state should establish a school in every area that would charge a modest fee. Whereas attendance would not be compulsory, Smith believed that making an examination in the 'three Rs' a condition of entering a guild or trade would encourage education. Despite the endorsement of state involvement in education by liberal economists, the idea encountered strong opposition. Provision of education removed children from the labour force thereby infringing the principle of laissez-faire and it was argued that, because religion and education were synonymous, then education must be provided by the churches. Others believed any education would be 'prejudicial to the morals and happiness of the labouring classes' teaching them 'to despise their lot in life' and making them 'insolent to their superiors' (Davies Giddy, 1807, cited in McCoy, 1998: 110). Initially the supply of education was left to the voluntary and commercial sectors. When, in 1834, the Manchester Statistical Society conducted a survey of education in Manchester, it classified the schools into seven types:

1 Endowed schools, financed by wealthy benefactors, providing education entirely free of charge. They ranged from the Manchester Grammar School to schools for workhouse children who made pins in the morning and were taught by older paupers in the afternoon.
2 Infant schools financed by the churches and small payments from the parents of the pupils.
3 'Dame' schools – entirely commercial and little more than child-minding establishments but catering for over half the children under five.
4 Common day-schools – commercial schools for older children charging from 2 pence to 7.5 pence per week.
5 'Superior' private and boarding schools.
6 Evening schools catering for students between 14 and 18 years of age.
7 Sunday schools, which instructed children in religion, reading and writing without interfering with weekday industry.

In Manchester only 56 per cent of children between five and 15 were receiving any form of instruction and, of this number, more than half were receiving only Sunday school lessons (Simon, 1938: 121).

State intervention in education started in 1833 when, following Althorp's Factory Act, which stipulated that children should be schooled for at least two hours per week, grants were made to religious bodies to enable them to develop educational establishments. The annual grant – extended to Roman Catholic schools in England in 1847 – was modest. By the early 1860s, central government provided only 23 pence in every pound of the revenue received by Anglican schools and 26 pence in the pound to nonconformist schools (Hurt, 1971: 64). State involvement in the direct provision of education has been explained by a variety of

factors. Changes in the franchise produced the need to 'compel our future masters to learn their letters' (Lowe, 1867). Non-conformists wanted a system of education that would not perpetuate the influence of the Church of England (Bebbington, 1982: 127). Compulsory education in Prussia was perceived as producing an efficient labour force and it was necessary to occupy children who were being progressively excluded from the labour force (Musgrove, 1964: 76). According to West (1965: 167) '93 per cent of school leavers were already literate when the 1870 school boards first began to operate'. This evidence has been used to support the argument that it was the absence of 'public' education (schooling controlled by 'fit and proper persons' and not by parents) that was critical in the demand for state education.

In 1870 W.E. Forster, the Vice President of the Committee of the Privy Council on Education, told the House of Commons:

Upon the speedy provision of elementary education depends our industrial prosperity. It is no use trying to give technical education to our artisans without elementary education; uneducated labourers … are for the most part, unskilled labourers … Upon this speedy provision of education depends also, I fully believe, … the safeguarding of our constitutional system … Upon this speedy provision of education depends also our political power … if we are to hold our position among men of our own race or among the nations of the world we must make up for the smallness of our numbers by increasing the intellectual force of the individual. (W.E. Forster, 1870)

'Of those children aged between six and ten', he informed the House, 'we have helped about 700,000 more or less, but we have left unhelped 1,000,000; while of those between ten and twelve, we have helped 250,000, and left unhelped at least 500,000'. The first problem was therefore to 'cover the country with good schools'. The educational condition of each district would be assessed. 'If, in any one of these districts we find the elementary education to be sufficient, efficient, and suitable', said Forster, 'we leave that district alone but, if insufficiency is ascertained, then it is by public provision that need must be supplied'. The mechanism of public supply would be an elected School Board and the finance would come from rates and central grants with local management subject to central inspection and control. The 1870 Education Act did not make elementary education compulsory but School Boards could require attendance by passing by-laws. Most did not make such by-laws until the Compulsory By-Laws Act 1880 required all education authorities to legislate on school attendance. The impact of the 1870 and 1880 Acts is revealed in the experience of Reading where, in 1872, 4884 places were available in private, voluntary and church schools. By 1902, 14,010 places were available of which 9552 were supplied by local government (Alexander, 1985: 142).

Poor Relief

'An Act for the Relief of the Poor' 1601, a consolidation of earlier legislation, placed an obligation on 'the churchwardens of every parish' to appoint 'overseers of the poor'. The rationale of the parish – an ecclesiastical unit – as the local administrative unit was that it would produce sufficient voluntary donations for the relief of the poor. However, voluntary donations proved inadequate (Ashley, 1925: 111) and, by 1601, overseers had gained the power to raise 'competent sums of money' by a compulsory rate. The duties of the overseers included provision of 'convenient houses of dwelling for the impotent poor', 'putting children out to be apprentices' and the purchase of 'a convenient stock of flax, hemp, wool, thread, iron, and other ware and stuff, to set the poor on work' (An Act for the Relief of the Poor, 1601, cited in Bruce, 1973: 39).

The cost of relief raised the issue of which parish should support a supplicant for assistance. The Law of Settlement, 1662, set out the basic conditions governing this obligation. A person acquired 'settlement' in a particular parish by occupying a property worth more than ten pounds per year, by serving an apprenticeship in the parish, by marriage and by being hired for more than a year. Without such settlement rights 'outsiders' could be removed from the parish within 40 days of arrival. This settlement law reflected concern about the potential disruption of the social order caused by labour mobility and was accompanied by strong measures to deter 'sturdy vagabonds'. A series of statutes in the early sixteenth century produced a Tudor version of the 'three strikes and you're out' approach to criminal justice produced in the USA in the 1990s. A first offence of vagrancy was punished by 'whipping with rods', a second offence by the 'stigmatic amputation' of an ear, a third offence by execution (Humphreys, 1999: 44–5).

A myriad of aid systems developed under the 1601 Act. Some were austere (including workhouse provision), others have been regarded as 'generous' according to the standards of the time (King, 2000: 54; Thane, 2000: 147–59). Daunton (1995: 452) claims the dominant ethos was that the parish had a duty to provide 'appropriate' assistance to deal with 'life cycle' indigence. It has even been claimed the standard of relief in rural areas for the elderly poor was more generous in relative terms than provision in the post-war welfare state (Thomson, 1984). In many areas 'country gentlemen' were prepared to defend the parish assistance as a 'natural' right of the poor and appeals against decisions by the overseers could be made to the county courts.

By the early nineteenth century the operation of the Elizabethan Poor Law was perceived by liberal economists to be an anachronistic remnant of mercantilist principles (Mencher, 1967). This view gained purchase as concern mounted about the rising cost of relief, the 'ingratitude' of the poor and the failure of the system to prevent social unrest (Burnett, 1994: 38). The 1824 Vagrancy Act was an attempt to revise earlier vagrancy legislation, perceived as 'extremely loose in its definitions and enactments' (House of Commons Select Committee, 1821, cited in Humphreys, 1999: 81). It classified vagrants into three types – 'idle and disorderly', 'rogues and vagabonds' and 'incorrigible rogues' and allowed justices of the peace to punish any 'suspicious' vagrant, on the evidence of one 'credible witness' with imprisonment of up to 12 months or a public flogging for 'incorrigible rogues'.

In 1832 a Royal Commission on the Poor Law was appointed. Its report, published in 1834, identified the variety of practices in the 15,000 parishes and declared many of them to be unacceptable. At the heart of the polemic against the Poor Law was the notion that it encouraged the labouring classes to believe that they had a right to relief and thereby promoted unruly behaviour if this 'right' was denied (Burnett, 1994: 31). The 1832 report was replete with stories of the recipients of relief brazenly asserting their rights. Asked by the clerk to the magistrates at Swaffham, Suffolk about the burdens to the parish caused by her seven illegitimate children, the accused woman responded that 'I am not going to be disappointed in my company with men to save the parish' (Checkland and Checkland, 1974: 265). This 'comfort' of the belief in a right to subsistence, financed by a levy on assets, was condemned as likely to annihilate all property and worsen the condition of the poor. According to David Ricardo:

Instead of making the poor rich, they [the Poor Laws] are calculated to make the rich poor, and whilst the present laws are in force, it is quite in the natural order of things that the fund for the maintenance of the poor should progressively increase, till it has absorbed all the net revenue of the country, or at least so much of it as the state shall leave to us, after satisfying its own never failing demands for the public expenditure. (Ricardo, 1817: 36)

The system was believed to abet idleness and penalise industriousness. Parish relief encouraged 'pauperism' – a loathsome, contagious moral disease (Rose, 1988: 57; Driver, 1993: 18). Thrifty workers with savings were debarred from relief and the wages of independent labourers were forced down by competition from those 'on the parish'. According to the wage-fund theory, popular at the time, only a fixed sum was available for the labouring class, and so the cost of relief must inevitably fall on the 'independent' labourer. Hence, according to Malthus, a labourer who marries without being able to support a family 'may in some respects be considered as an enemy to all his fellow-labourers' (cited in Englander, 1998: 8).

The Speenhamland system attracted particular criticism. 'Gilbert's Act' of 1782 sanctioned the supplementation of wages by the parish. In 1795, the justices in Berkshire, meeting at Speenhamland, declared that 'every poor and industrious man' would receive an allowance from the poor rates when his income fell below a given standard depending on the price of bread and size of family. It subsidised both those in work with very low wages and those totally without work and was condemned as 'breaking the bond of mutual dependence between the master and his servant' by allowing the community to subsidise the employer.

The Poor Law Commissioners digested all the invective against the Poor Law current at the time. They blamed the Poor Law for creating indolence by its 'perverse incentives' (to use the 1980s terminology of the New Right) and reached this conclusion:

It appears to the pauper that the Government has undertaken to repeal the ordinary laws of nature: to enact, in short, that the penalty which after all must be paid by someone for idleness and improvidence is to fall, not on the guilty person or on his family, but on the proprietors of lands and houses incumbered by his settlement. Can we wonder if the uneducated are seduced by a system which offers marriage to the young, security to the anxious, ease to the lazy, and impunity to the profligate. (Poor Law Commissioners, 1834, cited in Edsell, 1971: 5)

They believed clear distinctions between the independent labourer, those with a tendency to idleness and the 'impotent' poor were necessary. Thus

except as to medical attendance … all relief whatever to able-bodied persons or to their families, otherwise than in well-regulated workhouses (i.e. places where they may be set to work according to the spirit and intention of the 43rd of Elizabeth) shall be declared unlawful, and shall cease. Conditions in the workhouse should not be really or apparently so eligible as the situation of the independent labourer of the lowest class. (Checkland and Checkland, 1974: 375)

As Barry (1990: 27–8) has pointed out the 'less eligibility' of the workhouse was 'an ideal adjunct to laissez-faire economics, because, while dealing with a problem that the market apparently could not handle, the phenomenon of avoidable indigence, it operated through the same mechanisms, the irresistible pull push of pleasure and pain'. The offer of the 'less eligible' workhouse

served as a 'self-acting test' for the able-bodied applicant for relief. It would require no magistrate, no government official, no 'means test' ('merit test', as it was called at the time), to determine the neediness of the applicant; if he was willing to receive relief on condition of entering the house, that would be evidence enough of his need. (Himmelfarb, 1995: 131)

Thus, from 1834, it was to be all or nothing for the able-bodied worker. He either earned enough to support his family or he and his family were obliged to enter the workhouse where they may be separated and accommodated in different wards (Davidof, 1990: 201). To encourage efficiency, the Commissioners also recommended poor relief should be administered through unions of parishes and that the new 'guardians of the poor' should be elected by local ratepayers rather than appointed by JPs. The influence of utilitarianism was also apparent in the condemnation of the general mixed workhouse found in some parishes. Prior to 1834 a typical general mixed workhouse was:

occupied by sixty or eighty paupers, made up of a dozen or more neglected children (under the care, perhaps of a pauper), about twenty or thirty able-bodied adult paupers of both sexes, and probably an equal number of aged and impotent persons, proper objects of relief. Amidst these, the mothers of bastard children and prostitutes live without shame … To these might often be added a solitary blind person, one or two idiots, and not infrequently are heard, from among the rest, the incessant ravings of some neglected lunatic. In such receptacles the sick poor are often immured. (Checkland and Checkland, 1974: 378)

According to the Commissioners the various categories of paupers should be housed in different buildings under separate management and be dealt with under regimes adapted to their different circumstances.

The Poor Law Amendment Act 1834, made provision for the amalgamation of parishes and the election of guardians but the principle of the 'less eligible' workhouse was not embodied in the law. Instead central Poor Law Commissioners were to be appointed under whose 'direction and control' the local system of relief would operate. Edwin Chadwick, the first Secretary of the Poor Law Commissioners, drew up lists of regulations for implementation by the localities. As a preliminary to the total abolition of 'out-relief' for the 'able-bodied' the regulations stated that no assistance should be given for the costs of accommodation and half of the assistance granted should be in kind (Rose, 1971: 103). The regulations also covered the admission of paupers to workhouses and their classification, discipline and diet. The system of poor relief was to be administered according to the rationalist, efficient principles of utilitarianism. When admitted, people were to be placed in a probationary ward where the pauper would be thoroughly 'cleaned' and 'clothed in the workhouse dress'. Paupers would be classified into seven classes and each class assigned to 'an apartment or separate building, without communication' except for 'special reasons'. With 'the approval of the

Commissioners the aged and the infirm', if married, could reside in the same apartment. No person would be allowed to visit any pauper 'except by permission of the master and provided that the interview shall always take place in the presence of the master or matron'. Workhouses were to be erected according to the model plans supplied by the Commissioners and were based on Bentham's principle of constant surveillance. Observation and discipline were to be the major mechanisms for establishing 'less eligibility'.

Cajoling the localities into implementing these regulations proved difficult especially in the North (Laybourn, 1995: 26). Fifteen thousand parishes were quickly grouped into 700 unions and, by 1839, about 44 per cent of these unions either had built or had started to build a workhouse. However, in the North, there was strong resistance to the imposition of the workhouse system from the working class. Chartism, a working class political movement flourishing between 1838 and 1850, demanded political change as a means to secure a fairer society (Jones, 1985). Chartists wanted universal male suffrage and other electoral reforms to end the 'couch opulence' of the rich and 'the individual ownership of the soil'. They bitterly opposed the Poor Law Amendment Act because, by almost denying the working man a right to existence, it forced him to accept any wage offered by the employer. Chartist opposition to the workhouse system found some support from manufacturers. 'Model' workhouses were expensive and, in areas where industries were subject to the booms and busts of the trade cycle, it made no sense to throw families out of their homes and into a workhouse during short periods of recession. The Poor Law Commissioners had no power to disallow outdoor relief, merely to 'regulate' it. Thus, despite periodic crusades against outdoor relief, many unions continued to make it available to able-bodied men. Indeed some commentators have claimed 'the humdrum workings of the [old and new poor laws] were fairly similar' (Midwinter, 1967: 106). Nonetheless, although the 'principles of 1834' were often modified in practice, they made a lasting impression on working-class consciousness. The margin between poverty and indigence was thin and to depend on the state involved acquiring the socially excluded status of 'pauper' – a status involving potential incarceration in a workhouse with a harsh and, according to rumour, brutal regime. The ultimate stigma was the pauper funeral when the deceased was carried through the back streets to a grave with the mark of 'P' for pauper.

The 1834 Poor Law Amendment Act was based on separating the able-bodied from 'the impotent' on the principle 'work for those who can, security for those who cannot'. This distinction proved difficult to establish and initially:

… the authorities' definition of 'able-bodied' lacked both consistency and usefulness. Amongst those so classified were men and women in all states of physical health, the blind, lame and infirm; the only category never included were the 'lunatics'. (Beenstock and Brasse, 1986: 22)

However, towards the end of the nineteenth century, the Guardians were making firmer distinctions between different categories of pauper. Attempts were made to discriminate between the 'respectable aged' and those 'whose destitution is distinctly the consequence of their own misconduct' (Royal Commission on the Aged Poor, 1893, cited in Thane 2000: 192). In 1896 the Local Government Board recommended the 'respectable' elderly people be given higher outdoor relief (Slater, 1930: 224) and the aged poor, destitute through no fault of their own, were encouraged to apply for out-relief rather than enter the workhouse (Webb, 1907a: 1). The 'offer of the house' to elderly people remained in use in some areas as a means of encouraging support from relatives and friends but the 'less eligibility' of the workhouse was often modified by 'indulgences' such as tobacco, books and newspapers (McBriar, 1987: 46) and by allowing married couples to share the same bedroom (P. Murray, 1999: 52).

Although women formed the majority of paupers (Digby, 1996: 68), the Poor Law regulations concentrated on men as the family 'breadwinners'. Younger women were a difficult group to classify; should they be treated as 'able-bodied' if they were independent of a man or given a special status as potential mothers? Eventually a clear policy emerged. Women were to be regarded in the same way as men: if able-bodied they were considered as available for work and subject to the full requirements of less-eligibility (Englander, 1998: 23). There was little dissent from the view that unmarried mothers should be treated harshly – 'there was no question of out-relief and the only help to be had was by entering the workhouse' (Middleton, 1971: 271). Irish migrants were also singled out for special treatment. According to Lees (1998: 217) 'dislike of the Irish, especially destitute ones, ran rampant in England'. It was a common belief that … even the meagre relief of the Poor Law would enable the Irish to indulge their 'vicious appetites' (Cornwall Lewis, 1836, cited in

Lees, 1998: 217) so it was thought necessary to apply all the powers of 'removal' available to prevent the establishment of eligibility for relief.

The Commission on the Poor Laws had attempted to make a clear distinction between the able-bodied and the 'impotent' poor. The strict deterrence principle was to be applied only to the able-bodied; if 'in-house' provision was necessary for the 'impotent poor' then it was to be provided in special buildings or at least in special wards. In practice the application of this principle was haphazard but, towards the end of the nineteenth century, there was a trend towards a more sophisticated classification of paupers accompanied by greater reliance on institutional provision. The sick began to receive special treatment. The importance of individual health for the health of the nation had been recognised as early as 1841 when it was announced that smallpox vaccinations paid for by the Poor Law would not carry the pauper stigma. Following the abolition of the central Poor Law Board and the transfer of its duties to the Local Government Board – responsible for public health (Hardy, 2001: 19) – new infirmaries were built which were often under management separate from the workhouse. Some of the wards in the new infirmaries were of a high standard with 'all reasonable and proper appliances for the treatment of diseases of every kind' (Bosanquet, 1909: 209). However the Boards of Guardians were not authorised to seek out persons who needed treatment and could not treat people unless they were destitute (Webb and Webb, 1929: 760).

At the end of the nineteenth century poor relief began to be seen as an arena for the prevention of future destitution through the 'dispauperisation' of poor children. A determined effort was made to move children from the general mixed workhouse into 'certified' charitable schools, district pauper schools, grouped cottage homes and 'scattered homes' (McBriar, 1987: 46) and 'boarding out' and adoption were increasingly in use by the end of the century (Hopkins, 1994: 184).

State Housing

State housing played a minor role in the social programmes of the late nineteenth century. Lord Shaftesbury's Labouring Classes Lodgings Houses Act 1851 granted local authorities the power to erect 'separate houses or cottages for the working class' and in 1866 the Treasury agreed to make loans to local government to build houses. These measures were rarely used and, in 1885, Shaftesbury remarked that he believed he was the only living Englishman to know of the existence of the local authority power to erect houses (Bowmaker, 1895: 28). The Artisans' and Labourers' Dwellings Improvement Act 1875, which allowed local authorities to demolish slums, stated 'the local authority shall not themselves, without the express approval of the confirming authority, undertake the rebuilding of the houses'. Any consent to build was conditional on the local authority selling the houses within ten years. Only in 1890, under the Housing of the Working Classes Act, did local authorities obtain a clear and firm power to erect dwellings outside clearance areas. This legislation was the outcome of Andrew Mearns's pamphlet, The Bitter Cry of Outcast London, published in 1883 and the conclusions of the Royal Commission on the Housing of the Working Classes (1885). Mearns claimed that, in overcrowded dwellings, 'the vilest practices', including incest, 'are looked upon with the most matter of fact indifference' and the Royal Commission concluded that overcrowding had replaced sanitation as the housing problem (Himmelfarb, 1991: 66). The 1890 Act enabled the medical officer to draw up an official report on housing and present it to the local authority which was bound to take action if it possessed sufficient resources for the purpose (Kaufman, 1975 [1907]: 36). It permitted local authorities to build houses, inside or outside 'improvement areas' as an example to private developers that 'model dwellings' could be erected at a reasonable profit for the investor (Morton, 1991: 2). Local authorities had built 20,000 dwellings by 1914 and many of these were subsidised by 'creative accounting'. Local authorities bought land at market value and by 'charging it to its housing schemes at its value for working class dwellings (a pure figment), the ratepayer made up the difference between this and the real market value' (Shaw, 1908: 72).

Mutual Aid

How had this class, without administrative training or literary culture, managed to initiate and maintain the network of nonconformist chapels, the far flung friendly societies, the much abused trade unions, and that queer type of shop, the co-operative store. (Webb, 1979: 59)

Friendly Societies

The absence of rights in the 'social' product to help families in times of need provided a spur to the development of commercial insurance and self-help movements (Gorsky, 1999: 308). Commercial companies such as the Prudential and the Pearl specialised in death insurance and provided an expensive weekly door-to-door collection service (Mackay, 1889: 246). Mutual-aid societies were not based on the profit motive or charitable notion that one group should provide aid to another but on an association of people pledged to offer reciprocal assistance.

For certain benefits in sickness … [we] subscribe to one fund. That fund is our Bank – and to draw therefrom is the independent and manly right of every Member, whenever the contingency for which the funds are subscribed may arise, as freely as if the fund was in the hand of their own banker, and they had but to issue a cheque for the amount. These are not BENEVOLENCES – they are rights. (Ancient Order of Foresters, 1879, cited in Green, 1999: 22)

Mutual-aid organisations assumed a variety of forms with Friendly Societies being the most important in terms of membership. On joining a Friendly Society a contribution was made to a 'common fund' for use in providing funeral grants, sick pay and benefits to widows and their children. Many societies also supplied medical care and ran convalescent homes. They were fraternal, self-governing associations, often organised into 'lodges' and affiliated to national organisations such as the Manchester Unity of Oddfellows, the Ancient Order of Foresters and the Rechabites. 'Brotherhood', indeed 'sisterhood', for there were a few all-women societies, was a vital element of Friendly Society activity. Provision for conviviality, in the form of a beer fund and a 'club night', was often made and solidarity was expressed in processions, usually in Whitsun weeks (Hopkins, 1995: 14).

Some authors have seen the Friendly Societies as a demonstration that 'the instinct of groups of people to provide independently for their welfare where a need exists and the means are available is amazingly strong' (Hanson, 1972: 138). Green (1985: 1) has estimated the societies 'had attracted at least three-quarters of manual workers well before the end of the nineteenth century'. He regards the societies as a maturing form of 'welfare without politics', drowned by the advancing tide of state welfare in the twentieth century. However, an important factor in the growth of Friendly Societies was dread of the Poor Law, which was seen as pauperising 'the flower of the working classes' (Royal Commission on Friendly Societies, 1874, cited in Gosden, 1961: 12). Moreover, the membership and activities of the societies, though impressive, is a misleading guide to the potential of mutual aid as a form of welfare provision. Seebohm Rowntree noted how some workers were members of several societies and 'the very poor are but seldom members of Friendly Societies. Even if they can be induced to join, they soon allow their membership to lapse' (Rowntree, 1901: 356). Many of the Friendly Societies excluded the 'bad lives', imposed upper age limits on membership and insisted on a minimum income as a condition of membership. Strict control was exercised over claims from potential malingers (home visits from fellow members were the norm) and those considered to be responsible for their illnesses were not allowed to claim benefits (Hopkins, 1995: 18–20).

Trade Unions

In the early nineteenth century trade union welfare activity consisted mainly of 'helping jobless workers through the so-called tramping system, granting them a meal, a pint of beer and a night's lodging in each town as they searched for work' (Southall, 1999: 351). However, as membership increased, the major 'artisan' unions introduced weekly payments for their unemployed as an incentive to join a union and to prevent skilled workmen undercutting wage rates when in need. At the turn of the century trade unions were mainly benefit societies. According to Clough

the annual expenditure of 100 leading unions on strike pay or lock-out benefit only once exceeded 13 per cent of income between 1899 and 1909; during this period expenditure on unemployment and friendly benefits averaged 60 to 70 per cent. (1992: 20)

Unions specialised in unemployment benefits being 'particularly fitted to cover such a risk, since their

members could keep a check on malingering, help each other to find jobs and – in the event of a deficit – subscribe to a general levy' (Harris, 1972: 296). By 1899, 980,000 workers were eligible for some form of out-of-work assistance from their union.

Co-Operatives

Between 300,000 and 400,000 people were members of the co-operative societies in the 1870s (Finlayson, 1994: 30). Friendly Societies made provision for unexpected contingencies whereas co-operators wanted to ensure the surplus made from retailing remained in the hands of the working class. Anyone who joined a co-op and bought goods from the co-operative store was entitled to a dividend on the value of the goods purchased.

Building Societies and Building Clubs

Some co-operatives expanded their activities into providing homes for rent but, by the 1840s, a separate building society movement had developed. A number of workers formed a 'terminating' society and agreed to pay into a fund that would be used to build houses. When sufficient finance had been raised to buy a house lots were drawn to determine which member of the society should move into the new dwelling. Payments into the fund continued until every member was able to become a homeowner and then the society was terminated. In order to speed up the housing of its members some societies allowed people who did not require homes to join the association paying them interest on their investment. These societies were called 'permanent' and had become the most common form of building society by the start of the twentieth century. Permanent societies attracted savers from all classes and, towards the end of the nineteenth century, their management had become middle-class. Despite the occasional collapse of a society the movement was very successful in attracting the savings of working people. They offered good security to investors, opened the opportunity to obtain a mortgage and the society offices were accessible. In 1869 there were 1500 societies with a membership of 300,000 (Finlayson, 1994: 32) and, by 1891, 2333 building societies existed with 605,000 members (Hopkins, 1995: 56). Building clubs were similar to terminating building societies but allowed local solicitors and accountants to participate in the activities of the club to add the respectability necessary to secure loans from local banks (Fisk, 1996: 48–9).

Friends, Neighbours and the Extended Family

The extent and nature of 'informal' assistance from friends and neighbours is unknown. Many of the poorest people lived a nomadic life, constantly on the move to find employment and lodgings (Davin, 1996: 26–43), and so, in the early part of the century, the opportunity to develop networks of informal support was limited. Nonetheless shared hatred and fear of the workhouse and the developing opportunities to 'put down roots' encouraged neighbourhood assistance. The journalist George Sims noted in his 1883 report How The Poor Live:

The poor are kinder to each other than the rich; they are bound by stronger ties of sympathy; their hearts respond more readily to generous impulses. They have greater opportunities of helping each other, and there are no barriers of pride between them. They live their lives before each others' eyes, and their joys and sorrows are the common property of the entire community. (Sims, 1883, cited in P. Murray, 1999: 74)

It was commonplace for neighbours to 'take in' the children of parents facing hard times and the 'extended' family had a significant role in providing assistance in finding a job or accommodation for kin migrating to cities.

… depending on the housing supply, newly married couples, frequently co-resided with parents, and sometimes where mothers worked outside the home there was a co-residing grandmother or other relative to provide child care. At the same time considerable numbers of children resided with grandparents. (Dupree, 2000: 356)

Nationalism and Social Exclusion

Smellie (1937: 171) notes how, during the nineteenth century, nationalism changed from 'a spiritual tradition to a self-conscious pose … a creed to be taught … a business to be developed'. Nation-states, being 'imagined communities', require the construction of the 'ideal citizen', a 'John Bull', against which aspiring members can gauge the extent of their inclusion. The idealised citizen of the Victorian era was the 'freeborn Englishman' – Protestant, property-owning and of independent, 'manly' character. Political inclusion reflected the nature and degree of economic and social inclusion. The 1867 Reform Act enfranchised male householders and thereby incorporated the 'respectable' working class whereas selected women could vote in county, borough and Poor Law elections (Harris, 1993: 190) – a reflection of the 'domestic sphere' as the female domain. Catholic, civil and political disabilities were removed in 1829. Later, the Roman Catholic Church was allowed limited funding to establish schools but, according to some commentators, this enhanced inclusion was acquired by forsaking other identities – in the case of Irish Catholics, their 'Irishness' (Hickman, 1998: 169).

While awaiting incorporation the 'populace' was encouraged to confirm its affinity to the nation by expressing its loyalty, a strategy deployed by the Tories in their calculated creation of a mass party of supporters via the Conservative Registration Association and the Primrose League (McWilliam, 1998: 92, 95). Other demonstrations of 'belonging' came from parades, applause for 'jingoism' in the music halls plus hostility to, and mockery of, 'outsiders'. The Irish community was regarded almost as an 'externality' in itself. Thomas Carlyle denounced the Irish labourer as reducing the wages of the 'Saxon' man because 'the Irishman … lodges in any pig hutch or dog hutch, roosts in out-houses and wears a suit of tatters' (Carlyle, 1839, cited in MacRaild, 1999: 158). James Kay agreed: 'The contagious example which the Irish have exhibited of barbarous habits and wont of economy', he said, 'have demoralised the people' (Kay, 1970 [1832]: 27).

Taxation and Local Government

In the nineteenth century, the raising of state revenue was governed by the maxim that the purpose of taxation was to supply the state with its necessary resources and not to redistribute income. In the early 1850s Gladstone commented that 'the most dangerous of propositions that could be made in a country like this would be an attempt, upon abstract principles, to devise a graduated tax on incomes, arriving at an adjustment of different rates of assessment according to the means of the taxpayer' (Gladstone, cited in Field, Meacher and Pond, 1977: 12). Graduated taxation, he said, 'tended to communism'. Progressiveness in taxation was also opposed because, by penalising hard work, it would limit economic growth. Herbert Spencer, anticipating the arguments made in favour of the Poll Tax in the 1980s, claimed that everybody, however poor, should pay a share in the cost of government because government benefited everyone (cited in Jones, 1914: 132). Some commentators conceded the case for limited tax allowances to reflect ability to pay. 'In a community where indigence is relieved from public funds', said Sidgwick (1883: 55) 'consistency requires that the Government should not endeavour to take by taxation from the poor, who remain independent, a part of what it would have to give them if they sought its aid'. However, 'a small, uniformly applied, proportionate tax was the most that was considered legitimate, and the lower the tax the better because this 'realised the Gladstonian ideal of leaving money, to fructify in the pockets of the people' (Collini, 1979: 116).

Income tax, first introduced in 1799, became an enduring element of the tax system when the repeal of the Corn Laws deprived the state of some of its tariff revenues (Cronin, 1991: 21). It was charged at 3 per cent for most of the second part of the nineteenth century (Kay and King, 1986: 20). Various forms of indirect taxation were levied and, even in the period of free trade, a number of import duties were retained. Jevons estimated that, in the late nineteenth century, the proportion of income paid in taxes by families spending £40, £85 and £500 per year was 9 per cent, 7.6 per cent and 7.7 per cent respectively.

About 73 per cent of 'social welfare' spending came from the rates (Peacock and Wiseman, 1961). These levies on the value of property in a locality were progressive in incidence but all householders paid rates, with the inhabitants of rented property paying as an addition to their weekly rent. As the public health and education responsibilities imposed on local government increased and local government began to spend substantial sums of money on roads (Millward and Sheard, 1995) the unfair incidence of rates on individuals and localities became 'high politics'. Service charges helped to reduce the 'rate burden'.

Elementary education, for example, did not become free until 1891 when the Free Education Act empowered School Boards to admit children without charge. Even after the passing of this Act, some schools continued to impose charges (Simon, 1965: 132).

'Grants in aid' from central government were one solution to the problem of the different rateable values in different areas. They were awarded with reluctance because 'financial orthodoxy held that local authorities should be disciplined by the establishment of a direct connection between local expenditure and rates' (Bellamy, 1988: 24). In the late nineteenth century assistance from the central state formed only a small proportion of local expenditure – less than 8 per cent in 1888 (Burgess and Travers, 1980: 30). This lack of central assistance allowed the doctrine of laissez faire to be maintained on the argument that local services, locally financed, reflected civic autonomy not 'state' intervention. When made, central grants were linked to a specific purpose that the central government wished to promote. Grants assumed a number of complex and ever-changing forms with Robert Lowe's 'payment by results' perhaps the most interesting. 'Payment by results' was based on attendance and the results of an examination, conducted by a government inspector, of each child in reading, writing, arithmetic 'needlework for girls, drawing for boys' and recitation of 80 lines of poetry, the meanings and allusions being properly understood (Curriculum guidelines, 1890, cited in Himmelfarb, 1991: 137). Lowe's system became one of the principal targets of local authority teachers and educational administrators who wanted to be free from central control. Robert Lowe's claim that 'if it is not cheap it shall be efficient; if it is not efficient it shall be cheap' was ridiculed and the system was condemned as encouraging the rote learning of a severely limited range of information. In 1895 Lowe's system was replaced by a system of specific percentage grants plus a grant 'in aid of necessitous areas where the produce of the rates fell short of a fixed sum per scholar' (Clarke, 1937: 577) but this 'dole' – as a Treasury official called it (Peden, 2000: 6) – constituted only a tiny proportion of the total spending. After education, the Poor Law represented the major 'personal service' burden on the rates. Central government provided limited assistance to local Boards of Guardians in the form of a specific percentage grant supplemented by a payment for each pauper lunatic removed from the workhouse to a separate institution.

Conclusion

The statistics available at the end of the nineteenth century tell us little about the respective roles of self-help, the market and inheritance in determining the standard of living of different social groupings. They are insufficient even to form robust conclusions on general trends in the standard of living (Williamson, 1985: 53; Hoppen, 1998: 78).

In the nineteenth century the market became more influential as a distributive mechanism but it operated within a structure set in earlier times. Social mobility was extremely limited with less than 5 per cent of men with working class fathers moving into the middle/upper classes (Savage and Miles, 1994: 32). Inherited land formed 25 per cent of national wealth in 1878. The findings of the Return of Owners of Lands and Heritages (1872), ordered by the Prime Minister, Lord Derby, to quell the 'wildest and most reckless exaggerations' of land agitators, revealed a pattern of land ownership 'apparently untouched by a century of industrialisation and half a century of market economics' (Harris, 1993: 100). Although over one million landowners were identified most owned one acre or less and 7000 people owned 80 per cent of the entire country (Scott, 1994: 40; Hunter, 1997: 21). Land may have been in decline as an element in national wealth but it provided the passport to other forms of assets in the form of commercial, residential and industrial property plus the growing category of 'income from abroad' (Wasson, 2000).

Money's comprehensive review of the evidence contained in Estate Duty statistics, published in 1905, revealed 'in an average year 27,500 persons die worth £57,000,000 while 686,500 persons die worth only £29,000,000' (Money, 1910: 53). Atkinson (1972: 45) estimates the top 5 per cent of wealth owners in 1911 held 87 per cent of the total personal wealth in England and Wales. Money explored the distribution of income by dividing the population into three categories. The 'rich', with a household income of more than £700 per annum, formed 2 per cent of the population but held 34.2 per cent of the national income. The 'comfortable', with an income between £160 and £700 per annum, formed 8.7 per cent of the population and held 14.3 per cent of national income. The 'poor', with an income below the income tax threshold of £160, held 51.5 per cent of national income but formed 88.4 per cent of the population (Scott, 1994: 42). Manual workers made up the majority of those receiving less than £160 per annum but Money estimated about 3 million people – 'petty

tradesman, civil servants, clerks, shopmen, travellers, canvassers, agents, teachers, farmers inn-keepers, lodging-house keepers, pensioners and so forth' (Money, 1910: 16) – also earned less than the tax threshold. The system of taxation made little impact on the distribution of wealth and income. Figures presented in Riches and Poverty indicate that schedule A tax (land and houses) took only 3 per cent of the annual income produced, schedule B ('the farmers tax') 1.5 per cent, schedule C (tax on profits from securities) 6 per cent and schedule D (profits from trades, professions, overseas investments, etc.) 3.7 per cent. (Money, 1910: 283–305).

Money made no allowance for the value of state social services. Had he done so, his results would not have changed. The role of the state in the redistribution of income was strictly limited and the notion that people might have rights to an income outside that received from inheritance, work and the patriarchal relationships within the family had hardly reached the mainstream political agenda. Real wages increased by about 70 per cent between 1850 and 1900 (Hunt, 1981: 73) and this was used to refute arguments in favour of redistribution by the state. W.H. Mallocks's Classes and Masses, Wealth, Wages and Welfare in the United Kingdom. A Handbook of Social Facts for Political Thinkers and Speakers (1896) alleged that the improvement in the condition of the working class since 1850 had been a result of the increase in national wealth and that the 'working class of 1880 were in a better pecuniary position than their fathers would have been had they plundered and divided all the wealth of the richer classes at the time of the Great Exhibition' (cited in Shannon, 1996: 64).

- workhouses
- poor laws
- slums
- externalities
- local authorities
- lodgings
- charities