

# Clement Attlee and the foundations of the British welfare state

Rachel Reeves and Martin McIvor

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The early career of Clement Attlee reminds us that the welfare state was never intended to stand alone as a set of institutions. Its stability depends upon a set of ethical, economic, and political foundations.

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**T**he name of Clement Attlee is indelibly associated with the great leap forward in the construction of Britain's welfare state accomplished by the 1945-51 Labour government: the implementation of William Beveridge's blueprint for National Insurance, a Family Allowance, improved old age pensions, and the National Health Service. For many this moment marks the historic birth of a British welfare consensus whose contours are still clearly recognisable today, even after seventy years of social and economic change, and political controversy that has raged ever since.

As the Labour Party looks to win office in 2015 so that it can build on this legacy, Clement Attlee's government is still somewhere to go to for inspiration and guidance. But our focus here will not be the events of the 1940s. Rather, we argue that to fully understand that breakthrough and what made it possible, and also to gain true historical perspective on the debates and developments of today, we need to dig deeper, beneath the Acts of Parliament and civil service committees, to the social underpinnings of this administrative achievement, and look further back into Attlee's own life, and his involvement in what we might call the Edwardian pre-history of Britain's welfare state.

For Clement Attlee was himself formed by his experiences and activities in this critical period when Victorian philanthropy met and was forced to come to terms with working-class self-organisation in the crucible of London's East End. Revisiting this time, and the part Attlee played in it, gives us a richer appreciation of the historical pre-conditions of the post-war settlement.

In particular, it reminds us that the welfare state was never intended to, and should never be expected to, stand alone as a set of institutions or policies. It depends for its stability and sustainability upon ethical, economic, and political foundations that were seen as essential by its Edwardian pioneers, and are no less vital in the twenty-first century. For as we look now at how we renew and secure a decent social security system for the next generation, we need to be attentive to fundamental questions such as the values and principles that the welfare state embodies, how it treats people and what it asks of them; its interaction with the labour market and wider economic context; and the need to engage and involve as many people as possible in the debate about its future, so we can maintain and renew its popularity and legitimacy.

### **East End epiphany**

As Jon Cruddas showed in his Attlee memorial lecture (Cruddas, 2011), Clement Attlee was a romantic before he was a politician. He spent his years at public school immersed in Tennyson and Browning. At University College, Oxford, he admits to being distracted from his studies by 'poetry and history', becoming especially enchanted by the Pre-Raphaelites. He showed little interest in political or social issues; his default allegiance was Tory but he was too shy to get involved in the debates at the Union.

It was, of all things, his old school tie that first took him to Stepney at the age of 22, to help out at a Boys Club attached to his *alma mater*, Haileybury. But unlike other young men and women of the professional and upper middle classes, who often did a stint of voluntary work in the East End in a manner akin to the 'gap years' of today, Attlee stayed on.

After two years he had taken over as manager of the Club. A year later, he joined the Independent Labour Party, and a year after that abandoned the Bar, where his father had lined him up for a job, to take up a full time position as lecture secretary for Beatrice Webb's campaign to popularise the Minority Report of the Royal Commission on the Poor Law, a text which in his own words 'may be regarded as

the seed from which later blossomed the welfare state' (Attlee, 1958; see also Wallis, 2009, and Ward, 2011). Also at this time he became involved in the National Anti-Sweating League's campaign for trade boards and minimum wages to be established in casualised sectors like tailoring and chain-making. The following year he became secretary of Toynbee Hall, and was employed by the government to give public presentations on Lloyd George's National Insurance Act.

In 1912, at the age of 29, Attlee was appointed to a part time position at the London School of Economics, lecturing on what was then the emerging profession of social work – beating his future Chancellor Hugh Dalton to the job, apparently as a result of the Webbs' influence. It was in this capacity that, after the First World War and before his final entry into full time politics as Labour Mayor of Stepney, he wrote a textbook on the subject, *The Social Worker* (Attlee, 1920), which gathers together observations and reflections on this period of his life, and today gives us a fascinating insight into the impact that these experiences had on his character and values.

It is clear that what, in the first instance, changed the course of Attlee's life was a humane and compassionate response to the daily hunger and precarious existence he encountered in the East End. Attlee tells the story of a small boy he met in the street. 'We walked along together', Attlee recounts.

'Where are you off to?' says he.

'I'm going home to tea', said I.

'Oh, I'm going home to see if there is any tea', was his reply.

(Attlee, 1920, 134)

'It is as well to keep clearly in mind', Attlee observed, 'if you are one of those whom meal-times come with almost monotonous regularity, that to others there is the question always present: Where is tomorrow's dinner to come from?'

Attlee even attempted to express his feelings in poetic form:

In Limehouse, in Limehouse, before the break of day  
I hear the feet of many who go upon their way,  
Who wander through the City  
The grey and cruel City  
Through streets that have no pity  
The streets where men decay.

In Limehouse, in Limehouse, by night as well as day,  
 I hear the feet of children who go to work or play,  
 Of children born of sorrow,  
 The workers of tomorrow  
 How shall they work tomorrow  
 Who get no bread today?

But Attlee's early writings also reveal that his response to what he encountered was more complex than sheer shock at the squalor and waste he witnessed. This was a common enough reaction among people of his background who visited the East End at this time. In the late nineteenth century East London had been the focus of waves of moral panic about segregated communities locked in self-perpetuating cycles of concentrated deprivation, financial irresponsibility, and what would today be called 'welfare dependency'. In Gareth Stedman Jones's account, these streets figured in the late Victorian imagination as a

nursery of destitute poverty and thriftlessness, demoralised pauperism, as a community cast adrift from the salutary presence and leadership of men and wealth and culture, and as a potential threat to the riches and civilisation of London and the Empire. (Stedman Jones, 1984)

Orthodox remedies, promoted by the theorists of the New Poor Law and the Charity Organisation Society, focused on tighter regulation and restriction of official poor relief and charitable 'hand-outs' that were seen as barriers to the proper functioning of the labour market, and corrupting influences on the moral character of the local population. (Those of us with an interest in today's welfare debates might find such attitudes depressingly familiar).

Attlee himself acknowledged that patrician and even colonial attitudes could be found among the philanthropists and social activists who came to live in places like the East End as part of what was known as the 'Settlement Movement' (Attlee, 1920, 214). And yet the commitment to sustained cohabitation and cooperation with working people seems to have generated its own dynamic (see Meacham, 1996), one that Attlee's trajectory embodies.

Attlee identified the impetus of the movement with a motto of Canon Barnett, founder of Toynbee Hall, that 'enquiries into social conditions lead generally to one conclusion: they show that little can be done *for* which is not done *with* the people' (Attlee, 1920, 192). In Attlee's own case this culminated in a profound appreciation of and respect for the dignity, solidarity and morality of the people he came to know

that cuts directly against Victorian presumptions that the East End represented a case of moral, cultural, even biological 'degeneration'.

In 1920 he reflected that:

we are struck by the amazing charity of the poor to the poor, the readiness with which one poor household will take into their home and support a friend who is out of a job, and the ready response to whip round for a widow left penniless, or for similar cases of misfortune. (Attlee, 1920, 127)

He repeatedly warns, however, against the prejudice that means the distinctive moral codes of the working poor can be missed, or misconstrued as mere profligacy or irresponsibility. The social worker, he says, 'is apt to be irritated' by the fact that 'a very poor family will spend all the money derived from an insurance policy on an expensive funeral'. But what must be understood, he says, is that 'it is in reality only a means of expression of proper pride' and 'the tradition of the neighbourhood' (Attlee, 1920, 128).

And Attlee rejected forcefully the prevailing notion of the time, that providing income support for the poor was dissolving their commitment to work. 'The right to receive an income from the ownership of property has not apparently proved very degrading to those to whom it is conceded', he writes. 'On the other hand the unemployed cry of "damn your charity, we want work", was a profound protest against the idea that charity is a substitute for justice' (Attlee, 1920, 75).

Attlee's appreciation of the moral fabric of the poorest working class communities – what today might be called their 'social capital' – reinforced his rejection of the classical liberal doctrine that the only solution to poverty and unemployment was for labour to respond to market forces like any other commodity. Those who 'talk glibly of the mobility of labour' and are 'impatient with those who are unwilling to go away and find work in distant parts of the country' forget, he said, 'how great is the wrench of migration to those on the border-line of poverty'. Because tough times are even tougher, he points out, without shopkeepers willing to give credit, friends ready to 'come to the rescue with a whip-round', and a worker's 'intimacy with the customs and arrangements of the place to which he belongs' (Attlee, 1920, 256-7).

The insistence of the laissez faire economist that the solutions to all ills were more liberalised labour markets was, for Attlee, inhuman and destructive. 'The economist did not seem to realise that the abstract concept of labour consisted of a number of human beings who were in fact the greater part of the nation', he wrote. 'Political

economy seemed to be inhuman, in laying stress on how commodities could be most cheaply produced, without enquiring what would be the effect on social conditions' (Attlee, 1920, 17; compare Polanyi, 1944).

Attlee said that his experiences in the East End taught him that 'my whole scale of values were wrong'. His description in his memoirs of this epiphany is worth quoting at length:

The Christian virtue of charity was practiced, not merely preached. I found abundant instances of kindness and much quiet heroism in these mean streets. These people were not poor through their lack of fine qualities. The slums were not filled with the dregs of society. Not only did I have countless lessons in practical economics but there was kindled in me a warmth and affection for these people that has remained with me all my life. From this it was only a step to examining the whole basis of our social and economic system. I soon began to realise the curse of casual labour. I got to know what slum landlordism and sweating meant. I also understood why there were rebels. (Attlee, 1954, 30-1)

## Ethics

Ed Miliband reminded us in his Hugo Young lecture that the 'unresponsive' state can be just as disempowering as the 'untamed market' (Miliband, 2014). Despite the best intentions of its planners and the hard work of its employees, the welfare state can feel inflexible and demeaning to those who come into contact with it.

Attlee's profound respect for the working people he lived among forced him to think hard about the character and ethos of welfare services, whether they be public or voluntary. He was acutely sensitive to the power relations, and risks to dignity, inherent in such interactions, and what Richard Sennett has described as charity's power to wound, and compassion's link to inequality (Sennett, 2004). This awareness inflected Attlee's advocacy both of an expanding welfare state and of a continuing role for the voluntary sector.

The critique of capricious and all-too-often condescending charity was central to the call of Beatrice Webb's Minority Report for minimum standards of living to be secured as a right of social citizenship (Wallis, 2009). Attlee wrote that 'charity is infinitely more degrading than public assistance when that charity comes from those in a superior economic position'. But 'a right established by law, such as that to an old age pension, is less galling than an allowance made by a rich man to a poor

one dependent on his view of the recipient's character and terminable at his caprice' (Attlee, 1920, 75).

Yet Attlee was far from rejecting the role of the voluntary sector, seeing it as an essential support and complement to public provision that he expected to develop symbiotically with the latter's expansion. And one of its critical functions was to correct or compensate for the tendency of state services to become bureaucratic and inhumane, and develop what we would today call a more 'relational' interface with the citizen (Muir and Cooke, 2012):

In all social work there is the great danger that must be avoided of treating people as cases, and grouping them in categories and statistical tables, so that one forgets that all the time one is dealing with individuals. This danger is one to which official bodies and Government departments are prone; it is the function of the volunteer worker to correct it. (Attlee, 1920, 135)

The careless slights of a callous system could be as simple, Attlee wrote, as 'failing to treat applicants with courtesy, keeping them waiting in order to show their unimportance, allowing them to stand when a chair could be provided, or entering a house without being invited' (Attlee, 1920, 136).

Other benefits of a continuing role for voluntary workers, Attlee wrote, are that they can develop better knowledge of local conditions, typically have more time to engage in dialogue and build relationships with people than state employees, and have more freedom to innovate than public officials who have a tendency 'to become bureaucratic and tied up with red tape' (Attlee, 1920, 107-8).

Ultimately Attlee pointed toward a conception of social services as an equal partnership between professional and citizen, anticipating today's notion of 'co-production' by almost a century. The social worker, he wrote, needs to realise that 'he has quite as much to learn as to teach' and 'must try to put himself on a level with those among whom he is going to work, realising that they are and must be his fellow workers in endeavouring to create a better state of affairs' (Attlee, 1920, 130).

This approach did not mean that no demands were to be made of welfare recipients, however. Although the emphasis of Attlee's work and writing of this period was to correct the overly punitive and moralising outlook of the Victorian Poor Law and Charity Organisation Society, he was far from endorsing an approach that robbed those in need of support of responsibility for their position and prospects. It was true then, as it is now, that the least well off were as keen as anyone to ensure that

systems of support were not being abused and were serving to put people back into control over their own lives (see Harris, 2007).

Attlee warns the social worker of the need to ‘steer between the pitfalls of over-sentimentality and self-righteousness’ when dealing with those applying for support (Attlee, 1920, 132), including those he refers to as ‘cadgers’. And he supported a tough regime for the long-term unemployed, endorsing schemes then run by the Salvation Army to provide intensive training, work experience and ‘moral suasion’ to counteract the ‘demoralisation’ and demotivation that prolonged unemployment could result in (Attlee, 1920, 181).

It is striking how alive and relevant these debates about the ethos of the welfare state seem today. A key challenge for the next Labour government will be to improve people’s experience of the social security system – so that jobseekers feel that the system is there to help them into work, not just drive them off benefits; so that people in need don’t have to wait weeks or months for benefits to which they are entitled, and be forced to queue at food banks or into the arms of loan sharks; and so that disabled people can trust and feel ownership of the procedures for assessing what kind of work they might be able to do and then helped to achieve their goals.

At the same time one needn’t sign up to the proposals for compulsory work schemes envisaged by some Edwardian social reformers to agree that the system must hold those who could be working to their reciprocal responsibility to prepare for, look for, and accept suitable employment – as a matter of principle and as a precondition of the system’s legitimacy and affordability.

And still today, beyond the state, the voluntary sector will always have an essential role in complementing and challenging state provision. There are those now arguing, as many did in Attlee’s time, that the organisation of soup kitchens and food banks corrupted the poor by making them dependent. But a better reason to be dismayed at the rapid rise in reliance on emergency food provision seen in recent years (Cooper et al., 2014) is that it is the sign of a dysfunctional economy and failing welfare safety net, which should be enabling voluntary organisations to fix their sights on higher goals than ensuring everyone has something to eat.

## Economics

Another essential issue of today that we can see precedents for a century ago is the interrelationship between the social security system and the labour market.



As we see in 2014, the reliance of many people on benefits is the result of the failure of the economy to provide secure and steady work that pays good enough wages to cover the cost of living. It is because unemployment and underemployment are still stubbornly high, and the number of people stuck on low pay, or part time and zero hours contracts, is rising, that the benefits bill is set to grow in real terms over the years ahead. OECD figures analysed by Wendy Carlin show that the UK has to spend more on 'redistribution' to achieve the same levels of equality as other countries because it has a more unequal 'predistribution' of market incomes. Of twenty-one countries, despite ranking tenth in the amount of redistribution we undertake through tax and spend, the UK has the seventeenth highest Gini coefficient for disposable income because our economy generates such an unequal pre-tax income distribution in the first place (Carlin, 2012).

Attlee's writings of the early twentieth century reflect the view of most in the labour movement at that time that welfare provision must be part and parcel of a wider programme of economic reform. The welfare state is a way of alleviating poverty and extending security, but it cannot be our only means of creating a fairer economy and society.

Revisiting this period of Attlee's life reveals a rich and lively debate about the relationship of welfare and social policy to the labour market and wider questions of political economy, as demands for the right to work and better wages grew up alongside those for public services and social security. Indeed many in the labour movement were highly suspicious of proposals for state welfare provision, arguing that strong trade unions ought to be able to bargain for high enough wages to cover all family costs and provide for all contingencies (see Thane, 1984).

Others argued that this was neither realistic nor desirable – notably those closer to the most exploited workers, such as anti-sweating campaigners and the 'new unions' then gaining influence within the TUC, and women such as the Fabian researcher Maud Pember Reeves and Eleanor Rathbone, then a social worker based in a Liverpool and later an independent MP. Rathbone called for the state to take a share of responsibility for the conditions in which children were raised – an argument which ultimately led to the creation of Family Allowance and today's Child Benefit (Pember Reeves, 1914; Family Endowment Committee, 1918).

But all these campaigners saw far-reaching economic reform, not just better welfare provision, as essential to tackling poverty and advancing social justice. Indeed, the Minority Report on the Poor Law devoted the second of its two volumes to 'The

Public Organisation of the Labour Market’, and opened with a stark diagnosis of the social costs of unemployment and extreme exploitation:

the morass of under-employment and sweating in which the bottom stratum of the population is condemned to live is draining away the vitality and seriously impairing the vigour of the community as a whole. (Webb and Webb, 1909, x-xi)

The persistence of such conditions, they argued, was not only an injustice to those subjected to them but constituted a burden on the community as a whole, imposing ‘heavy charges’ in additional expenditure on poor relief, as well as on hospitals, police and prisons.

The young Attlee was clear on the need to tackle the deeper economic drivers of poverty, insecurity and need for welfare provision. ‘Unemployment’, he wrote,

is a disease of an industrial society in our present stage of development, and ... no amount of provision for individual men and women will take the place of the removal as far as possible of its causes. (Attlee, 1920, 16)

And he is clear that he sees ‘the casual dock labourer and sweated woman worker’ not, as so many then did (Thompson, 2007, 65), as survivals of a pre-industrial economy that would simply die out if market forces were left to do their work, but as ‘typical products of unrestrained industrialism’ (Attlee, 1920, 189).

Moves to tackle worklessness and low pay were then in their early stages. A contemporary of Attlee’s at Toynbee Hall, and fellow protégé of Beatrice Webb, was the young William Beveridge, later the architect of the welfare state whose construction Attlee oversaw. His early study of unemployment informed the establishment of the first official labour exchanges by the Liberal government.

Whilst no solution to the systemic causes of unemployment, Attlee argued that

it is important not to lose sight of the fact that we have, at present, men and women who are victims of that system, but who need remedial efforts applied to them as individuals before they can again take their place as citizens and as useful industrial units. (Attlee, 1920, 276)

In 1920 Attlee judged that ‘our present system of Labour Exchanges is very far from perfect’ and saw the way forward as ‘the cooperation of voluntary workers who will think out plans to make them more efficient and to link them up with voluntary

agencies for training workers for new industries or for work on the land' (Attlee, 1920, 93). He saw a positive model in the 'juvenile advisory committees' which brought together voluntary agencies and local employers to help Labour Exchanges ensure school leavers did not end up in 'blind alley occupations' which offered them no real prospects but long-term poverty and unreliable employment. These worked best in small or medium-sized towns where it was easier to engage employers owing to their 'local patriotism' (Attlee, 1920, 105). He also recommended a role for trade unions, so that the committee could provide a forum for employers and employee representatives to develop approaches to improving training and development opportunities for young people.

Attlee was involved in promoting a similar 'partnership' approach to the other persistent pathology of the early twentieth century labour market, extreme exploitation and low pay. The Webbs had argued that sectors and trades whose employees were forced to rely on 'a weekly subsidy from the Poor Rate in aid of their wages', and moreover were forced to work in conditions that damaged their health and deformed their characters, were essentially 'parasitic' distortions of healthy and efficient industrial development, effectively dependent on public subsidy even while imposing significant negative externalities onto the wider society (Webb and Webb, 1902, 749).

Such trades were a focus of activity for two other contemporaries of Attlee's at Toynbee Hall, J. J. Mallon, who would become Warden of Toynbee Hall from 1919 to 1954, and R. H. Tawney, later to achieve intellectual celebrity with the publication in 1926 of *Religion and the Rise of Capitalism* in 1926. Both were centrally involved in the formation of the National Anti-Sweating League, a cross-party and multi-faith coalition whose driving force was Mary McArthur and the Women's Trade Union League (Blackburn, 2007). Their highly effective campaign to highlight the shocking working conditions in casualised sectors of the economy led directly to Winston Churchill's 1909 Act creating Trade Boards to set minimum wages in the most notoriously exploitative industries such as tailoring, paper box-making, lace and chain-making. Around 250,000 workers are thought to have been covered by the initial legislation, the overwhelming majority of them women.

Attlee worked with Mallon investigating conditions and assembling information about the tailoring industry, then concentrated in Stepney, that fed into the campaign for the Bill (Attlee 1954, 40). And he is acknowledged by Tawney as having contributed to a study of the impact of the legislation on the tailoring industry that he published in 1915 (Tawney, 1915).

Tawney was an enthusiastic evangelist for trade boards. He preferred the deliberative, partnership-based model of trade boards to the approach proposed by the Webbs, a state-determined national minimum calculated according to the cost of subsistence, on the grounds that employer and employee representatives were much better placed than civil servants to find the right balance between raising working conditions while protecting jobs and the level of employment (Blackburn, 2007, 9-10). The role of the state should be to convene these stakeholders to develop a common view on an appropriate minimum, and then use its powers to monitor and enforce it. The Board thus served as ‘an organ of industrial self-government’, ‘moralising’ economic relationships as stakeholders fulfilled their shared responsibility to arrive at a common view (Tawney, 1922).

Tawney’s assessment of the impact of the new regime on the tailoring industry, which would have been partly based on Attlee’s research, was that it raised wages for significant numbers, especially women, without pushing up prices or adding to unemployment. ‘The effect of the advance in wages’, he wrote, ‘has been to increase the efficiency of workers, and to cause employers to introduce improvements in organisation and machinery, which those of them who had been able to obtain cheap labour had hitherto neglected’ (Tawney, 1915, 254).

This debate repeated itself in the 1990s as it was alleged that a National Minimum Wage would cost jobs and harm businesses, and it is an argument we face again today as we look for solutions to help the more than five million British workers now paid less than a living wage (Buckle, 2014). But just as we find evidence today that boosting wages for the lowest paid workers can raise productivity and strengthen business models, Tawney found that the impact of the trade boards on tailoring had been to raise the morale and commitment of employees while encouraging innovation and investment on the part of employers.

Attlee reflected the force of these arguments in 1920, writing that ‘it is generally admitted today that very low wages are economically unsound’, and that enlightened economists now pointed to ‘the economy of high wages, that you could not get more out of a man than you put in’ (Attlee, 1920, 155, 245; for more background to these ideas see Thompson, 2007).

Another key conclusion of Tawney’s was that, contrary to the fears of many in the labour movement that labour market regulation would displace free collective bargaining and so undermine working class organisation (see Thompson, 2007), the creation of the boards had in fact proved a stimulus to trade union organisation

and recruitment, and that the minimum wages they set had become floors but not limits to improvements in working conditions (Tawney, 1915, 90-5).

Attlee later bore witness to this effect, recounting an occasion when he was asked by Mallon to chair a meeting to nominate employee representatives to the tailoring Board. In East London there were four rival organisations competing to represent the mostly Jewish workers in the sector. Much of the heated discussion was conducted in Yiddish, which Attlee did not understand. At one point, he remembered, a man leapt onto the platform, shouting and waving an umbrella, and Attlee had to forcibly remove him. But at the end, to his surprise, he found that the meeting had reached a satisfactory conclusion with nominations to the Board agreed (Attlee, 1954, 41; see also Briggs and Macartney, 1984, 138).

## Politics

This image of the naturally diffident Attlee, a fish out of water in rowdy meetings, struggling to maintain order yet somehow managing to deliver a result in the most unlikely circumstances, reminds us of the other essential ingredient of his career, and the origins of the British welfare state: practical politics.

Attlee wrote in 1920 that 'every social worker is almost certain to be also an agitator' (Attlee, 1920, 237). Honest confrontation with social conditions was almost bound to drive anyone beyond efforts at amelioration to campaigning and organising for the political change and economic reform needed to tackle the causes of poverty and deprivation. He was critical of an older tradition of charity work that, however well-intentioned, saw symptoms but not causes – or mistook the former for the latter.

Jon Cruddas has told the story of Attlee's own conversion to socialism and his decision to join the Independent Labour Party in 1908 (Cruddas, 2011). A year later he was witness to another conversion of sorts – that of Beatrice Webb to mass politics. For the rejection of her Minority Report by the Liberal establishment was pointed to by Attlee decades later as the limit point of the Fabian strategy of permeation via elite opinion formers, and Webb's realisation of the need for popular campaigning and engagement with the labour movement (Attlee, 1958) – a judgement endorsed by her biographer, who writes that Webb's new 'crusade' was 'both a radical break with and the culmination of her career' (Seymour-Jones, 1992; see also Ward, 2011, 30-1).

It is here that Attlee's distinction and unique contribution to the cause of a fairer Britain comes through most clearly. For one who we are so often told had no talent

or evident enthusiasm for public speaking, he certainly did his fair share of it. As John Saville wrote in an otherwise quite critical assessment of Attlee's career, 'of all the Labour prime ministers of the twentieth century Attlee had the most sustained experience of grass-roots politics' (Saville, 1983, 145). Attlee spoke every week at street corners, collected money at dock gates during transport workers' strikes, led protest marches across London, and worked hard to build links between the ILP and local trade unions.

And at the end of his 1920 book on social work, he quietly subverts his own starting point by arriving at the conclusion that the most effective form of social work was the self-organisation of working people themselves. The most important 'movements of social advance', he wrote, do not come from above but

as the expression of the aims of those who feel that their conditions of life need alteration; and without waiting for a lead from those in better circumstances, they endeavour to work out their own salvation, and in doing so produce new forms of social machinery. (Attlee, 1920, 251)

Attlee's practical involvement with building the Labour Party into a force in the land was, then, just as important as his intellectual formation by Fabianism and romanticism. And the vital ingredient in the subsequent history of the country was his recognition of the need to carry through the political struggle that was necessary to make social progress. It couldn't be achieved by academic experts and detached bureaucrats. It took long years of grassroots campaigning, local organising, and slogging through the ups and downs of electoral and parliamentary politics. In a speech to a Labour Party audience in 1944, Attlee looked back to his political beginnings:

I recall and took part in the campaign for the abolition of the Poor Law initiated by the Webbs and George Lansbury. I recall the bitter fights with the advocates of the old Poor Law principles. I have lived long enough to see the principles of that great Minority Report adopted. (Thomas-Symonds, 2010, 122)

By playing his part in the growth of the Labour Party through the 1920s, helping to hold it together in the wake of the crisis of 1931, orchestrating its contribution to the war effort, and uniting the country around Labour's vision for peacetime reconstruction, it was Clement Attlee who turned the ideas and ideals of Edwardian reformers and campaigners into the basis for a new progressive consensus in this country that remains the starting point for the debates about the welfare state today. The govern-

ment he presided over combined the introduction of new rights to social security with policies to secure full employment and reform British industry that marked a huge advance in the living standards and life chances of working people in Britain, delivered despite more intransigent and ideological Tory opposition than is often remembered (see Carr, 2013). And the Labour Party that Clement Attlee led from near permanent marginalisation in the 1930s to its first majority government in 1945 remains today the most powerful force in the country for economic justice, and for opening up the political process by involving and empowering ordinary working men and women.

## 1945 and after

The lessons of these early years in East London seem to have been indispensable to the achievements and legacy of the 1945-51 government. Attlee's respect for the dignity, capabilities, and fundamental equality of all working people – as well as his success in chairing meetings and handling egos, of which there were many in his cabinet – shines through in his leadership style, and is reflected by his success in uniting the nation in the aftermath of the war.

Although there was inevitably some displacement of charities such as friendly societies by the welfare reforms of the 1945-51 government, his early sense of a dynamic partnership between public and voluntary sector was never abandoned. Attlee himself accepted the Presidency of Toynbee Hall, and his government funded organisations like the National Council for the Unmarried Mother and her Child (NCUMC), which we know today as Gingerbread. Moreover, as Pat Thane shows, the subsequent history of the welfare state confirms Attlee's early intuition that the evolution of public provision and civic initiative involved more synergy than the Tory 'crowding out' story suggests (Thane, 2011; see also Deakin and Smith, 2011).

A particularly important lesson is the need for welfare reform and economic reform to go hand in hand. The successful launch of the Beveridge plan was critically dependent upon the commitment to full employment through economic expansion, job creation, and industrial investment (see Byrne, 2012). Indeed, as Jim Tomlinson pointed out in a recent article in *Renewal* (Tomlinson, 2013), buoyant demand for labour in this period was a key reason why expenditure on social security rose much more slowly than had been budgeted for, even as new entitlements were created.

The trade boards Attlee had helped to campaign for before the First World War were modernised and expanded as wages councils as the Second World War drew to a

close, at their peak protecting and improving the wages and conditions of 3.5 million workers – even if, as Frances O’Grady argued in her Attlee memorial lecture, the labour movement missed an opportunity to embed partnership working more widely across the economy (O’Grady, 2013). Introducing the legislation to Parliament, Ernest Bevin made a virtue of the fact that they combined autonomous negotiation between employer and employee representatives with state backing and enforcement.

Wages councils did not survive the Thatcher and Major governments – apart from the Agricultural Wages Board abolished in 2013. But the partnership-based approach to wage regulation pioneered in the tailoring industry before the First World War underpinned the success of the Low Pay Commission created in 1998, and will remain at the heart of Labour’s approach to strengthening the National Minimum Wage in the period ahead (Buckle, 2014).

The General Election next year will mark seventy years since Clement Attlee became Prime Minister. The policies and methods of 1945 are not the right ones for today. But the underlying principles, and some of the challenges, endure: the need to ensure our social security system works with the grain of the values and ethos of British people, in particular their belief in fairness, solidarity and the dignity of work; the importance of government working together with employers, employees and communities to conquer unemployment and tackle low pay, so that spending on benefits does not become a substitute for good jobs paying decent wages; and the lesson that the rules and institutions of a fair society cannot be imposed from the top down by experts, professionals and administrators, but must be built and continually renewed from the bottom up, involving the citizens who use them and pay for them.

It is when these insights have been forgotten or neglected, by governments of whatever colour, that the welfare state has run into difficulties, financially and politically. It is these insights that will be at the heart of the reform and renewal of the social security system that the next Labour government will pursue.

**Rachel Reeves** is Labour MP for Leeds West and Shadow Secretary of State for Work and Pensions.

**Martin McIvor** is an advisor to Rachel Reeves and a former editor of *Renewal*.

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