

State intervention



State Intervention is any form of interference from the government within market mechanisms is performed. Intervention is an act of intervening in a market trying to influence the market outcome. An example of intervention is the Bank of England. It intervenes daily in the money markets to ensure that interest rates are maintained at the level set by the Monetary Policy Committee. They could also intervene in the foreign exchange market to try to influence the exchange rate, though this has not been done for a number of years. Historians have displayed this occurrence throughout time with effects upon charity, the church and general public health services and educations by either making these sectors non privatised and allowing the countries people to have their input in to what development should be made for the good of the state these set of people are known as Philanthropist and social scientists. (Define Intervention)

Society in Elizabethan England was evolving and the number of poor people living in abject poverty was rising. However, the issue lacked the involvement and interest of the bourgeoisie and when it came down to aiding the poor a series of laws was introduced by the English Parliament in 1563, 1572, 1576, 1597 culminating in the 1601 Poor Law. This radically changed the views on the poor dramatically from that which was of a harsh nature to one of support, sympathy and compassion. We know from historical artefacts and documentation from many a historian that there were a number of reasons for poverty some of the reasons dated back to before the reign of Queen Elizabeth. The poor law act 1601 formalised earlier practices making provision for a National system to be paid for by levying property taxes. It was meant to make provision to the following: A

compulsory levy poor rate on every parish, To provide working materials, Provide work or apprenticeships for children who were orphaned or whose parents were unable to support them, Offer relief to the ‘ Deserving Poor’, Collect a poor relief rate from property owners, Parents and children were responsible for each other, so poor elderly parents were expected to live with their children.

Historians differ sharply in their views about standards of living in the early 19th century however we do know that during the second half of the 19th century Parliament extended the range of local government activity passing on acts giving local councils greater powers and responsibilities. On occasions the government devised specially elected bodies for purpose specific to the cause. Two examples of these “ ad hoc” bodies as they were called were the poor law guardians created by the act of 1834 and the elected school boards set up to run elementary schools by Forsters education act of 1870, more common however was the control taken by the local councils.

In 1833 Earl Grey, the Prime Minister, set up a Poor Law Commission to examine the working of the poor Law system in Britain. In their report published in 1834, the Commission suggested several recommendations to Parliament. As a result, the Poor Law Amendment Act was passed. The act stated that: (a) no able-bodied person was to receive money or other help from the Poor Law authorities except in a workhouse; (b) conditions in workhouses were to be made very harsh to discourage people from wanting to receive help; (c) workhouses were to be built in every parish or, if parishes were too small, in unions of parishes; (d) ratepayers in each parish or union

had to elect a Board of Guardians to supervise the workhouse, to collect the Poor Rate and to send reports to the Central Poor Law Commission; (e) the three man Central Poor Law Commission would be appointed by the government and would be responsible for supervising the Amendment Act throughout the country. (htt2)

By 1834 the poor law amendment act was in practice by example of the fundamental Whig-Benthamite reforming legislation of the period. Proceeded by the massive and well-publicised report of a Royal Commission it received general parliamentary support and passed into law with comparatively little discussion. The machinery of the new law in itself constituted a virtual administrative revolution: a central commission not under direct ministerial or parliamentary control, with wide powers to establish efficient local administrative units, supervise the work of locally elected guardians, prescribe the qualifications of local officials, and make regulations for the general administration of relief. The principles on which the commissioners were to act followed from the recommendations of an earlier report: the principle of ‘less eligibility’ (workhouse conditions should be made less preferable than those of the lowest paid labourer) the prohibition of outdoor relief (relief outside the workhouse) the segregation of different classes of paupers (including the separation of married couples) the abolition of the ‘rate-in-aid’ (grants to supplement low wages). Use of the “workhouse test” was evident. Workhouses were large, centralized institutions for housing and feeding paupers. The workhouse test was a simple administrative device: when an individual applied for poor relief, officials could make relief conditional on entering the workhouse. Two features of the New Poor Law

have not received sufficient attention. First, the workhouse test was viewed by its advocates as a substitute for direct information on the poor.

Industrialization and agricultural modernization had changed the New Poor Law faced the great difficulty of credibly committing to a new regime in poor relief. Some features of the New Poor Law reflect efforts to overcome those credibility problems.

In the act it was decreed that external relief for the poor was to be stopped within two years, leaving these unfortunates with the choice of the workhouse or starvation. No able-bodied person was to receive money or any other help from the poor law authorities except in a workhouse. The legislation had been designed to root out the “undeserving poor”. The New Poor Law Union supervised by the Board of Guardians consisted of who men were elected by the ratepayers and prominent landowners of the parish.

Conditions in the workhouse were purposefully made very harsh and hostile for the paupers, to discourage people from wanting to receive help. The cruellest aspects of the workhouse were the separation of husbands and wives and parents and children. They were forced to stay in different parts of the workhouse and were not even permitted to meet in communal areas such as the chapel. There was no free lunch in the workhouse, everyone was expected to work long hours in often difficult and demanding jobs. Men would be expected to do heavy work like breaking stone, cutting wood or grinding corn. Women were expected to work long hours washing, scrubbing and cleaning or other tasks in payment for a bowl of gruel and a piece of bread. Children around this time were still working down the mines and often doing dangerous work in factories. There was a social stigma attached to

being in the workhouse, conditions were harsh and very few personal items were allowed. The Workhouse dweller was given a uniform in exchanged for their clothes, usually a coarse gown or cotton shirt. These would have letters sewn on them, ' P' for pauper, followed by the letter of the parish.

The worst thing about poverty in the 19th century was the callous attitude of many Victorians. They were great believers in ' self-help'. That is they thought everyone should be self-reliant and not look to other people for help. They also believed that anyone could become successful through sheer hard work and thrift. Logically that meant that if you were poor it was your fault. Many Victorians felt that the poor were to blame for their poverty and by the end of the 19th century more than 25% of the population was living at or below subsistence level. Surveys indicated that around 10% were very poor and could not afford even basic necessities such as enough nourishing food. Between 15% and 20% had just enough money to live on (provided they did not lose their job or have to take time off work through illness). It is horrific that so many people were very poor in Victorian Britain. However things had always been that way. In the 18th century perhaps half the population lived at subsistence level or below it. Before the 20th century dire poverty was accepted as a fact of life.

If you had no income at all you had to enter the workhouse. The workhouses were feared and hated by the poor. They were meant to be as unpleasant as possible to deter poor people from asking the state for help. In workhouses you could not wear your own clothes. You had to wear a uniform. Husbands and wives were separated and children were separated from their parents. Inmates had to do hard, unpleasant work such as breaking stones or pulling

apart old rope. There were also many strict rules. However in the late 19th century workhouses gradually became a little bit more humane.

At the end of the 19th century attitudes to poverty were changing. In 1878 William Booth formed the Salvation Army, which did much good work among the poor (and still does). Also in some places in the 1890s teachers began providing poor children with a free breakfast of bread and jam and a mug of cocoa. (Maybe not a nourishing meal but better than nothing). Many poor children were malnourished and teachers realised it was no use trying to teach pupils who came to school hungry. The 1890s boot funds was formed which was a charity that provided free boots or shoes for poor children. Prior to this children who has no footwear just went without. The industrial revolution created a huge demand for female and child labour. Children had always done some work but at least before the 19th century they worked in their own homes with their parents or on land nearby. Children's work was largely seasonal so they did have some time to play. When children worked in textile factories they often worked for more than 12 hours a day.

In the early 19th century parliament passed laws to curtail child labour. However they all proved to be unenforceable. The first effective law was passed in 1833. It was effective because for the first time factory inspectors were appointed to make sure the law was being obeyed. The new law banned children under 9 from working in textile factories. It said that children aged 9 to 13 must not work for more than 12 hours a day or 48 hours a week. Children aged 13 to 18 must not work for more than 69 hours a week. Furthermore nobody under 18 was allowed to work at night (from 8.30 pm to 5.30 am). Children aged 9 to 13 were to be given 2 hours

education a day. In 1867 the law was extended to all factories. (A factory was defined as a place where more than 50 people were employed in a manufacturing process).

In 1865 Parliament strengthened the role of the Poor Law Union by introducing Union chargeability, which meant that all poor rates were levied on the Poor Law Union as a whole. Prior to 1865 each parish within a Union paid for the relief of its own paupers plus a share of the workhouse maintenance costs that was based on the number of paupers it had in the past (Brundage (1878: 184)). MacKinnon (1987) argues that Union chargeability was an important underlying cause of the “ Crusade against Outrelief,” an effort led by the Charity Organization Society (CSO) and other private groups to abolish outdoor relief — to return to the “ principles of 1834.”

Poor relief became extremely costly during the Napoleonic Wars of the late eighteenth and early nineteenth centuries. Costs continued to climb even after the peace. Poor rates rose on average by 62 percent from 1802-3 to 1832-3. These tax increases far outstripped the gross rentals from farm land on which poor relief assessments primarily fell; rentals increased by only 25 percent over the same period (Digby (1982: 9)).

Towards the end of the nineteenth century several surveys about the lives of the poor were carried out. Investigators wanted to know how many people were poor, what conditions they lived in, and how much money a family needed just to survive. In 1886 Charles Booth began a systematic investigation into the number of poor in London. Using seven assistants to

help him, Booth surveyed London's poor over a number of years and, between 1889 and 1903, filled seventeen volumes with his evidence and conclusions. While Booth was surveying London's poor, Seebohm Rowntree began investigating the poor in the much smaller city of York. In 1901 his findings were published under the title 'Poverty: a study of town life'. In this assignment you will study the conclusions that Booth and Rowntree reached and the use that historians have made of their research into the poor people of Britain. (htt1)

Source A:

Rowntree produce this diagram of the poverty cycle. It shows the stages during a lifetime when poverty increased and decreased

Source C:

Booth's main conclusion from his survey of London's poor. Booth calculated that 21s (£1. 05) week was enough to maintain a minimum standard of health whilst paying out for food, clothing and shelter. 30% of working people are below the poverty line. 38% of working class people are below the poverty line.

Source D:

Rowntree's main conclusions from his survey of York's poor We have been accustomed to look upon the poverty in London as exceptional. However, the result of careful investigation proportion of poverty in London is practically equalled in what is a typical provincial town. We are faced with the startling probability that from 25 to 30% of the urban population in the United Kingdom are living in poverty. 27. 84% of people are below the poverty line. 42% of working class people are below the poverty line. Rowntree calculated <https://assignbuster.com/state-intervention/>

that for 2 adults and three children 21s (£1. 05) was enough income to avoid poverty.

The population during the 19th century was about 9 million. By 1901 it had risen to about 41 million. This was despite the fact that many people emigrated to North America and Australia to escape poverty. About 15 million people left Britain between 1815 and 1914. It is thought that in the 19th century families were much larger than today. That was partly because infant mortality was high. People had many children and accepted that not all of them would survive. Unfortunately 1831 saw a crisis in epidemic form.. Cholera struck. Originally coming from Asia and spreading across the eastern European areas before finally riving in England in 1830, Cholera hit its hardest in the slums, making Britain's poorest the worst hit by this terrible and incurable disease. Scotland and Ireland were reported as being the most severely hit due to their overcrowding. This seemed to spark a wide interest in the art of hygiene as this was apparently the only means of protection against such a fierce and rampant disease. Prevention above cure was the only measure.

A campaign for purer water, effective drainage and destruction of slums and replacing them with well built and ventilated buildings was a must. In short a great social reform was needed many acts were again drawn up during this epoch but one of the most remembered in this sector was that in 1866 the sanitary act were by the demand of sanitary inspectors being given the same government power to make local authorities to take positive actions over water sewerage and were essential.

Sanitation and all linked was improved over time. By 1835 Boroughs and counties like Manchester were employing professionals to carry out duties which affected the standard of the town's social system. From dustmen to firemen, from doctors to electricians and from teachers, tram drivers and inspectors to architects. Liverpool appointed a medical officer of health 1847. Middle of the 18th century began a series of great improvements Liverpool saw its docks modernised, 1873-6 saw Birmingham's Joseph chamberlains mass improvement to the town in way of the clearance of a massive slum area which opened the way for today's modern corporations street. Furthermore in later years Manchester, Glasgow, Liverpool and Birmingham led the way in what came to be Municipals Socialism – The provision of services in which they sold to the public – water, gas, electricity and transport. Finally the public Health act was enforced in 1875 compelling them to appoint medical officers of health.

Education

Most children in the 18th century did not go to school or if they did they didn't attend for very long. There was no national system in England as opposed to other modern state countries such as Scotland Germany and France. Private charity was initially the only way in which a poor child could take advantage of any form of education. These charity schools were funded by means of local collections run by local trustees usually under the supervision of the ' promotion of knowledge' founded in 1699. They provided the basics in the three R's. These classes usually made up from Paupers and Orphans unfortunately fell into decline. Grammar schools however were still in full function and seemed to thrive throughout the whole of the 18th

century until towards the very end where there was a rapid decay observed. The Municipals reform act 1855 rescued the grammar school during its crisis by ridding it of the old corporation. Reform was in the air and the evangelical movement was awakening a string sense of public duty amongst the middle class. From the date Forsters Education Act 1870 was born. Many an act came and went through this era with intention of improving the education system. As Robert Lowe himself stated “ I believe it will be absolutely necessary to compel our new masters to learn letters; the new voters had to be educated in order that they might have the chance to exercise their votes intelligently for the first time in Parliament took upon itself the whole responsibility of seeing that every child in the land had a chance of going to school. Finally followed by the Education act 1902 elementary and secondary education. This saw some exceptions which were dealt with by committees of the county and country borough councils. 1888 saw the county councils act which meant they were responsible for the repair of bridges and roads.

Social reform was in full swing. Support from the state for the weaker members of the community was beginning to be seen as the norm by those who did not receive such. 1905 the liberal government took office and continued with the same amazing forceful and somewhat thunderbolt style measures.

After the 2nd reform act 1867 town councils became appreciably more vigorous in their activities. The Torrens act 1868 for example gave them the right to compel the owners of insanitary properties to put them in order. The dwellings act 1875 empowered them to pull down and re build such slums.

Socialism up to 1890 was generally regarded as insurrectionary a strong working class movement was evident during the 19th century. Some of the industries had unions that only required minimal objectives such as a petty cash like system to assist with unexpected and essential expenses in a time of need. The mechanics institute set out to enable workingmen to fit themselves by education for a more skilled industrial role than that of their current discipline,. Other unions began with limited objectives but soon widened their arms as they grew in strength and numbers.

In the 1850s and 1860s skilled craftsmen formed national trade unions. In 1868 a group of them formed the TUC. However unskilled workers did not become organised until the late 1880s. The Fabian Society was founded for the purpose of “ reconstructing society,” based on the competitive system, “ in such manner as to secure the general welfare and happiness.” (Pease, 2004) It maintained its independence from the Labour Party, although it helped to create the Labour Representation Committee in 1900. By the 1860s a very different situation prevailed in Britain. Industrial capitalism was more embedded as a system and Capitalists seen to become more confident about the society that they were creating for themselves. The many varied unions which had flourished were now beginning to coalesce into larger, wealthier organisations. A permanent system of government was developing on the basis of a growing trade union membership and the ideology of the individuals who had made up this bureaucracy. They craved respectability and developed measures to negotiate on moderate terms with their political masters. This is thought to be what lead to the leading body of the Trades

Union Congress (TUC) which was then named the Parliamentary Committee.
(Halliday, 1980)

The co-operative movement started as a modest establishment with the initially intention to supply themselves with cheaper foods but later they went on to expand beyond belief Today they are one of the most dominant in supplying facilities

Trade unions started by implementing shorter hours of work with higher wages however inevitably they quickly turned to political activity growing into the biggest single force behind the establishment of the working class political party The Labour Government.

Philip Snowden, a leading member of the Labour Party called on voters in 1900, to: ‘ Come with us and help us to remove poverty, sin and suffering, and to bring hope, and health, and joy, and brotherhood to every child of our common Father.’ From the Northern Daily Telegraph, 26th September, 1900.