

Was the history of the British Welfare State one of simple, unimpeded progress from the punitive treatment of the Victorian poor? In her interpretation of the growth of social welfare, Dr Thane emphasises the uncertainty and complexity that were involved, and answers key questions. Did expanded Edwardian provision imply that the state was the permanent primary provider of welfare? Have advances in interwar welfare services been under-estimated? Did these policies, and those that followed them in the 1940s, possess a coherent rationale? What has been the cumulative impact of growing welfare provision on poverty and inequality?

The British Welfare State: Its Origins and Character

We should be clear about what we mean by a 'welfare state'. As conventionally used in the years since 1945, when it became part of our everyday vocabulary, it means a state which defines as an essential part of its role the maintenance of a reasonable standard of life for all its citizens. The state may seek to achieve this broad goal by a variety of means including provision of cash benefits and/or services, tax relief under the fiscal system, and the regulation of the labour market. Indeed, a high proportion of the activities of the modern state has some welfare content.

Over the past century such activities have certainly grown in size, range, and cost. But the causes and consequences of such growth are complex. It is clearer if we analyse this process separately from the related question of whether living standards of the population improved; a topic addressed by Roderick Floud in this issue of REFRESH. The precise role of state welfare in relation to other agencies such as the family, or voluntary or private institutions, in bringing about these improvements is also best considered as a distinct subject. Whilst these processes are obviously related it should not be assumed that they progress naturally together. It is also helpful to bear in mind that although state welfare measures may have been intended to raise general standards of welfare, they did not always do so. Neither was this always their sole purpose. And the fact that the present-day state performs more welfare functions than in the past does not necessarily imply that it has displaced other agencies as providers of welfare. Rather their roles may have grown side by side. Finally, it is salutary to see that the intended consequences of social legislation are often not the same as the actual results.

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Pressure for changes in welfare from the 1870s

By 1880 central and local government were responsible for a significant range of welfare functions. The poor law was the most important agency in providing a framework of benefits and services for those in acute need. (Rose [1].) From the 1870s it provided institutionalized care, of an increasingly specialized and less punitive character, for a growing range of people in need: the sick, the elderly, and orphaned or abandoned children. However, the reasons for the growth of institutional care at this time remain unclear, and need further investigation. (Crowther [2].)

At the same time that the administrators of the poor-law system were seeking to expand institutional provision for the helpless poor, they also sought to cut back cash benefits in the form of outdoor relief to people in their own homes. Where possible, the aim was to transfer responsibility for maintenance outside the workhouse to the family, to charity or to employers. In this way they hoped at last to realize the objectives of the New Poor Law of 1834 and to abolish outdoor allowances to the able-bodied poor. But the central poor-law authorities had difficulty in imposing such uniformity of policy on local administrators - the boards of guardians. These boards retained considerable independence, had unequal resources to draw on in the form of income from the poor rates, and were confronted by diverse problems. Local variations in practice therefore remained. In the long term, however, such diversity decreased as a result of central pressure. This illustrates an important theme in the history of social policy during the past century - the steady tightening of central control over local government.

From the 1880s central government came under increasing pressure to extend its welfare functions outside the poor law, and in part this resulted from the activities of the poor law administrators themselves. As institutional provision for such 'deserving' groups as the sick improved, it seemed less obvious why they should remain within the unpopular framework of a deterrent poor law. The cuts in

outdoor relief also caused hardship to others traditionally regarded as 'deserving', such as old people and single parent families. The family and voluntary agencies could not entirely replace the former public provision so that greater destitution ensued. This was not necessarily because families were unwilling to give support to needy kin. Some were simply too poor themselves to be able to help. And many of the elderly poor had no kin; some had never married, some were childless, whilst others had children who had emigrated or died. Where kin were present there is strong evidence that they were a principal source of support for those in need. In addition, charity from the rich, or not so rich, might also help a little. But, despite the large sums that were given, the enlarged demands on charitable funds were so great that they proved inadequate to meet growing needs.

The resulting intensification of hardship among the elderly poor was an important reason for a growing demand for state old age pensions from the late 1870s onwards. There was no similar demand until around the time of World War One for cash benefits, in the form of family allowance, for mothers and children. Their treatment by the poor law was just one of the very wide range of pressures on the government to make new forms of provision for infants, children, and their mothers at the end of the nineteenth century.

Concern about the physical debility of the British population - with pressure on the state to take remedial action - is often dated from the discovery of the poor physical condition of recruits to the army during the Boer War of 1899-1902. Though such concern was intensified by these wartime discoveries, it had been evident for the two previous decades. Fears were expressed that generations of urban living, in often appalling conditions, were leading to degeneration of the national physique. Commentators pointed to the fact that Britain was the most urbanised society in the world with nine out of ten of its population living in towns and cities. Fears about what was construed as national decline were intensified by continuing high infant mortality, and by a falling birth rate after 1870. The decrease in family size was fastest amongst the better-off, whom it was assumed were the physically fittest specimens in the 'national stock'. These anxieties were the more acute at a time when Britain faced growing overseas competition economically and imperially. It was therefore seen as very important to nurture fit workers and soldiers for present and future needs.

Attitudes to expanded state welfare

As a result of these and other pressures, demands were made from the 1880s for central and local government to improve housing and sanitation; to assist in the provision of cheap milk to mothers and young children; to supply medical care and meals in schools; and to protect children against cruelty and neglect. By the end of the century this had some effect in the shape of national legislation, and local authority or voluntary action. But opposition came from those who still believed in minimal state intervention in the life of the family. This included poor families themselves who often resented what they saw as official interference in their lives. At the same time the poor might be grateful for positive help. The thirty to forty per cent of the population (or more), who could expect at some point in their lives to experience hardship, had complicated attitudes to state welfare. From 1867 the extension of the franchise at local and national level to include significant numbers of working-class males and, at local level, numbers of women also, undoubtedly increased demand for more and better provision by the state of education, housing, health care,

and protection against unemployment. It also strengthened the belief among politicians that if such provision was not made working-class political Organisation would grow.

Not all working people, even in the emerging Labour Party, supported a major and permanent welfare role for the state. Many of them gave higher priority to the state taking on the role of regulating the labour market to ensure full employment and adequate wages. This would have the merit of enabling more people to practice self-help and escape from the low pay and underemployment that were major causes of their poverty. At best this could be a long-term aim and, in the shorter term, they recognised that only the state had the resources to relieve the scale of need well-known to working people. The extent of that poverty was revealed to a wider audience by Charles Booth's survey of London (published in full in 1902) and Seebohm Rowntree's survey of York (published in 1901).

THE DAWN OF HOPE.



Mr. LLOYD GEORGE'S National Health Insurance Bill provides for the insurance of the Worker in case of Sickness.

Support the Liberal Government in their policy of SOCIAL REFORM.

Edwardian politics and welfare legislation

There were contradictory influences upon ministries at the turn of the twenty century, either to ignore the 'social problem', or to remedy it by varied collectivist action. The Conservatives who were in office from 1895 to 1905 made only a limited response since they were inhibited by opposition among their supporters to any increase in taxation in the interest of the poor. The Liberals, who succeeded them, were similarly constrained because: they were the party of free trade and low taxation; they included an 'old' Liberal wing antagonist to social reform; and they were also conscious of the hostility to social reform of the Conservative dominated House of Lords. In consequence the social measures that the Liberals introduced were neither costly to the Exchequer nor notably redistributive. Impelling them into social reform, however, was an influential 'New Liberal' wing which believed that the state, and a Liberal government in particular, should act to remedy social conditions for reasons of principle rather than for political calculation. However, political considerations also played their part. To a greater extent than the

Conservatives, the Liberals were dependent upon the working-class vote and were concerned about the attractiveness of the Labour Party to it. These political considerations are evident in the two illustrations from campaigning Liberal material. Both the strengths and weaknesses of the legislation that was enacted are explained by these tensions.

The earliest reforms enacted at the time of the Liberal ministry owed relatively little to the New Liberalism. The first enactment - the provision of free school meals in 1906 - was in fact introduced by a Labour M.P. And the introduction of medical inspection in schools in the following year was essentially the work of civil servants making the first moves towards a national free medical service. (Gilbert [3].) (This illustrates the importance of civil servants in welfare policy-making; in this case a constructive role was played, although in other instances they were sometimes obstructive.) The Liberals themselves initiated old age pensions in 1908. This was the product of a long campaign and was the first cash benefit to be paid by the state outside the poor law. Nonetheless it at first imposed on claimants means and character tests not far removed in spirit from the poor law. The Children Act of the same year was a response to thirty years of lobbying for the comprehensive state protection of children. The Trades Boards Act of 1909 introduced a minimum wage and improved conditions for some of the lowest paid, and largely female occupations. The Housing and Town Planning Act of the same year sought to limit existing and future urban overcrowding and pollution. Successive Lloyd George budgets rendered the system of direct taxation somewhat more progressive. National insurance, introduced in 1911, provided health and unemployment benefits for the regularly employed, in return for compulsory weekly contributions that were designed to relieve the Treasury of a considerable burden. It was also intended to build long-established values into a state venture; the regular payment reminded the worker of the obligation of self-help and saving, and established for him - or more rarely her - a contractual right to benefit.

Collectively this was a significant leap in the state's responsibility for welfare and established new principles of lasting importance. But the principles involved were various and lacked co-ordination since they were the product of the diverse pressures of preceding decades. It is important to appreciate that there was no underlying intention to establish the state as the permanent primary provider of welfare. On the one hand, it was intended to rescue deserving groups such as the elderly poor from the poor law. On the other hand, measures (such as the Trade Board, and National Insurance, Acts), began a process of providing for the bulk of the non-pauper working population a basic security against destitution - seen as undeserved because it was due to low pay, sickness or

unemployment. On this basis they could then practice self-help more effectively.

These measures were limited, tentative, and almost immediately faced pressure for improvement. Their effects are hard to assess because of the onset of World War One. The war extended the range of state responsibilities in social and economic matters, and popular expectations of collectivism were correspondingly heightened. Living standards improved due, above all, to full wartime employment (Winter [41]), and with this rose general expectations about the future. The influence of the Labour Party increased. Fear of post-war disorder - should popular hopes be dashed - influenced the wartime government in making plans for post-war reconstruction. And, at the end of the war, the franchise was greatly extended, with long-term implications for the provision of welfare.

THE TWO OLD AGE PENSION RECORDS

I. - The TORY RECORD

1895.—Tory Government returned to power pledged to give Old Age Pensions. The promise of Old Age Pensions was the most attractive item in the "Social Programme" put forward by Mr. Chamberlain in 1894 and "fully approved" by the Tory leader (the late Lord Salisbury) before the General Election of 1895.

1895-1905.—Tories in power for a period of ten years. **Nothing done**, except the appointment of one Commission and three Committees to enquire into the question. Subject suddenly discovered to be not in Mr. Chamberlain's Department!

II. - The LIBERAL RECORD

1906 (Jan.)—Liberal Government returned to power unpledged to give Old Age Pensions.

1906 (Nov.)—"The matter will be dealt with as soon as time and money permit." (MR. H. CAMPBELL-BANNERMAN.)

1907.—A definite sum set aside as a "nest egg" for Old Age Pensions. "It is our intention, before the close of the next Session of this Parliament, to lay firm the foundations of this Reform." (MR. ASQUITH.)

1908.—**Old Age Pensions Act Passed.**

1908.—Pensions paid from New Year's Day to pensioners of over 70, nearly all getting 3/- a week.

1911.—Poor Law Relief Disqualification came to an end on January 1st. **The number of pensioners raised to over 900,000 at a cost of nearly 12 millions a year.**

Study these Two Records and you will soon see which is the Better of the Two.

Published by the LIBERAL PARTY, 11, AUSTIN STREET, DISBURGH, in connection with the National Liberal Federation and the Liberal Central Association, at Cannon Street, S.W., and printed by Page & Thomas, Ltd., Chiswick.

LIBRARY No. 2097. 24 11. [Price 6d. per 1000.

The interwar years

Some wartime legislation outlived the war. These included maternity and child welfare measures, since awareness of the large number of war dead made it even more necessary to protect the future 'national' stock. Among reconstruction proposals only the more politically urgent were implemented. Education and housing legislation, introduced in 1918 and 1919, had only qualified impact since their scope was reduced after the onset of depression in 1920. But the planned extension of unemployment benefit to virtually all manual workers was not cut back, in view of the growing numbers of unemployed. Until recently the interwar years have been treated somewhat cursorily in the historiography of welfare. They were seen as having been dominated by the outstanding social problem of unemployment. And the central fact of welfare administration has been perceived as the meanness with which the unemployed were treated. Yet, for all the shifts in policy and failings of generosity, the administration of benefit was a considerable achievement and unthinkable at

any previous time. It was provided on a regular basis at subsistence level to unprecedented numbers of people, over a period of twenty years. In itself it marked a significant and lasting shift in the acknowledged responsibilities of the state to its citizens.

The costs of unemployment relief may have diverted expenditure from other areas of social welfare, whilst unemployment itself created additional social problems. It is difficult to argue, however, that conditions in the depressed areas were worse than anything that had been experienced before 1914. A more accurate interpretation would suggest that severe poverty could sometimes afflict different districts and occupational groups more comprehensively than before. And fewer people appeared willing to tolerate hardship for themselves and others as an avoidable fact of life. But governments were still reluctant to acknowledge the effects of unemployment in malnutrition and ill-health. (Webster [5].)

Yet, in other respects, welfare provision became more comprehensive during the interwar years. In 1925 the national insurance system was expanded to include pensions for those aged from 65 to 70, and for widows and orphans. There was notable expansion in educational provision, in council-house building, and in local-authority hospitals. Much of this depended on local-authority initiative and the availability of adequate financial resources. Poorer districts had long been hampered by their low rate income, but were now increasingly subsidized by central government, which saw this as the only way to expand and equalize expensive services such as housing. Combined with a growing strength of the Labour Party in urban local government, this sustained innovation at the local level. These factors also led central government - notably during Neville Chamberlain's period as Minister of Health from 1925 to 1929 - to strengthen its control over localities, as in the Local Government Act of 1929. The act transferred many of the 'caring' functions of the poor law to county and municipal authorities. Its residual responsibilities for the relief of destitution remained until 1948, so that the poor law continued to deal with social casualties for whom no other services existed.

The interwar period was one of significant change and expansion in the welfare responsibilities of the state. This was not the outcome of any plan, despite a vogue for planning in the 1930s. From a variety of such schemes to ease Britain out of depression came the seeds of much of the social legislation introduced after 1945.

Wartime and postwar measures

It was not planning but war that ended economic depression. The period from 1939 to 1945 brought about: a renewed expansion of state activities; a certain levelling of living standards; a succession of government plans for a better postwar world; and a popular desire not to return to interwar conditions. That war induced an enhanced sense of social cohesion or changed social relationships significantly is, in my view, doubtful. But, in the short run, both wars created in government a sense of obligation to those who had suffered. War also brought about sufficient change to make it impossible to turn the clock back to a prewar world, as those who wished to do so in 1918 had found. The pressures for change were much stronger at the end of the Second World War; the wartime government introduced the Education Act in 1944 and family allowances in 1945. Substantial social legislation was expected whether the Conservatives or Labour won the general election in 1945.

In 1945 the electoral victors - the first majority Labour government - were committed to change, although there was little sign of a coherent long-term strategy or of ideological distinctiveness in their legislative programme. Much of it was built on earlier proposals and especially those of a Liberal, W. H. Beveridge. Its chief characteristic was a commitment to universal provision where appropriate (as with education, health and national insurance), in order to make available to the whole community the benefits previously reserved in practice for manual workers. Cash benefits were paid at a minimal level,

due mainly to the troubles of the economy. Labour also significantly pushed forward the prewar trend towards increased central control over local government. If there was a unifying aim it was the long-run liberal ideal of equalizing opportunity. Significant space remained for self-help (e.g. in the private provision of medical care), voluntary action, and family support (promoted as vigorously by this, as by previous, ministries). An unintended result of this expansion of social welfare was that the relatively better-off benefitted significantly from such universalized and improved services as health and education. Also unforeseen was that the high proportion of pensioners who were wholly dependent upon public funds, were able to subsist only with the aid of National Assistance - the stigmatizing and selective successor to the poor law in 1948.

Welfare, poverty and inequality

Overall, however, there was distinctly less primary poverty after World War Two than before, as there had been less in 1918 than in 1914. The reason for the higher levels of peacetime prosperity than had been known previously was less the existence of the welfare state than that of full employment in the later 1940s and 1950s. Full employment was itself a welfare objective of the war-time and postwar ministries but its achievement owed much more to world economic conditions than to government plans. Viewed from the eighties it is apparent that welfare measures themselves have a very limited capacity to effect social change. That post-war government overestimated the degree to which welfare policies could narrow social inequalities was because nothing so ambitious had ever been tried before.

Poverty surveys from Booth to Townsend (Townsend [6]) suggest that patterns of social inequality have changed little over this century. This does not mean that the emergence of a welfare state has had no effect. Rather it implies that the effect of this vast machine has been to keep society stable. It has brought about no marked change in the distribution of wealth or power, but has prevented those who have not benefitted individually from the enormous growth in national affluence during the last century from falling too dangerously far behind the living standards of the rest.

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