

How effective were liberal reforms in tackling poverty history essay



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The first attempts to measure the extent of poverty in any scientific way were through the efforts of Charles Booth and Seebohm Rowntree at the turn of the century. Rowntree's findings were of particular significance as he was the first person to face up to the problems involved in defining poverty. His solution was to consider a family to be living in poverty if "its total earnings were insufficient to obtain the minimum necessities for maintenance of merely physical efficiency".[1]The minimum necessities were calculated by estimating the nutritional needs of families of different sizes into amounts of food and money terms. This method was used by Rowntree in his first survey of York 1899 and in his subsequent surveys 1936 and 1956, although in each of the later years the list of "minimum necessities" grew longer.

From 1832 the laissez-faire ideology dominated the beliefs of those who were in power. The main attitude at the time was that poverty was not the government's responsibility, and the belief that the authorities should not intervene in problems in state. Poverty was blamed on the individual through either idleness or carelessness. Leading Utilitarian, Jeremy Bentham commented on the mutual view of poverty in 1814. "The only purpose of government exercising power is to prevent harm to others. Acting for people's own good is not the purpose of government." [2] This was in keeping with the attitude of the time. John Stuart Mill, a philosopher, also agreed with these ideas, which is shown by his writing in 1859.

It is evident from Rowntree's poverty cycle; people were vulnerable at three times in their life: childhood, retirement, and unemployment. The 1832 Reform Act was not successful in reforming the Poor Law, only allowing the able to enter Workhouses which did not alleviate the problem of poverty, but

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disguised it. If the Liberal government of 1906 were to successfully alleviate poverty from Britain, the need of the Workhouses must be abolished; ensuring citizens do not fall below Rowntree's poverty line. Therefore it could be said that the Liberal Government were not successful in alleviating poverty, because only 13% of the inhabitants of workhouses between the years 1905-1915 were reduced. Their Reform Acts did ensure that the Workhouses were less populated, in comparison to the 1832 Poor Law Amendment Act, however the fact that they were still in use and highly populated clearly depicts that the Liberal Reforms did not go far enough to ensure poverty was removed in Britain. It did however make inroads into the welfare state which in the 1940's did finally combat the issue of poverty successfully.

Poverty due to retirement was a rising problem according to the findings of Rowntree, throughout the 19th and early 20th century, therefore the liberals aimed to alleviate this cause of poverty through Old Age Pensions. Citizens of 70 years and above were to receive between 1 - 5 shillings a week depending on income, which was a relief as it prevented them from entering the Workhouses, and living more comfortably. However, the amount specified fell below Rowntree's primary poverty line where he recommended a minimum of 7 shillings per week, as noted by Cross, who states that " even in 1908 values, the pensions were tiny and the conditions strict"[3], through high mortality rates through squalor and disease, few survived to reach the age of 70, making the pensions rather ineffective, especially as it was only eligible for people with regular working lives and no previous convictions. Therefore even if there was no argument against pensions, they still

wouldn't suffice. However, J R Hay suggests that " It is arguable that had not the Boer War intervened pensions may well have been introduced a decade earlier"[4], with a likelihood that the above criteria of age would have plummeted, making the vast majority eligible for the pension scheme, and the stated amount would have been above Rowntree's poverty line, making the liberals more successful in alleviating poverty. However, the pressure of the Boer War and the expense of the Post Boom Victorian economy had ruined the chances of the liberals realistically introducing pensions earlier with a higher rate to fully alleviate poverty.

There was opposition to the reform as David Lloyd George raised government revenues by an additional £16 million a year. In 1909 the People's Budget was introduced which included increases in taxation. People on lower incomes were to pay 9d in the pound, but those on annual incomes of over £3, 000 had to pay 1s. 2d. in the pound. Lloyd George also introduced a new super tax of 6d. In the pound for those earning £5000 a year. Other measures included an increase in death duties on the estates of the rich and heavy taxes on profits gained from the ownership and sale of property, which was objected by the conservatives, as it was them who were to be taxed, and it was their beliefs who had not changed: they believed the poor still deserved to be poor, and it was not in their interest to help them as it promoted idleness.

It is clear that the liberal party were not committed to Old Age pensions, though individual candidates at the election were. There is some doubt though as to when and why the commitment to pensions was made. Gilbert suggests that " consideration of pensions began early in 1906 to provide <https://assignbuster.com/how-effective-were-liberal-reforms-in-tackling-poverty-history-essay/>

balance to the Liberal programme and to meet the charge, from the Tories, that the liberals were the prisoners of the socialists.[5]”, similarly to Fraser, who stresses the “ importance of the colon Valley and Jarrow by-elections in 1907, when the Liberal candidates were defeated by labour men”.[6]He takes this as a criticism of the lack of Liberal social policy. This highlights that even in the early days the Liberals were not united in their aim of the pensions scheme to alleviate poverty, and division is seen as weakness here which is partially responsible for the failure of the pensions scheme in fully alleviating poverty in Britain. Conversely, Cross suggests that “ the scheme benefited 5 million people and, as Asquith intended, it formed a basis for the improvement in the future”[7], which is clearly highlighted in the welfare state, where the lifestyle of the working class was made more comfortable through free medical in the NHS and better housing, which did infact remove the starting point of the problem associated with poverty, However, Wood illustrates the limitations of them pension scheme in “ the dread of the workhouse remainedin the not very generous pension scheme in 1909”[8]. In order for the liberals to combat poverty they had to remove the workhouses, and with the pensions at a rate below Rowntree’s recommended survival rate, it does infact show the limitations and therefore Wood is accurate in highlighting the fear presented to the elderly. However, the evidence that the workhouses were less populated by 28% after the first liberal reforms does suggest that in part the Liberals were successful in alleviating poverty, but the fact that they were not united in the pension scheme immediately provided limitations, however the main interventions were to be seen through the welfare state.

Therefore it can be seen that there was only so much that could be done without full support from the public and other parties, as well as division in their own party, as well as being limited as to who they were helping, which is why the pensions were unsuccessful in alleviating poverty. However, Hill states that “ Lloyd George wanted to go further by including pensions for widows and orphans, but he could not overcome the opposition of commercial companies whose door-to-door collectors might have innumerable votes against the liberals, but the 1908 pension scheme did change attitudes in the fact that the poor did not deserve to be poor, and arguably the liberals reforms did lead the way to the welfare state which supplemented pension provisions with further benefits from 1945, with the 1948 national assistance recognised to anyone suffering from poverty.[9]” Therefore although the immediate effect of the Old Age Pensions did not alleviate poverty, it was a revolutionary act which marked the transition point from traditional *lassiez faire* views, to the forth coming of the welfare state.

Poverty was primarily highlighted in 1899 when Britain engaged in the Boer War. Half of those who volunteered to fight were unfit. Many had been so badly fed as children that they had not grown properly. This worried the government, change had to be enforced otherwise Britain would not have a strong army to defend its interests. In response to this the Liberal Government passed reforms between 1906- 1908 where children became a target for reform as they were the future building blocks of society, although they were not a major cause of poverty highlighted by either Booth or Rowntree.

The first direct move to alleviate the dilemma of deprived children in 1906 with the passing of the Education Act. This allowed local authorities to increase local taxes to cover the cost of providing free school meals for children in schools to prevent malnourishment. However, Harris states that “The acts of 1906 & 1907 which enabled local authorities to provide free school meals and school medical inspection were very limited and permissive in form[10]”. However, the evidence* that children lost weight during the summer holidays, suggest that school meals had become an important part of their diet. Nevertheless, this Act did not achieve its goal of ensuring all children in education received one nutritional meal a day, because it did not force local authorities to provide free meals, as less than a third of all education authorities were using rates to provide meal provision, but Hill states that the acts were ‘ important strides, indicating a new and broader outlook[11]’ upon children. Therefore the extent to which the liberals alleviated child poverty is limited, with only 150, 000 children receiving a free school meal, but this figure did eventually rise. However, information available from 1912 shows that over half of the local authorities in England and Wales had still not set up a free meals service. But as Hill suggests it was an important stride, which led to the welfare state which fully alleviated child poverty.

Between 1906-1914 other reforms were introduced to alleviate child poverty, illustrated by the 1907 medical inspections, which were compulsory to create a healthier population. Although they were compulsory, they did not go far enough to rid children of disease, through the lack of financial aid to treat illness and infections discovered, nor was there any attempt to improve the

health of older children or adults. Overall, medical inspections did little to solve any problems until free medical treatment for school children began in 1912 when problems diagnosed could be cured, as noted in a primary source which states that “ children in whom defects are detected, treatment is exceedingly inadequate. A large number of them, as you know are supposed to be sent to hospital[12]“. The system, where enforced was not helping all children. Some children were sent to hospitals to receive better treatment, however, evidence does show the limitations of these reforms and with limited funds, not all children were treated, and at the time the system was not competent. Conversely Hill states that “ although it took several years for the system to become comprehensive: once fairly launched, it became the most important single measure of preventive medicine ever undertaken in this country”[13], which fully helped alleviate the state of poverty. This is clearly illustrated in the welfare state when the NHS was established, enabling the right for all, to free medical treatment.

The liberal reforms did not improve housing conditions, with only upper-class families having better housing and sanitation. Wood affirms that the “ best that was achieved for child poverty was intervention in the areas of school meals and school medical inspections, which were to a considerable extent a logical extension of the tradition of state protection for children”[14]. Many urban class families were still living in overcrowded filthy slums, highlighted by Pember Reeves “ under the window facing the door is the large bed, in which sleep mother, father and two children...the small fireplace has no oven, and open shelves go up each side of it. There are two saucepans, both burnt“. Therefore the liberal reforms only touched upon some aspects of

poverty but did not alleviate the foundations of child poverty by 1915, as noted by Wood, who suggests “ it was not compelling the removal of children from workhouses until 1913[15]”, which shows how ineffective the liberal reforms were, as the workhouses were still in use even after 1915, therefore their aims were only partially being met. However the full extent of the liberal reforms is seen through the welfare state where problems such as poor housing conditions, sanitation and free medical was addressed from 1948, which fully combated poverty.

Families could be ‘ plunged into actual want’[16], and living under Rowntree’s Poverty Line through Loss of employment of the main breadwinner, which was likely to be disastrous, however the Liberal’s Labour Exchange Act, and National Insurance Acts parts I and II 1909-1912 attempt to alleviate the state of poverty those families could be plunged into.

1908-1909 the Liberals were forced to create a programme, being the Labour Exchange Act 1909, to ease the problem of unemployment, which would make minimum alterations in the normal workings of the labour market to satisfy individualists, economists and industrialists. It also had to be largely self-financing in order to avoid large amounts of taxation which was previously unpopular and unsupported by the House of Lords. Fraser states that “ The Labour exchange Act was particularly successful in aiding poverty[17]”. Similarly noted by Hay who argues that , “ drive and initiative was the important factor, and that in his mind, unemployment insurance and labour exchanges were only part of a concerted attack on the problem of unemployment, sickness, and old age[18]”.

Part 2 of the National Insurance Act was more successful in helping the unemployed. Most insured workers received 7 shillings a week for a maximum of 15 weeks. Any income coming to a family in a time of unemployment was gratefully received; however it only provided unemployment benefit to certain industries such as building and construction. Historian Peter Clarke has argued that, though limited, the way Liberals carried out welfare reform was very skilful for it bypassed the Poor Law and brought in a system that won popular approval. The unconditionality of insurance benefits, to which workers felt they had earned the right, was a means for winning assent for state intervention. Liberal collectivism, thus made an appeal to labour, bypassing socialist objections, which surely explains why the British Welfare system was built on the basis of National Insurance. Other Historians disagree and suggest that the reforms were very limited in scope and failed to deal adequately with such important welfare issues as education and housing. It could be argued that the reforms inadequate; pensions were too low; health insurance did not cover the employee's family and unemployment insurance applied only to seven trades. Therefore, for many, unemployment was still a problem, and once more the Liberals attempt in addressing poverty was unsolved.

Beveridge analysed the way in which seasonal and cynical factors would affect unemployment in key trades. " Unemployment in each year is confined to a minority which forms generally much the same proportion of total membership, varying between 18 and 26 percent, within this minority there is an inner ring of men who are unemployed for practically the whole year"[19], known as ' chronically unemployed' Therefore the liberals national

insurance would have been considered of high value, even though it didn't fully eradicate the problem of poverty, it did attempt to do so, which was revolutionary as this type of help had never been seen before with previous governments who only tried to disguise the problem by sending the able into the workhouses, and although between 1905-1915 workhouses still existed, their population percentage decreased which highlights that the liberal measures were in part effective.

However, A. J. P. Taylor has stressed how limited the welfare programme was. " Since 1911 it helped to insure certain classes of workers against sickness and unemployment. Still, broadly speaking, the state acted only to help those who could not help themselves[20]". The Act did not fully alleviate poverty, it did not help seasonal workers, but provided seasonal work for others who were unemployed, which did ease some financial burdens, however it was not always successful. " When I arrived there were 200 men outside the door. They all had come in the hope of finding work. When the door was opened, the men fought and struggled to get through so that they got jammed. They found the long counter with patient, polite clerks who wrote down details in cards and then said: " Look in again next week", or " We will let you know if anything turns up". The men who came in so eagerly went out slowly with drooped heads".[21]this clearly highlights that although the liberal government did try to solve the problem of poverty, deriving from unemployment, it was limited as there were very few jobs available, and tended to be seasonal work, However, Cross states that " the creation of the labour exchanges entailed a revolution[22]" which was never seen before, and to an extent this is true, never before was there help for

the unemployed like this, it change attitudes, but the magnitude of this reform can be fully seen in the welfare state. These reforms were classed as stepping stones to the welfare state where poverty would be fully alleviated. Therefore this reform did not fully alleviate poverty. It did help with seasonal work, but this work was not sustained and therefore ineffective in ensuring family stability. However the full impact of the liberal reforms can be seen in the welfare state which in 1948 introduced marshal aid which enabled all able bodied to work in industry and alleviate poverty.

National Insurance part I could be seen to relieve the poverty, as those sick got full benefit for the first 13 weeks and half benefits for the next 13 weeks. However, Hill states how limited the scheme was as “ for at first the insurance against unemployment applied only to wage -earners in building, engineering, shipbuilding, iron-founding, and a small number of other occupations”[23], which is reliable as other family members could not benefit from the scheme no matter how ill they were, but it did lead the way forward to the welfare state, which provided aid to those ill or injured at work through the social security acts from 1945 - 1948. Marshal Aid was introduced which gave unemployed the opportunity to work in industry from 1948 and there was free medical through the NHS. Conversely Wood disagrees and states that “ national insurance did mark a significant change from the limited and deterrent role envisaged in 1834[24]“. therefore the immediate attempts made by the liberal government were limited, although it did ease the situation of poverty for most people, but the full impact of the reform can be seen in the welfare state which fully alleviated poverty, as noted by Harold Macmillan, who commented that by 1959 the British “ never

had it so good"[25], through the aid of the Liberal Government, so it is fair to say the liberal reforms were successful. However Hay concludes that, " in its final form, part I of the National Insurance Act did not seriously attempt to tackle the cause of ill-health.[26]" This ultimately led to the issue of poverty. The health insurance was not effective in fully alleviating poverty, only helping to aid some factors relating to it.

Overall, the Liberal reforms marked a transition point between old laissez-faire attitudes and those of a more collectivist nature. The reforms made only limited inroads into the problem of poverty. The pensions paid were inadequate and the unemployment benefits were limited to only certain trades, and then provided only for the employee and not his family. The government was prepared to intervene to help the poor, but the poor had also to help themselves by making contributions towards their benefits. Therefore, although poverty still existed throughout Britain, with many aspects of society without any aid from the government, the liberal reforms were a radical step towards the welfare state, as noted by Cross who states " Two men, David Lloyd George and Winston Churchill, were responsible for launching a great social program which laid the foundations of a future welfare state"[27].

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