

Victorian Values and the Founders of the Welfare State

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HISTORIANS interested in the roots and rationale of modern social policy have had to take account of not one but two powerful interpretations of Victorian values which have been in circulation over the past decade: two interpretations which are in many respects inconsistent with and even diametrically opposed to each other. On the one hand we have the model enunciated in 1983 by the late Prime Minister, in her invocation of the Victorian values of character, family, effort, thrift and self-help, as values indispensable to the economic and social recovery of Britain in the 1980s and 1990s.¹ Mrs. Thatcher did not at any point link her praise of Victorian values with an explicit attack upon the values of the welfare state. But many among both her opponents and supporters instantly assumed that this was in fact what she meant. It was widely believed that Mrs. Thatcher was favourably comparing the nineteenth century welfare apparatus of deterrent workhouse, organised charity, and moral discrimination between deserving and undeserving poor with the system of comprehensive social services, fiscally-managed full employment and Keynesian consumerism that had prevailed in Britain since 1945. A distinguished sociologist portrayed 'Mrs. Thatcher and her circle' as 'entering office in 1979 to enact a replay of the Poor Law Amendment Act'.² And this impression

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¹ Interview on Nationwide, as reported in the national press, 15 Apr. 1983.

² A.H. Halsey, 'A Sociologist's View of Thatcherism', in R. Skidelsky (ed.) *Thatcherism* (London, 1988), p. 177. See also *New Statesman*, supplement on 'Victorian Values', 27 May 1983.

was reinforced by Mrs. Thatcher's recurrent endorsement of a brand of Christianity that stressed individual identity and private conviction, as opposed to the more organic social Christianity – or alternatively the sheer secularism – of many of her critics.³

Mrs. Thatcher's account of Victorian values – or, at least, what was popularly understood as her account – has of course been widely discussed. But in the context of social policy, it was not the only model advanced in the 1980s that juxtaposed Victorian values with the principles and practices of the modern welfare state. An alternative model – and arguably a more polemically powerful one, because more explicit and systematic and detailed than Margaret Thatcher's – was that advanced by the historian Correlli Barnett in his book on *The Audit of War*, published in 1986. Correlli Barnett's account portrayed the contemporary welfare state, not as the antithesis of the Victorian age, but as its major structural and ideological inheritance. In stark contrast to Mrs. Thatcher, Barnett identified the essence of Victorian values as being, not rugged competitive individualism, but sentimental chivalry, disdain for economic materialism, and paternalist concern for the outcast and the poor and the weak. Unlike Mrs. Thatcher, Barnett perceived Victorian Christianity – both the nonconformity of the chapels and the orthodoxy of the established church – as deeply committed to humanitarian collectivism; and he viewed that Christianity as directly responsible for the growth of a socially enervating, economically parasitic, politically corrupt system of state welfare in the mid- and late-twentieth century. In Barnett's view it was precisely this legacy of Victorian values that was directly responsible for Britain's prolonged economic stagnation, widespread disdain for competition and materialism, propping-up of lame ducks and social failures, and long drawn-out national and international decline. The task for reformers, as Barnett saw it, was to throw off this 'Victorian' incubus of Christian humanitarianism, and to replace it by a modern, Germanic-style system of organisation, advanced technology and state investment in competitive national efficiency.⁴ Although Correlli Barnett's vision of reform had certain faint resonances of that set out by Mrs. Thatcher,⁵ his account of Victorianism was therefore in many ways utterly different from hers: a contrast that appears all the more striking

³ Hugo Young, *One of Us. A Biography of Margaret Thatcher* (London, 1989), pp. 416–26.

⁴ Correlli Barnett, *The Audit of War. The Illusion and Reality of Britain as a Great Nation* (1986), pp. 12–19, 36–7, 62, 93, 145–51, 213–33, 279–304 and *passim*.

⁵ Mrs. Thatcher's speech to the 1978 Conservative party conference at Blackpool may be seen as foreshadowing Barnett's approach by attacking policies that had their 'roots in the plans for reconstruction in the postwar period when governments assumed all kinds of new obligations'. [N. Wapshoott and D. Brock, *Thatcher* (1983), p. 273]. But no connection was made at this point between the rise of social welfare and the demise of Victorian values.

in view of the fact that several of Barnett's warmest admirers – most notably Sir Keith Joseph and Mr. Nigel Lawson – were also at various times ministers in Mrs. Thatcher's governments and leading campaigners in her crusade for economic regeneration.

Such a contrast nicely demonstrates a fact of which all who are engaged in the study of modern British history must be aware: namely, that Victorian Britain was a large, ramshackle, complex, diverse society which lasted a very long time and embraced a multiplicity of cultural traditions – and is therefore open to a wide variety of often mutually-conflicting stereotyped interpretations. Victorian Christianity subsumed an enormous range of social theologies, stretching from penal substitution and private good works through to a vision of earthly society as the material incarnation of the Kingdom of Christ. Victorian social policy covered a period of more than sixty years: it stretched from the 1830s (a decade haunted as starkly as any late twentieth-century Third World country by the spectre of population outrunning resources and per capita income barely keeping pace with subsistence) through to the 1890s (when the social problem was seen much more in terms of a deviant or inadequate or unfortunate minority who were failing to keep pace with rising overall standards of efficiency and affluence). From this welter of diversity it would not be difficult to select specimen reformers and social administrators whose values and behaviour would either confirm or falsify the models of Victorianism set up by Mrs. Thatcher and Mr. Barnett. In this paper, however, I shall adopt a rather different approach. Instead of starting from an *a priori* conception of Victorian values about welfare, I shall probe the central concerns of some of the key figures in the social welfare movements of the late nineteenth and early twentieth centuries, and consider what those concerns tell us about the values that they actually held. And I want to suggest that an important clue to those values lies in the habits, practices and aspirations of the organised working-class: habits, practices and aspirations which the founders of the welfare state saw as offering a model that could potentially be adapted and extended to a much larger cross-section of British society, and ultimately to society as a whole. Such an argument may seem perhaps a surprising one, in view of the fact that most social reformers were middle-class, and that social policy is often perceived by historians as a form of imposition upon the working-class of the alien and extraneous values of an officious bourgeoisie. That such an alien imposition did often occur – sometimes deliberately, sometimes unintentionally – cannot be denied. But, whatever may have been the case in the earlier Victorian period, it was not I think the primary or characteristic objective of the founding patriarchs and matriarchs of the welfare state – a group whose heroic epoch I take to be the period from the social crisis of the 1880s down to the setting-up

of the national health service and universal social security in the 1940s. As my major matriarchs and patriarchs I shall take Sidney and Beatrice Webb, Helen Bosanquet, Octavia Hill, William Braithwaite, and William Beveridge: a group of people whose political views ranged from state socialism to free market individualism, whose religious views stretched from High Anglican Christianity through Unitarianism to agnosticism and atheism, but whose views of social welfare all revolved around a common set assumptions about both personal morality and collective social norms. That common set of assumptions, I shall argue, was derived par excellence from their interpretation of and admiration for the culture and institutions of the late-Victorian and Edwardian organised working-class. It was in this culture that they found, or thought they found, the escape route out of the Poor Law. And it was there also that they saw embodied the attitudes to work, thrift, community and family life which all of them – albeit by widely differing political and administrative means – sought to promote and replicate as the foundation of social welfare in modern industrial society.

What evidence is there for this interpretation of the underlying principles of the early welfare state? And what precisely were the values that the founding fathers so much admired in working-class social welfare institutions. Evidence that some at least of the roots of the welfare state lay in the self-help institutions of the working-class is writ large in many sources, though much of that evidence has been curiously glossed over or marginalised by social and political historians.⁶ Let us take first the idea of the 'National Minimum', a term conceptualised by Sidney and Beatrice Webb in the 1890s. The national minimum is often dutifully cited in studies of social policy as one of the path-breaking principles that heralded a new approach to social welfare; but its precise meaning and context are virtually never fully explored. An important point to be recalled about the 'National Minimum' is that it was first formulated by the Webbs not in one of their works on social policy but in their study of *Industrial Democracy*, first published in 1897. They there made it quite clear that their vision of the national minimum was directly derived from a mixture of the practices of 'old' and 'new' trades unionism. Like the new trades unionists of the 1890s the national minimum was to invoke the use of the legislative power of the state; and it was to use that power to impose upon the whole community the standards of health, safety, income and social security that the older and soundly-established trade unions had obtained for themselves by their own collective voluntary efforts.⁷ As is well-known,

⁶ Valuable exceptions are Pat Thane, 'The Working Class and State "Welfare" in Britain, 1880–1914', *Hist.J.*, 27, 4 (1984), pp. 877–900; and Noelle Whiteside, 'Welfare Legislation and the Unions during the First World War', *Hist.J.*, 23, 4 (1980), pp. 857–74.

⁷ S. and B. Webb, *Industrial Democracy* (London, 1897, 1902 edn), pp. 766–784.

the interests of the Webbs shifted in the 1900s away from trades unionism towards more bureaucratic modes of promoting social change. Yet a very similar underlying vision may be found in their arguments for new public social services, which they put forward through the Royal Commission on the Poor Laws in 1905–9. They argued that the ‘legislative enforcement’ of a ‘legally enforced Common Rule’ defining basic minimum standards would have exactly the same impact upon the welfare, character and public spirit of the poor and unskilled as three generations of trade unionism had had upon the skilled and organised working-classes. The result, claimed the Webbs, would be the transplantation of trade-union social solidarity, democratic self-discipline, and work and welfare practices into society as a whole; and the end product would be the growth of ‘a new principle of social organisation in the progressive recognition and enforcement of the very condition of civilisation itself, the mutual obligation of service from the community to the individual and from the individual to the community’.⁸

Such an idealised vision of the internal culture of the organised working-class is perhaps unsurprising in the writings of Sidney and Beatrice Webb, who had a life-long involvement in the labour movement and were to become prominent figures in the Labour party. But a comparable perspective can also be found in the other social reformers I have mentioned, often in quite unexpected spheres. Octavia Hill, the doyenne of the Charity Organization Society and pioneer of family casework, is often cited as a prime agent for the cultural imposition of bourgeois personal morality and middle-class family life-styles upon the hapless London poor. Yet, as a number of recent studies have made clear, nothing could have been more remote from the prudent, respectable, patriarchal stereotype of the Victorian bourgeois family than Octavia Hill’s own life-history – brought up as she was by a mother who was compelled to work, abandoned by a feckless and unstable father, saved from dire poverty only by the patronage of rich relatives, and thoroughly familiar with the personal impact of economic insecurity, uncertain identity, precarious social status and emotional neglect.⁹ Octavia Hill’s writings on housing management, and her evidence to the Royal Commissions on Housing and on the Aged Poor suggest very forcibly that her vision of prudent, close-knit, independent and authoritarian family life was derived not from the middle-class families of her acquaintance but from what she believed to be the practices and values of artisan families and of those whom

⁸ Ibid., pp. 790, 807–50.

⁹ Gillian Darley, *Octavia Hill* (London, 1990), pp. 17–43; Jane Lewis, *Women and Social Action in Victorian and Edwardian England* (Aldershot, 1991), p. 25

she termed the 'regular casuals' – families whom she had encountered through her contacts with the Co-operative movement and the London Working Men's College and through her work as a housing manager.¹⁰ A similar emphasis upon the life-style of the organised working-class may be detected in the works of Helen Bosanquet. Mrs. Bosanquet is perhaps best-known for her scepticism about Seebohm Rowntree's poverty line¹¹ and for her resistance to the state social services proposed by the Webbs. On the Royal Commission on the Poor Laws in 1905–9 she was characterised and caricatured by Mrs. Webb as a bastion of old-fashioned individualism. Yet Helen Bosanquet's social philosophy centred not upon atomistic individualism *per se*, but upon what she called 'social collectivism'; by which she meant collectivism mediated not through 'the state' but through 'society'. Collectivism in the form of co-operative societies, trade unions, friendly societies and other mutual self-help agencies she perceived no less than the Webbs as the great progressive, evolutionary force of late-Victorian Britain and as the moral flagship of future industrial society.¹² The disagreement between Mrs. Bosanquet and the Webbs lay not over the substantive issues of collectivism and the need for social services but over the medium of public provision – Mrs. Bosanquet believing that the spread of social collectivism would be not enhanced but hindered and thwarted by the Webbs' vision of an all-embracing, multi-functional administrative state.¹³

The tension between these two visions of collectivism lay at the heart of the most substantial social welfare measure of the Edwardian period: Lloyd George's introduction of compulsory health insurance for nearly all employed persons under the National Insurance Act of 1911. Lloyd George himself had little more than a practical and pragmatic understanding of social welfare administration, little grasp of its relation to wider aspects of

¹⁰ *Select Committee on Artizans' and Labourers' Dwellings*, H. of C. 235, 1882, qq. 3305, 3412; *RC on Housing of the Working-Classes*, C. 4402, 1885, qq. 8852, 8862–3; *RC on Aged Poor*, C. 7684. II, 1895, q. 10455. Hill specifically rejected the notion that middle-class standards should be applied to welfare and housing schemes provided for working-men. Unlike other reformers discussed in this paper, however, she had a low opinion of the political and managerial capacities of the skilled working-class, believing that sentiment and the desire for cheap popularity always tended to undermine democratically controlled welfare experiments.

¹¹ Helen Bosanquet, 'Wages and Housekeeping', in C.S. Loch (ed.) *Methods of Social Advance* (London, 1904), pp. 131–46.

¹² Helen Bosanquet, *The Strength of the People* (2nd edn 1903), pp. 107, 168–70, 237–9.

¹³ *Ibid.*, pp. 107–8, 168–70, 234–42; Helen Bosanquet, *The Poor Law Report of 1909*, (London, 1909), pp. 1–12, 144–68; A.M. McBriar, *An Edwardian Mixed Doubles. The Bosanquets versus the Webbs. A Study in British Social Policy 1890–1929* (Oxford 1987), especially ch. 8.

social structure and culture. But quite the opposite was true of his chief Treasury assistant, William Braithwaite, the man primarily responsible for negotiating and drafting the health insurance provisions of the 1911 Act. The account of the making of the Act in Braithwaite's diaries revolved around two key administrative and philosophical problems: the problems, first, of how to extend and transplant the social welfare habits of the organised working-class into the lives of the working-class as a whole; and, secondly, of how to do so without thereby violating and extinguishing the hidden mainsprings of that independent working-class culture.¹⁴ Braithwaite was a post-Gladstonian liberal to whom the work-ethic and self-help tradition were not merely valuable in themselves but the lifeblood of national civic virtue. But at the same time he was also a Toynbeeite 'new liberal', very conscious of the fact that by its nature the independent self-help culture of the upper working-class could not automatically penetrate into the lower depths of the casual poor. The core of Braithwaite's work on national health insurance consisted of building into the provisions of the Act a subsidy from the employer and the state (including a 100% subsidy for the lowest-paid workers), whilst at the same time retaining exactly the same kind of administrative rules about self-government, solvency, fraternal aid to the genuinely sick and firm handling of the malingerer, that were inscribed in the rule-books of friendly societies, collecting societies and skilled trade unions. The setting-up of democratic, self-managing, 'approved societies' under the 1911 Act was meant to tie together the twin ethics of state-aid and individualism, and to use those seemingly antagonistic principles not to cancel out but to reinforce each other. As the Explanatory Memorandum of the Insurance Act carefully explained: 'All deficits due to malingering will have to be borne . . . by the members of a defaulting Society . . . and not by the state [so] there is every inducement to economy. Bad management will be promptly and effectively penalised. Good management will be promptly rewarded'.¹⁵

A very similar perspective underpinned the unemployment provisions of Part Two of the National Insurance Act, and the social philosophy of William Beveridge. Beveridge is often perceived as an anti-labour figure and it is certainly true that he often clashed with leading trade unionists over such issues as decasualisation and labour-discipline. Yet in reality Beveridge's ideas about labour organisation and those of the bulk of trade union leaders were fundamentally similar. They clashed not on substantive

¹⁴ H.N. Bunbury (ed.), *Lloyd George's Ambulance Wagon. Being the Memoirs of William J. Braithwaite 1911-12* (London, 1957), pp. 79-81, 93-5, 142.

¹⁵ *National Insurance Bill. Memorandum Explanatory of the Bill as Passed by the House of Commons so far as relates to National Health Insurance*, Cd. 5995, 1911.

policies of organisation and decasualisation but over the fact that trade unionists wanted to confine such policies to their own members and to keep their operation under trade union control; whereas Beveridge wanted to extend such policies to the whole of the workforce, using where necessary the coercive machinery of the state.¹⁶ Such conflicts have tended to obscure a fundamental feature of Beveridge's philosophy of welfare, which is that – no less than the other reformers whom I have mentioned – he admired and idealised the independent self-help culture of the organised working-class. This was very apparent in his evidence to the Royal Commission on the Poor Laws in 1907, where he portrayed the major trade unions as the *only* bodies throughout the whole range of self-help and philanthropic institutions who had taken seriously the problem of maintaining workers during periods of unemployment, without resort to poor relief.¹⁷ And it was apparent, no less than in the case of Braithwaite, in Beveridge's work at the Board of Trade on the construction of unemployment insurance. Prior to the drafting of the National Insurance Act Beveridge drew up a massive compendium of the rules and social security practices of trade unions throughout Britain;¹⁸ and as in the case of health insurance, the provision for unemployment was adapted directly from existing practices pioneered by the trade unions. Rules about the relationship between a worker's contributions and his entitlement to benefit, about registering himself as available for work, about a three-day waiting-period before benefit was payable, about protection of the 'standard rate', about conditions under which a worker might refuse an offer of work, and about the penalisation of malingerers: all were copied, in many cases verbatim, from the rulebooks of such societies as the Boilermakers Union or the Amalgamated Society of Engineers.¹⁹ Moreover, sections 105 and 106 of the National Insurance Act enabled trade unions that preferred to manage their own private

¹⁶ Noelle Whiteside, 'Welfare Insurance and Casual Labour: a Study of Administrative Intervention in Industrial Employment 1906–26', *Econ. Hist. Rev.*, 2nd series, 32, 4 (1979), pp. 507–22; Gordon Phillips and Noel Whiteside, *Casual Labour. The Unemployment Question in the Port Transport Industry 1880–1970* (Oxford, 1985), pp. 134–6.

¹⁷ Royal Commission on the Poor Laws, minutes of evidence, q. 77832, paras. 72–2 (Cd. 6066, 1910).

¹⁸ *Tables showing the Rules and Expenditure of Trade Unions in Respect of Unemployed Benefits and also showing Earnings in the Insured Trades*, Cd. 5703, 1911.

¹⁹ *National Insurance Act*, 1911, sections 86–8 and schedule 7. These may be compared with the provisions relating to out-of-work donation in the rule-books of, e.g., the United Society of Boilermakers and Iron and Steel Shipbuilders, the Steam Engine Makers' Society, the Shipconstructors and Shipwrights Association, the Friendly Society of Ironfounders, the General Union of Operative Carpenters and Joiners and the Amalgamated Society of Engineers. Most of the rule-books cited in this paper are deposited in the trade union collection at Nuffield College. In addition a few rule-books of lesser-known unions were supplied to me by Mr. C. Hodgskin of Clifton Books.

unemployment insurance schemes to continue to do so, but at the same time to become eligible for the state and employers' subventions under the Act. Contrary to the views of some later historians who have seen the Act as little more than a disguised bureaucratic conspiracy to curtail working-class autonomy, the encouragement to independent labour self-help schemes and the endorsement of the values embodied in those schemes could scarcely have been more obvious.

Similar points may be made about Beveridge's view of welfare a generation later, at the time of the Beveridge Plan of 1942. Beveridge in the early 1940s was called upon to investigate Britain's social security arrangements after what many people believed had been a quarter of a century of failure. The 'approved society' system of 1911 had produced a highly uneven system of national health insurance, under which benefits varied widely in size and scope from one society to another. Some approved societies had successfully maintained the democratic, comradely, *gemeinschaft* ethic of the late nineteenth century self-help institutions. But many had been overtaken by apathy, and many more had been outstripped by the aggressive selling techniques and more 'routinised' bureaucratic practices of the great industrial assurance companies, who had been included in the 1911 Act almost as an afterthought on the same terms as friendly societies and trade unions.²⁰ And similarly the 1911 unemployment scheme had collapsed in the face of two decades of mass long-term unemployment. A purely abstract and rational-bureaucratic approach to social security in 1942 might have suggested to Beveridge a universal social security system, payable simply out of taxation on proof of need and wholly detached from the constraints of contributory insurance. Beveridge was indeed a very abstract and rational-bureaucratic person; but he was also a repository of certain traditional social principles (what may indeed be termed 'Victorian' values, though not the sentimental, utopian version of Victorian values inexplicably fathered upon him by Correlli Barnett). No less than in the 1900s Beveridge greatly admired the tradition of voluntary saving and self-help, both as a practical medium of welfare, and as a vehicle of thrift, social solidarity, micro-citizenship and personal freedom.²¹ And even more than in the Edwardian period he hated the Poor Law and all similar forms of means-tested public relief, as a system of provision

²⁰ Braithwaite, op. cit., p. 95 and following; Bentley B. Gilbert, *The Evolution of National Insurance in Great Britain* (London, 1966), pp. 318–43; Bentley B. Gilbert, *British Social Policy 1914–39* (London, 1970), pp. 270–84.

²¹ *Social Insurance and Allied Services. A Report by Sir William Beveridge*, Cmd. 6404, 1942, paras. 375–84. The clearest expression of Beveridge's continuing support for voluntary as well as compulsory thrift came in his post-war study, *Voluntary Action. A Report on Methods of Social Advance* (London, 1948).

wholly alien to modern industrial democracy. Such systems, Beveridge believed, if applied legalistically and economically, treated citizens like serfs; whilst if applied with humanity and generosity, they penalized work, thrift, family life, innovation and labour mobility. In either case they tended to insulate both citizens and government against the need for rational forethought and prevention (trends which he saw as exemplified in the 'uncovenanted benefit' schemes of the 1920s, no less than in the indoor and outdoor relief schemes of earlier generations).²² As in 1909, therefore, Beveridge in 1942 had little hesitation in opting for a contributory-insurance model of the welfare state. As in 1909, he strove to build into his proposals the principles of financial solvency, maintenance of work-incentives, fraternal help and friendly visiting, disqualification of those whose dependancy was self-induced, compulsory retraining of the long-term unemployed, and 'penal treatment' of malingerers.²³ He now envisaged and recommended, however, that these mutual aid principles could be transplanted into a universal state system and applied not merely to the mass of the working-class but to all levels of British society.

The social welfare values of the late-Victorian and Edwardian skilled working-class were therefore of crucial importance in shaping the principles and structure of the early welfare state. A little more must be said, however, about what those values actually were and about the culture they reflected. The world of trade unions and friendly societies was notoriously a world of almost infinite idiosyncrasy and diversity, and it is impossible to do justice to that diversity in a single brief paper. Several points are of relevance, however, to the reconstruction of Victorian values in the context of social welfare. One is that late-Victorian trade unions and friendly societies were almost never purely instrumental and utilitarian organisations, concerned only with material factors such as wages, hours, working conditions and levels of contribution and benefit. On the contrary, they were miniature republics in the classical sense of that term; self-governing, highly-principled, democratic organisms whose members were required to be active and conscientious practitioners of civic

²² W.H. Beveridge, *Unemployment. A Problem of Industry*, (London, 1930 edn), pp. 150–4, 272–94, 407–10; *Social Insurance and Allied Services*, paras. 21–3.

²³ *Social Insurance and Allied Services*, paras. 66–9, 326, 369, 373, 376. It may be objected that the actuarial provisions of the Beveridge Plan differed from those of voluntary insurance schemes, in that Beveridge envisaged that the State would have no imperative need to 'fund' national insurance because it could meet deficits by using its power to vary levels of taxation (*ibid.*, paras. 24–6). This did indeed differ from the practice of insurance companies and of most friendly societies; but it precisely coincided with the common practice of Trade union welfare schemes, which normally met deficits not by funding but by *ad hoc* levies on members.

virtue and public spirit. It is I think hard to imagine anything more utterly remote from the leaden 'economism' of which British trades unionists were accused by Lenin than the high seriousness of the statements about citizenship and brotherly love with which late-Victorian and Edwardian trade societies such as the engineers, boilermakers, tailors, carpenters and joiners habitually prefaced their rule-books and their articles of association.²⁴

A second point is that, like many small republics, the late-Victorian friendly organisations practised an all-embracing system of rigorous self-discipline, compulsory citizenship and behavioural police.²⁵ An analysis of the terms and conditions by which trade unions managed their social welfare schemes reveals a network of minutely-prescribed horizontal social controls that makes the late nineteenth-century Charity Organization Societies look by comparison like veritable havens of libertarian behavioural permissiveness. In all leading trade unions members were disqualified from sick pay if their illness was brought on by drink, physical violence, or sexual misconduct. Recipients of sick pay were subject to compulsory medical inspection and were regularly visited by brother members, who checked that they were genuinely ill, that they were not secretly employed in work and that they were not engaging in practices harmful to their recovery. Concern on this latter score led nearly all unions to impose on sick members a strict night-time curfew (often 6 p.m. to 8 a.m. in winter, 8 p.m. to 7 a.m. in summer), ostensibly to protect them from 'the rigours of the night air', more probably to protect them from the snare of the public houses and other nocturnal temptations). Similar rules applied to unemployment pay. Members were automatically disqualified from benefit if they were sacked for poor workmanship or gave up their employment for some trivial reason or 'small grievance'. They were required to follow up rumours of job-vacancies and to accept any reasonable opportunity of work offered at the standard rate; and a system of increasingly severe fines and penalties regulated those thought to be 'imposing' or 'not exerting themselves to obtain employment', culminating after a third or fourth offence in expulsion from the union. Such penalties were enforced in all benefit-paying unions by draconian personal surveillance. Members who were not themselves 'imposing' or 'malingering' but who turned a blind eye to the misdeeds of others were themselves subject to loss of benefit

²⁴ See e.g. the preface to the Rules of the United Society of Boilermakers and Iron and Steel Shipbuilders (1871, revised 1912), for a highly idealised vision of trade unionism as a cradle of wider citizenship.

²⁵ The Webbs compared the older-style trade unions to the *Landsgemeinden* of Uri and Appenzell, a comparison that accurately conjured up not only their day-to-day practical arrangements but the roots of their political philosophy (*Industrial Democracy*, pp. 1-15).

rights, fines and disqualification. 'Special attention', insisted the rules of the United Boilermakers, was to be paid to the behaviour of those who, having exhausted their out-of-work pay, then signed on for sick pay.²⁶ 'Any president or secretary who fails to impose fines is himself to be fined', declared the rule book of the Amalgamated Society of Tailors and Tailoresses (a body which also threatened to fine any member found guilty of 'upbraiding another for receiving benefits to which he was justly entitled').²⁷ Moreover, such rules were no mere formalities, designed to satisfy the Registrar of Friendly Societies. In many unions, taking a turn as a 'sick steward' was an absolute obligation upon members, and refusal to do so was punishable by fines and suspension. And personal surveillance was reinforced by the nationwide circulation of information among union branches about malingerers, lapsed subscribers, those not genuinely seeking work and other batteners on the funds.²⁸ In cases of fraud, however trivial, unions had no hesitation in bringing benefit swindlers before the courts. 'The society had no vindictive feeling', reported the ASE in 1910 on the occasion of the prosecution of a sick member who had altered a benefit cheque for five shillings, 'but they felt that this was a matter which should be brought forward as a warning and deterrent against the committal of similar offences.' When this particular offender was sentenced to five months imprisonment with hard labour he was expelled from the society: 'we are well rid of such characters' was the comment in the union's monthly report.²⁹

A third crucial factor was that membership of friendly societies and trade union benefit schemes was at all times necessarily selective and exclusive. Such schemes excluded those unable to pay their subscriptions; they excluded those without the requisite skills; and they systematically screened out those who fell into arrears or who lapsed into anti-social or disorderly behaviour. Moreover, even among those qualified by skill, income and moral propriety, they excluded those likely to prove an abnormal actuarial risk. The rules of the ASE, for example, refused admission to those who were deaf, dumb, ruptured, subject to fits, wore

²⁶ Rulebook of the United Society of Boilermakers and Iron and Steel Shipbuilders, 1871, revised 1912.

²⁷ Amalgamated Society of Tailors and Tailoresses, rulebook, 1912.

²⁸ The monthly reports of the ASE, for example, always included warnings about named members thought to be exploiting their benefit entitlement; and the quarterly reports included detailed lists, usually running into several hundreds, of members disqualified from benefit. The majority of the latter were members who had fallen into arrears with contributions, but they also included members excluded for 'immorality', 'acting contrary to the Society's interest', 'entering under false pretences', 'imposition', 'not refunding benefits improperly received', 'chronic laziness' and 'general bad conduct'.

²⁹ ASE monthly report, August 1910.

spectacles or had lost the use of more than two fingers (though curiously enough the ASE allowed the membership of those who had lost the sight of one eye, provided they produced a doctor's certificate guaranteeing that sight in the other eye was unaffected). Rule books of the 1900s suggest some slight relaxation of these conditions, and an increasing willingness on the part of the old-established trade unions to admit to their benefit schemes certain groups who had been excluded in earlier years, such as women, apprentices and older workers who could not earn the full standard rate. But throughout the Edwardian period the practical need to maintain actuarial viability clashed with and often eclipsed the growing aspiration of many trade union leaders to represent the wider interests of the whole of the working-class.

Such rules demonstrate both the strength and the limitations of working-class mutual-help schemes as an inspiration and model for more general social welfare. As I have already indicated, the welfare schemes of trade unions and friendly societies provided a powerful normative and practical inspiration to the founders of the welfare state: and many of their procedures were incorporated virtually unchanged into early twentieth-century social welfare legislation. Rules and regulations often ascribed by historians to middle-class hegemony or bureaucratic coercion in fact stemmed time and again from the long-established habits and values of the skilled and organised working-class. Several factors conspired, however, to limit and ultimately to undermine the permanent dominance of such habits and values within the structure of British social welfare. One such limiting influence was the fact that the very same measures which set out to incorporate working-class self-help schemes also brought the state into partnership for the first time with profit-making private insurance. The industrial insurance companies and collecting societies – bodies like the Prudential, the Pearl and the Liverpool Victoria which employed paid agents to sell new policies and collect weekly premiums by house-to-house visitation – had been growing fast in the British economy since the 1880s. With their emphasis on regular saving, they had appeared initially to be closely allied to the Victorian friendly-society ethic. But already by the 1990s their culture of individualised passive consumerism was challenging the tradition of active mutual thrift – and they were beginning to penetrate those lower layers of society that friendly societies and trade unions had never adequately reached, the unskilled casual poor. Even within the skilled and organised working-class, trade unions and friendly societies after 1911 were soon perturbed by a growing tendency among their members to prefer the inertia and anonymity of a door-to-door salesman to the more strenuous demands of democratic self-management: with the result that, far from buttressing the mutual aid tradition, the private

insurance companies proved in the long run to be a major source of its destruction.³⁰

A second limiting factor was that for several decades after 1900 the voluntary societies themselves and particularly the trade unions looked with ambivalence and suspicion upon the threatened embrace of the advancing welfare state. Traditional liberal mistrust of overweening state power was reinforced during the Edwardian period by the rise of anarcho-syndicalism; and, quite contrary to the expectations of Whitehall reformers, the 1911 National Insurance Act was initially viewed by many skilled workers as a veiled attack upon the rights and privileges of organised labour. They argued with some justification that state-enforced social security would tend to undermine the whole rationale of the voluntarist movement: that it would encourage bureaucratic controls, seduce working people away from active participation in welfare schemes, and – perhaps worst of all – confer social insurance benefits upon those who had neither financially nor morally deserved them.³¹ Such views were forcefully expressed by trade unionists who lobbied the Treasury and Board of Trade during the passage of the National Insurance Act; and such lobbying helped to reinforce the protection of trade union and friendly society interests within the state insurance schemes. But acceptance of state subventions necessarily entailed acceptance of new forms of state control, which often provoked bitter disputes within the societies themselves; and uneasy suspicion of government regulation of welfare remained a powerful force in the trade union movement, and to a lesser extent among the friendly societies, throughout the early decades of the welfare state era.³²

A third important factor was that the compulsory extension of mutual thrift affected not only the substance of social welfare schemes but their methods of management. As I have shown, the framers of the National Insurance Act went to great efforts to preserve and replicate the intimate

³⁰ Report of a meeting of the executive committee of the Engineering and Shipbuilding trades, 17 Nov. 1911; ASE monthly report, Dec. 1911, p. 15. The share of national insurance business going to trade unions and to democratic friendly societies fell from 35.2% to 24.6% between 1912 and 1938. The rest went to industrial assurance companies or to bureaucratised friendly societies without local branches (*Social Insurance and Allied Services*, para. 54).

³¹ PRO, LAB 2/211/LE 500, report of a conference with the Federation of Engineering and Shipbuilding Trades, 18 June 1909; Beveridge Papers, III 37, 'Criticisms of Workmen's Insurance by members of the Executive Council of the Shipbuilders and Engineering Trade Federation', compiled by D.C. Cummings, 29 May 1909; Report of the Ipswich Conference of the TUC, 1909, p. 108.

³² In the ASE, for example, pressure from the National Insurance Commission for amendment and tightening-up of the Society's rules and statutes led in 1912 to a major split among union members, resulting in the sacking of the executive council by the union's trustees and an expensive and damaging dispute in the High Court.

and self-governing character of established voluntary schemes. The sheer scale of national insurance, however, and the vast range of circumstances and contingencies that had to be catered for, meant that in practice the participating societies were soon overwhelmed by a mass of clerical tasks and routine data-collection that began to undermine and transform their traditional 'friendly' practices and functions.³³ The Act also provided for the popular election of working-class representatives who would sit on advisory panels in a quasi-judicial capacity to hear appeals against refusal of benefit; a provision intended to transmit into the public sector some of the elements of personal participation and moral solidarity believed to characterise the domain of mutual thrift. But when in 1912 the first elections were held for members of unemployment insurance panels only 7% of the insured workforce turned out to vote; and the electoral experiment was eventually abandoned by the Ministry of Labour shortly after the first world war.³⁴ Such an outcome was perhaps unsurprising. But it demonstrated very clearly the difference between a self-selected elite of the most highly-skilled and educated workers – what the ASE proudly called 'the intelligent and intellectual' working-class³⁵ – and encircling mass society.

Most important of all, however, was the never-resolved problem that – for all the aspirations of social reformers – rules about personal behaviour and standards of efficiency that had grown out of the experience of small *gemeinschaft*-type organisations rooted in highly-skilled industries and close-knit communities were in the last resort only very imperfectly applicable to the wider context of advanced industrial and democratic society. Braithwaite and Beveridge might borrow the rules of friendly societies and trade unions, but they could only do so selectively. They could and did transplant into the state insurance system the rules about specific instances of malingering and misconduct. But there were limits beyond which they simply could not leave out all the moral and actuarial undesirables – or not, at any rate, without undermining the whole purpose and character of a comprehensive state scheme. And, similarly, personal behavioural controls over contributors that had a certain moral legitimacy within a tight-knit trade-union or friendly-society culture, appeared in the wider impersonal society to be intolerable infringements of personal and civil liberties, and either had to be abandoned or were never introduced

³³ ASE monthly report, June 1913, p. 29.

³⁴ *Courts of Referees. Return setting forth the Statutory Provisions relating to the Constitution of Courts of Referees*, H. of C. 527, 1913. This experience may be compared with that of France, where workers' organisations played a much more active role in the democratic control of state social security schemes (Tony Lynes, *French Pensions*, Occasional Papers in Social Administration, 1967).

³⁵ ASE monthly report, Jan. 1880, p. 44.

in the first place.³⁶ National health insurance, for example, could never directly prohibit its beneficiaries from stepping outside their homes at night or from going into pubs; and although some approved societies maintained the old surveillance system down to the second world war, such surveillance was increasingly both unpopular and impracticable.³⁷ In the 1920s the unemployment insurance system tried to impose but ultimately had to abandon the notorious 'genuinely seeking-work clause' – a clause often seen as an invention of mindless bureaucracy, but which had in fact been initially modelled on the long-standing practice of many benefit-paying trade unions.³⁸ The onset of mass unemployment inevitably subverted the attempt by the state to harness what had been the universal practice of all benefit-paying unions – that entitlement to benefit both individually and collectively should always be financially adjusted to contributions paid.

In other words, the institutions of self-help culture could leave out the residuum of the unfit and the inefficient, the unfortunate and the long-term unemployed, they could require members to share in democratic self-management, and they could monitor the behaviour of welfare beneficiaries – but beyond certain limits the welfare state could not. This problem was very clearly anticipated by the Webbs, who claimed that the healthy conditions produced by the National Minimum would greatly reduce the national quota of 'weaklings, degenerates and other undesirables', but that at the end of the day there would always be a residue of such persons – a group whom the Webbs thought should be permanently incarcerated in humane institutions, where they could no longer infect, drag down and demoralise the rest.³⁹ Such treatment would be implemented and legitimised not just by state bureaucracy, but by a Rousseau-esque process of continuous popular involvement in social welfare administration ('In a fully-developed democratic state, the Citizen will be always minding other

³⁶ The reports of many unions after 1912, for example, soon began to suggest that the behavioural rules about when a member could or could not vacate or refuse a job of work were much more problematical and irksome when exercised by labour exchange officials than when exercised by fellow-members. (ASE Monthly Journal and Report, Mar. 1913, p. 14; June 1913, p. 18).

³⁷ Jose Harris, 'Did British Workers want the Welfare State? G.D.H. Cole's Survey of 1942', in J.M. Winter (ed.) *The Working Class in Modern British History. Essays in Honour of Henry Pelling* (1983), pp. 204–5.

³⁸ ASE monthly report, July 1912, p. 6; Rule-Book of the British Steel Smelters, Mill, Iron, Tin-Plate and Kindred Trades Association, 1917; Rule-Book of the Shipconstructors and Shipwrights Association, 1913. On the gradual perversion of the clause by heavy-handed administrative and legal interpretation, see Beveridge, *Unemployment* (1930 edn), pp. 279–80, and Alan Deacon, *In Search of the Scrounger*, Occasional Papers in Social Administration, (1976), *passim*.

³⁹ *Industrial Democracy*, pp. 784–9.

people's business'.⁴⁰) A similar political philosophy of welfare can be detected in the outlook of Beveridge, though usually in a more modest and muted form. Beveridge's earliest writings on social policy had directly linked welfare dependency to loss of citizen rights;⁴¹ and, although he soon rejected this view, he never abandoned the principle that, in order to preserve civic morale, malingerers and fraudulent claimants would have to be dealt with by a mixture of self-policing through the medium 'friendly' volunteers and stern disciplinary procedures enforced by the state. Such self-policing and disciplinary procedures had a crucial though not very conspicuous role in the Beveridge Report of 1942.⁴² Their partial collapse and loss of legitimacy in the post-second world war era symbolised perhaps more clearly than any other change the long-term erosion of Victorian values within the structure of the modern welfare state.

How does my account of the genesis of the welfare state relate to the two models of Victorian values that I set out earlier in this paper. Clearly it bears very little relation to that advanced by Correli Barnett. As I have argued elsewhere, the sentimental libertarianism that Barnett claims to detect in the founders of the welfare state more properly belongs to the secularised poverty lobby that dates from the 1960s than to the practical inheritance of reformist Victorian Christianity.⁴³ Of the two models, I think that the more genuine historical consciousness belongs to Margaret Thatcher. Her perception of Victorian values does have a direct resonance in the voluntaristic and highly-disciplined social welfare culture of the late nineteenth century friendly societies and benefit-paying trade unions. If, as some of Mrs. Thatcher's aides and advisers have sometimes claimed, her true position on social welfare was really a 'Back to Beveridge' one – then that was a perfectly logical corollary of her perception of Victorian values; a far more logical corollary than the widely-held suspicion that her secret agenda was a return to the Victorian Poor Law.

The flaw in Mrs. Thatcher's reasoning lay not in her account of Victorian values but in her understanding of the kind of society that had made such values possible: namely, an aggregation of small-scale, stable, highly-localised, highly-skilled, face-to-face communities that were only very imperfectly invaded by forces of the free market. Such communities were of course only minority communities even within late nineteenth

⁴⁰ Ibid., p. 846.

⁴¹ W.H. Beveridge, 'The Question of Disfranchisement', *Toynbee Record*, Mar. 1905, pp. 100–2; and 'The Problem of the Unemployed', *Sociological Papers*, 3, (1906), pp. 328–31.

⁴² *Social Insurance and Allied Services*, paras. 66–9, 369, 373.

⁴³ Jose Harris, 'Enterprise and Welfare States', *Trans. R.H.S.*, 5th series, vol. 40, 1990, p. 189.

century society; but for a time in the mid- and late-Victorian years they appeared to many people to offer a model for the universal society of the future.⁴⁴ Such a vision was central to the social welfare philosophy of Gladstonian liberalism. The erosion of small-scale, working-class communities and organisations by economic change was already well under way, however, by the early twentieth century: and the very fact that private self-help schemes seemed in the 1900s to have exhausted their capacity for autonomous growth was a major factor in precipitating the advance of state welfare. During the course of the twentieth century the wholesale transition to a market-dominated society was to be to a certain extent arrested by the interruption of two world wars and their economic aftermath; and it was no coincidence that the Beveridge Report received its great acclaim in the midst of the Second World War – a war that temporarily revived much of the sense of corporate fraternity, communal self-discipline, and sharing of scarce material resources that had characterised the old friendly society culture of the late nineteenth century. Such Victorian values were, however, increasingly in tension with the values and practices of post-war Keynesian consumerism; and they perhaps received their death-blow from the accelerated market forces of the past eleven years.

⁴⁴ See, e.g. 'Accident Benefit Presentation', ASE monthly report, Feb. 1880, pp. 46–8, the report of a visit to the Society by W.E. Forster. The history and significance of such communities are usefully explored in Patrick Joyce, *Work, Society and Politics. The Culture of the Factory in Later Victorian England* (Brighton, 1980).