Dimensions of Distress: Manifestations of economic hardship in late Victorian Britain

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1. Introduction

Since the inter-war depression, unemployment and economic hardship have been synonymous: hard times are periods of high unemployment, deprived communities those with many jobless. There is perhaps a vague perception that this was not always so: in pre-industrial communities, subsistence agriculture always provided work. However, the process by which unemployment acquired its current status is unexamined. This paper explores unemployment statistics and other indicators for pre-1914 Britain, to examine how far their behaviour, over both time and space, was similar. Our approach is graphical rather than statistical and causal relationships are only sketched out: the paper considers first the structure of the economy and the forces to which it was exposed, then the resultant behaviour of the labour market and finally the consequences for the household economy.

The next section considers the forces driving the Victorian economy: seasonality, the trade cycle and long-run expansion or contraction. The third section considers how these forces affected the labour market, through unemployment, short-time working and wage reductions. The fourth section explores the impact of economic fluctuations on households and examines a further three indicators: levels of poor relief, small debt cases and the marriage rate. The final section summarises the distinctive chronologies and geographies of the different indicators and then argues the need for a more broadly-based conception of economic distress, both in the pre-1914 economy and arguably in the post-Fordist economy of the late twentieth century.

2. Rythmns of industry

2.1 Components of the economy

Given the complexity and inter-connectedness of the economic system and, at a world scale, its closure, the search for ultimate causes of economic distress is unproductive. However, a convenient proximate cause is the inadequacy of demand for labour. Obviously, the impact of this in a particular locality depended on what workers in that locality usually did and on whether there were convenient alternative sources of employment. Overall demand for a particular type of worker in a particular place varied systematically on several different time scales: that of the seasons, the trade cycle and long-term growth or decline of particular industries, but these varied in impact depending on type of economy. There was obviously a detailed industrial geography, particular towns depending on machine-building or textiles, on wool or cotton, or even on spinning or weaving, but these levels of specialisation carried with them inter-dependencies. On a broader scale, it can be suggested that Victorian Britain contained three distinct

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economies, between which the interdependencies were much less obvious. Each of these three economies was subject to very different sets of economic forces.

[Figure 1 appears near here]

This argument has been developed statistically by Lee and figure 1 explores the same issue graphically.1 Lee recast the available employment statistics from all censuses from 1841 onwards into the twenty-seven categories of the Standard Industrial Classification and these are combined here into just three very broad sectors: agriculture, cyclic manufacturing industries and services and consumer goods.2 The percentage of total employment in each of the three categories must sum to 100 per cent, so the share of any two categories determines that of the third and hence all three shares can be plotted in two dimensions. The three corners of the triangular plot represent emphases on the three categories: a movement towards the top corner of the diagram indicates an increasing specialisation in cyclic manufacturing industry; a movement towards the bottom right hand corner indicates an increasing emphasis on services and the production of consumer goods; and a movement away from the bottom left hand corner indicates a decline in the importance of agriculture. The diagram shows how the employment structure of each region changed over the successive censuses from 1841 to 1931.3

London’s pattern was unique: it began with a strong orientation towards services and changes remarkably little over the period. The remainder of the South East, the South West and East Anglia began as predominantly agricultural and all three gave steadily greater emphasis to services. Two regions, the North West and Yorkshire, were already highly industrialised by 1841 and were only beginning to strengthen services in 1931. Finally, Wales, the East and West Midlands, the North and Scotland all industrialised during the latter half of the nineteenth century and moved into the area of the plot originally occupied by the North West and Yorkshire. None of the regions followed paths closely resembling that of Great Britain as a whole: this was a national economy made up of strikingly contrasting regions. These components can now be considered in more detail.

2.2 The workshop of the world

[Figure 2 appears near here]

The economy of late nineteenth century Britain is usually seen as the creation of the industrial revolution: the workshop of the world, export oriented and emphasising capital goods production, concentrated on the coalfields of northern England, Scotland and South Wales. Figure 2 presents statistics for four key industries in this economy: cotton, coal, iron and steel production and shipbuilding.4 In 1900 these industries produced over

2 Categories defined as follows: agriculture=order 1; cyclic manufacturing=orders 2, 4-14,16,17 & 19; services and consumer goods=orders 3,15,18,20-27 and unclassified. For composition of orders see C.H.Lee, British regional employment statistics 1841-1971, Cambridge, 1979, pp. 6-38.
3 The common decline in service and consumer goods between 1841 and 1851 is due to the anomalous method of recording women’s occupations in 1851. However, the marked peaks for cyclic manufacturing in 1921 is found with either of Lee’s alternative 1911 classifications.
4 The figures are taken from B.R.Mitchell and P.Deane, Abstract of British Historical Statistics, Cambridge, 1962, and show total exports of cotton piece goods (in ten millions of yards),
half of the value of Britain’s domestic exports. Each industry had its own geography within the industrial regions and the effects of the instability of industries like shipbuilding were highly concentrated onto particular communities. Figure 2 emphasises the variability of shipbuilding and of iron and steel and to a lesser extent of cotton. Coal production was more stable, but figures for total coal output conceal marked variations within the component coalfields, areas producing mainly for export such as the North-East and South Wales experiencing greater fluctuation.

2.3 The great wen

Despite the emphasis on the industrial revolution, in 1750 Britain was already one of the most urbanised and industrialised countries in the world. London was much the largest town and the pre-eminent centre of consumption and the luxury trades, much of the country’s industry serving the needs of the metropolis. The steady growth of the service sector and the metropolitan economy was partially eclipsed by the industrial revolution, but continued right through the nineteenth century. London rather than the industrial north was the principal destination of migrants from the rural counties, and London was the principal focus of the waterways and railways, which permitted a steadily widening region to serve its needs.

Discussion of the London economy in the late nineteenth century has been distorted by an over-emphasis on the problems of the East End of London, both by contemporary commentators and modern social historians. London did contain many of the most visible social problems of late nineteenth century Britain, but many of these problems were non-economic in cause. Their visibility was partly a consequence of the East End’s geographical proximity to polite society and London also contained areas of notable affluence. The contrasts within London were greater than anywhere else in Britain: for example, in 1911 the urban districts in England and Wales with the highest and the lowest numbers of domestic servants per capita were Hampstead and Bethnal Green.

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5 Cotton goods declined in relative importance but remained Britain’s most valuable export commodity until the 1920s. In 1900 the industries mentioned contributed to the value of British domestic exports in the following proportions: cotton goods 24.0%, coal 13.2%, iron and steel 10.9%, woollen goods 6.9%, machine engineering 6.7%, chemicals 4.5%, and shipbuilding 3.0% (Ibid, tables XI.1, XI.8).

6 Crude measures of the relative variability of these industries are the $R^2$ values for simple linear trend models for each series: shipbuilding 0.597, iron and steel 0.659, cotton 0.907, and coal 0.978.


2.4 The agricultural hinterland

Lastly, there was the traditional rural economy of Britain. In 1851, half the population lived in rural areas and over 20 per cent of the working population was agricultural. Feudalism and subsistence agriculture belonged to the distant past, hence the rural areas depended on the demands of the industrial districts and the metropolis. This meant, in particular, the production of steadily growing volumes of grain and here the enclosure movement and parallel improvements such as drainage had greatly assisted. During the first part of the nineteenth century, the Corn Laws had prohibited imports and so guarantied a large and growing market, and areas of southern and eastern England had become overwhelmingly dependent on wheat production. The repeal of the Corn Laws in 1846 exposed them to foreign competition and led to a steady decline in English agriculture which ended only with the drive for self-sufficiency during the second world war.

This decline was particularly marked during the so-called ‘Great Depression’ of the 1880s and 1890s, but the most immediate impact of lower grain prices was on agricultural rents and so on landlords. In the longer term, it meant changes in farming methods and a move away from grain production. This had required a very large workforce most of whom were only fully employed at harvest time, which in turn had led to the development of a mechanism, through the Poor Law, whereby the farmers of a district collectively ensured a minimal level of subsistence for labourers’ families during the rest of the year. As grain production declined, this highly seasonal pattern of demand for labour was reduced, the agricultural districts experienced further out-migration and the remaining population tended to be disproportionately elderly and unskilled.

3. Labour market responses

3.1 Accomodating contraction

Producers can respond to reduced demand in three ways: by maintaining production, building up stocks in anticipation of an upturn; by reducing prices, hoping to stimulate demand; or by simply cutting output. Only the first has no impact on the workforce, and its attractiveness to the producer depends on the relationship between fixed and variable costs. If fixed costs, such as buildings, machinery, or administrative staff, form a large proportion of the total, it will often be more economic to maintain production. However, in the nineteenth century fixed capital and overheads were generally small relative to the costs of raw materials and labour, and employers could make large saving by reducing output. Further, any distinction between fixed and variable costs depends on time-scale, and a trade cycle of eight to ten years rather than the three to four years of the modern inventory cycle encouraged cut backs in production.

Attempts to reduce the product price would tend to mean reducing costs. The individual manufacturer had little control over the costs of capital, hence the main flexibility was in the price of raw materials, if there was a degree of monopsony power and most obviously in the wages of the workforce. Obviously, the effectiveness of such a strategy depended on the price-elasticity of demand for the product and on the degree to which the workers could respond to wage cuts through finding other work.

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Reducing output might sometimes mean finding alternative work for employees, but usually it implied reducing the labour input required. If there was an established group of regular employees, this could mean either dismissal of some workers or reduced hours of work for all. Whether unemployment or short-time working was preferred would depend on how large were the fixed costs of an employee, on how important it was to maintain a pool of experienced employees and possibly on the collective response of the workforce. It should also be remembered that in many industries there was no established group of employees and variations in demand for labour would be met through varying the numbers hired on a weekly or daily basis; in the latter case it is difficult to distinguish unemployment from short-time.

[Figure 3 appears near here]

Figure 3 is modelled on a diagram entitled ‘the Pulse of the Nation’ in William Beveridge’s pioneering *Unemployment: A problem of Industry*, first published in 1909.10 Beveridge sought to demonstrate the central role of the trade cycle in the economic and social life of Victorian Britain: both the scale of oscillations and the synchronicity between different measures. Like us, he charted unemployment, pauperism and marriage, and added series for the bank rate, company registrations and the consumption of beer. Figure 3 also demonstrates the scale of the cycle and the scope of its impact on society, but the variables presented here were selected because they can all be disaggregated spatially and used to investigate the impact on different types of community and therefore, to a degree, on different social groups. The remainder of this paper explores not only unemployment’s place as one of a range of responses to economic distress, but also the various geographies of distress concealed within national time series.

Figure 3 presents two alternative unemployment series: the well-known ‘Trade Union Percentage’, calculated by the Board of Trade from the returns of unions offering unemployment insurance, but adjusted to reduce the impact of highly cyclical industries;11 and January unemployment in just two trade unions, the Amalgamated Society of Engineers (ASE) and the Amalgamated Society of Carpenters and Joiners (ASC&J). The latter is calculated from the unions’ own reports, which permit spatial disaggregation, but the two series are very similar, these particular unions being the largest operating insurance schemes and therefore forming the largest component within the Board of Trade series. The lower rates given by the official series reflect both the re-weighting, which tended to reduce the cyclical peaks, and the fact that the ASE/ASC&J rate is for January, the month of peak seasonal unemployment.

The two wage series come from the work of Bowley and Feinstein.12 Feinstein has criticised Bowley’s index for over-stating the variability of wage-rates; he uses a wider range of other sources to produce a new index covering more sectors of the economy, in

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which the cyclical element is markedly reduced. Nevertheless, a clear cyclical component remains in the Feinstein index which is synchronous with the other series charted. Both wage series are shown as standard residuals from simple linear trends and the scale is inverted to facilitate comparison with the other series.

The Poor Law series shows standard residuals from a model fitted to a series for total number of paupers in England and Wales as a fraction of total population, which brings out the cyclical component within a series dominated by administrative trends. The small debt series shows the number of debt plaints submitted to County courts in England and Wales, expressed again as a percentage of total population. Such plaints were the first stage in legal proceedings, usually by tradesmen and shopkeepers to recover money owed by customers, and the series is restricted to debts under twenty pounds. These statistics are less well known than those for unemployment or pauperism, but represent a considerable resource for the economic historian: the number of plaints exceeded one million in several years during the period and directly affected far more people than the Poor Law. Finally, Beveridge’s use of the marriage rate justifies, for now, its inclusion but it closely follows the unemployment rate.

3.2 Unemployment

Unemployment has an obvious place in a study of economic distress, but the Trade Union Percentages have been criticised as covering only a small and unrepresentative group, and this applies even more to the two unions selected for detailed study. However, in 1880 the ASE and ASC&J contributed 45 per cent of the total membership of all unions providing returns, dropping to 21 per cent in 1910; available data for the Friendly Society of Ironfounders and the United Society of Boilermakers would increase these percentages to 65 and 30 per cent, but would increase the bias towards the cyclic heavy industries. Figure 4 presents January unemployment rates during the recessions whose worst impacts came in 1885/6 and 1908/9; the national unemployment rate for the two unions is shown in the middle of the diagram. Although these patterns are based on a much more extensive body of information than our earlier research, they support a

13 The $R^2$ value for a simple linear trends fitted to the Bowley index is 0.910, and 0.966 for the less variable Feinstein index.


15 Source: Returns of Proceedings in the County Courts of England and Wales, annual series in BPP, 1848-1914.


17 Marriages per 1000 population; source: Mitchell and Deane, British Historical Statistics, table I.16.


similar interpretation: cyclic unemployment was endemic to the industrial regions of northern Britain, even through the periods of their most rapid expansion.

An advantage of the trade union data is that they are easily disaggregated to examine particular towns; variations within regions were as important as those between regions and are more easily related to a locality’s economic base. For example, figure 4 shows the 1909 depression to have had its focus in the Northern region and urban rates show particularly high unemployment in the shipbuilding centres of Jarrow, South Shields (both 22 per cent) and Sunderland (23 per cent); in contrast, Darlington (4 per cent), a railway town and Newcastle (9 per cent), with its more mixed economic base, were more prosperous. In general, these patterns clearly foreshadowed the depression of the interwar period, when towns such as Jarrow became world famous due to the high unemployment created by shipbuilding.

The impact of unemployment varied in other ways, which can only be studied through the records of individual branches. In the 1890s, the Board of Trade analysed the duration and age-specificity of unemployment using the ‘Vacant Books’, or unemployed registers, of the Amalgamated Engineers’ branches in Manchester and Leeds. The period 1887 to 1895 covered the recession whose trough was in 1893 and about three-quarters of the variation in unemployment seems to have been due to changes in the average time spent unemployed, and only a quarter due to changes in the proportion of members becoming unemployed during a year: the average number of days lost ranged from 30.1 in 1890 to 117.8 in 1893, while the proportion of members ever unemployed varied only between 18 per cent in 1889 and 40 per cent in 1892. In 1895, a year of middling trade, age-specific unemployment rates rose from around 4 per cent for men aged 25-45 to 11 per cent for those aged 55-65 and then fell slightly to 9 per cent for those over 65, suggesting that the most vulnerable were withdrawing from the labour market. Taken together, these figures suggest that the impact of unemployment was concentrated onto a minority of generally elderly members within the unions.

3.3 Short-time working

[Figure 5 appears near here]

Short-time working was an important manifestation of economic distress in certain industries, particularly coal and cotton textiles. Figure 5 presents the average number of days worked per week, seasonally-adjusted, in various British coalfields during the period 1900 to 1914. In mining, reduced hours of work was only part of a complicated process of response to changing economic circumstances, often being accompanied by simultaneous reductions in numbers employed. Coal-owners’ responses were conditioned by the prevalent working customs in different coalfields and the likely response of the workforce. It has been suggested that recourse to short-time working formed part of a strategy to retain a reliable core of hewers and that coal-owners were more likely to lay-off workers whom they saw as either less skilled or less reliable; similar strategies were followed in the cotton industry. The relationship between short-time working and unemployment in British mining was therefore determined by a

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complex amalgam of tradition and the strategies of employers and workers for control of the labour process.\textsuperscript{21}

The national series in figure 5 shows a marked synchronicity with the other economic indicators shown in figure 3, the two recessions of 1904/5 and 1908/9 appearing as troughs, but coalfield behaviour varied. In the east midlands coalfield of Nottingham and Leicester, while the working week was customarily shorter than in other coalfields, short-time working was the primary response to changes in demand and profitability, as shown by the large changes in the length of the working week. By contrast, in Northumberland and Durham in the north east lay-offs were more usual and the length of the working week varied much less over the cycle than in most other coalfields; the Durham miners’ union was unique in offering unemployment insurance. These figures cannot be read as straight-forward indicators of economic performance; comparisons of the changing length of working week over time within particular coalfields are probably more meaningful than comparisons between coalfields for a given date. However, some supporting evidence concerning variability in economic conditions between coalfields comes from pithead coal prices; for example between 1900 and 1905 the price of Welsh coal dropped by 27.5 per cent, while that of east midlands coal fell by over 38 per cent.\textsuperscript{22}

\section*{3.4 Wage reductions}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure6}
\caption{Figure 6 shows three sets of comparative wage indices for selected British towns from 1877 to 1906, calculated from unpublished Board of Trade data for 23 occupations. The rates shown are an average of the ratio of the wage rate for a given occupation in the town to the wage rates for the same occupation in London in 1900. The statistic is as comprehensive as possible, all available occupations being used for any particular date and town, hence each series is based upon the comparison of a varying set of occupations; the minimum and maximum number is given after the name of each town on the graph.}
\end{figure}

This statistic has obvious limitations. The Board of Trade relied on the artisan unions for most of their information, hence rates of pay for women, for unskilled labourers and for service sector workers are excluded. The particular occupations used here were selected to maximise the geographic coverage, being present in most large towns in Britain: engineering, furniture-making, construction and printing. Localised industries inevitably being excluded, the statistic gives no direct indication of differences in average earnings between, say, areas dominated by cotton and those where coalmining or shipbuilding were important. It ignores both the differing importance of each industry in particular towns and the impact of unemployment or short-time working on earnings. Because of these biases, the resulting series over-emphasise cyclical fluctuations and should in no way be interpreted as accurate measurements of actual earnings.

\begin{itemize}
\item \textsuperscript{22} Ibid., table 1.11.
\item \textsuperscript{23} Occupations included are boilermakers (angle-iron smiths, rivetters, holders-up), bookbinders, brass-finishers, bricklayers, bricklayers’ labourers, brass-moulders, cabinet-makers, carpenters, compositors, fitters, french polishers, ironfounders, litho printers, masons’ labourers, painters, patternmakers, planers, plumbers, smiths, and turners.
\end{itemize}
With these caveats, figure 6 reveals certain characteristics of wage rates in different parts of Britain and their responsiveness to cyclical fluctuations. In particular, if our purpose is to identify a specifically geographic dimension within the responsiveness of wage rates to the cycle, our indices are preferable to measures of actual earnings in that they compare like with like: the variations reflect differences between local economies, not those between particular trades. The time series for London, obviously the most inclusive of these series, is similar to the Feinstein index over the same period and is not markedly more variable, as might be expected from an index calculated from the wage rates of male skilled workers.

The top panel of figure 6 shows wage rates in north west England, the most notable features being the wide range and marked variability of wage rates during the 1870s and 1880s, and their convergence after 1900. Wage rates in Manchester, in common with those in other large cities, tended to be more stable than those in the smaller towns. By contrast, in the ship-building towns of northern England wage rates remained highly variable and differentiated into the early years of the present century. In southern towns wage rates were much more stable throughout the period. The main contrast between northern and southern wages rates was in variability not level, although Cardiff had consistently higher wage rates than most other provincial towns and cities.

4. The household economy

4.1 Responses to recession

Wage reductions, short-time and unemployment all meant reduced income for the domestic economy of the working class, although the impact on particular households varied. Households could respond in a number of ways, although some can only be documented from anecdotal sources such as autobiographies:

Firstly, the greater the number of wage earners within a household the less important was a loss of income affecting just one member. This gave an advantage to large households and, given the dominance of the nuclear household, meant that the vulnerability of households depended heavily on life cycle stage: those with many teenage children would be best off. To some extent, taking lodgers also helped diversify sources of income. Artisan households, where the wives traditionally did not work and the children were educated then apprenticed, were least diversified and this may help explain their early use of unemployment insurance.

Secondly, many individuals had alternative employments. The operation of London’s casual labour market has been analysed in detail by Stedman-Jones; the largest secondary market was the docks, where a strong man always had some chance of obtaining work on a daily basis, while the differing seasonal pattern of demand for labour meant, for example, that piano makers became cabinet makers during the slack summer season. In extremis, street trading and criminality also offered alternative income.24 Outside London, similar patterns can be found, sometimes involving seasonal geographical movement: men from the gas works going to the brickfields in summer,

tramp printers early in this century painting lamp-posts in summer; unskilled industrial workers being employed on farms.  

Thirdly, short-term loss of income could be accommodated through credit, the two principal sources being the secured credit offered by pawnbrokers and the unsecured credit provided by local shopkeepers. The latter depended on a shopkeeper’s personal knowledge of a customer and arguably tied individuals to districts where they were well known; it also effectively bound them to particular shopkeepers, having to tolerate somewhat higher prices even when times were good.  

Fourthly, some workers made explicit provision for periods of unemployment through unemployment insurance schemes, generally run by trade unions. In the mid-Victorian period these covered only a small minority of the workforce, principally skilled artisans in the engineering and building industries. They expanded rapidly in the early years of the twentieth century, suggesting that there had been a large latent demand. From 1911, the state provided a similar system, although initially restricted to a few trades.  

Given these many survival strategies, it is unfortunate that so much attention has been paid to the poor law system; the vast majority of households could last through a recession without recourse to this punitive and humiliating system. It is difficult to provide any systematic analysis of the use of multiple incomes and alternative employments in times of economic crisis, given that from 1851 onwards our main source of employment statistics, the census, was always taken in years of good trade. However, information from the available unemployment insurance schemes has already been presented; we can begin to examine the role of credit; and statistics of marriage give us some insight into how economic conditions affected the process of family formation itself.  

4.2 The poor law system  

Figure 7 illustrates the stability of the poor-law system over time. The first two maps present January rates of pauperage in England and Wales for 1861 and 1909, both ‘trough’ years of depressions. Despite a large decline in the overall rate of pauperage over this period, the geographic pattern of relief had remained very consistent. The highest rates of pauperage were to be found in a broad band of southern counties stretching from Norfolk to Dorset and Somerset. The geography of pauperage was markedly different from that of unemployment, as shown in figure 4. Although pauperage affected a tiny proportion of the population, Poor Law records enable the historian to approach a different dimension of distress from most other indicators: these maps support the view that the Poor Law system was most important in the rural and agricultural counties of south and east England. The third map shows that between 1906 and 1909, years at two extremes of the cycle, pauperage rates increased most rapidly in the industrial North-East and actually declined counter-cyclically in much of rural England and Wales, providing tentative support for MacKinnon’s suggestion that there  

was a north-south division in the impact of cyclical economic factors on pauperage rates.\textsuperscript{26}

\subsection*{4.3 Getting into debt}

[Figure 8 appears near here]

Figure 8 presents the geographic distribution of debt plaints for sums under twenty pounds in England and Wales, such cases forming the great majority of cases heard in county courts.\textsuperscript{27} Being taken to the county court for indebtedness was a commonplace experience for working class families, 'located somewhere between dependence on the pawnbroker and dependence on the Poor Law in the spectrum of unpleasantness and need'.\textsuperscript{28} The relationship between debt and cyclical economic fluctuations is complex, the number of plaints being related to the availability of credit and the creditor’s assessment of the likelihood of receiving repayment as well as to variations in household income: if times were becoming harder, traders were less likely to extend credit to those in vulnerable trades, and if times became desperate traders would see little purpose in taking the truly destitute to court. For example, during the Cotton Famine of 1862 to 1865 the fluctuation in the number of plaints in Lancashire closely followed the national trend. In such extreme circumstances, a better policy was to wait for better times before resorting to the courts.

Figure 8 shows that the geography of debt was stable and differed from that of unemployment. Both 1880 and 1904 saw peaks in the overall debt rate. Although there were relatively few cases of debt default in most southern counties, the highest levels were found in the east and west midlands, not the northern counties where the skilled unemployment rate was highest. Several factors may have influenced this geography. Lancashire’s concentration of co-operative and friendly societies, and the employment possibilities for married women in the county, help explain the county’s low rate of default. More generally, trade union unemployment benefits were designed to prevent members from falling into debt in times of economic hardship. It is therefore unsurprising that areas of high unionisation like the north east did not experience the highest rates of debt default in recessions.

Debt default seems more strongly associated with industries which adopted short-time working than those which resorted to unemployment; the counties of the midlands coalfields experienced very high rates of debt default during recession years. The rate of debt default was influenced as much by the variability of income as by its average level. Southern agricultural wage rates and real wages were lower than those found in the industrial areas, but were also much less variable, hence household debt crises were less common than in areas more affected by cyclic recessions.\textsuperscript{29} The third map in figure 8 shows the standard deviation from a simple linear trend fitted to the debt statistics. This


\textsuperscript{27} These data result from aggregating figures for individual courts by county, rather than using the more easily available circuit totals.

\textsuperscript{28} Johnson, ‘Small debts and economic distress’, p.???. In a para which begins ‘This internal court evidence indicates that the small debt evidence relates mainly to working class households ...’ Just before ref. to fig.2. This research on small debt was a collaboration between Dr. Johnson and ourselves, and we are indebted to him for the interpretation presented here.

\textsuperscript{29} E.H. Hunt, Regional wage variations in Britain 1850-1914, Cambridge, 1973.
can be used as a crude measure of variability and responsiveness to cyclical fluctuations. The midlands stand out as an area of high variability in debt, while Lancashire was very stable. In the south, London contrasts with the relatively stable pattern in the surrounding rural counties.

4.4 Household formation

Our final indicator is less obviously economic: records of marriage have tended to be the province of demographers. However, of all the other series in figure 3 the marriage rate most closely resembles unemployment. In English society, marriage has always been closely associated with household formation and economic independence: in pre-industrial England, the need to acquire land before marriage was a crucial regulator of population and the seasonal timing of marriage has been used to identify different agricultural regions. Industrialisation freed the population from dependence on the supply of agricultural land, but marriage remained one of the largest economic decisions individuals could make. Recessions led to the postponement of marriage for two reasons: firstly, couples normally saved in advance of marriage and such savings were likely to be depleted in times of depression; secondly, marriage was usually quickly followed by the birth of a first child, increasing outgoings and temporarily withdrawing the mother from the labour market.

[Figure 9 appears near here]

Figure 3 showed a modest cyclic variation in the rate of marriage nationally, but this was particularly marked in the industrial regions. The upper map in figure 9 shows the percentage decline in county marriage rates from 1873 to 1879, while the lower map shows the overall variability in the marriage rate from 1841 to 1914. Both support the view that the impact of recession was concentrated into the industrial districts and some of the declines in the 1870s were spectacular: the rate for Durham dropped from 10.6 per thousand to 6.2, a 41 per cent decline. Interestingly, the rate for Sunderland, a shipbuilding and engineering centre, fell by a slightly smaller 36 per cent, suggesting that it was not an extreme case despite the large fall in wages shown in figure 6 and an unemployment rate among engineers of 15 per cent for July 1879. Fluctuations in the marriage rate for particular occupational groups were probably more marked: one suggestive finding from the Bolton (Lancashire) parish register is that the number of marriages in which the groom was an engineer or metal worker trebled between 1842, a year of deep recession, and 1845, which must reflect marriages postponed for economic reasons rather than an expansion of employment; the number of children baptised whose fathers were engineers or metal workers closely paralleled the marriage rate, although cyclic variation was less pronounced. These findings emphasise the vulnerability of all aspects of early industrial communities to the trade cycle.


32 Calculated from the marriage and baptismal registers of St Peter’s church, Bolton (Bolton Borough Archives). This research was supported by the British Academy; see H.R. Southall, ‘The timing of marriage in mid-nineteenth century industrial communities, Local Population Studies, no.47, 1991, pp. 77-80.
5. A multi-dimensional approach

In examining responses to economic downturns over such a long period and making comparisons with the present, we must be aware of the great changes which were occurring in the structure of both economy and society. In particular, in mid-nineteenth century Britain half the population remained rural and structures of employment were generally less formal than today; as a result, notions such as ‘unemployment’ could have little meaning for much of the economically-active population. Further, this was a capital-poor society: as noted, the lack of fixed capital gave employers little incentive to maintain production if demand declined, hence responses to downturns were stronger and more rapid that today. Households too lacked savings and other ‘layers of fat’ which could carry them through the lean times: by 1850, the bulk of the population no longer lived on the survival margin where a rise in grain prices led to mass starvation, but the responsiveness of the marriage rate to the trade cycle demonstrates clearly the vulnerability of family life to economic circumstance.

The fundamental problem, however, with all the evidence marshalled here is that it identifies not economic distress per se but rather responses by different economic actors to worsening economic conditions: employers laid men off, or reduced wages or hours worked; debtors defaulted and then traders decided whether to take them to court; individuals applied for poor relief, or decided to postpone their marriages. Our notion of economic distress is of something extreme and inherently unusual, but this was a society in which rapidly changing economic fortunes were a commonplace of everyday life. What we are studying are the adaptations this society made and the worst hardship was probably experienced by those who fell outside all the mechanisms covered here. Take, for example, the poor but respectable unskilled urban labourer in late middle age: children gone, unable to afford trade union or friendly society membership, unable to get credit and only able to get poor relief on the most penal terms. Their hardship is only recorded in anecdotal sources, but we can realistically ask how far it corresponded with that indicated by our statistical sources.

Given the limited coverage provided by wage and short-time data, we can systematically examine four distinct geographies of distress: pauperage, trade union unemployment, small debt default and the postponement of marriage. From a mid-twentieth century perspective, it is easy to ask which is the best measure of distress, meaning the closest proxy for unemployment within the economically-active population as a whole. However, from a historically-informed perspective a more sensible question is which aspect or dimension of distress does each best capture, what part of routine economic variation does each reflect.

Somewhere within the statistics of pauperage are a few of the most severely distressed, but they are impossible to identify: locating the cyclic component within pauperage perhaps provides some approximation. However, the bulk of poor relief was a highly institutionalised response to seasonal variation in the demand for rural labour, dominated by cash payments to households during the winter months financed collectively by the local farmers who needed their labour in summer. Given that so much of the population remained rural, this system of family income support was a crucial economic and social mechanism, but should we see its routine beneficiaries as ‘the distressed’?

Trade union unemployment statistics appear most comparable with modern data. On closer inspection, however, to class its beneficiaries as ‘the distressed’ is particularly absurd: union members were typically those with the greatest industrial bargaining
power, earning three or four times as much as unskilled labourers when in work; even when out of work, their union benefits gave them an income comparable to that of many labourers. Further, the benefit schemes were an adaptation to the almost regular oscillations of the trade cycle and an examination of the cash flow of a major artisan union such as the Amalgamated Society of Engineers suggests that it may legitimately be viewed as a collective contra-cyclic saving mechanism: funds were accumulated in good times to tide the membership through recessions.33 ‘Unemployment’ was therefore a construction arising out of the artisan community for dealing with its particular economic situation, just as the Poor Law was constructed within rural society; similarly, short-time working was earlier interpreted as another collective response by certain communities.

The small debt data are initially attractive: the numbers involved meant that by the turn of the century far more people were being taken to court than were applying for poor relief. However, the detailed geography of small debt is harder to interpret than either pauperism or unemployment, and a more careful consideration of the system reveals the flaw: an individual will only appear in them if, firstly, they were at one time seen as a good credit risk and, secondly, if even when they fell behind on payments they were still seen as being able to pay. Consequently, the very poorest are excluded as they were never good risks, while the peaks in debt plaints come a year or two after the troughs of recessions, when debtors were judged to be again able to pay. Crucially, the statistics are a record of mistakes by traders, credit extended to individuals who then proved unable to pay, and hence cases were concentrated into periods and regions where recession was least anticipated: the 1879 recession which terminated the booming 1870s has a much greater impact than the two subsequent slumps of the ‘Great Depression’ period, while Lancashire may have had a low rate because both debtors and creditors had received decades of training in the working of a boom-and-slab economy, unlike the more recently industrialised coalfield counties. Similarly, regions mainly afflicted by unemployment would be divided into the employed, who would pay their debts, and the unemployed who were unable to; in regions such as the east midlands where short-time working was more important, it would be harder for traders to judge who would continue to pay. In summary, the small debt data are of interest as a measure of unanticipated hard times, but by themselves cannot be seen as the measure of distress.

Finally, the marriage data are at first glance the least likely of all measures of economic distress, but seem to demonstrate that the cyclical hardship captured by the trade union unemployment data had an impact beyond the unionised artisan trades: in both timing and geography there is a strong correspondence. They also suggest an interesting ‘thought experiment’: given access to the civil registers of marriage and sufficient resources, it would be possible to calculate occupation-specific marriage rates not just for Bolton engineering workers but for all occupations in the country as a whole; taking these rates together with the known unemployment rates for unionised occupations, it would be possible to estimate unemployment rates for each occupation; and finally, using census data on occupational structure, a weighted average of these occupation-specific rates would give a national rate. The point of this thought experiment is to ask what would such a calculation be measuring? It would show substantial ‘unemployment’ among groups who had almost no actual experience of it, instead postponing marriage because of reduced earnings due to short time or wage reductions; and like union unemployment, it would emphasise cyclical distress rather

33 This argument is developed in N.Whiteside and H.R.Southall, Wages and Welfare, forthcoming, ch.3.
than seasonal hardship or the long-term problems of structural adjustment by declining regions.

So far, this discussion has assumed a simple dichotomy between pre-1914 Britain and the present day, but our sources are drawn from half a century or more which saw substantial changes. Over this period, unemployment clearly grew in significance as a manifestation of economic distress, as an increasing proportion of workers had more regular employment: they had to be actively dismissed, rather than simply not be re-hired next day. Further, increased incomes meant that a growing proportion of the workforce could make some provision for the loss of work: in this sense, they could begin to choose unemployment as an alternative to very poorly paid and insecure secondary employments. By the end of the pre-war period, this demand for insurance against unemployment, initially met overwhelmingly by trade unions, forced the British government to intervene. The initial state insurance scheme of 1911 was modest in scope, but led inexorably to near-comprehensive provision for male industrial workers in the inter-war period. Once men and employers knew that the state would provide for those losing their jobs, short-time working and wage cuts were reduced in attractiveness.

The present day is also a period of change. In the mid-twentieth century, unemployment became the dominant and often only measure of economic distress for two reasons. Firstly, in Britain at least, transfer payments to the unemployed became a major cost to the government who increasingly adopted Keynesian analyses which required a single policy goal: full employment. Secondly, the economy was increasingly dominated by large companies and other organisations within which most people expected to serve out their working lives, with steadily increasing earnings: ‘employment’ was a very secure state and ‘unemployment’ uniquely catastrophic. However, the last twenty years have seen growing evidence of a reversal of this trend to industrial concentration and rigid employment structures: social theorists speak of ‘flexible accumulation’, or ‘post-Fordism’, while statisticians chart a resurgence in the role of small firms, an expansion of subcontracting and growing numbers of part-time and self-employed workers.34

All of this suggests that it is our peculiar concern with unemployment, not the complexities of the late nineteenth century labour market, which will prove to be the historical oddity and that we must increasingly examine the effects of economic variations on individuals in a multi-faceted way. This paper has sought to demonstrate the varied patterns, both temporal and spatial, of the different dimensions of distress: by some measures, one type of region or one class of person suffered most; by another measure, different people and places. While we must be careful not to use the complexity of these patterns to deny the real hardships of the individuals caught up in them, they do demonstrate the fatuity of attempts to elevate one indicator of distress above all others. This practical lesson for the student of the nineteenth century economy arguably has lessons for research on the late twentieth.

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NB this includes two forthcoming pieces without publication details: Whiteside and Southall, and Southall and Gilbert. I expect there to be more precise information before the book finally goes to press. Paul Johnson’s paper will appear in the February 1993 issue of the Economic History Review, so page numbers should be known very soon. At present, this bibliography does not include Parliamentary Papers, mainly because the Berg House Style ignores them.

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