

THE SPECIAL AREAS LEGISLATION WITH REFERENCE
TO WEST CUMBERLAND

By



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ABSTRACT

The Special Areas legislation was an attempt to alleviate the social and political problems resulting from regional industrial decline. Though historians are well aware of the legislation, it has not been subject to detailed investigation, and until recently it has concerned mainly economic historians. This emphasis is slightly misplaced, for although the Special Areas Acts were overtly economic, they were introduced, continued and amended for political reasons. This thesis examines the local and national pressures which shaped the Acts and in doing so demonstrates some of the constraints on policy formulation in the 1930's.

The Special Areas Acts were national legislation designed to deal with the particular problems of specific areas. This dissertation focusses on the individual experience of West Cumberland, the least known of the Special Areas. It describes the effect of depression and of the legislation on the society and economy of the area. The legislation stimulated the development of a new local leadership which in itself became a force for change. The study of one locality demonstrates the conflicts inherent in any regional legislation between local desires and official intentions for development.

National rather than regional outcry forced a reluctant Cabinet to agree to the passage of the first Special Areas Act in 1934. The reluctance derived from the Cabinet's adherence to the traditional view that efficient operation of the economy required the free play of market forces. Consequently the first Act was little more than window dressing, offering no real opportunity for industrial development. But the Commissioners and their aides, who were appointed to implement the legislation, were sincere in their efforts to help the Areas. They tried to circumvent the restrictions imposed on them by official policy and formed an internal pressure group pushing the government towards assuming greater responsibility for the conditions of the Areas.

From 1936, the government became increasingly preoccupied with foreign affairs, a focus which has been shared by most subsequent historians. But important changes were occurring in domestic policy. However timid the measures may seem today, the Special Areas legislation of 1936 and 1937, and the Loans Facilities Bill of 1939, all marked an increasing government commitment to stimulating economic recovery. These developments must be seen in the context of a government preparing unwillingly for war. The rearmament programme and the influx of

refugees from Europe helped the Areas. They became more attractive industrial centres as awareness of London's vulnerability grew. On the negative side, the escalating cost of rearmament strengthened the government's and the Treasury's determination to rid themselves of legislation that had become increasingly expensive. Their failure to do so, in the face of local and national opposition, displays the limits that can be imposed even on the power of a government with a large majority.

The 1934 Act is unique in the history of regional legislation in that it emphasised the social as well as the economic rehabilitation of the depressed areas. The social measures were palliative, aimed at softening the impact of unemployment and poverty. This field had previously been dominated by private philanthropy. Increasingly under the Special Areas Acts and other legislation passed during the decade, the state assumed wider social responsibilities. The experience of the Special Areas reflects the tensions engendered by this transition.

The evolution of the Special Areas policy followed a pattern of public outcry forcing hesitant government concession. It was the experience of World War II which caused a major change in official attitudes towards intervention in the economy. The experience of full

employment brought about by massive government expenditure made the efforts to help the Special Areas in the 1930's look puny indeed. It was partly the memory of the Special Areas which provoked the change to more interventionist policies in Britain after 1945.

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This thesis has been something of a family affair. I met many of my contacts in West Cumberland through my father, who also gave me some help with the research. My cousin, Margaret Valm, typed the final draft, retaining her good humour even when my writing was at its worst. My entire married life has been spent under the shadow of the Special Areas and I thank my husband, Graham Parkinson, for his patience and stamina. Marilyn Watkins proved herself a true friend by proof reading the entire final draft.

This thesis is dedicated to my parents, in
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PREFACE

The traditional image of the 1930's in Britain is one of depression, mass unemployment and poverty. Nowhere does this image retain its authenticity more clearly than in the Special Areas. These were areas of industrial decline, the victims of changing economic trends. Once the centre of British enterprise, after the Great War they became backwaters. The Special Areas legislation was an attempt to alleviate depression in some of the worst affected areas. Britain had experienced regional problems before; such difficulties are a natural outcome of economic change. But the problem was new in terms of the numbers involved. The circumstances were different because the victims now had the vote. Moreover the trend of government policy since the 1870's had been towards admitting some responsibility for mitigating the worst effects of incidental hardship on the poor. Thus in the 1930's for the first time a British government accepted responsibility for trying to promote regional balance in the economy.

The significance of the Special Areas Acts lies partly in their novelty, though this novelty was obscured, both for contemporaries and posterity, by the timorous attitude of the National Government and by the legislation's inadequacy. Further, the 1934 Act is unique in the history

of regional legislation because it had a social as well as an economic dimension. The Special Areas Acts also have some present-day significance in that the problem which they attempted to address has never been solved, and is of major importance in the internal economies of all the western nations.¹

Despite its importance, the Special Areas legislation has not been subject to detailed historical investigation. Until recently it has been considered mainly by economic historians.² Yet this leads to an unbalanced view, for, as one of these economic historians has remarked:

regional development policies have come about in response to a mixture of political, social and economic pressures.... It is incomplete, therefore, to consider the case for a regional development policy as though it were purely an economic question.³

In the 1970's, two historians looked more closely at the political and social aspects of the Special Areas policy. Frederic Miller has examined the early years of the legislation in the context of the National Government's broad policy towards unemployment.⁴ He has brought out the importance of the political motives underlying the 1934 Act, and made very clear the tension between the economic beliefs of the members of the government and their political sensitivity. His study is limited, as far as the Special

Areas are concerned, because it deals only with the National Government and because it does not look at the development of the legislation after 1936. It is, nevertheless, very useful and will be referred to in the course of the present study.

Of less importance is the work of R.H. Campbell,⁵ which concentrates on one Special Area, Scotland, to the exclusion of national policy, and which relies on official records only. These limitations were perhaps necessitated by his argument which falls apart when looked at in a wider context. For example, he credits the officials of the Scottish Office with having particular insight because they realised both that "a policy of industrial diversification" was necessary for the Areas, and that rearmament, while easing the employment situation, was aggravating the industrial imbalance of Scotland.⁶ But these were not novel ideas. They were the common currency of progressive thought at the time and could be gleaned at a glance from the leader columns of the Times. A further flaw is that, though he professes to be writing about "the 1930's," he does not mention the significant changes that were made in the legislation in 1937.

Campbell's work demonstrates the dangers of making a detailed study of a local area in isolation from the national scene. This is one pitfall which the present work has tried to avoid. It traces the development of the legislation from

1934 to 1945, examining the forces which changed the initial, reluctant, explicitly temporary government commitment to the Areas into a long-term involvement in the stimulation of regional economies. This national study is paralleled by the consideration of one particular area, and this is where it differs from Miller's London-centred approach.

The Special Areas Acts were national legislation aimed at dealing with the problems posed by particular areas. But the legislation was largely permissive and any successes depended to a great extent on local initiative. Some of the failures of the legislation were as much the result of parochial rivalries as of the Whitehall bureaucratic tangles and government indifference which were usually blamed. Local initiatives and local problems can best be studied at a local level. This thesis will examine the interaction that occurred between the National Government and one of the Special Areas, West Cumberland.

The economic problems of West Cumberland were similar to those of the other Areas. As one contemporary writer remarked, the region

is a microcosm, the detailed study of which faithfully reveals all those problems of industrial depression which threaten... all the northern industrial districts of Great Britain.⁷

West Cumberland has been neglected by most writers on the Special Areas,⁸ probably because of its small size. The

district contained only 5% of the population of the Special Areas in England and Wales. But its percentage of unemployment - the criterion by which the Special Areas were chosen - was as high, and its problems, if anything, more intractable because of its isolation and limited local market.

This thesis is then both a regional and a national study. This dual nature has imposed certain difficulties, particularly as the region chosen is not well known, so the reader cannot be referred readily to secondary sources. On the whole, each chapter aims to give a balanced view of national and regional developments. The pattern is broken only for the survey of the implementation of the "economic" clauses of the 1934 Act. Stewart's frustrations in London, though they affected events in the Areas, were largely Whitehall-oriented, while events in Cumberland were influenced by local peculiarities and local figures. It seemed logical to discuss these developments in separate chapters though the links between the two are made.

This thesis is based on a wide range of sources. Nationally, the papers of the Cabinet and of all the departments concerned with the work of the Commissioner for Special Areas were consulted. The contemporary press was an important source for assessing public opinion on the question. I was also able to interview Sir Harold Emmerson, Secretary to the Commissioner from 1938 to 1939. At the local

level, the Cumberland Development Council Archive, local government papers, newspapers, and the records of the social service organisations were used. I also conducted interviews with several Cumbrians who had experienced living in a Special Area. Finally, I was fortunate enough to track down the two surviving District Commissioners for West Cumberland, Sir George Mallaby and Lieutenant Colonel L. St. Clare Grondona, both of whom were extremely helpful.

NOTES

1. The Maritimes and Ontario provide examples of 'Special Areas' in modern Canada. For a discussion of the problem in the United States see Felix Rohatyn, "Reconstructing America," New York Review of Books, 5 Mar. 1981. Apart from place names, this article would not have looked out of place in the Times of 1934.
2. D. Aldcroft, The interwar economy in Britain (London, 1970), 77-111; H.W. Richardson, Economic recovery in Britain, 1932-1939 (London, 1967), 285-298; G. McCrone, Regional policy in Britain (London, 1969), 91-105; J.B. McCallum, Town and Country planning in England and Wales (Toronto, 1971), 24-30. These studies deal briefly with the legislation. The only extensive study is S.R. Dennison, The location of industry and the depressed areas, (Oxford, 1939).
3. McCrone, Regional policy, 25.
4. "Work or maintenance? Unemployment policy in Great Britain, 1931-1936." (Ph.D. thesis, University of Wisconsin, 1972); "The unemployment policy of the National Government, 1931-1936." Historical Journal 19, (1976): 453-76.
5. "The Scottish Office and the Special Areas in the 1930's." Historical Journal 22, (1979): 167-83.
6. Ibid., 182.
7. G.W. Daniels, preface to J. Jewkes and A. Winterbottom An industrial survey of West Cumberland and Furness (Manchester, 1933), v.
8. Most contemporary studies, such as the Pilgrim Trust, Men without work (London, 1938), neglect the area. More recent work, such as that of Richardson, Aldcroft and Miller, look to the North-East and South Wales for their examples.

CHAPTER I

THE EMERGENCE OF THE DEPRESSED AREAS 1919-1931

The Economic Background

Four years of war have firmly established the paramount importance to the country of the haematite pig iron industry between Workington and Carnforth. The iron and steel industry of the north west of England has come into its own.¹

Optimism was the keynote in Cumberland and the rest of Britain at the start of 1919. People in Cumberland and in other centres of heavy industry had benefitted from the war and in the flush of prosperity and victory they looked to the future with confidence. Hopes varied according to class, but the two main themes were social progress, epitomised in the slogan "homes fit for heroes", and, in economic life, a return to the halcyon days of 1913 when Britain enjoyed economic security and London dominated world finance through the operation of the Gold Standard. But the optimism was ill-founded. In the inter-war years the old industrial areas of Britain were to pay dearly for their wartime prosperity. In the 1920's it gradually became apparent that Britain's economic structure had not adapted to changing world conditions. Owing to the industrial geography of Britain, the effects of the maladjustment were unevenly distributed: certain regions

bore the brunt. Far from having established "the paramount importance" of the industries of West Cumberland, the war proved to have been merely the prelude to precipitate decline.

Economic change had begun well before the war but contemporaries did not understand that long term trends were making the traditional industrial structure of Britain obsolete. For most of the nineteenth century Britain had been "the workshop of the world", taking advantage of her early lead in industrialisation to dominate world trade. Britain's prosperity had thus come to depend, to a great extent on the strength of the export trade.² From the 1870's, the rate of increase of exports began to decline. At the same time the rate of increase of production declined drastically, while other countries, particularly the United States and Germany, forged ahead.³ The situation was disguised by the profits from invisible exports as well as continued strength in imperial markets which meant that the balance of payments remained favourable. As exports continued to increase, individual manufacturers did not feel the need to change their techniques or alter their markets.⁴

The export sector depended on the staple industries which had been the basis of Britain's industrial supremacy in the nineteenth century. They were concentrated on the

coal fields - the source of fuel - in districts convenient for dealing with foreign markets. In 1911-1913, two thirds of all exports consisted of the products of such industries: coal, iron and steel, ships and textiles.⁵ These industries supported half the manufacturing population. Though they were still expanding, some showed signs of stagnation. Coal exports continued to increase after 1870, but costs were rising and productivity was falling off as the more accessible seams were exhausted.⁶ The development of oil and electricity as alternative sources of power also threatened the industry. Steel output was still rising, but old plant was not being replaced and in productivity and growth rates the industry had fallen behind its German and American competitors by 1913. Shipbuilding continued to expand; in 1913, Britain produced 60% of the world's tonnage.⁷ The cotton industry still dominated exports until 1914 though it was losing some markets and becoming increasingly dependent on the Empire.

To some extent a decline in the export situation was inevitable. Britain's supremacy had been the result of an early start. As other countries developed their industries and exploited their superior natural resources, Britain was bound to suffer and this began to happen after 1870. The only solution was flexibility, but a complacency born of long superiority and problems of economic and social structure and attitudes combined to

prevent adjustments being made.⁸ World trade was expanding and there were still opportunities for exports, but Britain's major exports were in those commodities which were expanding least in world trade.⁹ The other possibility was the development of the home market, but in Edwardian England, real wages were declining. Average income levels were not high enough to increase domestic demand and thus stimulate sufficient investment in the new consumer industries which were to be the growth points of the economy later in the century.¹⁰ The situation in Britain before the First World War thus had not been as rosy as the industrialists of 1919 imagined. The manufacturing sector of the economy relied too heavily on industries whose long term prospects were bad.

The First World War intensified these structural problems. Overseas markets were lost as countries were forced to become self-sufficient or look to other sources of supply. The realization of overseas assets also reduced income from abroad. At the same time the demands of war required further development of heavy industries which increased the imbalance in the economy. Steel-making capacity, for instance, increased by 50% between 1914 and 1920.¹¹ The coal industry, which suffered some decline during the war, experienced a sudden expansion after the armistice when continental demand increased because of

wartime devastation in Europe. Thus the war aggravated the structural problems of the economy.

In the national slump which followed the postwar boom,¹² the basic industries began to experience the consequences of the maladjustments in the economy. The first to feel the effects was shipbuilding which had benefitted greatly from the boom of 1919-1920. The collapse was swift: between the summer of 1920 and September 1921 the price of a new cargo vessel fell from £40 per ton to £8. Britain remained pre-eminent in shipbuilding but many of the yards were idle. The iron and steel industry suffered from its concentration on bar iron and acid steel, for which demand was declining, as well as from expanded capacity and some technical backwardness.¹³ The industry's experience in the 1920's was patchy; the finishing trades did well but firms specialising in semi-manufacturing processes suffered, partly because of the absence of protection. Cotton was also in continuous difficulty from 1920, mainly because of overseas competition. Coal, despite its stormy labour relations, did relatively well in the early 1920's owing to windfall increases in demand: a backlog of orders after the 1921 strike, the American coal strike of 1922 and the French occupation of the Ruhr in 1923. After 1924, however, increased foreign production as well as

competition from other fuels caused trade to fail.¹⁴ For most of the interwar period the basic industries experienced unemployment well above the national average.¹⁵

Though exports were declining, industrial production and imports continued to increase. The domestic market was expanding, creating a demand for the products of new industries, such as electrical appliances, motor cars, bicycles, rayon and scientific instruments.¹⁶ Though the expansion of these industries signified that the economy was adjusting to the new situation, it was not sufficient to compensate for the decline in employment in the old industries. In addition, the new industries often tended to require adaptable unskilled female labour rather than the skill or strength of the male labour force which predominated in all the basic industries except textiles. The problem was compounded by geography. The old industries were usually located on the coalfields of outer Britain and depended ultimately on steam power produced by coal. The new consumer-based industries were able to use electricity and so were not tied to the coalfields. They developed in the Midlands, benefitting from established skills in metal working, or in the South East, near London, the largest metropolitan market in the country. This change in the geographical distribution of industry increased the difficulties of transferring labour from the old

industries to the new.

The economic problems of Britain were thus regional, and once the divisions began to appear, they deepened. In the depressed areas the linkage of industries meant that the process of depression was cumulative.

On the Cumberland west coast it is true to say that iron and steel production is the root of the existing economic system. Without this, the coal industry would shrink to very small dimensions, the output of the iron ore mines dwindle considerably and the coke oven industry largely become unnecessary.¹⁷

If one industry was hit, the others would suffer. In the depressed areas most capital was tied up in these industries. Depression would diminish purchasing power in the areas, which would affect any other industries there and also make the region unattractive as a market for, and therefore as a site of, new industries. In the prosperous regions the reverse process occurred.¹⁸ Here even the traditional industries fared relatively well - coal in Kent and Nottingham, steel in Lincoln and Northampton - because they did not dominate the economy and could be stimulated by local demand. The 1920's witnessed the emergence of marked regional disparities between the South and the Midlands, with their new consumer and service industries, and the old industrial regions of outer Britain which, depending on the basic industries, consistently experienced high levels of unemployment.¹⁹

Regional variations exist in any national economy. Changing industrial structures and new patterns of trade tend to favour some areas and handicap others. Rural areas of Britain experienced depression during much of the nineteenth and twentieth centuries. But the regional problem of the 1920's was different in scale: far more people were involved and their unemployment was long term. The newly depressed industrial areas faced economic and social problems of a new kind, problems for which they were unprepared and ill-equipped.

The Depressed Areas

Though the depressed areas which emerged in the 1920's differed from each other in detail, their basic problems and patterns of development were similar. The main depressed areas were South Wales, Lancashire, Durham and Tyneside, Cumberland and Furness, and the Lanarkshire coalfield in Scotland. All had developed as centres of industry in the nineteenth century. Concentration on the profitable basic industries meant that more traditional industries declined: in West Cumberland, as in parts of Scotland, the textile industry had all but disappeared by the 1920's. Thus there were few alternative occupations once the basic industries began to decline.

Depression was not spread evenly within the areas.

Each had pockets of relative prosperity as well as badly affected regions. In Cumberland in 1934 the unemployment rate ranged between 16.4% in Penrith and 57.5% in Maryport.²⁰ The cities tended to be more prosperous: Newcastle and Cardiff, with their more varied industries suffered less than the single industry towns around them. In Cumberland, Workington and Whitehaven were on the whole less affected than the surrounding villages.

The persistence of depression had numerous effects. Local authorities suffered financially, partly because of migration. Those who moved away tended to be the younger and more enterprising people, and their going deprived the areas of a vital element in the population. The very young and the old remained, those who made the most demand on local services. As local unemployment persisted and men exhausted their national insurance benefit, the burden on the local poor rate increased.²¹ Meanwhile sources of revenue were failing as industrial plant closed down. The decline in railway freight caused a 42% drop in the assessment of the railway companies in Cumberland from 1920/21 to 1928/29.²² Thus rateable values were falling as demands on the rates increased. The resultant high rates were a further deterrent to new industry and inhibited attempts at recovery in the old industries. The depressed areas were caught in a vicious circle with no obvious means

of escape.

With the exception of textile regions, the depressed areas were districts of predominantly male employment. This limited the number of wage earners in the family and meant that when the men's jobs were gone the family had to turn to public funds as there was no supplementary income. In Cumberland's coalmining areas, this problem was exacerbated by the tradition of men working in family groups, so that when one mine closed fathers, brothers and sons all lost their jobs removing any possibility of drawing on the resources of an extended family for aid.

The depressed areas were all regions with close knit working class communities, often, particularly in the mining districts, isolated from the outside world. The men were unionised and there was a strong feeling of class solidarity.²³ With few exceptions they became Labour strongholds. This sense of cohesion was both a blessing and a curse; it provided support during bad times but the security it engendered limited the adaptability of the workers and also made them reluctant to move. Even those who did move, especially if they were older men, tended to regard the move as temporary, and returned when they could: "It was all right at Ashington. I had a lovely little house. But the pits were wet and I wanted to be with me marrows."²⁴ The men were reluctant to believe that there

was no future in their own industry - particularly so soon after the war when so many had been withdrawn from the forces to keep the coal and steel industries going. Churchill is reputed to have said during the First World War that the haematite mines of Cumberland were worth a division on the Western front, a remark that was often quoted during the interwar period.²⁵ Such a history encouraged the workers to believe that the old industries had a future. What they demanded was the revival of old conditions, not a change to a new situation.

While the men had to suffer the psychological strain of adjusting to unemployment after years of working in skilled occupations, the women also had to adjust to a new financial stringency. The wives had the problem of managing the household budget. Asked if he had ever been in debt, one man replied "Oh the wife was the one to ask about that. I expect we owed a bob or two."²⁶ It seems likely that the women often went without themselves so that their families could be better fed, and this is evidenced by the higher incidence of nervous debility and malnutrition among women, as well as higher rates of maternal mortality among wives of the unemployed.²⁷

Psychological problems among men and women were not helped by the bleak surroundings of the depressed areas. Industrial ruins, drab houses which could not be kept in

good repair by unemployed occupants, overcrowding in slum dwellings all added to the atmosphere of decay. Local authorities did not have much money to improve conditions, and even where they were able to provide housing, rents were often beyond the means of the poorest families. Existing dwellings were often old and unhealthy: in Whitehaven it was reported that

there are still far too many courts in which the houses are huddled together without proper air space and with the health giving rays of the sun effectively excluded.²⁸

Such conditions, combined with poor diets, meant that there was a high incidence of diseases such as tuberculosis. Mortality rates - infant, child, maternal and adult - were all higher than average in the depressed areas.²⁹ This was not related simply to economic depression: the areas had long had a poor health record³⁰ and the health factor was simply another aspect of their problems.

These features of the areas added to their difficulties. High rates kept industry away. The prospect of dealing with a unionised workforce deterred some employers. And the inhospitable surroundings - the slag heaps and the mean streets - were a further deterrent to potential managers who wanted to live in pleasant surroundings.

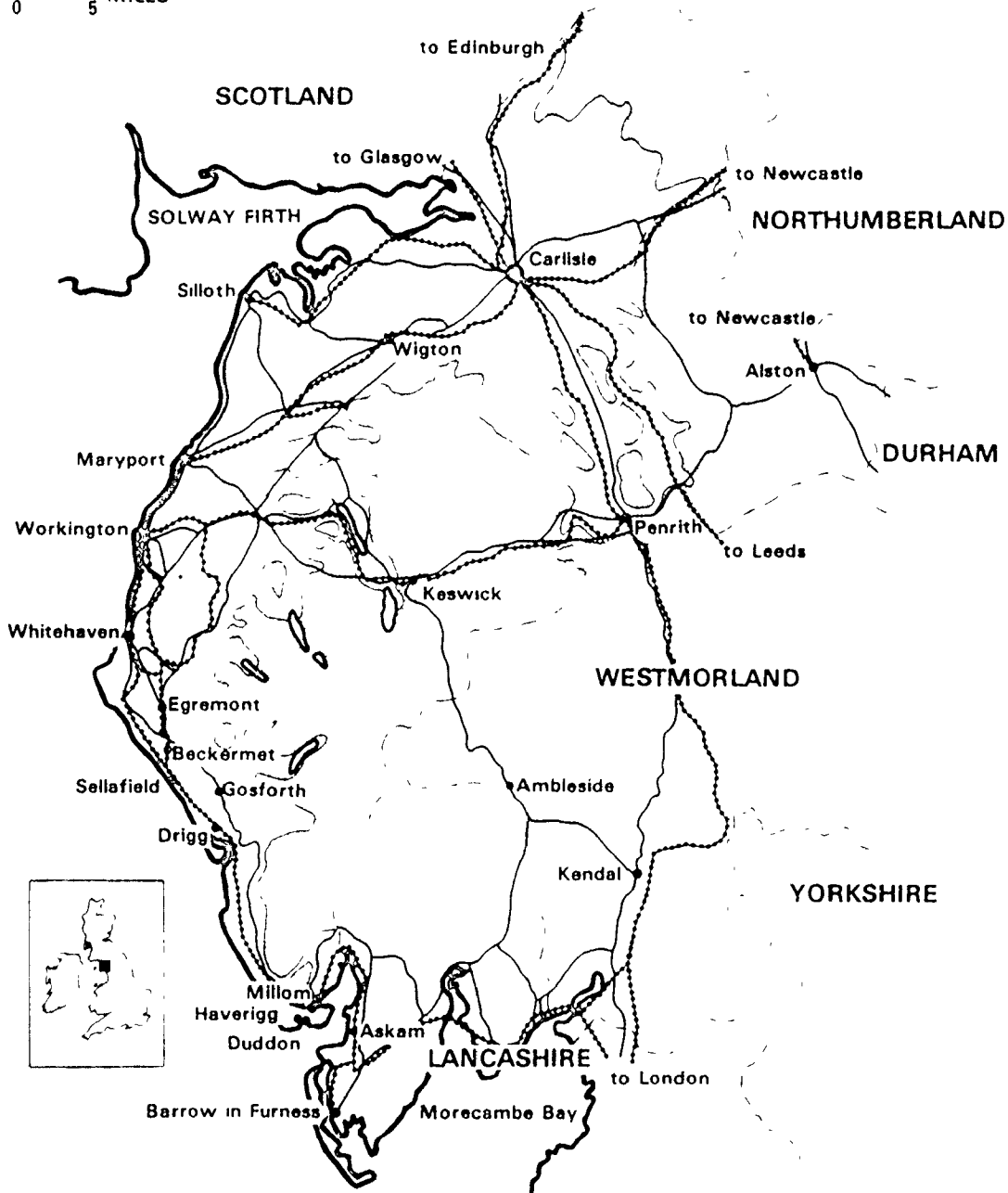
West Cumberland

West Cumberland was the most isolated of the depressed areas. The mountains of the Lake District effectively cut off the main industrial belt from the major north - south routes. The largest industrial area of the county was concentrated on the coalfield which extended along the coast from Whitehaven to Maryport, and for a few miles inland. Adjacent to the southern edge of the coalfield were the iron ore deposits around Cleator Moor and Egremont. Further south, around Millom, were the Hodbarrow deposits of ore which were the focal point of a small industrial area. In addition, there were scattered extractive industries in the Lake District and the Pennines. Most important of these were the lead and zinc mines around Alston, but there were also lead workings and quarries around Keswick. These industries were very small in terms of numbers involved, but were important in that they were the sole support of local communities. The remainder of the county was agricultural land or moorland, apart from the area around Carlisle which had a varied industrial structure and consequently was relatively unaffected by depression.

The industries of south and west Cumberland were based on local supplies of coal and iron ore. Bituminous coal was produced, suitable for household use, steam engines and some types of coke. Costs on the coalfield

CUMBERLAND: RELIEF AND COMMUNICATIONS

- RAILWAY
 - MAIN ROAD
 - - - - COUNTY BOUNDARY
 - 500' CONTOUR
- 0 5 MILES



were always high because the field was heavily faulted and because the undersea workings pushed up haulage costs. It was the quality of its iron deposits which made Cumberland important. The non-phosphoric haematite ore had a metallic content of 54% compared with 31% for other British ores.³¹ The ore occurred in carboniferous limestone, which could be used as a flux in blast furnaces. But the costs of ore production were high because the deposits were irregular and their depth meant that the ore had to be obtained by mining rather than opencast working. For many years the quality of the ore produced was sufficient to compensate for the high costs, and the fortuitous conjunction of the northern deposits with the coal measures - one mine produced both coal and iron - provided the basis of industrial activity in the area. In 1834 the Poor Law Commissioners said of Alston that "it would have remained sheep or black cattle pasture but for the riches under the surface."³² The same was true of West Cumberland: the land was wild and isolated and but for the unusual quality of its ores, it would never have become an important industrial area.

Despite its advantages in raw materials, the isolation of West Cumberland meant that large scale exploitation of its resources came late. Early industrial development depended on access to the sea. The spur to

the development of the coalfield was the Irish market; by the early eighteenth century Whitehaven had a large share in the Dublin coal trade. This encouraged the development of shipbuilding and both the coal and shipping industries created some demand for local iron, but all was on a small scale. It was the advent of the railways in the mid-nineteenth century which caused the expansion of the coal and iron industries. The railways permitted the development of the inland coalfield and also allowed high grade coke to be imported from Durham. The Whitehaven and Furness Junction Railway reached Millom in 1850, making possible the development of the Hodbarrow deposits. The invention of the Bessemer process which required non-phosphoric ores gave the area a further advantage: Cumberland and Furness were the only source of non-phosphoric ores in Britain. At first much of the ore was exported, mainly by sea, to South Wales, Scotland, Durham and France, but increasingly it was used locally in the iron works which developed at Millom, Cleator Moor, Maryport and Harrington. In 1870 the first steel works opened at Workington. Cumberland shared in an expanding market for iron and steel caused by increased American demand, the use of iron in ships and a demand for rails from France and Germany. The attraction of Cumberland was such that in 1882 Charles Cammell and Co. dismantled

their rail-making works at Dronfield in Yorkshire and moved the whole plant and many of the workers to Workington.

West Cumberland's prosperity was narrowly based. The area's main finished product, steel rails, depended on the continued expansion of the railways. Probably because of Cumberland's isolation, no large engineering concerns developed and much unfinished steel had to be exported, mainly by sea. Freight rates made it difficult for Cumbrian goods to compete in inland markets. With no local market Cumberland was susceptible to changes elsewhere. Above all, the prosperity of the areas depended on the dominance of the acid Bessemer process in steel making, the process for which its iron ore was especially suited.

The vulnerability of Cumbrian industry became apparent in the late nineteenth century. Three factors accounted for this. Cumberland's market was eroded as overseas countries completed their railway networks or introduced protection for their own industries. The discovery of high grade Spanish and North African ores undercut the position of Cumberland haematite - inland transport costs meant that Cumbrian ores could not compete with foreign ores even in the neighbouring North Eastern area. Individual companies could overcome this difficulty - the Millom and Askam Haematite Ore Company, for instance, obtained a controlling interest in the

Alquife mines in Spain - but the threat to Cumberland remained. The most damaging blow was the invention of the basic steel process using phosphoric ores, which was developed by Thomas and Gilchrist in 1879. This made it possible to use the cheap ironstones of Cleveland and the Midlands in steel making. Though it was some time before the process was widely adopted, its development was a major challenge to Cumberland's prosperity.

The impact of these changes became apparent in the years before the First World War. During the 1890's several iron and steel companies in the district folded. Though some steelworks remained, increasingly Cumberland was becoming a producer of high grade iron to be used in more profitably sited steelworks elsewhere. Only the coal industry was still expanding. It was helped by the discovery of new techniques of coke-making which meant that Cumbrian instead of Durham coke could be used locally. But even here, the cost of transport meant that some of the inland pits were being abandoned. By 1900, Cumbrian industries were already in difficulty.

The overall industrial outlook remained bleak in the years before the war. In 1909, the iron and steel companies near the coalfield amalgamated to form the Workington Iron and Steel Company, as local competition was proving destructive.³³ "The Combine" was able to

rationalise production. The Lowther Ironworks at Workington and the Harrington plant were both closed down before the war.³⁴ The new company tried to gain control over local coal and iron mines to safeguard its raw materials. This created marketing problems for local producers of iron ore and pig iron. The decline in prosperity was indicated by the fall in rateable values. Between 1894 and 1912 the rateable value of Cleator Moor fell from £46,772 to £32,205.³⁵ Between 1901 and 1911, despite a high birthrate, the population of the county dropped from 266,933 to 265,746.³⁶ Unlike most other areas of heavy industry, Cumberland had begun to feel the effects of readjustment even before the First World War.

The war revived trade in West Cumberland. The demand for acid steel and haematite increased, because their special qualities were required for armaments. The Harrington iron works were reopened. Small iron mines which were becoming uneconomic were left in operation. New techniques such as high speed rock drilling were introduced to increase productivity. A new coal mine, Haig, was sunk at Whitehaven. Wages more than doubled and there was a revival of immigration into the area. At the same time, the war emergency accelerated the change from acid to basic steel production in the rest of Britain, further reducing the potential British market for north

west coast haematite. During the war, the government contracted to buy up stocks of Australian zinc and to continue to buy the zinc at a fixed price until 1930. This was to have repercussions in Cumberland in the 1920's. The war thus reversed the earlier trend to decline and aggravated the long term problem of readjustment.

After 1918, West Cumberland experienced the same difficulties as other depressed areas. The decline in the export market for iron and steel affected all the local industries. Apart from these general difficulties, particular problems affected Cumbrian products: for instance, the decline in naval shipbuilding and in the manufacture of steam boilers reduced the demand for non-phosphoric steel.³⁷ The freight costs involved in obtaining low grade phosphoric ore hindered the development of the basic steel process in Cumberland. In 1919 the Workington Iron and Steel Company became part of United Steel, a Sheffield-based organisation. This meant that the largest single employer in the area - the company owned steel and iron works, collieries, iron ore mines, limestone quarries and coke ovens - was now controlled from outside. Cumberland was at the mercy of the company's national strategy and for many years there was some doubt as to whether United Steel would continue its operations in the county.³⁸ The company embarked on a programme of

rationalisation in Cumberland, closing down ironworks at Harrington, Maryport and Workington and concentrating production at the adjacent Moss Bay and Derwent sites in Workington. The company opened a new dock in the town in 1927. Though the rationalisation was necessary to secure continued production it inevitably caused unemployment in some parts of the area.

In the postwar period, the situation in the iron ore areas became desperate. Between 1919 and 1925 fifteen mines closed down³⁹ and at no time between 1920 and 1926 did Hodbarrow mine work for a full year.⁴⁰ The coal industry suffered the smallest decline in the 1920's. After the war, production continued at a relatively high level and the numbers employed continued to expand until 1924. Many of the new employees were unemployed iron miners.⁴¹ The chief reason for the maintenance of output was the Irish market: exports accounted for an increasing proportion of production.⁴²

Postwar readjustment caused problems in other parts of Cumberland. The Nenthead lead mine near Alston closed down in 1919 when the war time subsidy ceased.⁴³ The government, embarrassed by large supplies of Australian zinc, sold it at rates which undercut the prices of British producers.⁴⁴ This caused the closure of the Thornwaite and Threlkeld mines near Keswick. These mines employed very small numbers, only twenty to forty men, but they were

the major employers in the villages where they were situated and there was no other local employment.

At the time of the 1921 census, 30% of the working male population of the administrative county of Cumberland was employed in heavy industry. In the west the proportion was much higher: in Arlecdon and Frizington it reached 71%.⁴⁵ It was hardly surprising then that economic difficulties meant that unemployment was above the national average; it was almost double the national level after 1924.⁴⁶ The worst hit areas were Cleator Moor and Maryport. Cleator and the surrounding area suffered because of dependence on iron mines. Maryport's difficulties were more complex and show how even a relatively diversified town could be badly hit. Many of its difficulties were caused by rationalisation elsewhere. Just after the war the Carlisle State Management Scheme closed down its brewery in the town. The tannery closed. The amalgamation of the railway companies in 1921 led to the closure of the workshops of the old Maryport and Carlisle railway. Some local collieries went out of business. The main "villain" was United Steel which by closing the Solway iron works and opening its new dock at Workington, killed much of the trade of the town. Maryport had been the main port on the Cumberland coast. The effect of the new dock was sudden and startling. In 1927, the total value of

trade at Maryport was £156,000; in 1928 it was £38,000; the value of imports fell from £106,000 to £7,000.⁴⁷ The town was "for the most part living on public funds."⁴⁸

In general, the social and economic problems of West Cumberland were similar to those of other depressed areas. Its political problems were rather different. West Cumberland was only part of a county. The County Council met in Carlisle which, as a County Borough, was an administratively separate unit. The representatives of the industrial West were in a minority on the Council and thus found it difficult to push their point of view. The fact that the Council met so far from the West meant that Councillors from other districts were not alive to its problems. One reason for West Cumberland's low profile among the depressed areas was the difficulty it had in making its views known in Carlisle, let alone London.

Isolation was the main problem faced by West Cumberland. The roads and railways skirted the mountains, hugging the coast. To the south the links were particularly tortuous because of the long detours that had to be made around the estuaries of the Duddon and the Leven. Locally, suggestions were made to end the isolation by building roads across the mountains but such ideas were opposed by conservationists:

It is very hard for a district to be perpetually cribbed, cabined and confined because two or three individuals wish to keep the dales pretty much as they were when the Noachian deluge first dried. Why should the convenience of the population be sacrificed to the penchant of a coterie for wildness and solitude?⁴⁹

The problem of preserving the amenities of the Lake District was to be a perpetual trial for those who sought to increase employment in West Cumberland. South Wales faced some similar problems, but not to the same extent, as its industrial area was not so dominated by its regions of natural beauty. The proximity of the Lake District was a mixed blessing to industrial West Cumberland.⁵⁰

Attempts were made locally to draw attention to the problems of the area. Local authorities, urged on by their ratepayers, joined in the widespread demand that unemployment should be made a national charge in order to relieve the poor rates.⁵¹ Local MP's throughout the 1920's tried to persuade the government to adopt policies favourable to the industries of West Cumberland.⁵² The area did not, however, rely entirely on the prospect of Government aid. In 1929 a Regional Planning Committee was formed, supported by a $\frac{1}{10}$ d. rate from nineteen local authorities. The committee commissioned Leslie Abercrombie, Professor of Civic Design at Liverpool University, to prepare a survey of the region, stressing its advantages to industrialists. Local businessmen

established the Maryport Development Company whose aim was to improve the amenities of the town, particularly the Sea Brows, so that it could develop as a seaside resort.

People in Cumberland thus showed some awareness of the need for diversity of industry. But the county's problems, like those of the other depressed areas, were so intractable that self-help alone was not sufficient: there was real need of government aid.

Traditional Responses To a New Problem

Unemployment was not new to Britain; it had been a chronic political problem since the 1880's.⁵³ But unemployment after 1920 was different from that of Edwardian England. Before the war, whether cyclical, frictional or seasonal, unemployment had been essentially a short-term problem. These fluctuations continued during the 1920's, but they were superimposed on a hard core of almost a million men and women who faced long-term unemployment because of the contraction of the basic industries. Another difference was that before 1914, the south had been the major victim of unemployment, whereas after 1920 unemployment was concentrated in more isolated districts, away from the centre of affairs. This change in the nature of the problem was not immediately apparent, either to the government or to private welfare agencies. Consequently the response of both government and

philanthropy to the problems of the 1920's was very traditional.

In the early 1920's, the idea prevailed in government circles that unemployment resulted from the temporary dislocation in trade occasioned by the political and economic chaos in Europe. Government economic policies thus demonstrated a complete lack of understanding of the long term trends in the British economy. 1913 set the standard: as late as 1927 the Ministry of Labour hailed the year as "the nearest approach to normal since the war."⁵⁴ Economic policy was consequently directed towards restoring the position that had prevailed in 1913. This meant that the restoration of the Gold Standard at its prewar level was of paramount importance. It would stimulate international trade and help Britain recover her superiority in world finance.

From 1920 to 1925 successive governments aimed to restore gold. The desirability of the move was generally accepted by economists and financiers who agreed that an essential preliminary was a policy of deflation to bring the pound back to its prewar parity with the dollar: \$4.86. The move was opposed by some industrialists but they lacked the political power to impose their views.⁵⁵ The bank rate was raised, government spending was cut and the note issue was reduced in an attempt to raise the pound to its prewar rate. By December, 1924, aided by

speculation, the pound stood at \$4.79 and this encouraged Churchill to return to the Gold Standard at prewar parity in 1925.⁵⁶ At \$4.86 British exports were overpriced, a disadvantage which was increased by the fall in world prices after 1925 which caused several of Britain's competitors to devalue. The weak balance of payments forced the Bank of England to keep interest rates high, to prevent an outflow of gold, and this discouraged industrial investment. The return to gold was opposed by industrialists:

Many people have a feeling of pride when they see the pound sterling is standing at par in New York, but few people ask themselves what effect on home industries currency exchanges have.⁵⁷

Far from stimulating the export trades, the restoration of gold aggravated their difficulties.

In subordinating the role of unemployment to the restoration of gold, the governments of the 1920's were fulfilling traditional assumptions about the role of the government in the economy. The government was not expected to control the overall level of activity in the economy, but was simply to provide a stable climate in which economic forces could operate freely. The rationale against direct government involvement became known as "the Treasury view." Proponents of this view assumed that the market inherently tended towards an equilibrium at which resources were fully used. They argued that at any

one time there was a fixed amount of capital available for investment. If the government intervened in the economy, there would be no net addition to production, there would only be more public output and less private. Private investment might, however, be adversely affected because government intervention might upset business confidence, while borrowing for investment would raise the interest rate against the private sector. Thus at best, government spending would make no difference, at worst it could affect private industry.⁵⁸ On these grounds, governments in the 1920's rejected a policy of direct intervention through large scale work programmes to help the unemployed. The National Debt also hindered the development of an active policy: attempts to reduce the debt decreased the money available for other expenditure, while the debt's very existence reinforced prejudices against government borrowing.⁵⁹

Both the parties which formed governments in the 1920's accepted this view of their role. Most Conservatives accepted the Treasury view; there was no firmly based theoretical argument against it.⁶⁰ Direct intervention by the government would just hamper the gradual return to normality which would follow from the restoration of gold. Baldwin's deflationary policy was seen as "restoring the health of the patient who is now about to enjoy a normal life."⁶¹ Some Conservatives,

particularly L.S. Amery, saw protection as the solution for the economy, but after the defeat of 1923 their arguments were ignored by the party leadership. The Labour Party's attitude was that unemployment could not be solved under capitalism⁶² and its members looked to the future introduction of socialism as a solution. The Party rejected revolution, preferring a piecemeal approach to the millenium,⁶³ but it had no interim solutions to the problem of unemployment, except for a demand that the unemployed should get more maintenance. In the meantime, Philip Snowden, the party's financial expert, adhered rigidly to the Treasury view. This relative quiescence reduced the pressure on the Conservatives to develop a more active policy.⁶⁴ Neither party was complacent. Each felt helpless when faced with the rising unemployment figures, but feared to tamper with the situation, for fear of making everything worse.⁶⁵

Political pressure meant that a direct attack on unemployment could not be eschewed completely. In 1920 the Unemployment Grants Committee was established to give grants to local authorities which were providing work to relieve unemployment. Work was done on such schemes as sewage works, land reclamation and the provision of recreation grounds and municipal buildings.⁶⁶ The Road Board also provided some employment. The net effect of

such public works was very small; the numbers employed varied from 10,000 to 59,000 while the numbers of unemployed ranged between 900,000 and over two million.⁶⁷ Much of the initiative for the schemes rested with local authorities and this caused delay and confusion.⁶⁸ The grants covered only part of the cost; this reduced expense for the central government but it meant that local authorities in poorer areas were unwilling to take action for fear of adding a further burden to the rates in times that were already hard. Public works were expensive and, organised in such a haphazard way, they produced comparatively little employment. They were disliked by the labour movement whose members felt that the work involved was demeaning to skilled men and resented the fact that the wages were often lower than union rates. The schemes were introduced as ad hoc palliatives; there was no idea of using them in a systematic way as counter-cyclical schemes as suggested in the minority report of the Poor Law Commission of 1909;⁶⁹ in the downswing of the cycle, local authorities were even less likely to want to increase their indebtedness.

Another traditional remedy which all the governments of the 1920's encouraged was emigration, but this was an increasingly difficult solution to implement. After 1918 the traditional receiving areas outside the Empire, the

U.S.A. and South America, began to feel they were reaching their limits and introduced restrictions. The 1922 Empire Settlement Act was the most important of several attempts to encourage emigration to the Dominions, but it was not very successful. As the prices of primary products began to falter later in the decade, the Dominions became even less enthusiastic. In the 1920's emigration from Britain was about 130,000 a year, only 40% of the prewar rate, while by the 1930's there was a net influx of immigrants.⁷⁰

In the absence of an active policy to reduce unemployment, the problem of the maintenance of the unemployed loomed large. The unemployment insurance scheme had been devised to cope with the conditions of Edwardian England, with short term unemployment. The insured worker was entitled to twenty six weeks of benefit, after which, if he had not found work, he became the responsibility of the local poor law authorities, and was classed as a pauper. This scheme was totally inadequate to deal with the problem of surplus labour and long term structural unemployment which appeared in the 1920's. Men who lost their jobs through the permanent contraction of the basic industries had small prospect of finding work again before their period of benefit expired. But to throw them on the Poor Law, especially when so many of them had recently been fighting for their country, could not be tolerated.

Consequently the Unemployment Insurance Act was subjected to frequent change: there were eighteen amending acts between 1920 and 1930. The main aim of the changes was to provide some intermediate aid between the insurance benefits and the Poor Law, without compromising the insurance principle of the original act. However unlike the insurance scheme in none of these intermediate schemes was benefit received as a right, it was subject to some sort of means test.⁷¹ Eventually, however, the unemployed were still likely to become a burden on the Poor Law and on the local rates. This caused widespread opposition in the depressed areas, where the burden was greatest,⁷² but throughout the 1920's, governments remained still unwilling to undertake full responsibility for the support of the unemployed.

Apart from the insurance scheme and the Poor Law, direct relief of the unemployed was left, as had been usual in the past, to private charity.⁷³ The need for relief was great, as the benefit provided by official institutions was usually barely adequate to cover the daily needs of life. The reliance on the philanthropic community as the first line of defence in dealing with any social problem was well established in Britain. Only when the resources of charity were inadequate was the government expected to step in. This attitude was summed up by Neville

Chamberlain, Minister of Health from 1925 to 1929:

There is no pleasure like the pleasure of giving. A fund ... appealing to private benevolence institutes a kindly neighbourly feeling among the people who realise that they are members of a community which is a real brotherhood, and I think that is a precious thing, worthy of praise and imitation, not sneers.... Until we are satisfied that all efforts of that kind are really exhausted and nothing more can be done, I feel unwilling to entertain the idea that public money could be used for this purpose.⁷⁴

At first in the depressed areas, private relief was organised locally. The mayors of towns traditionally had a responsibility for organising fund raising for the poor, and institutions often had charities for specific functions. In Cumberland, the police force, for example, had a clog fund for children. In addition there were old endowed charities such as Piper's Kitchen in Whitehaven which supplied food to those in need. The work of such local charities was considerable: one observer in South Wales reported "a universal consensus that without private charity the children would go naked and barefoot."⁷⁵

Local charities, however, were insufficient to deal with the problems of the distressed areas. Prolonged distress meant that local resources were inadequate, but two problems made it difficult for the areas to attract aid from national philanthropic sources. First, the people of the areas were blamed for their own difficulties. When the Society of Friends established its Industrial Crisis

Committee to help the areas in 1926, it was unable to get any support from the national press because, in the aftermath of the General Strike, the men were blamed for their own situation.⁷⁶ Another problem was that they received little publicity because they were too far from London:

Indeed, the average man, away from the centres of depression, has come to suspect that it (unemployment) is a statistical fiction, knowing as he does that the standard of life of the mass of people around him has been well maintained.⁷⁷

For much of the 1920's the particular problems of the distressed areas received little attention from either governments or philanthropy. Though some attempts were made to deal with the problem of unemployment they were ineffective. By the end of 1927, it was becoming obvious that traditional methods of relief were inadequate.

In 1928 the depressed areas began to receive more particular public attention. This was possibly a result of the South Wales Hunger March which began in November 1927. Though at the time the marchers were attacked in the press as being Communist-inspired, in the following months the public was increasingly exposed to the social problems of the areas, especially South Wales. Newspapers and periodicals sent off reporters to investigate the situation and dramatic, emotional articles resulted.⁷⁸ Most of the articles gave vivid descriptions of social

conditions but had no real solution to the problem except to say that something must be done.

The publicity stimulated a great outburst of philanthropic activity. In April, 1928, a traditional form of aid was revived by the Mansion House. The Lord Mayors of London, Cardiff and Newcastle established a fund to "help the women and children who are suffering on account of the continuing depression in the coal mining industry."⁷⁹ The omission of the men perhaps implied reservations about their responsibility for the distress. At first the fund was distributed only in the North East and South Wales but it was gradually extended to other areas and to men other than coalminers. Cumberland became a beneficiary towards the end of the year.⁸⁰ The government supported the work by donating £1 for every £1 received in voluntary subscriptions to the Fund.⁸¹ This support was also extended to some other charitable organisations, such as the Society of Friends Coalfields Distress Committee. Other philanthropic activities proliferated. St. Martin in the Fields "adopted" Mountain Ash; the Spectator adopted Aberdare.⁸² The Friends established settlements at Maes-yr-haf and Brynmawr. The National Council of Social Service and the Workers' Educational Association began occupational and educational work among the unemployed. At first the focus was on coalminers, prompting one commentator

to point out that the distress had lasted much longer among steel workers and shipyard workers.⁸³ By the end of 1928, the problem of the distressed areas had thus become a problem of significant public concern and this increased pressure on the government to do more than support charitable activity.

In terms of government policy too, 1928 marked a shift though a less dramatic one. Hancock has suggested that it was during 1927 that Baldwin's government began to think more seriously "about unemployment as a long term reality."⁸⁴ By then the old excuses for the problems of the export industries - instability in Europe or labour disputes - had been shown by the passage of time to be fallacious. For the first time in the decade, a British government was forced to face the problem of the permanent contraction of several of the old industries. Accepting the inevitability of the situation, one civil servant summed up the assumptions of the government's policy during 1928 and 1929:

the only hope is in the redistribution of population. This can only be done by economic pressure. Unemployment benefit and Poor Law relief already reduce this pressure. It would be fatal to introduce relief measures.⁸⁵

The aims of the government thus tended to contradict those of the philanthropic organisations. Already in 1927 the Ministry of Health had superseded two Boards of Guardians

in the depressed areas, because their relief rates had been too generous. Though this move had been designed as an economy measure, its effect was to increase economic pressure in the areas.

In January 1928 the Industrial Transference Board was established, marking official recognition of the structural and regional nature of Britain's economic problems. The Board was to investigate the possibility of removing surplus workers from the depressed areas. Its report, published in July 1928, recommended "the dispersal of the heavy concentrations of unemployment by the active encouragement of movement from the depressed areas to other areas."⁸⁶ It was promptly implemented. Employers in the prosperous areas were invited, in a circular letter from Baldwin, to take transferees. Local authorities were offered extra grants from the Unemployment Grants Committee if they took 50% of the labour from the depressed areas. In the depressed areas, men who volunteered for transference were vetted by the Labour Exchanges. Successful applicants were given grants to help with expenses, and sometimes were given extra training. Social service organisations in the prosperous areas were enlisted to help the transferees, especially if they were juveniles.⁸⁷ The scheme initially seemed successful: those who were transferred were the pick of the unemployed. But by 1929 the scheme was faltering;

the Ministry of Labour blamed this on "a change in the quality of men coming forward for transfer."⁸⁸

Unemployment, especially after 1929, was high even in the prosperous areas and this limited the success of the scheme. Transference almost stopped during the depression years 1930-32. Nevertheless it remained an important aspect of government policy until 1939, despite criticism of the harm it did to the donor areas.⁸⁹

The Local Government Act of 1929 also had an impact on the position of the areas. The Act was a compromise between Churchill's and Chamberlain's views on how to solve the problem of the high rate burden in the depressed areas.⁹⁰ It was not an attempt to bring relief to the areas, but an attempt to ensure that existing industries there should not be disadvantaged by having to pay high rates. Under the Act, though poor relief still remained a local responsibility, it was organised more efficiently.⁹¹ To help trade, industrial premises were relieved of 75% of their rates. This relief was also extended to railways, on condition that the money was used to reduce freight rates. The basis of Treasury grants to local authorities was changed: block grants, weighted according to such factors as population and unemployment, replaced the old percentage grants which had favoured the wealthy areas. This legislation relieved the areas of some of their burdens, but again it was

essentially a long term measure.

The government's meagre response was criticised even by some of its own supporters. Robert Hudson, MP for Whitehaven, suggested that the policy of transfer be reversed; he wanted to use some of the money from the Lord Mayor's Fund to support an investigation into the industrial prospects of the depressed areas and to encourage industry to go there.⁹² Some Conservative back-benchers were reported to be discussing "the geographical as well as the functional treatment of unemployment" and to be suggesting that some of the worst areas should be administered "by a Commission armed with full powers and adequate financial resources."⁹³ Though these suggestions were vague, they emphasise the general impatience which was felt at the government's lack of policy; there was an increasing feeling that some form of government intervention was necessary.

By the end of 1928 there was real fear that the situation in the areas would lead to outbreaks of violence. After meeting a deputation of Welsh miners one Ministry of Health official worried that "the situation is becoming dangerous ... as far as we are concerned the issue is whether the screw might not have been turned too tight."⁹⁴ Attention was also paid to the North East, another official remarking "I have long thought that any outbreak would be

more serious in Durham than South Wales."⁹⁵ In the January and April 1929 the Ministry of Health investigated conditions in the North East and South Wales though Chamberlain refused to publish the reports⁹⁶ - possibly because they became available only a month before the General Election.

Unemployment was the main issue in the 1929 election. Lloyd George produced the most spectacular programme, based on the study which the Liberal Industrial group had made of unemployment.⁹⁷ He claimed to be able to conquer unemployment within two years. The Baldwin government, with its slogan of "safety first" seemed complacent in a time of such crisis. The Labour Party benefitted from the concern with unemployment and its proposals for such schemes as housing, development of electricity, forestry work and roads looked almost as good as those of the Liberals.⁹⁸ The Labour government which emerged after the election was expected to be more active in dealing with unemployment,⁹⁹ but it was to be its misfortune to have to deal with the problem of a general world depression.

The centre of the world slump of 1930-33 was the United States. The fall in American lending and buying caused a contraction of output throughout the world.¹⁰⁰ Britain did not suffer as badly as the United States and Germany, but the rising unemployment figures, which passed

the two million mark in April, 1930, ¹⁰¹ put acute pressure on the government. The Labour leaders were caught between the limitations of their economic outlook and their political commitment to the working class and the unemployed.¹⁰² Despite the arguments of Oswald Mosley and the ILP, most members of the Cabinet felt that the world crisis was not a time for experiment.¹⁰³ Hugh Dalton remembered "the terrible and growing defeatism almost everywhere about the possibility of reducing the number of the unemployed. That any schemes for new work could really make much difference seemed to more and more people less and less likely."¹⁰⁴ In this situation, the problems of the depressed areas tended to be overlooked. The government initiated economic surveys of some depressed areas in the spring of 1931¹⁰⁵ but no specific policies were introduced to help them. In its economic policy, the government drifted, neither deflating as actively as financial interests desired nor taking any bold new steps. In August, 1931, a crisis developed when the pressure of financial interests became too strong. The resulting resignation of the Labour government and the formation of the National Government set the stage for the 1930's.¹⁰⁶

The 1920's had been years of disillusion for many Britons. The postwar hopes had vanished and the long term weaknesses in the economy became apparent. From 1920,

severe dislocation was experienced in the depressed areas but it was not until 1928 that their problems began to get much public attention. Afraid of an interventionist policy, governments of the 1920's were content to allow much of the relief of the areas to be the responsibility of private philanthropy. During the world slump the depressed areas and the depressed industries continued to experience levels of unemployment which were significantly higher than average.¹⁰⁷ The awareness of their difficulties, however, was submerged in the concern with national problems and for a time they were forgotten.

NOTES

1. West Cumberland Times, 11 Jan. 1919.
2. R.S. Sayers, A history of economic change in England 1880-1939 (London, 1967), 13.
3. W. Arthur Lewis, Economic survey 1919-1939 (London, 1949), 74-5. From 1800-1873 the cumulative annual rate of increase of production had been almost 4%: From 1873-1913 it was 1.8%. In the latter period the rate of increase was 4.8% for the United States and 3.9% for Germany.
4. A.L. Levine, Industrial retardation in Britain 1880-1914 (London, 1967), 57-73.
5. S. Pollard, The Development of the British economy, 1914-1950 (London, 1964), 2.
6. A.J. Taylor, "The Coal Industry" in D. Aldcroft, ed., The development of British industry and foreign competition 1875-1914 (London, 1968), 69.
7. Pollard, British economy, 7.
8. Levine, Industrial retardation, discusses this problem.
9. Lewis, Economic survey, 78-9.
10. Ian Booth and Sean Glynn, "Unemployment in the inter-war period: a multiple problem," Journal of Contemporary History 13 (1978): 620.
11. Pollard, British economy, 57.
12. The boom lasted from 1919 to 1920. It resulted from rocketing demand for consumer goods, replacement of war losses and an expansion of domestic capital expenditure which had been delayed by the war. It was further encouraged by the government's rapid abolition of wartime controls in an attempt to encourage expansion so that exservicemen and war workers could rapidly be absorbed into industry. R.H. Tawney, "The abolition of economic controls," Economic History Review 13 (1943): 1-30; C.L. Mowat Britain between the wars, 1918-1939 (Chicago, 1955), 25-7.

13. D.L. Burn, Economic history of steelmaking (Cambridge, 1940), 362-70, 408-416.
14. B.R. Mitchell and P. Deane, Abstract of British historical statistics (Cambridge, 1962), 305-6. In 1923 the value of coal exports was 109.8 million. In 1924 it fell to 78.3 million. Between 1925 and 1939, coal exports exceeded 50 million in only two years.
15. See Appendix 1.
16. Derek Aldcroft, "Economic progress in Britain in the 1920's," Scottish Journal of Political Economy 15 (1966): 297-316.
17. J. Jewkes and A. Winterbottom, An industrial survey of Cumberland and Furness (Manchester, 1933), 78.
18. For a theoretical discussion of this process see Gunnar Myrdal, Economic theory and under-developed regions (London, 1957), 23-38.
19. See Appendix 2.
20. W.H. Beveridge, Full employment in a free society (London, 1944), 106. The unemployment statistics refer to the number of insured workers who were unemployed. From 1923 about 60% of the workforce was insured; workers less prone to unemployment were excluded. Consequently the unemployment percentages are slightly exaggerated. For the purposes of the present work, the statistics are accurate enough to make comparisons between different areas. For a full discussion of the problem of statistics, see S. Glynn and J. Oxborrow, Interwar Britain: a social and economic history (London, 1976), 142.
21. Noreen Branson, Britain in the 1920's (London, 1975), 76-82. National unemployment insurance benefits were only paid for a limited time - usually six months. After that, the unemployed man and his family became dependent on local resources, financed through the rates (local taxes).
22. Jewkes and Winterbottom, Cumberland and Furness, 133.
23. Noreen Branson and Margot Heineman, Britain in the 1930's (London, 1971), 67-8; see also J.B. Priestley, English Journey (London, 1934).

24. Interview with John Lightfoot, Whitehaven, 11 Nov. 1977. "Marrow" is a 'dialect word meaning friend.
25. I have not succeeded in tracing any record of this remark, but it was widely believed in West Cumberland.
26. Interview with Jack Smith, Whitehaven, 11 Nov. 1977.
27. Pilgrim Trust, Men without work (London, 1938), 137-41.
28. Whitehaven Medical Officer of Health, Report (1929), 7.
29. R.M. Titmuss, Poverty and population (London, 1938), 51-155.
30. Ministry of Health, A study of the trends of mortality rates in urban communities of England and Wales, with special reference to "distressed areas", Reports on health and medical subjects, 86 (London, 1937), 65-6.
31. T.H. Bainbridge, "Iron ore mining in Cumbria" Geography (1934); 277.
32. Quoted in A. Raistrick and B. Jennings, Lead Mining in the Pennines (London, 1965), 309.
33. Oliver Wood, "The development of the coal iron and shipbuilding industries of West Cumberland; 1750-1914" (Ph.D thesis, University of London, 1952), 290.
34. J.V. Lancaster and D.R. Wattleworth, The iron and steel industry of West Cumberland (Workington, 1977), 45-46.
35. R. Barber, Iron ore and after (Cleator Moor, 1976), 40.
36. Office of population Censuses and Surveys, Census 1971, England and Wales, County Report: Cumberland Part 1, 1.
37. Millom and Askam Haematite Iron Co., Proceedings of Annual General Meeting (1928) 10.
38. Jewkes and Winterbottom, Cumberland and Furness, 79-80.

39. Lancaster and Wattleworth, Iron and Steel Industry, 159-160.
40. A. Harris, Cumberland iron (Truro, 1970), 104.
41. Jewkes and Winterbottom, Cumberland and Furness, 110.
42. Ibid., 98.
43. West Cumberland Times, 27 Dec. 1919.
44. Ibid., 13 Oct. 1928.
45. Percentages calculated from Registrar General of Births, Deaths and Marriages, England and Wales, Census of England and Wales 1921: Counties of Cumberland and Westmorland, 40, 56.
46. See Appendix 3.
47. Jewkes and Winterbottom, Cumberland and Furness, 10. See also T.H. Bainbridge, "The Ports of West Cumberland," Sea Breezes 20 (1936): 173.
48. Jewkes and Winterbottom, Cumberland and Furness, 9.
49. West Cumberland Times, 24 Feb. 1923.
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106. There is no point in going into the ramifications of the events of August, 1931. See Skidelsky, Politicians, 369-422; McKibbin, "Second Labour Government", 114-20; Marquand, MacDonald, 604-70; Middlemass & Barnes, Baldwin, 603-38.
107. See Appendix 2.

CHAPTER 2

THE DEPRESSED AREAS 1931-4: THE PRESSURE FOR ACTION

The Political Scene

The National Government, elected in 1931, remained in power for the rest of the decade. Insulated by its huge parliamentary majority,¹ in its early years it had a free hand in the formulation of policy, subject more to pressure from its own supporters than from outside influences. Of the leading figures in the Cabinet, MacDonald, Baldwin and Chamberlain, the latter was the most influential in domestic policy.² As Chancellor of the Exchequer in a government which owed its existence to an economic crisis, his position was very powerful, and in budgetary matters he usually got his own way.³ Described by one subordinate as "clear sighted and competent, with a leaning to orthodoxy and a distaste for high flying,"⁴ Chamberlain was not the man to introduce a New Deal for the unemployed; instead his policy was always in line with the cautious approach of the Treasury.

Chamberlain shared the common doubts about the economic role of government. During the interwar period, the idea that the government could or should play a major role in economic policy was still novel. Though official

intervention in the economy had increased, especially after 1914, this was not always accepted as being a valid sphere of government activity. For instance, Lionel Robbins, the economist, argued that by intervening in economic life "parliaments are assuming responsibility for more than they can properly supervise. . . . When governments bite off more than they can chew, they don't do their own business properly."⁵ Chamberlain supported the view that government policy should be minimal:

the quickest and most effective contribution which any government can make towards an increase of employment is to create conditions which will encourage and facilitate improvement in ordinary trade.⁶

Thus under the National Government economic policy was limited to the attempt to secure the confidence of businessmen, so that the private sector could lead Britain out of depression.

The fostering of business confidence, not a direct attack on the problem of unemployment, was thus the primary aim of the National Government and its advisers. Consequently Chamberlain rejected the idea of work schemes for the unemployed. These were regarded as being counter-productive in the long run, as they inhibited private investment. A significant short-run objection was that such schemes involved an increase in government spending at a time when revenue was falling because of depression.

They could only be financed by a government deficit - but it was essential to ensure business confidence that the budget be balanced.⁷ In pinning his hopes on recovery in the private sector, Chamberlain was following the conventional economic wisdom of the day.

As events were to show, Chamberlain's economic orthodoxy could be modified by political circumstances, but in the early years of the National Government there were few groups with sufficient influence to mount an effective challenge to his policy. The Labour Party was weak in parliament, and the weight of debate fell on a few people.⁸ In any case the party had little more than ad hoc schemes to offer; it was not until after 1935 that it began to develop short-term plans for dealing with the transition to socialism which it believed must inevitably come⁹. The Trade Unions, though not devoid of ideas for tackling the economic crisis, were forced into a defensive posture by falling membership. Most union leaders concentrated on safeguarding the interests of their members rather than on pressuring the government to develop policies to help the unemployed.¹⁰

The unemployed themselves put little pressure on the government. Under the auspices of the National Unemployed Workers Movement (NUWM) hunger marches were organised and there were local troubles, but such

disturbances never posed a real threat. The leaders of the movement were Communists. This hindered their chances of attracting a large membership, as the majority of the unemployed looked to the Labour Party for leadership. Though they were prepared to join in demonstrations protesting particular grievances, very few of them actually joined the movement. In order to get support, the NUWM was forced to concern itself more with specific problems, such as injustices in the administration of unemployment relief, rather than with working towards revolutionary political aims.¹¹ This piecemeal approach, while perhaps explaining the movement's wide though sporadic appeal, also reduced its threat to the government. In any case, the inner leadership of the movement appears to have included one police informer, so that had there been any danger, the government would have been forewarned.¹²

The NUWM in Cumberland reflected the national difficulties of the movement. Led by John Rafferty, a Maryport clogger, it drew most of its support from Cleator Moor and Maryport, the most depressed districts in the county. Rafferty received little support for his specifically Communist activities such as the calling of public meetings to hear prominent Communist speakers.¹³ His popular support was based on his willingness to organise pressure on the Public Assistance Committees and

on his provision of social facilities. His Working Lads' Sports Club, founded in 1930 and governed by "Russian parliamentary methods," seems to have been the first club in the area to provide activities for the unemployed.¹⁴ The experience of the NUWM showed that the government had little to fear from the jobless.

Though there were protests at the government's economic policy there was no consensus as to what should be done. Keynes' ideas were not yet fully developed. As he worked them out he frequently changed his mind, and so his credibility was reduced: "Keynes was a man of changing if not of short views."¹⁵ The general thrust of his policy proposals, however, remained consistent from 1932. He advocated low interest rates to encourage investment, protective tariffs and large scale investment in public works, financed by borrowing. Public works were necessary, he argued, to raise the level of demand. Increased demand would stimulate private investment to take advantage of low interest rates.¹⁶ In other words he emphasised the importance of demand in stimulating supply. In this he was opposed by more traditional economists such as Lionel Robbins, who concentrated on supply and prices. Costs were too high, he argued, partly because of "disequilibrium in the labour market," if wages were reduced, costs would be reduced, prices would fall, demand would increase, and

consequently so would production and employment. He disagreed with the introduction of any rigidities into the economic system by the operation of trade unions, cartels or governments.¹⁷ Another major economist, A.C. Pigou, while supporting Keynes on the need for public works, agreed with Robbins on the importance of wage rigidity as a factor in unemployment.¹⁸ The lack of any consensus among academic economists meant that the Treasury remained wary of "experts" and confirmed Chamberlain in his determination to stick to traditional policies.

The world economic crisis indicated to some leaders of opinion that capitalism was in grave difficulty, and served to stimulate interest in ideas of planning. This interest stemmed from the 1920's concern with rationalisation and was also influenced by the Soviet Union's Five Year Plan. In 1931, a group of businessmen, academics, civil servants and professional people founded Political and Economic Planning (PEP) which was to provide valuable studies of industries and social services in Britain. Such a group represented "middle opinion" in Britain - people concerned to save capitalism by making it more rational.¹⁹ The planners remained distinct from the Keynesians. Their more pragmatic, less theoretical approach, had more appeal for the government, which

eventually did adopt some of their ideas. In the early part of the decade however, they had not gained respectability; Harold Macmillan, one of the groups' most prominent spokesmen, was still regarded as "a crank and a bit of a bore."²⁰

Given the weakness of groups outside or peripheral to the government, the main pressure on Chamberlain came from within the Conservative Party, from those MP's returned for northern individual seats in the flush of enthusiasm for the National Government. Realising that their situation was precarious unless something was done to alleviate the situation of the unemployed in their constituencies, they formed an alliance within the Commons known as the Northern Group. As individuals, sitting for seats which the Conservatives would not normally expect to take, they did not pull much weight, but as a group they could occasionally exert some pressure. Harold Macmillan, the group's most forcible speaker, estimated its number at forty.²¹ Another member was William Nunn, MP for Whitehaven, whose particular interest was the revival of iron ore mining. He protested strongly against United Steel's importing foreign ore into Workington and tried to persuade the government to require steel manufacturers to use a fixed percentage of British ore in high grade steel.²² The group was able to put some pressure on the government

and did gain some minor concessions,²³ but self-interest dictated that they should not carry opposition so far as to imperil the government's chances of re-election. Thus, to a great extent, the government, with Chamberlain's guidance, had a relatively free hand in developing its economic policies.

The Economic Policies of the National Government

The depressed areas of the 1920's bore the brunt of the national depression which developed in 1931. This depression had originated overseas. It was in the export sector where its effects were first felt: export values fell from £848 million to £422 million between 1929 and 1932.²⁴ Producers of capital goods were also affected much more than producers of consumer goods. As producers of exports and of capital goods the depressed areas suffered while areas with newer industries were less afflicted. The disparity was reflected in the regional unemployment figures. In West Cumberland, 31.7% of the workforce was unemployed in 1931 and 41.3% in 1932.²⁵ The areas were also denied one means of relief as high unemployment elsewhere restricted the opportunities for migration. The number of assisted transfers fell from 19,000 in 1931 to 8,000 in 1933.²⁶

Though the regional disparities were obvious, it was the national aspects of the depression which concerned the government. As in the 1920's, it was hoped that, once Britain's trading position had been restored, the depressed areas would gradually share in the benefits. The aim of Chamberlain was to balance the budget, achieve monetary stability and thus restore confidence in Britain's international trading position. In 1931 economy measures were introduced to balance the budget; unemployment benefits and the salaries of public employees were cut and taxes were raised. Construction projects, which might have helped the unemployment situation, were cut back.²⁷ A deflationary situation was to be countered by more deflation. Expenditure was also reduced by lowering interest rates: this enabled the conversion of the National Debt in 1932.²⁸ Once the immediate crisis had passed there was still no attempt at reflation despite widespread demands in the press and some pressure from MacDonald, the Prime Minister.²⁹

The depressed areas were affected in several ways by the austerity measures. Reductions in unemployment benefit forced some families to turn to the Public Assistance Committees (PAC's) for aid, which increased the burden on local rates. The ending of public work schemes affected opportunities for employment. In Cumberland, the County Council's road schemes and plans for slum clearance

in Whitehaven, and a new school in Workington, were all abandoned.³⁰ The area's amenities were thus affected, making it even more unattractive to any potential new employers. Though retrenchment affected all parts of the country, its effects were especially pernicious in the depressed areas, where there was a greater need for the services that had been cut.

Another government policy which had mixed implications for some of the depressed areas was the introduction of protection. The general tariff of 1932 was quickly followed by the Ottawa agreements, which attempted to establish a measure of imperial preference. Though Baldwin had defended the tariff on the grounds that it was the best policy "for the purpose of helping the employment of our people,"³¹ the effects of protection on employment were diverse. The iron and steel industry recovered under protection, but this was mainly because of rationalisation, a policy which did not necessarily increase employment. In any case, tariffs helped home industries rather than the export trades, which were the staples of the depressed areas. Tariffs also encouraged retaliation by trading partners which further hampered exports. In addition, reciprocity agreements varied in their impact on the distressed areas. Tariff agreements with Scandinavia encouraged the export of

coal from the North East, but German and Polish coal, now excluded from its traditional markets, was turned to Southern and Western Europe to the detriment of the Welsh export trade. Nor did the tariff cover imports of raw materials, so the Cumbrian iron ore industry remained unprotected. Though ore production increased slightly owing to the recovery of iron and steel, increased imports of foreign ore meant that Cumbrian production never recovered to the levels of the late 1920's, let alone those of the prewar years.³²

The adoption of protection made it possible for the government to engage in a tariff war with Eire which began in 1932. The campaign was political in intent but economic in effect.³³ The Irish imposed 20% duties on British products including coal, with disastrous effects for Cumberland.³⁴ The county's coal shipments to the Free State were halved during 1932; its Ulster trade was also affected as some of the coal shipped to Belfast had been re-exported to Eire. Though most of the collieries were affected, Whitehaven was the worst hit; only one of its four mines was still working at the end of the year.³⁵ In 1933 Whitehaven harbour had its worst year since 1878.³⁶ In August the same year, the Whitehaven Colliery Company was wound up, the directors claiming that the Irish situation was "the last straw."³⁷ Fortunately a new firm,

Priestman Piele of County Durham, took over the company and started production the following month. All William Nunn could do was tell his constituents that "Whitehaven is suffering, unfortunately, from the effect of national policy. It is unfortunate, but obvious, that that policy cannot be altered."³⁸

In an attempt to improve Britain's industrial position, the government used the tariff to encourage the formation of cartels and the fixing of prices and quotas in several industries. But rationalisation was to be self-imposed; there was no question of direct government intervention. Chamberlain and Walter Runciman, President of the Board of Trade, maintained that the government had no right to dictate to industrialists, who were the best judges of their own interests:

It is the right ... of those who control our industries to plant them in areas where they have the best chance of succeeding. That economic pressure is one of the best tests that anyone could devise.³⁹

The tariff was not to be used to coerce industrialists to move to the depressed areas.

Rationalisation was seldom to the advantage of the distressed areas. Its benefits accrued to industrialists rather than to workers. Jarrow, the most famous victim of the process, lost its shipyard to the cartel, National Shipbuilders' Security, while a plan to

develop a steel plant there was quashed by the Iron and Steel Federation.⁴⁰ In Cumberland, the 1930 Coal Act caused smaller collieries to be closed as companies concentrated their effort on larger pits.⁴¹ Such schemes did not necessarily lead to more efficient production and modernisation, but often tended merely to eliminate excess capacity and thus keep prices high. With reduced competition even old plant could be made to run at a profit. Where there was increased efficiency, there was an increase in productivity and consequently a fall in manpower requirements. Rationalisation did put industries in a more competitive position, but it intensified the problems of unemployment, particularly in the depressed areas.

The absence of any direct help from the government meant that the depressed areas were thrown back on their own resources. Initiatives came mainly from the local development organisations. One of the earliest and most important of these was the Lancashire Development Council, founded in 1931. Supported by local authorities and businessmen, it attempted to attract new industries to the county, mainly by advertising. In other areas too, regional development organisations were started. In Cumberland, however, the effort was fragmented. Maryport, Workington and Whitehaven each had their own development organisations. Their main aim seems to have been to

increase business for the small tradesman by the promotion of carnivals and shopping weeks.⁴² Their attempts to attract industry through advertisement proved ineffectual.⁴³

The main problem in West Cumberland was lack of co-ordination. There were no obvious local leaders who could unite the area's efforts. The local aristocrats, the Lowthers and the Leconfields, were uninterested in lending the prestige of their name to any local efforts. Nor were there any major industrialists in the area. United Steel, the largest industrial concern, had its headquarters elsewhere. Major Hibbert, the owner of the Millom and Askam Haematite Company, was not a natural leader. And local particularism prevented any co-operation among local authorities. The special animosity between Maryport and Workington was displayed in the columns of the West Cumberland News.⁴⁴ This particularism destroyed attempts to move the County Council offices away from Carlisle, so that the County rather than the City would benefit from the rates paid for the offices. The squabbles over whether the offices should move to Cockermouth, Maryport or Workington excited the derision of the Carlisle press,⁴⁵ prevented the proponents of the move from presenting a united front, and ensured that the offices stayed in

Carlisle. West Cumberland did not achieve even the limited leverage that a united development organisation would have provided for the county.

Local initiative did, however, have one achievement to its credit. In 1931, under the Labour Government, the Board of Trade had commissioned surveys of depressed areas. Despite local protests, Cumberland had not been included in the areas to be investigated. In 1932, at the instigation of the Local Employment Committees, enough local funding was raised to finance a private survey. Two Manchester University economists were engaged to examine the economic structure of the area and its prospects for future development.⁴⁶

The publication of the survey caused much excitement locally, though it had very little national impact. The report was bleak, suggesting that there were few opportunities for new industries in West Cumberland, that the prospects for the basic industries were poor and that transference would have to be the main remedy.⁴⁷ Naturally, such tidings were unpopular in Cumberland. The report encouraged William Nunn to call a conference at Cockermouth to discuss the area's future. Nearly a hundred representatives of local

authorities, businessmen and unions in the County attended, including the Labour MP for Workington, Tom Cape.

Committees were set up to examine the prospects of individual local industries from a more positive angle.⁴⁸ Of these, the iron ore committee was the only one which seems to have been at all productive: it reached tentative agreements with the royalty owners over plans for a central pumping and drainage scheme to reduce production costs.⁴⁹ The meeting was significant because it was the first time that the representatives of so many interests in the area had come together to discuss common problems.

In 1933, the County Council belatedly paid some attention to the problems of the west. An Unemployment Committee was formed, chaired by Ambrose Callighan, the local blast-furnacemen's leader. Most of the committee members seem to have been trade unionists.⁵⁰ At their meetings, they concentrated on the need for public works, particularly road schemes as communications were seen as the key to West Cumberland's problems. Often opposed by the Finance Committee and by councillors from other parts of the county, the committee does not seem to have achieved very much.

The economic policies of the early years of the National Government were directed more towards recovery from the slump in the trade cycle than towards rectifying

the structural problems of the depressed areas. The regional problem was ignored. In these circumstances, the stricken areas had to fend for themselves. Though Cumberland's attempts at self-resuscitation were limited, even well-organised areas such as Lancashire ultimately fared no better. At a time when unemployment was high everywhere, there could not be much hope for "natural" improvement in the most distressed places, and the experience of 1931-1933 showed that local effort was unavailing. Much more positive national effort was necessary.

Public Relief

Though government spokesmen claimed that their policies for fostering trade and industry would in the long run diminish unemployment, Chamberlain along with his colleagues and advisers was pessimistic about the prospects for improvement.⁵¹ By the early 1930's this attitude was widespread:

Nowadays the exigencies of our economic system are such that full work for wages is something less than a right There are times and places where work for all cannot be provided without flying in the face of economics and sound statesmanship.⁵²

Similar views were accepted by many of the voluntary organisations.⁵³ Official acceptance of the permanence of unemployment was symbolised by the choice of 1929 rather

than 1913 as the "normal" year for the purpose of statistical comparison of economic indices in the 1930's. In 1929, unemployment stood at 10.4%. Jewkes and Winterbottom argued that for West Cumberland, "a return to the conditions of 1928-9 is as much as can be expected."⁵⁴

The permanence of unemployment seemed to be confirmed by the increase in the numbers of the long-term unemployed, usually defined as those who had been out of work for more than a year. In 1932, 13.8% of the unemployed, 337,482 people, were in this category. By 1934 the figures had risen to 24.2% and 366,500. In Cleator Moor and Frizington, cases were reported of men having been out of work for twelve years.⁵⁵ As one MP remarked, "the 'hard core' apparently is not merely getting harder but is getting bigger."⁵⁶ In the depressed areas, the proportion of long-term unemployed was very high. In 1934 they formed 51.4% of the unemployed in what were to become the Special Areas. The national average was 29.7%.⁵⁷

The government, assuming the permanence of unemployment, restricted its employment policies mainly to the problem of relief. The insurance scheme was further refined. As part of the economy campaign, contributions were raised, benefits were cut and the length of time for which benefit could be paid was limited to twenty-six weeks. As a result, after years of debt, the scheme was self-supporting again by 1934.⁵⁸ Once their benefit

was exhausted, the unemployed could transfer to a system of "transitional payments"; the scheme was financed by the Treasury but the amount of money paid was determined by the local PAC, who administered a household means test.⁵⁹ The transitional payments were available to anyone over eighteen who had paid a fixed number of contributions and who could prove that he was normally engaged in insurable employment. The scheme did reduce the burden of poor relief for local authorities, but they still had considerable responsibilities. Lower rates of benefit meant that some families still needed supplementary benefit from the PAC's and, especially in the depressed areas, as time went on, increasing numbers of unemployed, unable to qualify for insurance benefit or transitional payments, became completely dependent on the PAC's.⁶⁰

This scheme of relief was generally unpopular. The Treasury officials, suspicious of laxity in local administration, did not like a system where they provided money but had no control over expenditure. The PAC's, operating among the unemployed and subject to local pressure, resented attempts by the central authority to tell them how to handle local problems: "These people think they can boss the place."⁶¹ In Durham and Rotherham the PAC's were so recalcitrant that they were replaced by government commissioners. The Cumbrian Committees did not go so far,

but they were periodically reprimanded by the Ministry of Labour for their administration of the means test. Jack Adams of the Workington PAC resisted:

Nobody on this committee is going to do their dirty work ... and if we adopt the principle the Ministry wishes us to, it is going to encourage every working person in a house to give up and qualify for relief. It is not fair in these times to penalise a man because he is working.⁶²

In 1932, the terms of the means test were relaxed slightly, a change which eased the pressure on local officials but intensified the Treasury's hostility.

Rates continued to rise in the depressed areas and the government was urged by its own backbenchers to take some action.⁶³ As a result of this pressure, Hilton Young, the Minister of Health, proposed that the prosperous areas should give up some of their block grant to make more money available for rate relief in depressed areas. The wealthy authorities refused to agree, so Young, realising that their co-operation would be necessary when plans for changing the relief system were completed, decided that instead, the government should provide "the bare minimum of temporary help."⁶⁴ The Exchequer was to distribute £500,000 among the poorer authorities to be used solely for the purpose of reducing rates. It was not a large sum but it was sufficient to achieve temporary peace.

In Cumberland rates were not very high, though the

poor rate was above average, 4s. 9d. in the £, compared with a national average of 3s.⁶⁵ The poor rate was spread over the county. This was a greater advantage in Cumberland than, for example in Durham, where virtually the whole county was depressed. Cumbrian rates were low because the County Council had followed the government's economy policy with an enthusiasm that was deprecated in the West of the county. Cut-backs in social services had been so extreme that public health standards were threatened.⁶⁶ In addition in 1933, the council decided to reduce the rates by 10d. by raiding its balances.⁶⁷ This caused a great outcry in the West. Councillor Cusack of Workington pointed out that "the balances had accrued in the heyday of the County and that they accrued in the West where unemployment now existed." Along with other Labour members of the Council, he demanded unsuccessfully that if the balances were to be raised, the money should be used to help the unemployed rather than the ratepayers.⁶⁸ Cumberland, despite its severe problems, was thus one of the lowest-rated counties in England, though its high poor rate ensured that the county ratepayers received £3,785 of the parliamentary grant for the distressed areas.⁶⁹

The increasing burden of the poor rate in the distressed areas fuelled the demand for making unemployment a national charge. By the end of 1932, Chamberlain had

become convinced of the need for this.⁷⁰ During 1933, plans for a new insurance scheme were hammered out in the Cabinet and at the end of the year the new bill was introduced into Parliament. It established a new category of relief, "unemployment assistance," which was to be paid when a man had exhausted his insurance. This was to be paid mainly from national funds; only 5% was to come from the counties and county boroughs. The scheme was to be administered by a new body, the Unemployment Assistance Board (UAB), whose functions also included looking after the welfare of the unemployed. The bill was criticised on the grounds that it treated the long-term unemployed as a special class and provided "a new kind of centralised Poor Law" for dealing with them. The UAB was also criticised because it was not subject to parliamentary control.⁷¹ The first part of the Act, which dealt with the insurance scheme, came into operation in July, 1934: the second part, dealing with unemployment assistance, was due to start in January, 1935. This legislation comprised the government unemployment policy. The Labour Party's cry in the past had been for "work or maintenance"; the National Government's reply was to give maintenance, which was much cheaper than giving work.

Private Relief: The Voluntary Movement

In the absence of adequate government aid to reduce

or relieve unemployment, much of the burden of relief was borne, in the traditional way, by the philanthropic community. At first, as with government policy, the needs of the distressed areas were submerged in concern with the national problem. The persistence and intensity of the problem meant that it became more widely accepted that unemployment was involuntary, rather than the result of character deficiencies, and the cuts in benefits caused concern for their victims.⁷² The increasing belief that unemployment was ineradicable intensified the desire for action.⁷³ Amongst those affected by the situation was the Prince of Wales.⁷⁴ In January 1932, at a meeting organised by the National Council of Social Service (NCSS), he appealed for unemployment to be regarded as "a national opportunity for social service", a message repeated at simultaneous meetings around the country.⁷⁵ Unemployment subsequently became the focus of a vast expansion of voluntary activity.

The philanthropic response was organised at several levels. Some of it was traditional charity: the giving of food and clothing. In 1932, following the Prince of Wales' speech, the Personal Service League was established "to stir up the leisured classes to give or make garments for the distressed areas."⁷⁶ At this level, the plight of the areas became an acceptable object of the charitable functions promoted by wealthy ladies, as evidenced by

Evelyn Waugh's Mrs. Stitch: "Why should I go to Viola Chasm's Distressed Area; did she come to my Model Madhouse?"⁷⁷ At the local level, too, the movement was often aristocratic; the Cumbrian depot of the Personal Service League was organised by Lady Mabel Howard. 1932 also saw the founding of the Cumberland County Clothing and Footwear Fund and the Mayor of Whitehaven's Black Winter Fund. This again was a very traditional response: the 1909 Poor Law Commission had been told that in industrial areas it was almost routine "to ask the Mayor to open a fund whenever there was an outcry as to unemployment."⁷⁸

Such giving of indiscriminate relief had been under attack at least since the 1860's on the double grounds that it was inefficient and that it encouraged pauperisation of the recipients.⁷⁹ The allotments movement, started by the Society of Friends in the 1920's, aimed to escape this criticism. Unemployed men who joined local allotment societies received cheap seeds and paid low rents for their land, but they were not given anything. By working to produce food for their own tables, they were able to retain their self-respect and ease their economic situation. In 1932, with the support of the Friends, a Central Allotments Committee was formed. Under its aegis, and aided by the Development Commission⁸⁰ the number of allotment societies

reached 2,221 by the end of 1933. In addition to allotments, the Committee also fostered group holdings, where a large plot of land was worked by a number of men, who kept poultry as well as growing produce.

The success of the allotments scheme gave a new lease of life to the traditional panacea of land settlement. A theme in both left and right-wing ideology, it was presented as a solution to unemployment and as a counter to the alleged moral and physical degeneracy induced by industrialism.⁸¹ Proponents of the idea tended to forget that agriculture was experiencing almost as much distress as heavy industry. During 1933 the Carnegie Trust began to investigate the idea of settling the unemployed on the land. At the same time Malcolm Stewart, Chairman of the Portland Cement Company, was asking the Friends for advice about transferring Durham miners to small-holdings in the south, and was lobbying the government for aid. By January 1934, Stewart had bought an estate in Bedfordshire, and had convinced Ramsay MacDonald and Walter Elliot, Minister of Agriculture, of the value of his scheme.⁸² In May the Land Settlement Association was founded. A private company, funded by the government and private sources, its purpose was to settle unemployed industrial workers on the land. The timing was significant: government investigators were already examining the problems of the

depressed areas, and it is probable that the government wanted to give a further earnest of its good intent towards the unemployed.

In Cumberland several allotment schemes and some group holding schemes were financed through the Central Allotments Committee and a poultry scheme was supported by the Pilgrim Trust. The men in Cumberland were suited to work on the land; often the mines were in rural areas where the men had plots to cultivate, and many of the miners and other workers who lived in the towns had originally started work as agricultural labourers. They were not averse to allotments, but they knew too well the privations of agricultural life to be enthusiastic about working full-time on the land. Indeed, it was often their experience on the land that had driven them to industry.⁸³

Charitable donations and attempts at land settlement had a long history in England, but the intractable nature of unemployment also encouraged the development of newer forms of voluntary aid which were fostered particularly by the NCSS. The social service movement aimed to help the unemployed and their dependents to make constructive use of their leisure and to lead more fulfilling lives. The main agencies of the movement's work were the occupational clubs provided for the men and their wives. The first of these had been founded by the Friends in Lincoln in 1928, but it

was the NCSS which promoted their development over the country as a whole. The clubs were organised by professional social workers, but as far as possible their day to day management was left in the hands of committees elected by the members. At the clubs, men were taught handicrafts such as carpentry and shoe repairing and were given lectures on a wide variety of subjects, such as literature, economics or current events.

At the end of 1932, seemingly prompted by the desire to placate local authorities in the distressed areas,⁸⁴ the government gave a grant to the NCSS to be used for work among the unemployed. To administer this, the Council established an Unemployment Committee under the chairmanship of Dr. A.D. Lindsay, Master of Balliol and founder of the settlement at Brynmawr. In 1932 the grant amounted to £22,500 and accounted for slightly less than half of the Unemployment Committee's expenditure.⁸⁵ The government grant had two effects: it confirmed the Labour movement's suspicions that the clubs were being used to distract the unemployed from political activity to improve their position,⁸⁶ and it confirmed the NCSS in its dominating role in the social service movement. It controlled the purse strings, and this was to cause some resentment among other social service organisations, especially the Workers' Educational Association.

In Cumberland, the new social work was dominated by the Society of Friends. In March, 1932, the Cumberland Quarterly Meeting had established a committee "to collect subscriptions, arrange an appeal for financial help, formulate plans for work and deal generally with the subject of unemployment."⁸⁷ The Committee consisted of people nominated by the Friends' Home Service Committee such as Peter Scott and Rowntree Gillett, and of co-opted members who included A.D. Lindsay and Claribell Walker, the daughter of a well-to-do Whitehaven family. The Friends' main concern was the formation of occupational clubs. One of their first tasks was to appoint a full time organiser, Wilfrid Lunn, who had previously done social service work in the Rhondda.⁸⁸ By 1935, there were fourteen clubs in the area with a combined membership of over two thousand.⁸⁹ The work of the Friends gives some idea of the inter-relationship of voluntary organisations at a local level. Their work was financed largely by the NCSS and the Pilgrim Trust as there was little money to be raised locally. Instructors were provided by the County Education Committee, the YMCA, the NCSS and the WEA. The Friends' Committee, which co-ordinated the other organisations, eventually became the local committee for the NCSS, though the Council also had a full time organiser in the North West, George Haynes, who periodically visited Cumberland.

The work of the voluntary organisations could only

be a palliative. In the distressed areas, unemployment became a normal part of life. In 1933 the West Cumberland Times began a regular monthly feature, "Around the unemployed clubs" and the clubs formed a county federation. Nationally the response of the voluntary movements was piecemeal and lacked a comprehensive plan, though it did improve life for some of the unemployed. However, the activities of the philanthropic organisations, widely publicised by the BBC and the press, encouraged concern for the problems of the unemployed and the limitations of the government's response. This publicity created a sympathy for the unemployed, especially those in the distressed areas, which was to help to force government action in the spring of 1934.

Public Pressure and Government Action

During 1933 the disparity between the depressed areas and the rest of Britain became more apparent. At the national level, the new consumer industries were expanding, and unemployment fell to 17.1% in 1933.⁹⁰ In the depressed areas, unemployment remained well above the national average and recovery was limited. In Cumberland, the Moresby coke ovens started up for the first time in two years, and the building boom increased demand for the products of the quarries, but the effect on employment was slight. In the fall of 1933 unemployment stood at 32.6% in the county, and

the figures were much higher in the west.⁹¹ By the beginning of 1934 it was obvious that the distressed areas were not sharing in the general trade revival, and a series of events forced the contrast into public view.

The first of these was a major hunger march, organised by the NUWM to protest the provisions of the Unemployment Assistance Bill.⁹² The marchers were in London for a week at the beginning of February and tried to obtain permission to appear at the bar of the House to explain their demands. Though the attempt did not succeed it provoked a bitter debate in the Commons.⁹³ The organisers of the march were dismissed by the press as Communists and trouble-makers who had exploited the grievances of the unemployed, but that the grievances were genuine was admitted.⁹⁴

A few weeks after the march, the Times published a series of articles on Durham. These had been commissioned in January by Barrington-Ward, the assistant editor. The articles painted a bleak picture of the miseries of the unemployed, of their lack of faith in the future and of the wrongs that they had suffered:

If some greater part of the millions of money taken out of the Durham pits while coal was profitable had been put back into Durham, and put back through the means of personal appreciation of the environment in which the pitmen lived, the coalfield would be suffering from unemployment just the same, but it would not present the social and political difficulties which it does, neither would Labour dominate the County Council.

The whole theme of the articles was that the men in Durham, and, by implication, those in the other depressed areas, were becoming alienated by their conditions and consequently were spellbound by "professional unyielding socialism."⁹⁵

On the grounds of policy as well as humanity, the Times urged that some government action was necessary. On March 22, a leading article suggested the appointment of a "director of operations, untrammelled by departmental limitations" who would head "a concerted national effort to rid the land of these terrible problems of idleness ... he would bind together the agencies of relief and amelioration and direct remedial measures ... he would supervise administrative action and summon voluntary aid."

These articles became the occasion of the first full parliamentary debate on the distressed areas since June 1933. In the debate, demands for action came from the Northern Group as well as from the Labour benches. Macmillan demanded a policy of "reorganisation and reorientation" and an admission that it might be necessary to "take great powers into the hands of the state to direct in what localities and what areas fresh industrial development will be allowed."⁹⁶

In April, the Daily Express appointed "Special Commissioners" to investigate the areas and tell "the story that must be told." The paper carried articles on towns in the North East, South Wales and Cumberland, bringing the

problem of the areas before a much wider public.⁹⁷ Meanwhile the BBC was broadcasting a series of Saturday evening programmes, consisting of interviews with unemployed men and their families, followed by an appeal for the social service organisations. This was the year after the publication of Love on the dole and the year of publication of Priestley's English Journey, which depicted the contrast between the prosperity of the Great West Road and the desolation of Jarrow.

At the same time as public awareness was being stirred by the media, the government was subject to more direct pressure over the problem of health in the distressed areas. During 1933 reports by Medical Officers of Health in the distressed areas had been uniformly gloomy.⁹⁸ This prompted public concern, particularly for the children in the areas, which resulted in the formation of the Children's Minimum Committee. Eleanor Rathbone, independent MP for the Northern Universities, headed a deputation from the Committee which met MacDonald in March. They demanded increased provision of meals and milk for needy children and more allowances for children of the unemployed.⁹⁹ Thus in the spring of 1934 the government was under pressure from several directions to do something about the problem of the unemployed, especially in the distressed areas.

The government was particularly vulnerable at this time. As a National Government, it needed to demonstrate

that it had popular support; but by the end of 1933 it was generating protest votes in by-elections and several seats were lost.¹⁰⁰ Though Chamberlain felt that losses were inevitable when the government had such a large majority, his colleagues were not so sanguine.¹⁰¹ An even bigger shock came with the Labour victories in the London County Council elections in March. The Cabinet was also anxious about the progress of the Disarmament Conference, seeing the possibility of the need for rearmament at a time when the mood of the country appeared to be pacifist.¹⁰² The government appeared to be losing the middle ground which it had won so easily in 1931, and the outburst of concern for the unemployed served to push the message home.

Of all the manifestations of public unease about the situation in the depressed areas, the Times articles were the most important in prompting government action. MacDonald's conscience about the areas had been pricked as early as February, possibly by the hunger marchers, but his tentative suggestions had come to nothing.¹⁰³ It was the Times articles which had shown "how embarrassing to the government an independent report can be,"¹⁰⁴ and they triggered a flurry of activity in Whitehall. The articles even directed the form of the activity. They had drawn a distinction between depressed areas, where recovery was likely, and derelict areas, where there was no hope of revival. Senior civil

servants at the Ministry of Labour were instructed by their Minister to establish criteria by which derelict areas might be identified.¹⁰⁵

It was these Civil Servants who determined that West Cumberland should be included in the scheduled areas. They established fairly precise, albeit arbitrary, statistical criteria for the areas. They were to have a minimum population of 5,000, and to have experienced at least 50% unemployment for three years. In addition, they were to be more than daily travelling distance from places which needed labour, have a limited industrial base and be areas of predominantly male employment.¹⁰⁶ The areas which emerged from these deliberations were Lanark, the North East, South Wales and parts of Cumberland. The most notable exception was Lancashire, whose spokesmen were among the most vocal representatives of the distressed areas. With its more varied economy and high volume of female employment, it did not rate a single mention in the memoranda.

The Ministry of Labour officials also suggested possible lines of action for dealing with the areas. They advocated the continuation of transference once the economy had improved, limited public works, the provision of capital for small industries and increased rate relief. Though not particularly adventurous, these suggestions proved to be rather more than the Cabinet was prepared to accept, at least initially.

At Cabinet level, two ministers dominated the discussions, Henry Betterton, the Ministry of Labour, and Chamberlain. Betterton advocated extreme caution. He was very worried about the long term consequences which might follow the investigation.

If it is suggested that new industries be started in the areas, what are we going to do? ... We shall only be laying up a great deal of trouble for the government if we enter lightly on this investigation without first counting the cost and the consequences.¹⁰⁷

He wanted any investigation to be carried out by under-secretaries in his department "who would be likely to appreciate the limits of government action particularly where it involves government expenditure" and not by independent public figures:

If we ask outsiders I feel sure we will have a good deal of difficulty ... Their recommendations might involve proposals which would be both embarrassing and expensive.¹⁰⁸

He was unwilling to do anything which might eventually cause a change in government policy.

Chamberlain was torn between his native caution and his political awareness. He felt that the pressure on the government could only be relieved by quick action: "I am satisfied that we cannot avoid publicity, all the more after the Daily Express and the sooner we make an announcement, the better."¹⁰⁹ Overruling Betterton, he insisted that public figures be appointed to investigate conditions in the areas,

and that the action be taken swiftly because it was necessary "to give the effect of doing something."¹¹⁰

However, he did not want to give the effect of doing too much, so he decided that the reports should not be published, and that the men appointed to do the task should be called "investigators," not "commissioners," to prevent the public from entertaining high hopes as to the results of the inquiry.¹¹¹ Though more sensitive than Betterton to the need for a public relations exercise, he too was not prepared at this stage to consider any real change in government policy.

Within a month of the appearance of the Times articles, investigators had been appointed to inquire into conditions in each of the four areas selected by the Ministry of Labour officials. The four investigators were Sir Euan Wallace, Civil Lord of the Admiralty, for the North East, Sir Wyndham Portal, an industrialist, for South Wales, Sir Arthur Rose for Scotland, and J.C.C. Davidson for Cumberland. Davidson, Chancellor of the Duchy of Lancaster, was a former Chairman of the Conservative Party and had been a close friend of Baldwin since the First World War. He was reported to be "full of enthusiasm" about the inquiry.¹¹²

Chamberlain's attempt to minimise the importance of the investigation did not work. The investigators were

universally referred to as "Commissioners" in the press. The Daily Express stated that the aim of the investigation was to find out what new industries could be developed in the depressed areas;¹¹³ a much more precise term of reference than the government had intended. Cynics, however, asserting that there were already sufficient data, suspected with some justification that the investigations were simply "a pretext for delay."¹¹⁴

After the initial outburst of excitement the investigators were allowed to get on with their task with no hindrance from the press. In Cumberland, Davidson's welcome was qualified by the feeling that his appointment was "somewhat late,"¹¹⁵ and there was some criticism of the exclusion of the iron mining districts of Furness from the investigation.¹¹⁶ Davidson toured West Cumberland in May and June, meeting representatives of local authorities, Chambers of Commerce and Trade Unions and discussing such plans as the improvement of Whitehaven Harbour, the building of a west coast road and public works schemes. Though he was generally well received, he did cause some impatience:

While we can well understand his great love of our beautiful county, which I am sure he would never have tired of eulogising, we hope that he will take no more time than is necessary in completing (his) report.¹¹⁷

Hopes were raised during the investigation and the cautious tone of the government's initial announcements was

forgotten. For instance, the government's declared intention not to publish the reports was overlooked. It was only in August that the Workington Star realised that the reports would not be published. The paper promptly condemned this "extraordinary move for which the most feeble excuses have been made."¹¹⁸ The government found that, far from causing the problems of the distressed areas to be shelved, the investigations stimulated more public concern and a desire for stronger action.

The reports were ready in mid-July and were passed to an interdepartmental committee for consideration. All of the investigators agreed that there was a problem of surplus labour, and that transference would have to be the major solution. All proposed some form of land settlement and some individual schemes to improve amenities in the areas. Davidson's report was gloomy, accepting that "West Cumberland will have for years to come a substantial surplus of labour with no hope of outlet locally."¹¹⁹ He did not class any areas as derelict, though he said that Cleator Moor and Maryport were partially so. Although he suggested that Whitehaven harbour be reconditioned, in an appendix which was not published, he advised against other work schemes such as road building, the installation of mains drainage

in some villages and the clearance of slag heaps, on the grounds that such schemes were uneconomic.¹²⁰ His only novel idea was to recommend that a development trust be founded, to encourage land settlement and the development of small industries.¹²¹ Euan Wallace was the only investigator to advocate anything more substantial than palliatives or transference. He dealt briefly with the whole problem of the location of industry and suggested the need for "some form of national planning."¹²²

The inter-departmental committee which discussed the reports was chaired by Sir Horace Wilson, the government's chief industrial adviser and confidant of Chamberlain. His conservative economic ideas were reflected in the committee's recommendations to the Cabinet. Wilson accepted the official view that:

any real remedy for depression in the areas can only be found in the revival of world trade generally and especially in the expansion of overseas trade.¹²³

Given that world recovery was slow, it seemed that the problems of the areas would be long term. As Wilson did not intend to do more than show "the extent of probable action on existing lines of policy," it is hardly surprising that Committee did not suggest any bold ventures. Transference was again recommended, though the Committee admitted that it could not be successful without revival elsewhere.¹²⁴ Industrial development could be encouraged by advertising but not by loans.¹²⁵ Administrative

objections were raised to government sponsorship of land settlement, though the Committee did suggest that a larger grant be given to the Land Settlement Association.¹²⁶ The improvement of Whitehaven harbour was rejected on the grounds that it would only increase difficulties in other parts of Cumberland.¹²⁷ Though Wilson realised that the report was "unlikely to fulfill the expectations and hopes that had been created ... by the appointment of the investigators,"¹²⁸ he did not allow his political awareness to interfere with his economic judgement.

A cabinet sub-committee, chaired by Chamberlain, considered the committee's recommendations. Agreeing with Wilson that public opinion would not be satisfied if action was restricted "to those proposals which it is possible to carry out through the machinery of government departments," the sub-committee advised that legislative action was required to persuade the inhabitants of the areas that "the government has their interests very much at heart."¹²⁹ Yet again, the government was bowing to public opinion; political considerations forced economic policies in which the government had no faith. This attitude was to have a decisive influence on the shape of the legislation: not wanting to be committed to any permanent change of policy, the government tried to dissociate itself as far as possible from the administration of the measure.

The proposed legislation turned out to be a watered-down version of the Times' ideas. Two Commissioners were appointed, one for England and Wales, and for Scotland, responsible respectively to the Minister of Labour and the Scottish Secretary. They would have the freedom "to try experiments with the risk of failure and their having to be subsequently abandoned";¹³⁰ this was a risk which the government could not take. The Ministers to whom the Commissioners were subordinate were not to be responsible to Parliament for the Commissioners' day-to-day activities. The whole venture was to be presented as an experimental attempt to deal with unprecedented problems, thus excusing any failures in advance.¹³¹ The experiment was to be limited to clearly defined areas for a fixed length of time - two years. Once the experiment was over, the Commissioners' powers could be extended if necessary or transferred to the UAB.¹³² Only those areas visited by the investigators were to be included, for fear that any alterations would encourage a flood of applications from other districts.¹³³ This was even a retreat from Wilson's advice: his committee had suggested that all the areas already scheduled as depressed should be included.¹³⁴ The hesitations of the cabinet sub-committee graphically displayed the tenacity of the government's economic views and its consequent timidity in making any bold new

departures.

There was, however, no practical possibility that the government could dissociate itself from the administration of the legislation. As one civil servant pointed out early in the discussions, because public money was involved, Parliament's right to discuss the Commissioners' activities must be conceded. The Minister responsible could refuse to argue over minor details of the Commissioners' policy,

but on major issues he and the government could not fail to be identified with the Commissioner's policy and would either have to defend it or take steps to alter it; but when this position is reached, the conception of a Commissioner free to experiment has practically disappeared. The Commissioner would be little more than an adjunct to the Minister's department ... and would have to avoid any activity which, by possible failure or by arousing hostility or otherwise, might embarrass the Minister and there is not much he could do which could not have been done by the existing department.¹³⁵

Another problem was departmental jealousy: the Ministry of Health, for example, did not want any of its control over housing delegated to the Commissioners.¹³⁶ Such considerations meant that the Commissioner would be able to initiate experiments only if he had whole-hearted government support, and then the government would have to share the responsibility. As it was, when the bill was drafted, the powers he was given were very limited. He was to "facilitate the economic development and social improvement of the four areas." He was not to help

undertakings that were carried on for gain nor give grants for purposes which were eligible for grants from government departments. He could help to improve the amenities of the areas by clearing unsightly pieces of land, give aid to voluntary welfare services and initiate land settlement schemes.¹³⁷ With such powers he was to perform his "experiments."

Malcolm Stewart was appointed Commissioner for England and Wales. Apart from his interest in land settlement, Stewart was well known as a successful businessman with a flair for labour relations. He had introduced welfare and pension schemes and had built a model village to house workers at his factory at Stewartby in Bedfordshire. In 1933, he was to be found arguing for a shorter working week now that mechanisation had increased the productivity of his employees.¹³⁸ He had some previous experience of public work, having directed the Southampton rolling mills for the Ministry of Munitions from 1917 to 1919. He seemed the ideal person to carry out a novel experiment: energetic, efficient and sympathetic to the workers. The problem was that the powers did not match the man.

While the Cabinet was discussing the shape of the legislation, the investigators' reports had been published reluctantly.¹³⁹ The New Statesman was not impressed: the investigators had been "subject to the implied reservation

(clearly implicit in the choice of persons) that they must recommend nothing against the capitalist system or even against the government's general policy,"¹⁴⁰ and sure enough, with the possible exception of Wallace, that was what they had done. Cumbrian opinion was disappointed. It was felt that Davidson had given hope only to Whitehaven. The Workington Star could not accept the decline of basic industries: "Coal, iron and steel are the things on which Britain was built. Men should not be transferred to mushroom industries elsewhere."¹⁴¹ Land settlement was also criticised: to expect the unemployed Cumbrian to "go back to the hills ... is to credit him with less commonsense than he possesses."¹⁴² The West Cumberland News was particularly upset by one of Davidson's suggestions that the fees for civil service examinations should be reduced to help boys from poorer families:

the "smart" boy with secondary education is to be helped to a sheltered well paid vocation, with a comfortable pension in the offing, while nothing is done for the elementary school boy who may be well enough adapted for industrial or commercial life.¹⁴³

The Whitehaven News was the only paper which considered the wider issues, concluding that "there is a clear cut case for ordered planning of industry if considerable areas of the country are not to be laid waste."¹⁴⁴

On 14 November, Neville Chamberlain introduced a discussion of the reports in the House of Commons.¹⁴⁵

After announcing that the government intended to appoint the Commissioners, giving them an initial grant of £2,000,000, he went on to paint a gloomy picture of the areas and stressed the importance of transference and land settlement as solutions to the problem. In this debate most of the discussion centred on particular proposals in the reports: there were questions about the Tyne tunnel, the drift of industry from the Welsh valleys and, from William Nunn, about the position of the iron-mining industry in Cumberland. Oliver Stanley, the new Minister of Labour,¹⁴⁶ closed the first day's debate with a speech which was more specific than Chamberlain's. He described the problems of the areas euphemistically as "substantial temporary difficulties"; the government's aim was to make the areas attractive centres for new industries.¹⁴⁷ The tone of the debate was cautious as the opposition did not want to go too heavily into the attack until the bill had been published.

The first major debate on the bill was the second reading on 3 December. It was introduced by Stanley, who claimed "we are all planners now," though he ended by admitting that no rapid results could be expected: "It may well in the long run be a far-reaching proposal for dealing with a problem which everyone agrees is right (sic) for solution."¹⁴⁸ In the debate the measure was attacked from

all sides. The arbitrary choice of areas was criticised, particularly by MP's from Teeside, whose constituencies had been omitted from the North Eastern region only because Wallace had not had time to go there. The Labour members and some Conservatives, such as Macmillan and Lord Eustace Percy, called for national planning of the economy as a whole. The government was also accused of inhibiting discussion by limiting the time allowed for debate. In committee, MP's criticised the Commissioners' independence of parliamentary control; Aneurin Bevan compared the Commissioners to the UAB and complained that the House had just been given a machine to consider, not proposals for economic relief.¹⁴⁹ The government got precious little support from its own benches; William McKeag, MP for Durham City, said that he would vote for the Bill on the principle that "not only half a loaf, but a mere slice, is better than no bread."¹⁵⁰ In closing the debate, Stanley could only claim that the government was making nothing more than a "contribution to one part of the problem."¹⁵¹ The members of the government were fast realising that they could not escape responsibility for their experiment.

Even in the Lords, though the government had more support, the bill was heavily criticised. Lord Ponsonby, the Labour leader, claimed that it was merely an attempt to treat the symptoms, not the causes, of regional depression.¹⁵²

Lord Gainford, who was from the North East, objected to the term "depressed areas" because it implied psychological as well as economic malaise.¹⁵³ Lord Rochester, the government spokesman for the bill, suggested the term "Special Areas" as being suitably neutral.¹⁵⁴ Despite opposition from Labour MP's the term was adopted and the Bill received the Royal Assent on 21 December.

Opposition to the Bill in Parliament was to be expected, but it was the reaction of the establishment press which showed how far the government had failed to appease public demands for aid to the Areas. The Times warned that the bill could only be accepted if it formed part of a general policy for dealing with the whole problem of unemployment and economic development, a policy for which the government must take full responsibility.¹⁵⁵ The Spectator pointed out that the government had promised nothing specific except to appoint the Commissioners and give them £2,000,000.¹⁵⁶ The Economist accused the government of shirking a big constructive programme in favour of piecemeal tinkering.¹⁵⁷ But the Manchester Guardian was most bitter: ministers were talking as though

with a stationary total of two million unemployed, we were enjoying something like a trade boom except in four areas that can be neatly scheduled and isolated as if they were suffering from an outbreak of cattle disease.¹⁵⁸

Opinion in West Cumberland was also dismayed at the limited

aid. The government was willing to spend money on "Arabs, Turks, Persians, Kurds and all the rag tag and bobtail of the Near East, building an oil pipeline for the navy"

instead of building an oil-from-coal plant in West Cumberland.¹⁵⁹ Even William Nunn made little attempt to defend the bill to his constituents. Again, as with the appointment of the investigators, it was decided to wait and see: "during 1935 we will see if the Government was in earnest and whether the bill is adequate."¹⁶⁰

The National Government introduced the Special Areas legislation in response to mounting public pressure. Fearful of the consequences of tinkering with the economy, it tried to dissociate itself as far as possible from the legislation by appointing Commissioners to do the work. But such a policy could not hope to succeed. The Commissioner could not go beyond the bounds of the government's economic policies, and the restrictions which were placed on his powers showed that the government realised this. Even as a public relations measure, however, the legislation failed; criticism in the press and Parliament showed that the government had not succeeded in appeasing the public conscience, which had been the major motive for introducing the bill.

NOTES

1. The election results were as follows:

Conservatives:	473 seats
National Labour:	13
Simonite Liberals:	35
Liberals:	33
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National Government Total:	554
Labour:	52 seats
Independent Liberal:	4
Others:	5
<hr/>	
Opposition Total:	61

2. MacDonald, the Prime Minister, was more interested in foreign than domestic policy, though he did retain a sympathy for the unemployed. However, he was never able to produce practical solutions to the problem of unemployment or to stand up to Chamberlain in Cabinet. Baldwin, the Conservative leader, was interested in traditional problems such as India and defence. Marquand, MacDonald, 703; Middlemass and Barnes, Baldwin, 689; Robert Blake, The Conservative Party from Peel to Churchill (London, 1970), 236. For MacDonald's sympathy for the unemployed, see PRO, LAB 18/28, MacDonald to Betterton, 28 Feb. 1934 and his contribution to the discussion about building explosive factories in South Wales. CAB 24/256, CP 145. Excerpt from minutes of Committee for Imperial Defence, 16 Apr. 1934.
3. Marquand, MacDonald, 704; D. Dilkes, "Baldwin and Chamberlain," in Lord Butler, ed., The Conservatives: a history from their origins to 1965 (London, 1971), 341.
4. P.J. Grigg, Prejudice and judgement (London, 1948), 119.
5. Lionel Robbins, The great depression (London, 1935), 193.

6. PD, (Commons) 14 Feb. 1935, 5th ser., 301, col.2209.
7. For a discussion of attitudes towards public work schemes see Richardson, Economic recovery, 212-4.
8. C. Attlee, As it happened (London, 1954), 75. It had to be admitted that Cumberland's solitary Labour representative, Tom Cape, MP for Workington, was amongst those who did not pull their weight in debate.
9. Henry Pelling, A short history of the Labour Party (London, 1965), 79. See also R.W. Lyman, "The British Labour Party: the conflict between socialist ideals and practical policies between the Wars," in H. Winkler, ed., Twentieth Century Britain (London, 1976), 105.
10. S. Pollard, "Trade union reactions to the economic crisis", Journal of Contemporary History 4, (1969), 112-4; J. Stevenson and C. Cook, The slump (London, 1978), 279.
11. H. Pelling, The Communist Party of Great Britain (London, 1958) 4.
12. R. Hayburn, "The police and the hunger marchers," International Review of Social History XVII (1972), 625-44.
13. See reports of meetings in West Cumberland Times, 14 Nov. 1931 and 16 Apr. 1934.
14. West Cumberland Times, 1 Mar. 1930.
15. Grigg, Prejudice and judgement, 185. See also Jones, Diary with letters, 19.
16. Michael Stewart, Keynes and after (London, 1972), 72; D.E. Moggridge, Keynes (London, 1976), 103.
17. Robbins, Great depression, 82-4, 186-93.
18. Susan Howson and Donald Winch, The Economic Advisory Council 1930-1939: a study in economic advice during depression and recovery (Cambridge, 1977) 163.
19. See Mowat, Britain between the Wars, 262; A. Marwick. "Middle opinion in the thirties: planning, progress and political agreement", English Historical Review 19 (1974), 285-98.

20. H.A. Baker, The House is sitting (London, 1958), 237.
21. Macmillan, Winds of Change, 294.
22. PRO HLG 30/59. Memorandum by Northern Group, 16 Mar. 1933. See also correspondence between Nunn and Robert Crichton manager of United Steel at Workington, Whitehaven News, Jan. 1934.
23. Macmillan, Winds of Change, 293-4; Miller, "Work or maintenance", 155-6.
24. Richardson, Economic recovery, 8.
25. Jewkes and Winterbottom, Cumberland and Furness, 8-9; Mitchell and Deane, Abstract, 67. For the Ministry of Labour figures see Appendix 2.
26. Burns, Unemployment programs, 133.
27. Apart from reducing government grants to local authorities for building purposes, the Unemployment Grants Committee was also abolished. This involved shelving schemes valued at 20 million. Hill and Lubin, Attack on unemployment, 73.
28. From 1933 low interest rates were also regarded as a means of inducing industrial revival, when it was realised that they had encouraged a building boom; but the boom had been a fortuitous occurrence rather than the result of planned policy. Pollard, British economy, 236-7.
29. Aldcroft, Interwar Economy, 321; Marquand, MacDonald, 705, 734-5.
30. West Cumberland Times, 26 Sept. 1931; 17 Oct. 1931; 11 Mar. 1933.
31. Baldwin PD, (Commons), 9 Feb. 1932, 5th ser., 261, col.809.
32. Lancaster and Wattleworth, Iron and Steel Industry, 161.
33. Mowat, Between the Wars, 428-31.
34. For the impact on Ireland see F.S.L. Lyons, Ireland since the famine (London, 1973), 610-4.

35. Iron and Coal Trades Review, 27 Jan. 1933.
36. West Cumberland Times, 6 Jan. 1934.
37. Ibid., 9 Aug. 1933.
38. Ibid., 19 Nov. 1934.
39. PD, (Commons), 22 Mar. 1933, 5th ser., 287, col.1640.
40. Ellen Wilkinson, The town that was murdered (London 1939), 143-90.
41. This Act had been passed by the Labour Government. Its first part allowed for cartellisation in order to reduce output and keep up prices and profits. The original act was balanced by provision for compulsory amalgamation of companies, and national regulation of wage rates in the industry. The latter aspects failed because of the opposition of the Coal owners, and the National Government made only half-hearted attempts to force the coal owners into compliance. Pollard, British economy, 113-4; Mowat, Britain between the wars, 446-8.
42. Sometimes these schemes backfired. One highly successful carnival in Workington was followed by revelations that many people had been unable to pay their rent or insurance premiums that week. West Cumberland Times, 25 Oct. 1930.
43. Maryport was included in a list of towns with available factory sites published by the British Association of Chambers of Commerce; and Whitehaven Council published a booklet advertising the town's amenities. West Cumberland Times, 7 Nov. 1931 and 14 Feb. 1933.
44. The News had three leader columns, from Maryport, Workington and Whitehaven. "Ewanrigg" the Maryport columnist, claimed that Workington's dock had killed Maryport and that this was base ingratitude as Workington's economy had originally been parasitic on Maryport's economy. (His historical argument was vague and emotional). The Workington writer responded with some contempt. These conflicts were particularly vicious in 1934.

45. Cumberland News, 28 Apr. 1934. The Cumberland and Westmorland Herald, a Penrith paper, further argued that the sight of "an army of well upholstered County Council officials ... might well set the Red Flag flying if the offices moved to the West." 2 Mar. 1935.
46. John Jewkes and Alan Winterbottom were the economists; their appointment was announced in the West Cumberland Times, 18 May, 1932.
47. Jewkes and Winterbottom, Cumberland and Furness, 23-6, 38-9, Part II passim.
48. West Cumberland Times, 21 Oct. 1933.
49. William Nunn, PD, (Commons), 15 Nov. 1934, 5th ser., 293, col.2255.
50. West Cumberland Times, 21 Oct. 1933. Information about the committee had to be garnered from the press, as none of its records have survived.
51. Miller, "Unemployment policy of the National Government," 459.
52. R.C. Davidson, The unemployed: old policies and new (London, 1929), 60.
53. "Unemployment has to be faced not merely as a passing phase but as an almost deadly determinant in lives to be lived somehow." Friends' Allotments Committee, Report 1933-4, 3. See also NCSS, Annual Report 1933-4, 14.
54. Jewkes and Winterbottom, Cumberland and Furness, 8.
55. Burns, Unemployment programs, 132; Cumberland Friends Unemployment Committee, Report, 1933, 6.
56. Jack Lawson, PD, (Commons), 20 Mar. 1934, 5th ser., 287, col.1398.
57. First report of the Commissioner for Special Areas, England and Wales, Cmd. 4957, 1935, 97.
58. Hill and Lubin, Attack on unemployment, 188; Gilbert, social policy, 176-7.

59. The household means test was one of the most hated aspects of the relief system. It meant that the income of every family member in the household was taken into account in determining the amount paid to the claimant.
60. Burns, Unemployment Programs, 112-7.
61. Alderman Flynn of Cleator Moor PAC, West Cumberland Times, 18 May, 1932.
62. West Cumberland Times, 18 May, 1932.
63. Times, 11 Apr. 1933.
64. PRO, CAB 24/242. CP 164, Memorandum by Hilton Young, 17 Mar. 1933.
65. West Cumberland Times, 11 Mar. 1933.
66. Jewkes and Winterbottom, Cumberland Furness, 16.
67. West Cumberland Times, 11 Mar. 1933.
68. Ibid., 6 May, 1933.
69. Ibid., 16 Sept. 1933.
70. Feiling, Chamberlain, 230-1.
71. R.C. Davidson, British unemployment policy since 1930 (London, 1939), 41; M. Foot, Aneurin Bevan (London, 1962), 61; W. Hannington, Unemployed struggles, 300-1; Gilbert, Social policy, 181.
72. Davidson, Unemployment policy, 17.
73. "There is no hope of a radical solution (for unemployment) ... in the meantime it is inevitable that alleviation and not cure must be the prevailing concern." Pilgrim Trust, Annual Report, 1932.
74. Duke of Windsor, A King's Story (Don Mills, 1951), 248-50.
75. Times, 28 Jan. 1932; M. Brassnet, Voluntary social action (London, 1969), 69-70.

76. Tom Jones, Diary with letters (London, 1954), 99.
77. Evelyn Waugh, Scoop (London, 1938), 6.
78. Quoted in D. Owen, English philanthropy (London, 1964), 512.
79. Ibid., 216-9.
80. The Commission had been established in 1919 by the Development Fund Act. It was a permanent commission with the power to recommend grants or loans for the economic development of the countryside; using a broad interpretation of its powers, it also helped social services. The Commission gave the Central Allotments Committee a grant of up to £10,000 on the basis of £ for every £ of voluntary contribution.
81. Harris, Unemployment and politics, 115-44; W.H. Armytage, Heavens Below (London, 1968), 224-37, 289-429. The Labour Government's Agricultural Land (Utilisation) Act was intended to provide small holdings for the unemployed, but it had been a victim of the 1931 economy drive.
82. MacDonald had always been interested in land settlement. Elliot, who had been instrumental in persuading the Treasury to contribute to Stewart's plan, was more doubtful; he certainly never saw land settlement as a total solution to the problem: "You will not solve unemployment by turning men to valet hens." PRO PREM 1/181. Memorandum 24 Jan. 1934; Jones, Diary with letters, 82.
83. Interview with Jack Smith and John Lightfoot, 28 Oct. 1977, and with Billy Hiddlestone, 25 Nov. 1977; T.H. Bainbridge, "Population changes over the West Cumberland coalfield," Economic Geography (1949): 134. For the life of agricultural labourers in West Cumberland see M. Bragg, Speak for England (London, 1976), 167-9, 180-7 and also his novel, The hired man (London, 1969).
84. Miller, Work or maintenance, 218.
85. NCSS, Unemployment Box 6, File 1.
86. For a fuller discussion of left wing attitudes to the club movement, see below, Chap. VI.

87. Cumberland Friends Unemployment Committee, Report 1932-3, 1.
88. Interview with Claribell Curwen, nee Walker, 17 Jul. 1978.
89. Cumberland Friends' Unemployment Committee, Report 1935, 5.
90. Aldcroft, Interwar Economy, 43-4; Richardson, Economic Recovery, 28.
91. Maryport, 66.8%; Cleator Moor 60.7%; Workington 41%; Whitehaven 39.9%; Millom, 37.7% West Cumberland Times, 18 Nov. 1933.
92. Hannington, Unemployed struggles, 276-95.
93. Times, 1 Mar. 1934.
94. Ibid., 2 Mar. 1934; New Statesman, 3 Mar. 1934.
95. Times, 20 Mar. 1934.
96. PD, (Commons), 22 Mar. 1934, 5th ser., 287, col.1523.
97. Daily Express, 12-20 Apr. 1934.
98. Branson and Heineman, The nineteen thirties, 227-8; Hannington, Unemployed Struggles, 270-2.
99. PRO, PREM 1/165, Account of the deputation, 12 Mar. 1934.
100. J. Ramsden, "Note 1931-39" in C. Cook and J. Ramsden, ed., By elections in British politics (London, 1973), 112-5.
101. Dilkes, "Baldwin and Chamberlain" 354. Though see also C.T. Stannage, "The East Fulham by-election, 25 Oct. 1933," Historical Journal 14 (1971), 183-5, 193-8.
102. Jones, Diary with letters, 124-6.
103. MacDonald had suggested that there should be some investigation into the problems of "the development of new industries ... in the distressed areas, and the drain of superfluous population". Betterton, the Minister of Labour, and Runciman, President of the Board of Trade, both opposed the idea on financial grounds. PRO, LAB 18/28, MacDonald to Betterton,

- 28 Feb. 1934; draft letter Betterton to MacDonald
17 Mar. 1934.
104. PRO, LAB 18/28, Notes on meeting held in the Prime Minister's office, 29 Mar. 1934. The meeting was attended by MacDonald, Chamberlain and Betterton.
105. Ibid., Memorandum from the Minister to the Secretary, 26 Mar. 1934.
106. Ibid., Memoranda by H. Wolfe, O. Allen and S.L. Besso April 1934. The limitation that the areas should have predominantly male employment may seem strange, but it could be - and was - argued that areas with male employment had fewer bread-winners per family and so their situation was more desperate than that of areas with opportunities for female employment. One writer compared the situation of Oldham, a cotton town, with Rhondda, a mining district. Both had populations of 140,000. With about 23% unemployment, there were 18,500 unemployed in Oldham and 13,500 in Rhondda - but Rhondda only had 42,000 in work, whereas 63,000 in Oldham were employed. H. Powys Greenwood, Employment and the depressed areas (London, 1936), 93.
107. PRO, LAB 18/28. Betterton to Chamberlain, 11 Apr. 1934.
108. Ibid., draft letter Betterton to Chamberlain, 13 Apr. 1934.
109. Ibid., Chamberlain note at the Cabinet, 11 Apr. 1934.
110. Ibid., Chamberlain to Betterton, 16 Apr. 1934.
111. Ibid.
112. Jones, Diary with letters, 128.
113. 20 Apr. 1934.
114. Daily Herald, 20 Apr. 1934. See also Manchester Guardian, 20 Apr. 1934 and New Statesman, 28 Apr. 1934.
115. Whitehaven News, 26 Apr. 1934; West Cumberland Times, 28 Apr. 1934.
116. Millom News, 28 Apr. 1934.

117. West Cumberland Times, 12 May, 1934.
118. 8 Aug. 1934.
119. PP, Ministry of Labour, Reports into industrial conditions in certain depressed areas, Cmd.4728, 1934, 83.
120. PRO, CAB 24/250. CP 217, Investigators' reports, 63-4.
121. Ministry of Labour, Reports into industrial conditions, 21-3.
122. Ibid., 107.
123. PRO, CAB 24/250. CP 220. Report of the inter-departmental committee, Memorandum by Wilson.
124. Ibid., 5-17.
125. Ibid., 17-19. This was less than the Ministry of Labour officials had suggested in the spring. See above p.91.
126. Ibid., 35-6. The main objection was that provision was made for giving men capital to establish themselves on smallholdings under the 1931 Land (Utilisation) Act, which was in abeyance under the economy scheme. To resurrect the idea would mean reconsideration of the whole economy scheme.
127. Ibid., 54. The Committee also rejected conclusions Davidson had drawn about the links between mortality rates and economic conditions. Miller criticises this rejection on the grounds that it was made "without supporting evidence" but in fact the Ministry of Health had studied this part of the report and concluded that in some cases Davidson had misinterpreted the report of Dr. Fraser, Medical Officer of Health for Cumberland, and that in other cases, Dr. Fraser did not have sufficient grounds for his assertions. Miller, "Unemployment and policy," 466. HLG 30/49 Ministry of Health, Notes on the reports of the investigation.
128. Ibid., 3.
129. PRO, CAB 24/251. CP 227, Committee on reports of investigators, 22 Oct. 1934, 1, 2, 4.

130. Ibid., 4.
131. Ibid., CP 254, Committee on reports of investigators, 12 Nov. 1934.
132. Ibid., CP 246, Committee on reports of investigators, 6 Nov. 1934.
133. Ibid.
134. PRO CAB 24/250. CP 220, 4.
135. PRO HLG 30/13 Unsigned Ministry of Health memorandum, 17 Oct. 1934.
136. Ibid., Unsigned note, 14 Nov. 1934.
137. PRO, CAB 24/251 CP 254.
138. Times, 1 Apr. 1933.
139. PRO, CAB 24/251, CP 227.
140. 17 Nov. 1934.
141. 9 Nov. 1934.
142. West Cumberland Times, 10 Nov. 1934.
143. 10 Nov. 1934.
144. 15 Nov. 1934.
145. This was not the first reading of the bill, nor was it introduced by Stanley, as Miller states, "Unemployment policy," 468.
146. In June 1934 Stanley had replaced Betterton who had become Chairman of the UAB.
147. PD, (Commons), 14 Nov. 1934, 5th ser., 293, col.2092-3.
148. Ibid., 3 Dec. 1934, 5th ser., 294, col. 1246-6.
149. Ibid., col. 1306.
150. Ibid., col. 1326.
151. Ibid., col. 1351.

152. PD, (Lords), 20 Nov. 1934, 5th ser., 95, col. 17.
153. Ibid., 19 Dec. 1934, 5th ser., 95 col. 630.
154. Ibid., col. 682.
155. 8 Dec. 1934.
156. 30 Nov. 1934.
157. 1 Dec. 1934.
158. 8 Dec. 1934.
159. West Cumberland News, 17 Nov. 1934.
160. Workington Star, 14 Nov. 1934.

CHAPTER III

THE DEVELOPMENT OF STEWART'S ECONOMIC POLICY, 1934-7

Inauspicious Beginnings

In his New Year broadcast to the nation at the start of 1935, Ramsay MacDonald claimed that the Special Areas were fields for experiment and raised hopes that the government intended to pursue an active policy.¹ Such an assurance of government support augured well for Malcolm Stewart as he started his work. But within a fortnight, the sincerity of the government's concern for the unemployed was brought into question by the uproar arising from the implementation of the new unemployment relief scales. On January 7, the UAB assumed complete responsibility for those who had been receiving transitional payments. The new scales of relief were, in many cases, lower than the old. The reaction was dramatic. The unemployed held demonstrations: in some places there were riots. In Cumberland, the Maryport relief offices were attacked by men on the dole. Baldwin described the troubles as "the worst mess I have ever been associated with."² The government was forced to back down and introduce standstill legislation in February: this restored the old scales except in those cases where the UAB scales were higher.³ Oliver Stanley, the Minister of Labour, was

unnerved and discredited by the situation and a few months later he moved to the Board of Education.

The UAB fiasco affected the problem of the Special Areas in several ways. The Areas included a high proportion of those affected by the reductions and the cuts seemed to confirm doubts about the government's sincerity towards the unemployed. In South Wales, many of the protestors claimed that what the government had given them with one hand - the Special Areas legislation - it was now taking away with the other.⁴ The structure of the UAB, a semi-independent body whose spokesman in the Commons was the Minister of Labour, resembled that of the Office of the Commissioner. After the chaos of January and February, the Board was no longer allowed to show any initiative,⁵ and it seemed likely that the UAB fiasco would militate against any attempts at independence by the Commissioner. The uproar certainly aroused suspicions within the Areas; it was noted that Malcolm Stewart

has to act under the general direction of the Minister of Labour, the very man who is being denounced now at every street corner in West Cumberland.⁶

The powers of the Commissioner were due to revert to the UAB when the Special Areas legislation lapsed. The Board was, however, so discredited that even eighteen months later, the District Commissioners were warning Stewart against allowing

his powers to pass to the UAB.⁷

The UAB's niggardly dealing with the unemployed was high-lighted by the launching of Lloyd George's "New Deal" in January, 1935. Borrowing American terminology, the old statesman proposed the establishment of a "war cabinet" to run the country, massive schemes of public works and land settlement.⁸ The government was not enthusiastic about the schemes, but the "New Deal" attracted so much interest and the government's stock was so low that for six months Baldwin discussed the plans with Lloyd George, even though it had been decided as early as March that he would not be invited to join the government.⁹ The New Deal was certainly more dramatic than the Special Areas legislation, but by prolonging the discussion, the government neutralised much of the appeal of Lloyd George's ideas.

It was against such a background of suspicion and confusion that Stewart began the work of developing his organisation and testing the limits of the legislation. In November, 1934, before the Act was passed, offices were opened in Westminster. Stewart did not want a large organisation because the legislation was only to last for two years. He used the technical staff from the Ministry of Health rather than recruiting his own. His staff consisted of six senior civil servants, drafted from other departments, and clerical staff. Frank Tribe, from the Ministry of Labour, was the

Secretary and headed the staff; one of his duties was to ensure that the Commissioner did not exceed his powers under the Act. Stewart, who was unpaid, worked full time as Commissioner, refusing even to have a private secretary. In Scotland, a similarly small organisation was set up; there was intermittent liason between the two Commissioners until in 1937 regular fortnightly contact was established.

Local organisations were set up in each of the three Special Areas. District Commissioners were appointed. These were not regular civil servants, but men appointed on temporary contracts, who were thus not too closely identified with Whitehall. The Commissioners for the North East and South Wales were men with local connections. Colin Forbes Adam had worked with Euan Wallace during his investigation of the North East and was acquainted with many of the problems of the area. Geoffrey Crawshay, Chairman of the South Wales and Monmouthshire Council of Social Service, belonged to a family which owned coalmines around Brynmawr and Merthyr. The appointment of Forbes Adam and Crawshay was announced on 6 December, 1934, but another three weeks were to elapse before a District Commissioner was announced for West Cumberland. The delay indicated a difficulty in finding local men who were judged to be capable of exercising leadership. The man finally chosen as District Commissioner was an Australian, L. St. Clare Grondona, who was an acquaintance of Stewart.

Grondona had had a varied career. In Australia he had been a stock-rider, a journalist and then a civil servant. Coming to Britain in 1923, as a delegate to the Imperial Economic Conference, he stayed on as director of information at the Australian section of the British Empire Exhibition. By 1934 he was a director of several companies and a free lance journalist. During the year he worked on a project exploring the feasibility of land settlement in Britain Stewart offered him the job in West Cumberland, presenting it as a possible opportunity to implement his ideas on land settlement.¹⁰

Neither Stewart nor the District Commissioners were independent; their advisers were all regular civil servants and though the Commissioners could suggest initiatives, it was the civil servants, either within the Commission or in other government departments, who decided whether anything could be done. The qualities regarded as desirable in a British civil servant were listed by one of their number, H.E. Dale; these included "having a feeling for what is practicable in British politics" but also "a proper respect for precedent" and "a strong dislike of ... irregularity in procedure."¹¹ This cautious traditional approach did not bode well for the success of the Special Areas Act which dealt with an unprecedented situation. During the interwar years, with the expansion of social policy, the civil service was gradually

adjusting to a situation where legislation required more than regulation and supervision but the change was gradual. Imagination was not lacking in the civil service, but it was often vitiated by a desire for caution. Much of the development of the legislation came to depend on the conflict between traditional and more innovative approaches within the civil service.

Public Works and the Testing of the Legislation

Stewart saw public works as one key to industrial revival in the areas. "Works of real value" would make the Areas more attractive to potential employers.¹² Nevertheless, he agreed with the government that relief works undertaken solely to provide employment would be futile. Thus he announced at his first press conference that "no money will be spent merely because it is available... I shall only make grants in respect of such schemes as I am satisfied have permanent value."¹³ As it was also Chamberlain's belief that public works were acceptable, provided they were revenue producing or of public importance,¹⁴ Stewart felt no qualms in his advocacy of such works.

It was during the development of his public works policy that Stewart first began to realise the limits on his powers, the extent to which he was to be restricted by administrative precedent. One clause in the bill prevented

him from giving grants to local authorities for purposes for which grants were payable by another department. In conversation with the Minister of Transport, he found that even with the aid of grants, highway authorities still had to pay 40% of the cost of new roads, an amount which Stewart thought was too much for the Special Areas to contribute. Reporting this to Chamberlain, he asked if it was too late to alter the Bill, so that he could pay part of the 40%.¹⁶ Chamberlain adamantly refused to contemplate exceeding the bounds of normal procedure. Stewart's suggestion, he felt, came perilously near to putting the local authorities "on the dole." It was contrary to sound administration to help authorities from two sources, and to introduce such a principle would make it impossible to extend the experiment to other areas. If Stewart felt that particular road works were necessary, then he should ask the Ministry of Transport to raise its grant. He finished with the vague advice that "the best hopes of improvement lie in other directions which I am sure you will explore to your utmost."¹⁵

In vain Stewart argued that unless the government adopted a benevolent attitude, little progress could be made.¹⁶ The dead hand of established procedure prevented any experiment.

Another controversy arose over the meaning of the word "payable." In March, 1935, Stewart was told that he

could not give grants for making up unclassified roads because grants were payable by the Ministry of Transport, though such grants were never actually made because of more pressing claims on the Road Fund.¹⁷ Stewart found it "difficult to believe that this represents the intention of the Act. If a department is not exercising its powers, then commonsense would suggest that a grant is not payable."¹⁸ Oliver Stanley was sympathetic, but, after consulting his legal department, was forced to repeat that the word "payable" meant "the power to pay."¹⁹ This was a major blow to Stewart's programme. It meant that he could not give local authorities financial assistance towards the construction of roads, bridges, canals or quays, even though improvements in transport were an obvious way of easing the isolated situation of the Areas. Nor could he help any educational schemes run by local authorities.

Another dispute arose over the rate of grant which Stewart was allowed to pay. He wanted to vary the rate according to the authorities' capacity to pay. Personally, Stewart could only authorise grants of 75% or less. Beyond that he needed Ministry of Labour approval. In some cases Stewart asked for 100% grants but this was opposed by the Treasury. It was a strong Treasury tradition that recipients of a grant should pay at least part of the cost for which the grant was intended.²⁰ Treasury officials also suspected

local authorities of laxity and worse: "we must bear in mind that the present temper of many authorities seems to be one of rapacity. The more they get, the more they are discontented and the greater become their demands."²¹

Some of the Commissioner's own staff were hostile to 100% grants arguing that they were simply "a means to help local authorities avoid their responsibilities."²² This was at a time when the financial position of some local authorities in the North East was such that the Ministry of Health would no longer give them permission to borrow.²³ Though some 100% grants were eventually allowed, almost all of them in Wales, they were hedged about with restrictions.

Stewart did win a few victories in his procedural wrangles. Originally it had been intended that the work schemes should be executed by voluntary labour: the men would get their unemployment benefit and be provided with tools and perhaps clothing or meals. If the men were paid, the projects would begin to look like relief works, works provided solely to reduce unemployment, and this ran counter to government policy. Stewart argued against voluntary labour, maintaining that paying wages would not cost much more than paying benefit to a man who was eligible for dependents' allowances and that it would be good for morale.²⁴ Stanley reluctantly conceded that wages could be paid where

men were working on schemes of proven economic value, but insisted that Stewart also foster other schemes to be executed by voluntary labour.²⁵ Stringent conditions were applied to the "economic" schemes: of the first seven schemes which Stewart submitted to the Minister, three were rejected.²⁶ Stewart had, nevertheless, won a point and most of the work schemes initiated under the Special Areas legislation did use paid labour.

The Commissioner won another victory when he succeeded in limiting the hours of work on these projects. To encourage younger men to transfer, work on these projects was to be offered only to older married men.²⁷ Stewart was concerned that these older men after years of unemployment would be unfit to work the standard forty eight hour week. His request for reduced hours was embarrassing at a time when the government was trying to ignore national agitation for a reduction in the working week. Eventually the Ministry of Labour agreed to allow the men on Stewart's projects to work shorter hours, provided that the hours were described as "a short working week" rather than "a forty hour week, which is rather controversial."²⁸

Once the guidelines for the schemes had been established, Stewart found that the legislation necessitated cumbersome procedures. He was required to work in conjunction with other government departments, particularly the Ministry of Labour, his link to the Cabinet and the

Commons, and the Ministry of Health which exercised important supervisory powers over local authorities. The approval of all concerned government departments was required before any project could be initiated. As Forbes Adam complained:

If a District Commissioner submits a proposal it requires to be considered in the Commissioner's office, then in the office of the Minister concerned, then in the Ministry of Labour, then, if considerable cost is involved, at the Treasury. The task of keeping track of it and seeing that no unnecessary delay is being allowed to occur is one which in view of all the considerations involved presents almost insuperable difficulties under our present constitution.²⁹

The District Commissioners were in an extremely uncomfortable position; as the men on the scene, they bore the brunt of local frustrations.

Delays were not always caused by Whitehall. The procedures of local authorities were also often slow. Cumberland County Council had a particularly bad reputation in this respect.³⁰ Often local authorities would take weeks or even months to reply to letters from the Commissioner.³¹ Some authorities were wary of submitting schemes for fear that their plans would be rejected and that they would then have to pay for the cost of having them prepared. As the authorities became aware of the limits of the legislation, they became even less willing to submit schemes.³² Local jealousies also caused problems: rival

authorities were not always prepared to work together. This was to be important in the question of housing. Similarly, Sunderland Council, which wanted to build a fish quay, was unwilling to cooperate with the Wear Commissioners to whom Stewart would have had to give the grant.

Despite his frustrations, Stewart was able to support some public work schemes. He was empowered to give grants to bodies not operating for profit, such as Harbour or River Commissioners and benevolent organisations such as the Durham Aged Miners' Homes Association. He helped local authorities with grants for site clearance and improvement, development of maternity and child welfare centres and sewage and urban water supply schemes. But the restrictions imposed on him by the need to keep within the bounds of established policy, to avoid dangerous precedents, limited the possibilities for substantial achievements.

Faced with the restrictions on his powers, Stewart tried to devise a means of circumventing the legislation. He was allowed to give grants to private associations in the Areas which were not operating for profit, and he hit on the idea of establishing such organisations himself. The first opportunity came over the question of housing, which was a major problem, particularly in the North East and, to a lesser extent, in Cumberland. Stewart was unable to help the local authority programmes because grants were available from the Ministry of Health. But under existing housing

legislation, a local authority could pass on its housing grants and housing loans from the Public Works Loans Board to a public utility society which could act as its agent. If the society was non-profitmaking, then Stewart could aid it. By the end of April, he had received permission to form a Housing Association to which he could make grants equivalent to the amount which the local authorities would normally have contributed from the rates.³³ In December, 1935, the North Eastern Housing Association was formed. An attempt to start a similar association in Cumberland failed because of local authority rivalries and in September, 1937, the powers of the North Eastern Association were extended to cover those Cumbrian authorities which wished to participate. This ploy of establishing non-profit making organisations which were eligible for grants was to become an important feature of Special Areas policy.

Stewart continued, unsuccessfully, to press the government for an expansion of works programmes. In his first report, published in July, 1935, he called for a programme of "National" works, to create "national physical assets to replace those inherited from the past."³⁴ This was embarrassing for Baldwin's government³⁵ coming as it did at a time when the government had just officially rejected Lloyd George's "New Deal."³⁶

A few days later, advocates of a more positive policy,

including some Conservative MP's, published The next five years, recommending increased public works as part of a programme of national reconstruction.³⁷ The government was not to be moved. Though unemployment had fallen only slightly in the Special Areas - from 488,307 to 442,426 between January and June, 1935 - this was not seen as a sign that a more vigorous policy was needed but as a further cause for pessimism, proof that nothing could be done. "There is nothing in the present position of the Special Areas which suggests that a policy of giving work in the areas can be more than make-believe."³⁸

Within the restrictions imposed by official policy and procedures, public work schemes remained a major part of the Commissioner's activities. In addition to providing some employment, they did improve the amenities of the areas. Apart from public health schemes, Stewart tried to implement three major projects: a bridge over the Severn, to improve communications with South Wales, a bridge over the Tyne to the East of Newcastle, and a major road along the coast of Cumberland. None of these came to fruition. The Severn bridge and the West Coast road both involved working with authorities outside the Special Areas and all three required Ministry of Transport grants which were not forthcoming. Arguably, these might have been the most useful projects Stewart could have executed for the Special Areas: they would

have provided much employment and would have been of great economic value at a time when quick transport to market was an important factor in the location of industry. But the imagination of the government - and of the Treasury - was too limited to allow such ideas to be considered.

The Encouragement of Industry

One of Stewart's tasks was to foster economic growth in the Special Areas. In this he was handicapped from the start by their boundaries. Several cities were excluded; in South Wales, Cardiff, Newport and Swansea were outside his jurisdiction, though for convenience the District Commissioner's office was in Cardiff. In the North East, Darlington and the urban areas around the Tees were omitted. The omissions had been made on the grounds that cities did not experience such severe unemployment as the surrounding regions, because of their more varied industrial and commercial structure. But such cities were the natural focal points for the nearby areas and their exclusion made economic regeneration more difficult.³⁹ Though Stewart was empowered to encourage projects outside the Special Areas for the benefit of the Areas' inhabitants, in practice this proved difficult, and the arbitrary nature of the boundaries continued to pose problems.

When Stewart became Commissioner he accepted some of the basic premises of government policy. As a successful

businessman, he both believed that the government should not interfere in private enterprise and put a high priority on industrial efficiency. He made this clear in his first report. He argued that the Coal Mines Act of 1930 encouraged inefficiency by its use of quotas and that the quota system should be abolished, even though he recognised that a more efficient industry would employ fewer miners. He thought that it was both inevitable and desirable that the centre of gravity of the iron and steel industry should move away from the old centres to the newly exploited ore beds of the East Midlands, and did not consider it his job to force industry to be established in uneconomic places.⁴⁰

As time went on he modified his views. In examining the situation at Ebbw Vale in Wales, whose steel works had closed in 1929, he convinced himself that the works could still make a reasonable profit if they were in operation. In the summer of 1935 he professed delight when Sir Richard Firth, of Richard Thomas & Co., announced that his company was considering buying the Ebbw Vale plant to be the basis of a new stripmill.⁴¹ It is likely, despite Firth's assertions to the contrary, that his decision was made under government pressure.⁴² Though Stewart contended that the new plant would be economic, he deceived himself. As one commentator has noted "Socially there is little doubt that the decision for Ebbw Vale was right... for long term operating efficiency,

equally certainly it was wrong."⁴³ Situated twenty miles inland from its ore-dock, 900 feet above sea level, at the head of a valley whose coal was being worked out, Ebbw Vale had few advantages. Though he denied it, Stewart was increasingly coming to the view that social considerations should weigh as strongly as economic in determining the location of industry.

There was little that could be done to help the basic industries within the terms of the Act. In his reports, however, Stewart suggested ideas to help the industries. He supported the further development of plants to produce oil from coal and Tribe toyed with the idea of making the use of Welsh steam coal compulsory for the heating of government offices.⁴⁴ Stewart also supported a scheme devised by Grondona to establish a Coal Reserves Corporation to buy surplus coal at cost price to build up easily accessible national reserves.⁴⁵ The scheme was turned down, but Stewart's advocacy demonstrated a change in his attitude towards government intervention in industry.

Aid to the basic industries came from other government programmes. The London Passenger Transport Act and the Railway Act of 1935 fostered the modernisation of railways and each required that the contracts for the work be placed as far as possible in the Special Areas. The government also announced its intention of placing defence

contracts and factories in the depressed areas. As early as May, 1934, Chamberlain had been contemplating transferring part of the Royal Ordnance Factory at Woolwich to South Wales.⁴⁶ As the European situation deteriorated, strategic considerations made those Special Areas on the west coast more attractive as sites for defence work. In April 1935, Chamberlain, an active supporter of this policy, was pressing the Committee of Imperial Defence to build an armaments factory in South Wales and trying to persuade Imperial Chemical Industries to build a new explosives factory there.⁴⁷ Chamberlain seemed to see this as a way out of his dilemma over the Special Areas. Prevented by his economic views from taking strong measures to encourage the development of private enterprise in the areas, he saw rearmament as a "legitimate" opportunity to give some help.

The question of rearmament was complex. The defence departments, more concerned about their own priorities than the plight of the Special Areas, were always ready to use the urgency of the situation as a reason for doing what was convenient for them. Within the Cabinet, Chamberlain, Brown and Wood⁴⁸ supported the interests of the depressed areas against Duff Cooper, the Secretary for War. One case arose over the building of a cordite factory in Scotland. Rather than build it in the Special Area, Cooper wanted to have it at Gretna, on the site of a First World War munitions factory,

even though workers would have to be transferred into the area and accommodation provided for them. After protests in the Cabinet, Inskip, Minister for Coordination of Defence, ruled in favour of the Special Area.⁴⁹ Despite this concession, Inskip still maintained his basic position that the surplus population in the Special Areas did not have the specific skills that were required for certain types of production. "If we put an aeroplane factory in South Wales, the skilled labour would not be available for years." Thus there was bound to be conflict between the needs of the Areas and those of the defence programme.

If he was told by the Cabinet that he was to put the interests of the Special Areas in front of the defence programme, he could do it, but if the programmes were to advance at maximum speed we could not afford to establish them in the Areas.⁵⁰

Department regulations and breakdowns in communications hindered the placing of contracts in the Areas. On at least one occasion officials responsible for allocating contracts denied that they knew of the provision for giving priority to the Areas.⁵¹ The defence departments' regulation that firms considered for contracts should employ a certain proportion of ex-servicemen, was also a disadvantage in parts of the Special Areas. Many working men there had been in reserved occupations during the war so that firms did not always employ a sufficient proportion of ex-servicemen.⁵² The departments were not prepared to alter these provisions. The government had also decided, under pressure from the Federation of British

Industries (FBI) not to introduce any element of coercion of industry during the drive for rearmament and this meant that the defence departments had no control over subcontracting.⁵³ These factors limited the aid that could be given to the Special Areas.

Other criticisms of the allocation of rearmament contracts highlighted one of the anomalies of the Special Areas Act. The North Eastern Development Board complained that only thirty out of sixty-seven naval orders had been placed on the Tyne or the Clyde.⁵⁴ But the Special Areas were not the only depressed areas in Britain. Unemployment was high in all the shipbuilding centres and the government could not afford to neglect these other badly hit regions. Similarly, the government justified the building of a new arms factory at Chorley in Lancashire on the grounds that the town was almost as depressed as parts of Wales.⁵⁵ Such difficulties were inevitable because the scheduling of the Areas had been so restricted.

The placing of contracts in the areas did not always mean that more jobs were provided. In some cases, men already in work were simply given overtime.⁵⁶ This was partly because men in the areas had lost their skills and their fitness for work during years of unemployment. This was particularly true of older miners, who after long unemployment were unlikely to be fit to enter the pit again, or, if they

did so, were not always able to cope with the new techniques and new machinery. It was also difficult to find ship-builders who had retained their skills.⁵⁷ Thus at times there appeared a cruel paradox in the Special Areas: a shortage of the right type of labour in the midst of mass unemployment.

In some ways rearmament contradicted other policy stands of the government. It had been a traditional argument of the Conservatives that public works provided only temporary relief and did not solve the problem of unemployment. Rearmament too would only provide employment for a short time, in the event that there was no war, nor did it provide assets for the areas such as roads and hospitals. In the case of rearmament, however, the government were prepared to justify short term work. "There is a clamant need for providing work in the Special Areas, even if the work only lasts for a few years," argued Ernest Brown;⁵⁸ the argument was accepted but was not applied to relief works.

As the European situation deteriorated after the German re-occupation of the Rhineland in 1936, the rearmament programme began to have some effect. The change was particularly marked on Tyneside where unemployment fell by 20.5% between December, 1935, and September, 1936 - though at 24.8% it was still double the national average.⁵⁹ Even when contracts were not placed directly in the Special Areas, there

was still a multiplier effect. Stewart attributed the decline in unemployment in Cumberland during 1936 to the recovery of the iron and steel industry.⁶⁰ Though it helped employment, rearmament did not help to solve the basic problem of the Areas' reliance on a limited range of industry. This problem was not always recognised in the Special Areas: the inhabitants found it difficult to believe that the basic industries would not continue and did not regard the newer industries as viable. "Britain cannot survive by the manufacture of wireless sets, umbrellas or buttons. We need the basic industries."⁶¹

Stewart did try, nonetheless, to encourage the diversification of the economy in the Areas. His methods were necessarily indirect, because of the limitations imposed on him by the legislation. He encouraged local development organisations to advertise the Areas' potential for new industries. These organisations already existed in the North East and South Wales; as a result of Grondona's efforts, the Cumberland Development Council was formed during 1935. Stewart hoped that these local groups would stimulate self-confidence and encourage local business enterprise. He also sent questionnaires through the FEI to 5,829 firms, asking whether they had established any branches in the Special Areas or were likely to. The response was discouraging. 1,763 firms never replied and only 64 gave affirmative answers to

any of his questions.⁶² It was evident that there was little to be hoped for from the spontaneous development of industry.

By the summer of 1935 Stewart was convinced that a more direct effort was needed to counteract the prejudices of industrialists and to encourage new industries to come to the Areas. With varying degrees of success, he tried to tackle three problems which he identified as hindrances to industry: sites, finance and rates.

Industrial sites in the Special Areas were derelict, unattractive and difficult to clear. Old industrial buildings such as iron works or pithead buildings were not suitable for new industries. Consequently, the initial costs of manufacturing companies in the Areas were high. It was for this reason that Stewart began to consider establishing trading estates in the Areas.⁶³

Successful trading estates had been established by private enterprise at such places as Trafford Park and Slough: the owners provided the land, building and such services as roads and power and the industrialists thus saved much of their capital costs. The case for trading estates was strengthened in 1935 by the publication of Board of Trade's Survey of industrial development which showed that 54% of the manufacturers who had opened new factories in 1934 had chosen particular sites because suitable buildings were available. The Commissioner could not provide factories himself, as this

entailed helping undertakings carried on for profit, so Stewart again turned to the device of establishing a non-profit concern to run the estates. Giving a grant to such a company would inevitably result in a concealed subsidy to firms which took factories on estates, but Tribe argued that this had to be done because it seemed "hopeless ... to expect private enterprise to take the initiative."⁶⁵ The Ministry of Labour also supported the Commissioner:

In a capitalistic society economic developments are largely promoted by undertakings carried on for profit and to assist such undertakings in the Special Areas, provided it is not done directly ... may well be justifiable.⁶⁶

The interdepartmental committee which considered Stewart's first report did not think that trading estates could be successful. Despite this view, the committee did recommend that the scheme be further investigated because of "the necessity for an experiment in inducing industry to settle in the Special Areas."⁶⁷ Again, political necessity rather than economic conviction was the reason for advocating change. In its manifesto for the election of 1935, the government promised publicly that the matter would be considered.⁶⁸ The main objections to the idea came from the Treasury whose officials disapproved of the idea of a "dummy company" and of indirect aid to profit making enterprises.⁶⁹ Despite this, after the election, Stewart

was permitted to go ahead with plans for forming a company in the North East. Wales was initially excluded, as a private company proposed to build an estate there. The Scottish Commissioner was informed of the arrangements so that he could adopt a similar policy. Only Cumberland's claims were rejected because the population was too small to provide a local market, and because, in terms of supplying national demand, "the situation of West Cumberland, even with good communications, is geographically impossible."⁷⁰

During 1936 the plans for trading estates were developed. The process was slow, involving long debates with the Treasury over financial provisions.⁷¹ It was August before the site for the North Eastern trading estate was announced. Team Valley, on the outskirts of Gateshead, was adjacent to the main road and rail links between London and Edinburgh. Plans were also made for an estate in Wales, the private company having lost interest. The development of trading estates was tantamount to an admission that the original legislation had been inadequate. Treasury support was reluctant and Treasury officials felt that precedents were being stretched: "we feel that we have met the (North Eastern Trading Estates) company fairly and that we have come pretty near to affording assistance to undertakings carried on for gain."⁷² While the press continued to criticise the inadequacy of the legislation,⁷³ those responsible for

financing it already thought that they had gone far enough.

Apart from the problem of sites, Stewart regarded the difficulty of getting capital as a major deterrent to new industry in the Areas. In his first report he recommended that a special fund be set up to advance loans at cheap rates to firms willing to establish themselves there.⁷⁴ Wilson's interdepartmental committee thought that such a scheme might interfere with the natural development of industry outside the Areas: financing "a boot factory in South Wales ... might put out of business a boot factory in Northampton,"⁷⁵ a curiously mercantilist view. Wilson repeated that the government must not risk the loss of business confidence and upset the national recovery; any such upset would only aggravate the plight of the areas. Despite these doubts, the committee bowed to the general "belief that there exists a potential expansion of small industries if only the necessary money was forthcoming,"⁷⁶ and recommended that the possibility be investigated. The Cabinet subcommittee agreed and in October, 1935, Chamberlain began negotiations with Montagu Norman, Governor of the Bank of England.⁷⁷

The negotiations were slow. It was not until his budget speech of April, 1936, that Chamberlain announced that the government hoped to form the Special Areas Reconstruction

Association (SARA), a company to finance small business in the Areas.⁷⁸ The government's participation in the company was limited. The company's capital of £1,000,000 was provided by the City and the Bank of England; the Treasury paid only for the administration of the fund and guaranteed a quarter of any loss. Low interest loans, to the value of £10,000 would be offered to firms starting up in the Areas. The suggestion was not well received on the Labour benches. Hugh Dalton pointed out that the Areas needed Billingham's, not small businesses.⁷⁹ The New Statesman accused the government of more tinkering with the problem.⁸⁰ A month later, the legislation to establish SARA was introduced. Though SARA did mark further government involvement in industrial development, it was hardly a major step, and there was general disappointment with the legislation.⁸¹ SARA soon came under fire on the grounds that its procedures were slow and that its terms were not much better than those of the banks.⁸²

High rates were another deterrent to industry, though Stewart thought that their effect on employers "was out of all proportion to their real significance."⁸³ He agreed that rate relief would increase the Areas' attraction for industry, and in this he was supported by his District Commissioners, especially Forbes Adam.⁸⁴ Stewart argued that

inasmuch as the cause (of high rates) is national or international ... the Areas have a clear justification for claiming that relief should be given on a national basis and that their excess expenditure on public assistance should be reduced to the national average.⁸⁵

Treasury officials maintained that the problem would be eased by the periodic revision of the block grant formula and refused to consider any more direct rate relief. They pointed out that there were places outside the Special Areas whose rates were as high so that any relief could not be restricted to the Areas.⁸⁶ With respect to rate relief, Stewart made no headway at all.

By the time of his third report, in November, 1936, Stewart was still unable to point to any major changes in the industrial position of the Areas. The limited improvement in employment was more the result of rearmament than of the Special Areas policy. Stewart had, however, succeeded in winning more positive powers to attract industry, through the formation of trading estate companies and of SARA. As he admitted, the impact of these new powers would inevitably be long term;⁸⁷ in the meantime the immediate problem of dealing with the surplus population in the Areas remained.

Transference and Land Settlement

Because he was pessimistic about the chances for improvement in the Areas, Stewart believed that transference was "one of the essential measures of relief."⁸⁸

Transference schemes were operated by the Ministry of Labour with the aid of the UAB and Stewart gave them every encouragement. The Cabinet subcommittee on the Special Areas agreed that transference was the only hope for the young people. Within the Areas, however, transference was opposed. To the local authorities the young people who left were potential householders so transference deprived them of both prospective ratepayers and units for the weighting of their block grant, leaving behind a population of the very old and very young who required services and did not provide revenue.⁸⁹ There were also emotional reasons for resistance to transference. One Cumbrian parish councillor complained "we do not want to see our community breaking up."⁹⁰

There was also a strong personal resistance to transference. It was difficult for people who lived in the Areas to accept the official view that there was no hope of employment there. The Cumbrian miners gained a particular reputation for being unwilling to move,⁹¹ though Stewart maintained that the main criticism of the policy came from Wales.⁹² There were other factors militating against transfer. Unemployment was by no means low in other areas and men were reluctant to move without security. Although unemployment benefits were low, they did provide some income; men were not forced by starvation to leave their homes and the support of the local community. The occasional return of failed transferees reinforced this unwillingness to move.

After the Special Areas legislation was passed, the transference schemes were expanded. It was made easier for families to join transferees and schemes for juveniles were expanded. Stewart aided local schemes, such as Lady Headlam's in Durham, for training girls in domestic skills so that they could go into service in the south. He tried to provide hostels in the reception areas for men from the Special Areas, but was not allowed to do so because such provision did not encourage economic development.⁹³ The Commissioner consistently supported Empire migration and gave money to the Child Emigration Society to support children from the Special Areas at emigration homes, pending their emigration to the Fairbridge Farm Schools in Canada and Australia.

Nineteen thirty-six was the peak year for transference. 28,000 adults were transferred, 15,407 juveniles and 10,179 families.⁹⁴ By this time, resistance to transfer as a policy was gathering momentum. Many of the juvenile transferees returned home: the wastage rate between October, 1934 and September 1937 was 40% for boys and 50% for girls.⁹⁵ Transference cut across the policy of trying to induce economic recovery in the areas because it removed the youngest and most adaptable members of the workforce. By the end of 1936, the prospect of jobs in the areas through rearmament also hindered the policy. Strategic considerations increased

public demand for the development of the areas rather than transference: "Defence policy and social policy require that slow depopulation should not be accepted as a tolerable means of escape from intolerable distress."⁹⁶ The international situation thus gave force to criticisms of government policy.

By the end of 1936 there had been some revival of industry and employment in the Areas but this was localised and only served to pinpoint the problems of those places where there had been no recovery. Such areas were inland villages built around coal or iron mines which had been worked out or become uneconomic. Once their mineral wealth had been exploited they offered little to industry. Stewart appointed investigators to inquire into the prospects for South West Durham, the largest of these areas. The report, published in February, 1937, was pessimistic, advocating transference as virtually the only solution.⁹⁷ But by now transference was not such an acceptable policy and Brown was quick to dissociate the government and the Commissioner from the conclusions drawn by the investigators. Instead, the government formed the South West Durham Improvement Association which was to investigate ways of fostering the economic rehabilitation of the area.⁹⁸ This was a major change in attitude for a government which had once regarded transference as the main hope for the Special Areas.⁹⁹

Land settlement frequently involved transference. Chamberlain and MacDonald both regarded the establishment of small holdings as one of the major hopes for the Areas.¹⁰⁰ It was also one of Stewart's major interests, though he was not convinced that it would "solve" the problem of unemployment. Apart from the expense involved, he realised that the operation of the agricultural marketing schemes was inimical to smallholders.¹⁰¹ His doubts were confirmed by the publication of three reports on the land during 1935. The Carnegie Trust's investigation into the feasibility of land settlement concluded that

under existing economic conditions, settlement on the land offers little hope of creating new employment; it is likely to lead to a displacement of labour elsewhere and to a general reduction in the standard of living of those already in agriculture.¹⁰²

The other two studies were equally discouraging.¹⁰³ Stewart expressed this increasing pessimism in his first report when he emphasised the difficulties of land settlement and said that his own schemes would be cautious and careful.¹⁰⁴

Stewart encouraged several types of scheme. Two of these, group holdings and allotments, were regarded from the start as having social rather than economic value and will be discussed later. He also tried to establish men as independent smallholders. His first scheme, to set up his own organisation, fell through when the man he had appointed as

director died suddenly. He then decided to work through the Land Settlement Association (LSA), an organisation which he could help because it was not operating for profit. He also supported schemes operated by Durham County Council and founded a Welsh Land Settlement Trust, headed by Geoffrey Crawshay.

The schemes involved both transference and local settlement. The transference schemes were operated entirely by the LSA. Plans were prepared for the transference of 1,040 families from the Areas to estates in the South and Midlands. Apart from the first 240 families, whose expenses were supplied mainly by the LSA,¹⁰⁵ the Commissioner paid the cost from the Special Areas fund. In addition to the local settlement schemes operated by Durham County Council and the Welsh Trust, he supported an LSA project to settle 200 families on estates in Cumberland. In all these schemes, including those in Durham and Wales, the Commissioner, who did not have his own technical staff, left the administration to the spending bodies and maintained only a very general control over expenditure with the result that the societies were usually able to exceed their spending limits.¹⁰⁶

In the early years of the experiment, land settlement seemed to be working smoothly. Arrangements were made for settlers to receive their unemployment benefits during

training and they were given working capital in the form of loans and grants. The 1936 report of the LSA was optimistic: though there were difficulties with settlers who were apathetic and suspicious after years of unemployment, the scheme was progressing well.¹⁰⁷ By September, 1936, 379 men were in training and 166 had their families with them.¹⁰⁸ The Welsh and Durham schemes were also satisfactory. Though the numbers were not large, Stewart was pleased with the results. At the beginning of 1937, the LSA was confident that it would have filled all its vacancies for trainees under the Special Areas schemes by August.

At this point, the schemes were still relatively new. Men were still at the training stage and had not yet become full tenants of their holdings; their income still came from the UAB, not from the work they did on the land. The tenants were older men with families, who were therefore more likely to have difficulty adjusting to a new way of life. The Ministry of Labour, which selected the trainees, deliberately chose those men who were least likely to get a job in their own area.¹⁰⁹ Such factors were to tell against the scheme in later days.

In his third report, published in November, 1936, Stewart suggested another form of land settlement: cottage homesteads. This was to be a family transference scheme for

older men with no real job prospects whose children were of an age to enter the workforce. The families were to be established in small groups in the South and Midlands. Each man would continue to receive his unemployment benefit, supplementing it with produce from his holding, which was in effect, a large allotment. The children would have a chance of finding jobs in the area, and the family unit would not be broken.

There was never any possibility under the Special Areas legislation of land settlement being the panacea which its most ardent advocates claimed. The numbers involved were too small, and it was becoming obvious that the programme would take a long time to complete.

To Lapse, Continue or Amend

The National Government's mandate was renewed at the election of 1935. Its majority had been reduced, but was still substantial.¹¹⁰ Though this election is often said to have turned on issues on foreign policy,¹¹¹ much of the debate at constituency level centred on domestic affairs.¹¹² The government's manifesto also concentrated on domestic policy. The longest single section was a defence of the Special Areas policy. Emphasising the intractable nature of the problem, the manifesto reasserted the government's concern

for the Areas, pointed out the benefits which would accrue from rearmament and promised support for the Commissioners' trading estates.¹¹³ Neither of the other parties laid so much stress on the problems of the Areas, though both emphasised the misery caused by continuing unemployment.¹¹⁴

Labour did well on the whole in the Special Areas. South Wales had hardly wavered in 1931, but Labour regained seats in Scotland and won all the county seats in Durham. In Cumberland, Tom Cape was returned unopposed for Workington and Frank Anderson, a railway clerk, defeated William Nunn. Apart from Jarrow, Labour did badly on Tyneside, a traditionally Conservative area which was beginning to feel the benefit of rearmament. The election showed that the popular concern expressed in the press for the Special Areas, was not strong enough to have any electoral impact. There seemed to be no electoral reason for the government to alter its cautious policy.

After the election, the international situation increasingly occupied the government. Chamberlain's budget of 1936 was the first rearmament budget; instead of being able to continue the tax remissions of the previous two years and to introduce schemes to promote further recovery, he had to increase direct and indirect taxes.¹¹⁵ The demands of rearmament meant that less money was available for other purposes, given the government's determination to balance the

budget.¹¹⁶ Cabinet discussions were also dominated by foreign affairs.¹¹⁷ The Labour Party's energies were diverted by European events; from 1935 the Spanish Civil War in particular became a party cause. It is within this context of the primacy of foreign affairs that the subsequent development of the Special Areas policy occurred.

The legislation was due to lapse at the end of 1937. In March, 1936 Frank Tribe began to consider the future of the Commissioner's powers. He expected that by the autumn of 1936, all the major developments practicable under the legislation would have been initiated, and could pass under the supervision of regular government departments, obviating the need for a Commissioner.¹¹⁸ The alternative was to extend the legislation, but he doubted that the government would be willing to consider that.¹¹⁹ This acquiescence was not shared by Forbes Adam, who urged Stewart to press for the development of a stronger government policy. "Would it be possible for the government to resist the pressure you put on them with the support of the District Commissioners?... The government will not move unless a decision is forced on them."¹²⁰

There is no record of whether Stewart did put pressure on the government, but certainly by the end of April it had been decided that the legislation should continue. When Crawshay was offered a job to be taken up at the end of his contract, Horace Wilson advised him to turn it down, implying

that the government would still require his services.¹²¹ During May, the Cabinet subcommittee decided officially that the Act should continue, having received advice that "to abolish the Special Areas would give the impression of abandoning the problem, which no government would wish to incur."¹²² Again, the emphasis was on appearances, rather than on a genuine commitment to the Areas.

During the summer of 1936 the Cabinet also had to consider the problem of finding a successor to Stewart. In May, Stewart had informed Chamberlain that he wished to resume his business activities, though he told Grondona privately that he had found the work too frustrating.¹²³ He agreed to stay in office until November, the second anniversary of his appointment. The man chosen as his successor was Sir George Gillett, a prominent Quaker, with banking interests in the City. Gillett had a record of involvement in the social services and was a less aggressive man than Stewart. It is tempting to speculate that he was chosen on the grounds that he would probably be less forceful than Stewart and less likely to embarrass the government in his reports, and indeed his staff were to find him "more helpful ~~of~~ the social side than the industrial side."¹²⁴

None of these decisions were to be made public until the autumn. In the meantime, public demand for a more active policy was increasing. A new aspect of the debate

was concern about the growth of London. Between 1919 and 1939 the population of London increased by 2,000,000 mainly by migration.¹²⁵ This expansion was the bugbear of the planners and of those who turned their thoughts to the Special Areas. "In London's growth lies a good deal of the explanation of the distressed areas' shrinkages."¹²⁶ Strategic considerations emphasised the problem. That such a large population and so much capital should be concentrated in an area vulnerable to air attack seemed folly. As the European situation deteriorated, the problem of London increasingly became a focus for those who sought to encourage the development of the Special Areas and national planning for industry.¹²⁷

As in the spring of 1934, the government again came under pressure from all sides in the autumn of 1936. Even within the Cabinet, Wood and Brown, stirred by the report of an investigation into standards of health in Merthyr, asked the government "to leave nothing undone which we can do to provide opportunities for work for the kind of labour available in all the hard hit areas."¹²⁸ In September, the TUC passed a resolution condemning government inactivity in the Areas and demanding a programme of public works and planning for industry.¹²⁹ In October came the Jarrow march. Two hundred picked men from Jarrow marched to London to present a petition. They were led by Ellen

Wilkinson, the Labour MP, but were supported by all political shades in the North East.¹³⁰ The march coincided with the announcement of Stewart's resignation and of the continuation of the legislation. Stewart's official reason for leaving was not believed. It was generally accepted that he had resigned from sheer frustration. "The government has broken the spirit of Sir Malcolm Stewart."¹³¹ All these events provoked sympathy for the Areas. Even the Conservative Party Conference demanded a more vigorous policy,¹³² while the Labour Party decided to make its own investigation into conditions in the Areas.¹³³

In November, Stewart added his support to the demand for a positive policy. In his third report, he surveyed the problems of the Areas and made a thinly veiled attack on the government's policies. He pointed out that unemployment in the Special Areas had fallen by 10.9% to 29.1% during his period as Commissioner. The corresponding figures for Great Britain were 13.1% and 12.9%.¹³⁴ Not only was unemployment falling more slowly in the Special Areas, but the proportion of long term unemployed there - men who had been out of work for more than five years - had increased by 85% in the previous year.¹³⁵ He made it clear that he had made full use of his powers so the conclusion must inevitably be that his powers were not sufficient for the task. He demanded a stronger attack on the problem. Though he did not agree with compulsory location of industry, he suggested controls on the growth of London, which had

become "a national menace." He also recommended more positive inducements to encourage industry to go to the Special Areas and hinted at the need for a minister to take charge of the policy.¹³⁶ The report was well received. The Times regarded it as "stimulating and thoroughly practical," while the Manchester Guardian praised Stewart and criticised the limitations on his powers.¹³⁷

The Special Areas Act was due to be included in the Expiring Laws Continuance Bill which was debated towards the end of every year. An all party movement began among MP's to exclude the Special Areas from the Bill and thus force the government to introduce new and wider legislation. On 16 November, a group of Conservative MP's, led by Lord Wolmer, met Captain Margesson, the government Chief Whip, and threatened to vote against the government if the legislation was not improved.¹³⁸ The government quickly capitulated. In the all-night debate which followed, Chamberlain promised new legislation and supported in principle granting inducements to industry. He refused to commit the government to any extension of the areas. He asked the House to support the inclusion of the Special Areas legislation in the Bill as there was not enough time to get new legislation through all the stages before March.¹³⁹ The Labour Party refused to accept this but most of the Conservative rebels were satisfied and the legislation was included in the Bill.

The Conservative revolt coincided with Edward VIII's famous visit to South Wales when he demanded that "something must be done" for the area.¹⁴⁰ While the scope of the new legislation was being debated in Whitehall, public pressure continued. The Assembly of the Church of England passed a resolution calling for a revision of the boundaries of the Areas and the expansion of productive enterprise there.¹⁴¹ In January, the readers of the Daily Herald were subjected to emotional accounts of the discoveries of the Labour Party's Commission on the Special Areas. The Commission added little that was new to the demands of Malcolm Stewart, but it did serve to keep the question of the Areas a live issue. The government was also under more direct pressure from deputations from such groups as the Children's Minimum Committee and the National Union of Teachers.¹⁴²

All this had little effect on Chamberlain: he wanted to warn people

against the cruellest deception of all and that is to pretend that we have got up our sleeves some spectacular plan that would in a trice solve one of the most obstinate, baffling problems that has ever faced a government in this country.¹⁴³

The intractable nature of the problem was a constant theme of Chamberlain's speeches. He had not been lazy:

there is no minister - I would say even no man - who has worked harder or longer than I have in trying to solve the problems of the Special Areas.¹⁴⁴

There seems little doubt that Chamberlain was sincere in his protestations. His past history as Mayor of Birmingham and as a reforming Minister of Health indicates that he had a genuine concern for the common man. But his mind was closed to new ideas. Apart from a gradual, piecemeal approach, he could see no solution that would not create more difficulties than it solved. /

In December, 1936, Lord Nuffield, the motor manufacturer, announced a gift of £2,000,000 to found a Trust to aid the Special Areas. He said that the government was doing all that could be done within its legitimate sphere; his gift was to be used in more unorthodox ways, to finance businesses or promote social services.¹⁴⁵ The trustees were to include Lord Portal, who was also chairman of SARA.¹⁴⁶ Inevitably the gift was seen as a criticism of the government's parsimony. The gift was

more than the Prime Minister's government have found it in their hearts to confer ... the nation would not grudge a gift from themselves to the distressed areas of more than £2,000,000.¹⁴⁷

More time seems to have been spent on the preparation of the new bill than on the original one. It was discussed in the departments and by Wilson's interdepartmental committee and the Cabinet sub-committee. The discussions concentrated much more on the economic than the social aspects of the legislation but were still dominated by the desire to pacify public opinion rather than by a real conviction that something could be done. The civil servants

had not yet been converted by the planners or the Keynesians and no consideration was given to the idea of developing an economic strategy for the nation. Though Stewart had asked that the government develop a policy directed specifically at reducing unemployment, this was not considered. But the discussion did mark a change in that it centered on means of reviving the areas rather than depopulating them; transference was scarcely mentioned.

During the discussions, two major changes were made in the legislation. As it was "impossible in the present political atmosphere to resist some extension,"¹⁴⁸ provision was made for the inclusion of new areas, though these were to be "certified" rather than "special" and would benefit only from the economic and not the social service powers of the Commissioner. This reduced expense; it also satisfied those areas which did not want to become full "Special Areas" because the term "carries with it a stigma which tends to discourage industrialists."¹⁴⁹ Representatives of such areas were to apply for certification; their case would be judged by the Minister of Labour aided by an advisory committee.¹⁵⁰ This more flexible system was disliked by some of the Commissioner's staff: "Strict definition has been a sheet anchor which we could ill have spared these last two years."¹⁵¹

The second change in the legislation was the

provision of inducements to industry. These were debated in the Treasury. Some business interests protested against the provision of inducements,¹⁵² but, after Chamberlain's promise to the House, something had to be done. The Treasury agreed to reductions in rates and income tax for new employers in the areas, provision of factories on sites other than trading estates and wage subsidies for workers in training. The financial inducements were varied so that businesses going to the worst areas got the highest rates of inducement for the greatest length of time, up to a maximum of five years. In addition, a Treasury fund of £2,000,000 was established, financed entirely by the government, to offer low interest loans to companies starting in the areas. The fund was to work in conjunction with the Nuffield Trust and SARA and was to be administered by Lord Portal. These changes marked a substantial increase in the Commissioner's powers to attract new industry. No aid to the basic industries was considered.

Two of the main demands of the critics were rejected. Stewart had complained that his subordinate position to the Minister of Labour was the cause of much procedural delay and there was a widespread demand that a minister should take charge of the legislation, so that issues could be thrashed out in Cabinet meetings rather than among departments in Whitehall. This was rejected on the grounds of admini-

strative convenience: Special Areas expenditure fell within the sphere of existing departments and to have a separate Minister would cause "difficulties."¹⁵³ Stewart's proposals for limiting the growth of London were considered, but the interdepartmental committee felt that the question was too complex to be dealt with quickly. In any case, the issue was regarded as "not really relevant to the Special Areas." The civil servants recommended and the government accepted that a Royal Commission should be appointed to examine the whole question of the location of industry and that they should take the risk of being "accused of shelving Stewart's recommendations."¹⁵⁴

The whole problem of location was a thorny one. Though the strategic and social problems posed by the congestion in the South and Midlands were generally recognised, to introduce state direction of industry in peacetime was more than a government as cautious as the National Government could contemplate and probably more than public opinion could bear. The FBI had already warned Chamberlain that industry would not countenance the imposition of government controls over defence production.¹⁵⁵ Controls over the location of industry would certainly have been very strongly resisted. Stewart himself, despite his frustrations as Commissioner, balked at the idea of "general compulsion."¹⁵⁶ The Labour Party did recommend stricter controls, but it did

not receive much support. Uncontrolled development in the prosperous areas reduced the effectiveness of the new inducements to industry. The South and Midlands could still provide a labour force, and offered higher purchasing power and more attractive surroundings than the Special Areas.

Chamberlain's White Paper embodying the new proposals for the Bill was published on 1 March. He had privately admitted that he thought the plans were "pretty thin,"¹⁵⁷ so he could not have been surprised at the disappointment with which it was greeted. The Times, while admitting the improvements criticised the failure to tackle the problems of industrial location, and felt that the government needed "a stiffer resolution" in dealing with the Areas.¹⁵⁸ The North Eastern Development Board regretted that no minister had been appointed, while the Lancashire Development Council complained that the new legislation would only help those who could help themselves.¹⁵⁹ Though some of the Conservative rebels were disappointed with the White Paper, most of them agreed to support the government on the grounds that there had been some real improvement.¹⁶⁰ Once this internal threat had been removed, the government was free to go ahead.

When the Bill was introduced to Parliament, a great furore arose over the way it had been drawn up. Most of the meat of the Bill - the incentives to industry and the

provision for certified areas - was contained in the financial resolution which had to be accepted or rejected in its entirety. This meant that there was no room for amendment. The Labour Party criticised this bitterly. Bevan described it as "a conspiracy of the government to prevent the House from calling it to book for its treatment of the Special Areas."¹⁶¹ Baldwin defended the tightly drawn resolution, claiming pressure of parliamentary business and adding that to leave financial measures open to amendment would be likely to increase the demands on the Exchequer. By this time rearmament expenditure was a major worry and Chamberlain feared an unbalanced budget.¹⁶² Such worries were having an impact on domestic programmes.

The debate on the money resolution was fiery. Ernest Brown was scarcely able to get a hearing at first. He defended the Bill, claiming that the Commissioner's new powers were extensive. He also announced the appointment of the Royal Commission under Sir Montagu Barlow, and the formation of the West Cumberland Industrial Development Company, which was to provide industrial sites in West Cumberland.¹⁶³ The main themes of the Labour contribution to the debate were demands for state control of industrial location and for the appointment of a minister. The opposition achieved nothing; without the support of the majority of the Northern Group they were powerless. There

was a general air of resignation on the Labour side during the third reading. Ellen Wilkinson, accepting that nothing could be done to change the legislation, was reduced to pleading that the government should at least be wholehearted in enforcing it.¹⁶⁴ The bill became law on 7 May.

The original Special Areas legislation had quickly proved to be inadequate both as an aid to the economic revival of the areas and as a device to pacify public concern. Once the government had promised action and experiments, it was committed to doing something unless public interest waned. It became politically impossible for the government to continue the policy of minimal intervention which Chamberlain and his Treasury advisers felt to be economically sound. Gradually, and always in response to pressure, concessions were made, but these did not seriously compromise the basic stand of the government. The amending legislation of 1937 offered enticements to industry rather than immediate aid to the unemployed and its effects would inevitably be long term. The aims of fostering business confidence and maintaining sound traditional finance remained supreme.

NOTES

1. Spectator, 11 Jan. 1935.
2. Middlemass and Barnes, Baldwin, 809.
3. For a full account see Miller, Work or maintenance 331-57 and Gilbert, Social Policy, 183-7.
4. Manchester Guardian, 29 Jan. 1935.
5. Gilbert, Social policy, 187-8.
6. West Cumberland Times, 2 Feb. 1935.
7. PRO, LAB 23/176, Grondona to Stewart, 7 May, 1936; Crawshay to Stewart, 8 May, 1936.
8. Times, 17 Jan. 1935; P. Rowland, Lloyd George, (London, 1975), 714-7.
9. Chamberlain's refusal to work with Lloyd George ensured his exclusion. Feiling, Chamberlain, 241-2; Jones, Diary with letters, 141-7.
10. Interview with L. St. Clare Grondona, 20 June, 1978. See also H. Drummond Wolff & L. St. Clare Grondona, Agricultural reconstruction and land settlement: a plan for affording practical assistance to establishing agriculturalists and for the extension of land settlement in Great Britain and the overseas Empire (London, 1934).
11. H.E. Dale, The higher civil service in Great Britain (London, 1942), 88-90.
12. PRO, MH 61/2, Stewart to Chamberlain, 1 Dec. 1934.
13. Times, 29 Jan. 1935.
14. Feiling, Chamberlain, 241.
15. PRO, MH 61/2, Chamberlain to Stewart, 3 Dec. 1934.
16. Ibid, Stewart to Chamberlain, 5 Dec. 1934.
17. PRO, MH 61/13, Stanley to Stewart, 1 Mar. 1935.

18. Ibid., Stewart to Stanley, 18 Mar. 1935.
19. Ibid., Stanley to Stewart, 14 Apr. 1935.
20. Dale, Higher civil service, 95.
21. PRO, HLG 30/39, Gilbert (Treasury) to Gibbon (Ministry of Health), 4 Aug. 1935.
22. PRO, LAB 23/151, Undated note by Ryan, about the end of 1936.
23. PRO, LAB 23/176, Forbes Adam to Stewart, 17 Apr. 1936.
24. PRO, MH 61/13, Stewart to Stanley, 7 Dec. 1934.
25. Ibid., Stanley to Stewart, 8 Dec. 1934. Voluntary Labour schemes are discussed in Chapter VI.
26. Ibid., Stewart to Stanley, 4 Mar. 1935.
27. Ibid., note by Ryan, 10 Dec. 1934.
28. Ibid., Phillips (Ministry of Labour) to Tribe, 17 Jan. 1935.
29. PRO, LAB 23/176, Forbes Adam to Stewart, 17 Apr. 1936.
30. PRO, MH 61/70, Neville (Ministry of Health) to Tribe, 1 Nov. 1935.
31. PRO, LAB 23/151, note by Dalton, 22 Feb. 1937, remarking that he was waiting for replies to letters sent to Alston RDC on 1 Aug. 1936 and to Cockermouth RDC on 23 Sept. 1936.
32. PRO, LAB 23/177, Ryan to Hardman, 3 Nov. 1936.
33. LAB 8/15, Buxton (Ministry of Labour) to Tribe, 30 Apr. 1935.
34. PP, First report of the Commissioner for Special Areas (England) and Wales, 134-5, Cmd. 4957, July 1935, 84.
35. Baldwin had replaced MacDonald as Prime Minister on 7 June, 1935.
36. Manchester Guardian, 18 July, 1935, remarks on the similarity between Lloyd George's proposals and those of Stewart.

37. T.C. Kennedy, "The next Five Years Group and the failure of the politics of agreement in Britain," Canadian Journal of History 9, (1974), 45-68 discusses the policy of the group.
38. PRO, CAB 24/257, note by Horace Wilson, 27 Sept. 1935.
39. First report, 8. For a discussion of the case for "growth areas" as focal points for regional development, see McCrone, Regional policy, 208-22.
40. First report, 7, 72-3, 75-6.
41. PP, Second report of the Commissioner for Special (England and Wales), 1935-6, January 1936, Cmd. 5090, 7-9.
42. Kenneth Warren, The British iron and steel industry since 1840: an economic geography (London, 1970), 178-83 discusses the case in some detail.
43. Ibid., 183.
44. PRO, LAB 23/177, Tribe to Faulkner (Department of Mines), 9 Dec. 1936.
45. Interview with Grondona. For details of the scheme see L. St. Clare Grondona, Economic stability is attainable (London, 1975), 138-9.
46. Feiling, Chamberlain, 258.
47. PRO, CAB 24/256, CP 145, Extract from minutes of meeting of Committee for Imperial Defence, 16 Apr. 1935.
48. Ernest Brown had replaced Stanley as Minister of Labour in June, 1935. Kingsley Wood was Minister of Health.
49. PRO CAB 24/264, CP 262, Memorandum by Cooper, 3 Oct. 1936; CAB 24/265, CP 299, 300, Memoranda by Brown, Elliot 2 Nov. 1936; CP 309, Memorandum by Inskip, 12 Nov. 1936.
50. PRO, CAB 23/84, minutes of Cabinet, 14 Oct. 1936.
51. Interview with Sir George Mallaby, 26 June, 1978.

52. CRO, DSO 42/2/169, Jack Adams to Director of Navy Contracts, 24 Sept. 1936, complains about this regulation.
53. PP, Third report of the Commissioner for Special Areas (England and Wales), 1936, November 1936, Cmd. 5303, 16; R. Shay, British rearmament in the thirties: politics and profits (Princeton, 1977), 94-7.
54. Times, 29 Apr. 1936.
55. PRO, CAB 24/256, CP 145, Joint note by Treasury and War Office, December 1935.
56. Buchanan, PD, (Commons), 1936, 5th ser., 317, col.1594.
57. H.A. Hallsworth, "The shipbuilding industry", in British Association, Britain in recovery (London, 1938), 359; Shay, British rearmament, 125.
58. PRO, CAB 24/265, CP 299, Memorandum by Brown, 2 Nov. 1936.
59. Third report, 175.
60. Ibid., 21.
61. Workington Star, 26 July, 1935. For a similar feeling in Wales see H. Jennings, Brynmawr (London, 1934), 216.
62. First report, 81.
63. The idea had been considered and rejected as early as 1931. PRO LAB 18/34, Memorandum by Board of Trade, August, 1935.
64. Board of Trade, Survey of industrial development in 1934, (1935), 7.
65. PRO, LAB 18/34, Tribe to Buxton, 16 Aug. 1935.
66. Ibid., Allen to the Auditor, 20 Aug. 1935.
67. PRO, CAB 24/257, CP 197, appendix by Wilson.
68. Craig, Election manifestoes, 79.
69. PRO, LAB 18/34, note by Marlowe (Ministry of Labour) on meeting with Treasury; 6 Nov. 1935.

70. PRO, BT 104/41, note by Ryan, 6 Sept. 1936.
71. PRO, LAB 8/11 documents the discussions.
72. Ibid. Gilbert to Marlowe, 21 Apr. 1936.
73. Manchester Guardian, 14 Feb. 1936; Times, 8 May, 1936.
74. First report, 17-18.
75. PRO, CAB 24/257, CP 197, Appendix by Wilson, 27 Sept. 1935.
76. Ibid.
77. Henry Clay, Lord Norman (London, 1957), 353.
78. PD, (Commons), 21 Apr. 1936, 5th ser., 311, col.51-2.
79. Ibid., col.317. This was a reference to the massive Imperial Chemical Industries plant at Billingham which had done much to reduce unemployment on Tees-side.
80. 25 Apr. 1936.
81. Workington Star, 10 May, 1936, Manchester Guardian, 8 May, 1936.
82. Anderson, PD, (Commons), 2 Dec. 1936, 5th ser., 318, col. 395-6.
83. First report, 15-16.
84. PRO, LAB 23/177, Forbes Adam to Stewart, 17 Apr. 1936.
85. Third report, 70.
86. PRO, LAB 23/177, Undated (about December, 1936), memorandum, "The Special Areas (England and Wales): the local government problem."
87. Third report, 31.
88. First report, 63.
89. PRO, LAB 23/75, Crawshay to Tribe, 22 May, 1935.

90. Ministry of Labour, Reports into industrial conditions, 34.
91. This reputation resulted from the prominence given to the miners by Jewkes and Winterbottom, Cumberland and Furness, 28-30 and by Davidson, Ministry of Labour, Reports into industrial conditions, 5-6. Thereafter, the Cumbrian miners were frequently referred to as bad subjects for transference. See Dennison, Location of industry 28.
92. Third report, 20.
93. First report, 8.
94. Dennison, Location of industry, 177, 181.
95. Ibid., 182.
96. Times, 18 Aug. 1936.
97. Ibid., 25 Feb. 1937.
98. Brown, PD, (Commons), 9 Mar. 1937, 5th ser., 321, col. 1027.
99. PRO, CAB 24/257, CP 197, Memorandum by Chamberlain, 18 Oct. 1935.
100. Chamberlain, PD, (Commons), 14 Nov. 1934, 5th ser., 293, col.1998. MacDonald had encouraged the formation of the Land Settlement Association.
101. PRO, MH 61/2, Stewart to Chamberlain, 4 Dec. 1934.
102. A.W. Menzies-Kitchin, Land Settlement: a report prepared for the Carnegie United Kingdom Trust, (Edinburgh, 1935), 136.
103. C.S. Orwin, and W.F. Darke, Back to the Land (London, 1935); Viscount Astor and B.S. Rowntree, The agricultural dilemma (London, 1935).
104. First report, 38-9.
105. The LSA was financed by private donations, particularly from the Carnegie Trust. These donations were matched by grants from the Development Commission.

106. Commissioner for Special Areas, (England and Wales) Report of the Committee of Enquiry into Land Settlement, (London, 1939), 21.
107. Annual report of the Land Settlement Association for 1936 (London, 1937) 8.
108. Third report, 198.
109. Commissioner for Special Areas, Enquiry into Land Settlement, 38.
110. The result was as follows:
- | | | |
|----------------------|------------|-------------------|
| National Government: | 428 seats; | 53.7% of the vote |
| Labour Party: | 159 seats; | 37.8% of the vote |
| Other: | 30 seats; | 8.5% of the vote |
- M. Kinnear, The British voter (London, 1968), 52-3.
111. For example, Middlemass and Barnes, Baldwin, 865-9; Feiling, Chamberlain, 312-3.
112. J. Robertson, "The British General election of 1935", Journal of Contemporary History (1974), 159-64.
113. Craig, Election manifestoes, 76-81.
114. Ibid., 81-5.
115. B.E.V. Sabine, British budgets in peace and war, 1932-1945, (London, 1970), 79-82.
116. Shay, British rearmament, 162.
117. When Baldwin was asked in February, 1937, "What are you going to do about the Special Areas, he replied, "I don't know. I'm not on that committee" - a remark which his biographers claim can be explained by his preoccupation with foreign affairs. Middlemass and Barnes, Baldwin, 1035.
118. PRO, LAB 23/176, Memorandum on future organisation, 10 Mar. 1936.
119. Ibid., Tribe to Wolfe, 14 Mar. 1936.
120. Ibid., Forbes Adam to Stewart, 17 Apr. 1936.

121. Ibid., Tribe to Somervell, 1 May, 1936.
122. Ibid., Memorandum, "Future of the Special Areas", May, 1936.
123. Interview with Grondona.
124. Interview with Sir Harold Emmerson, 4 July, 1978.
125. J.B. Cullingworth, Town and country planning in England and Wales (Toronto, 1971) 25; see also A.A. Jackson, Semi-detached London (London, 1973), passim.
126. Spectator, 28 June, 1935.
127. See, for example, Times, 18 Aug. 1936.
128. PRO, CAB 24/264, CP 229, Memorandum by Wood and BROWN 27 Aug. 1936.
129. Times, 9 Sept. 1936.
130. Wilkinson, Town that was murdered, 198-213.
131. Cumberland and Westmorland Herald, 17 Oct. 1936, Stewart had been given a knighthood on his resignation. For scepticism about Stewart's resignation, see also Manchester Guardian, 11 Nov. 1936.
132. Times, 3 Oct. 1936.
133. The suggestion was made by Daniel McHenry, a Whitehaven delegate. West Cumberland Times, 10 Oct. 1936. For an account of the investigation, see Dalton, The fateful years, 118-24. Dalton, MP for Bishop Auckland in Durham, headed the investigation.
134. See Appendix 4.
135. Third report, 23-4.
136. Ibid., 6-7, 9-10, 12-13.
137. 11 Nov. 1936.
138. Manchester Guardian, 17 Nov. 1936.
139. PD, (Commons), 17 Nov. 1936, 5th ser., 316 col.1596-9.

140. Daily Herald, 17 Nov. 1936; Windsor, A King's Story, 337.
141. Times, 21 Nov. 1936.
142. Manchester Guardian, 24 Feb. 1937; Times, 15 Feb. 1937.
143. Speech at Leeds, Times, 20 Nov. 1936.
144. PD, (Commons), 12 Mar. 1937, 5th ser., 321, col.1573.
145. P.W.S. Andrews and Elizabeth Brunner, The life of Lord Nuffield (Oxford, 1955), 277-80.
146. Sir Wyndham Portal, who had conducted the 1934 investigation in South Wales, had been elevated to the peerage in 1935.
147. Daily Express, 22 Dec. 1936. See also Manchester Guardian, Daily Herald, 22 Dec. 1936.
148. PRO, LAB 23/177, Memorandum "Adjustment of scheduled areas," December 1936.
149. Ibid., Note on the meeting of the Lancashire delegation and the Minister of Labour, 14 Dec. 1936.
150. Ibid., Notes on the definition of the Areas, December 1936. The criteria were to include percentage of unemployment, duration of high unemployment, the industrial structure of the area and the size of the area.
151. Ibid., Note by Ryan and Dalton, 4 Dec. 1936.
152. Ibid., Resolution passed by the Scottish Furniture Manufacturers' Association asking for "some other form of assistance which will in the Special Areas or competing factories in any other areas." 26 Nov. 1936. The Director of Manchester Chamber of Commerce thought that inducements other than the provision of factory sites would be "dangerous", letter to Horace Wilson, 20 Nov. 1936.
153. Ibid., Draft report of Interdepartmental Committee, 1 Jan. 1937.
154. Ibid., Memorandum "Control and expansion of industry in Greater London," December 1936.

155. Shay, British rearmament, 97.
156. Third report, 6.
157. Feiling, Chamberlain, 291.
158. 2 Mar. 1937 and 3 Mar. 1937.
159. Times, 3 Mar. 1937.
160. Manchester Guardian, 3 Mar. 1937.
161. PD, (Commons), 9 Mar. 1937, 5th ser., 321, col.849.
162. Shay, British rearmament, 142-4.
163. PD, (Commons), 9 Mar. 1937, 5th ser., 321, col.1023, 1027-8.
164. Ibid., 26 Apr. 1937, 5th ser., 323, col.86.

CHAPTER IV

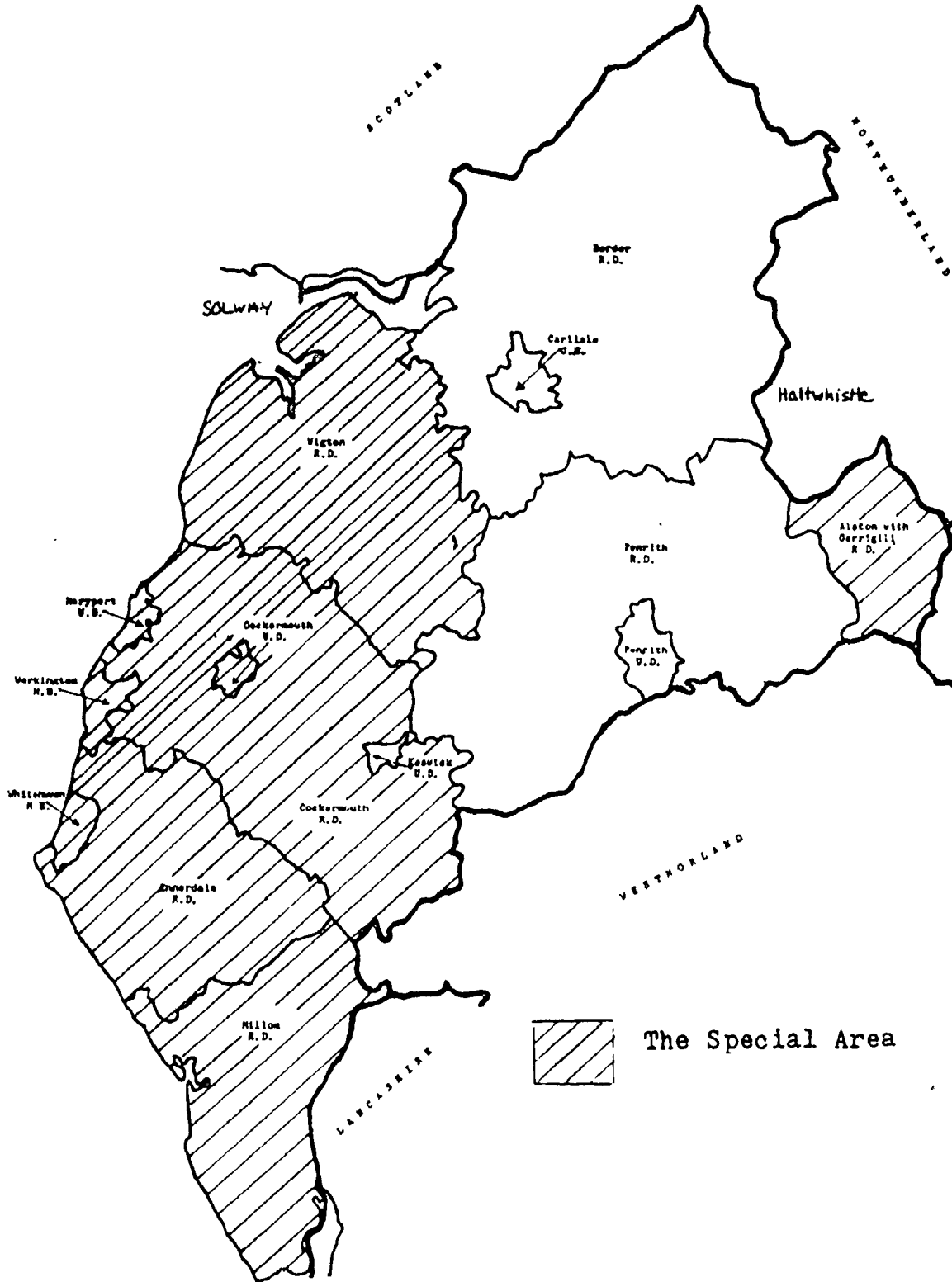
THE SPECIAL AREAS LEGISLATION, 1934-37; THE CASE OF WEST CUMBERLAND

The West Cumberland Special Area

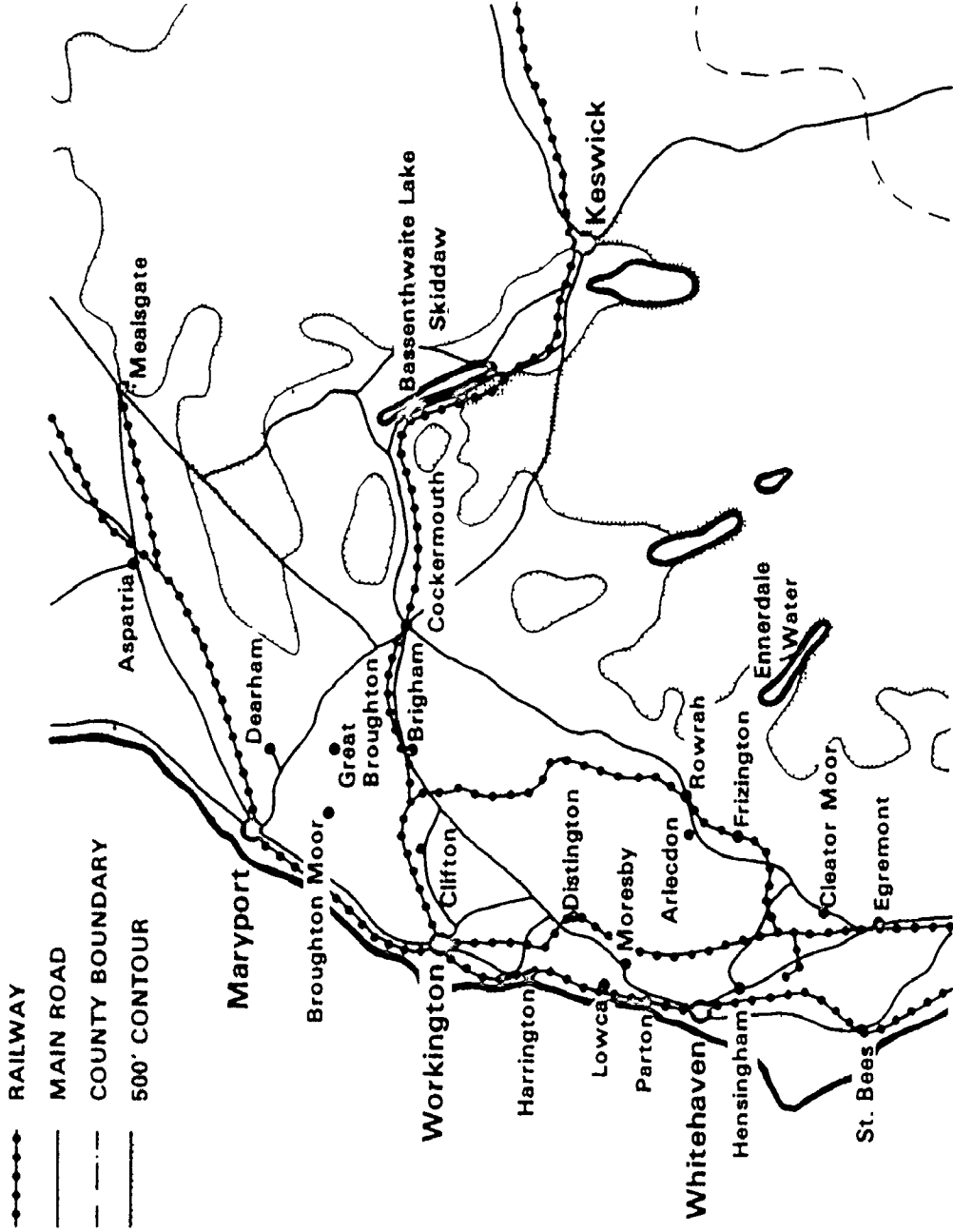
A southern man ... deserv's as considerable a Post, in a more benign climate and among more Civilis'd People.... Noe man will suit naturally with Cumberland, who was not borne at least in Yorkshire.¹

Cumbrians were very aware of themselves as a distinct people, even though many of them, particularly in the West, were descendents of nineteenth century immigrants rather than of native stock. This sense of identity was fostered by the local press, which regularly carried articles in local dialect and reports of meetings of the Cumberland and Westmorland Societies formed by exiles in other parts of Britain and the Empire. The new District Commissioner, L. St. Clare Grondona, found himself in this self-conscious society in 1935. Far from being "borne at least in Yorkshire" he had been born in Victoria, Australia. His initial reception was cautious. Some doubts were expressed about the choice of such a "foreigner" but there was also a feeling that "as a colonial and ex-soldier ... Mr. Grondona may have a less conventional red-tapish outlook than many of our home politicians."² Grondona himself thought that he had a better reception as a "foreigner" than

LOCAL GOVERNMENT DIVISIONS IN THE
WEST CUMBERLAND SPECIAL AREA



INDUSTRIAL WEST CUMBERLAND



he would have done had he been a hated southerner.³ He was a vigorous, capable man, confident and impatient of regulations; these factors were to make it difficult for him to work within a civil service framework.

The area with which Grondona had to deal was not homogeneous. The boundary, later to be described as "a most singular and fantastic line,"⁴ ran from the East end of the Solway to the Duddon estuary, enclosing much land that was not industrial: the Solway plain, the coastal area between St. Bees and Millom, and the Western Lake District. Alston formed a separate part of the Area. It adjoined Haltwhistle, a similarly detached segment of the North Eastern Area. Such anomalies aggravated the difficulties of the District Commissioner. The natural links of Alston were with the Tyne Valley and the area was easily overlooked by people based in Whitehaven. Barrow and the Furness district of Lancashire were also excluded, even though "the affairs of Barrow are almost of as much interest to West Cumberland as those of Millom and the United Steel Company."⁵ Seventy per cent of the population of the area lived in the three coastal towns of Maryport, Workington and Whitehaven. These three towns were the core of the Special Area.

Of all the Special Areas, Cumberland was the smallest, both physically and in population. In mid 1934, its estimated population was 150,900, compared with 973,170 in South Wales and 1,747,140 in the North East.⁶ It was also

the most isolated of the Areas: isolated from main roads and surrounded by agricultural areas with low purchasing power. There were no nearby cities to provide focal points for growth. Cumberland presented a major problem to the Commissioner. Frank Tribe declared that it was "a mistake to have scheduled so many of these districts in Cumberland,"⁷ and Stewart thought that the area was too small to justify separate treatment.⁸ Nevertheless, the Area had been scheduled and could not be ignored, though many of the Commissioner's staff lamented the difficulty of finding suitable schemes to implement there.

The headquarter's staff also felt that the area lacked natural local leaders.⁹ To some extent the Cumbrians agreed. Spokesmen for the county complained not so much that Cumbrians were incapable of leadership but that the county did not have major industrialists or aristocratic leaders with sufficient political pull to attract attention to the area, nor was there a university whose research interests could further local industry.¹⁰ The most important employer in the county was United Steel, but with its diverse interests it was not committed to the survival of West Cumberland. The owners of the most extensive lands and mineral rights in the area were Lords Lonsdale and Leconfield. Far from trying to nurture his inheritance, Hugh Lowther, Earl of Lonsdale, was consumed by the idea that he was the last of his line and his aim was "to spend every penny

available."¹¹ Lord Leconfield lived in Surrey and never expressed any interest in Cumberland.

Unlike the North East and South Wales, Cumberland had no regional development organisation. During 1934, there had been some consolidation of local development organisations but there were still three boards: the West Cumberland Development Board, based in Workington and covering the northern part of the coalfield, the Whitehaven Industrial Development Committee and, further South, the Millom Development Committee. These were all fairly small organisations, representing local business interests; local rivalries prevented them from working together. As the Special Area represented only part of the constituency of the County Council, this meant that there was no existing institution which could claim to speak for the Cumberland Special Area.

The parliamentary influence of Cumberland was weak. The county was divided into five constituencies. All except Carlisle included parts of the Special Area. The Whitehaven and Workington constituencies were entirely within the Special Area. The Penrith and Mid-Cumberland division included Alston and parts of Cockermouth Rural District, while parts of Wigton Rural District lay in the North Cumberland Division. Compared with the Labour armies of South Wales and Durham, and the Conservative ranks of

Tyneside, the four MP's could not command much attention, particularly as, after the 1935 election, they came from three different parties.¹²

Grondona arrived in Cumberland in January, 1935, at a time when the economy seemed to be improving. Pig iron orders were increasing, a small gypsum mine had opened near Whitehaven and, a few days after his arrival, the signing of a coal-cattle agreement with the Free State augured well for the coal industry. Grondona's office was established at 30, Roper Street, Whitehaven,

a house typical of the town at that time, once a prosperous and elegant private residence built in the local red sandstone, now, like many houses around it, remarkable only for its air of crumbling decay.¹³

Grondona was aided by a civil servant, C.A. Swindin, transferred from the Ministry of Labour in Manchester, and a small clerical staff. As in London, so in Cumberland, a small staff meant that the Commissioner had to rely on and work through other bodies in the area.

Grondona's initial task was to make contacts. This was not difficult. Expectations had been raised by the legislation and local authorities and other bodies in the area were eager to find out what they could get. Grondona warned them that he had no executive authority, only the power to make recommendations,¹⁴ but some of his initial statements - "I have come here to get things done, not so

much to investigate" and "you have many natural resources; the problem is how best they can be developed"¹⁵ - served to raise high hopes in the area and received favourable comment in the press. Grondona himself seems initially to have underestimated the limits on his powers. He thought that his main task should be to encourage economic development but increasingly he came to feel that the legislation frustrated his efforts.¹⁶

The local authorities welcomed the Special Areas Bill. Before the Act was even passed, Whitehaven Council decided to hire an extra engineering assistant to help prepare the new works schemes which they anticipated.¹⁷ Most of the authorities seem to have seen the legislation as a new source of grants and immediately put forward schemes for sewage works, roads and the development of public baths. Most of the schemes were local; the only regional scheme which was generally proposed was the building of a better road along the coast. Some of the schemes were completely beyond the terms of the Act. Broughton Moor Parish Council, for example, asked that the Commissioner reopen the nearby quarry and coal mines.¹⁸

After the initial enthusiasm, disenchantment soon set in. One cause of disillusion was the non-appearance of Stewart. "If he intends to come to Cumberland, let it be soon, else everybody will have forgotten there was such a

person appointed."¹⁹ Stewart delayed his visit until Grondona felt established and consequently did not visit Cumberland until the end of February, some weeks after his tours of the other areas. But the delay caused much impatience. This touchiness was to prove a constant problem for the Commissioner. Politicians and press in each of the Special Areas watched the way in which the other areas were treated and were quick to pounce on evidence of favouritism. The problem was particularly acute in Cumberland which, as the smallest area, did not get as much in absolute terms as the North East or South Wales.

Misconceptions of the nature of the legislation meant that Stewart and his staff became scapegoats for the limitations of the Act. Cockermouth RDC's schemes for land drainage and rural electrification were not covered by the Act, though one councillor claimed that the projects had been "wiped out by Grondona."²⁰ It was March, 1935, before the Commissioner's office had prepared the standard application forms for grants, and the delay caused criticism. There was no understanding in the Areas of the problems which Stewart faced in defining his powers and his relationship to the departments. Stewart remedied the situation to some extent in his first Report, in July, 1935. Quoting MacDonald, Chamberlain and Stanley, he explained that it was "perhaps partly due to statements made by members of the

government" that misunderstanding had arisen as to the extent of his powers.²¹ He outlined the administrative difficulties he faced and in this way deflected much of the criticism from his organisation towards the government.

By the summer of 1935, much of the initial enthusiasm for the Special Areas legislation had evaporated in Cumberland. The problem remained of finding out what could be done within the limits of the Act.

The Cumberland Development Council

One of Grondona's aims was to encourage local co-operation and initiative in attempts to revive the area. The divisions among the local development boards inhibited this. At first Grondona contemplated merging the two smaller organisations with the West Cumberland Development Board. He changed this plan because it was resisted by the Whitehaven Committee²² but also because, on closer acquaintance, he developed a low opinion of the West Cumberland Board's capacity for action and initiative.²³ He decided that it would be better to form a completely new organisation and Stewart publicly promised a grant to entice local support.²⁴

By July, 1935, the local organisations had agreed to this plan. During August Grondona contacted the local authorities to ask for support. He also asked eligible local authorities to give indirect financial aid to the new body by

contributing to the Travel and Industrial Development Association.²⁵ Local businessmen were also encouraged to join. W.S. Sadler of Millom agreed to be the Chairman of the organisation, the Cumberland Development Council (CDC). Sadler was a retired director of Vickers, the Barrow shipbuilding firm. He had both business expertise and the time to devote to the organisation.

A key role in the new organisation was to be that of the secretary, who would be the senior full time employee. For this position, Grondona wanted someone who knew the area thoroughly. Two names were suggested to him, Jack Cusack and Jack Adams, both Labour members of the County Council. Grondona had a low opinion of both; though they each had administrative experience, they also had a reputation for demagogy. He eventually chose Adams, mainly because he found Cusack arrogant.²⁶ There were severe doubts at headquarters about Adams' abilities, but Stewart acquiesced as there seemed to be no one else.²⁷ The appointment was greeted with surprise and approval in Cumberland. "Nobody would have thought of him for the job, but once he was appointed he was recognised as just the right man."²⁸

Jack Adams came from a poor family. He was still a child when his father, an iron miner, was killed in a pit accident. In time, Adams became an iron miner and an active trade unionist. In 1911, he became the first Labour member of Arlecdon and Frizington Council. Eight years

later he was elected to the County Council and in 1931, he became its youngest ever Alderman. By 1935, he was a magistrate, chairman of the County Health Committee and of Workington Education Committee and an official of Workington Labour Party. His paid employment was as secretary to the Colliery Winding Enginemen's Association, a secure job with a pension and a house. He gave up this security to take the initially temporary appointment of secretary to the Development Council, a decision which caused him some anxiety.²⁹ A vain man, he was possibly attracted to the job by the chance of increasing his local fame. He was, however, genuinely concerned with the welfare of the unemployed in West Cumberland. His prospects in the new job to a large extent depended on his own efforts. As secretary, he proved hard working and resourceful. At meetings of the Council he played an active role and made sure that he got full credit for it.³⁰

Grondona persuaded Lord Lonsdale to become President of the Council. This was something of a coup, as "Lordy" had not been in West Cumberland for years. Grondona felt that the support of such an eminent figure was necessary if the Development Council was to win general public acceptance,³¹ but he seems to have greatly overestimated Lord Lonsdale's personal influence in the West. Though the people were prepared to appreciate the spectacle of the Earl and his yellow Daimler, he was generally disliked among the

industrial working class on the West Coast.³² The only work he ever seems to have undertaken for the Development Council was to preside at its first public meeting. Though Lord Lonsdale's presence provided some colour and flattered Grondona's vanity, he was of no practical use to the Council.

The Development Council had a large membership, including representatives of local authorities and of labour; though the prominent members were leaders of local industry such as Crichton and Highton of United Steel and Major Hibbert of the Millom and Askam Haematite Company. As the main body was rather unwieldy, there was an Executive Committee with twenty members which included, ex-officio, the District Commissioner. The Council was further divided into committees which dealt with different aspects of Cumberland's problems. The Advertising and Publicity Committee was the most active; it was the only committee with any real executive power. The others, such as the Iron Ore Committee and the West Coast Road Committee, were limited to doing research to support the Council in its role as a pressure group. The Council was financed by the Special Areas Fund, the local authorities and private subscriptions. Though the Council as a whole was cumbersome - it met as a body only once a year - it did represent a wide range of interests and could truly claim to speak for West Cumberland.

Local rivalries meant that this broad representation was not achieved without some difficulty. Maryport Urban

District Council claimed that the town was under-represented and complained to Grondona.³³ Some members of the old development organisations resented the inclusion of new men; it seemed unfair that the Council should "contain men who had not been to a single meeting of the West Cumberland Development Board."³⁴ Whitehaven Council too were offended when, by an oversight, Grondona did not include a representative of the town on his first list of the Executive. He apologised, but this was not enough to prevent a stormy council meeting. For a time it seemed as though Whitehaven would not participate.³⁵ It says much for Grondona's organising ability that he was able to form a Council.

On 22 November, 1935, a public inaugural meeting was held in Workington Opera House. The event caused much excitement and there was a great scramble for tickets. Lord Lonsdale chaired the meeting; the main speaker was Grondona. He urged the need for self-help and local enterprise, emphasising the opportunities in Cumberland for the development of such industries as food processing. He also announced that the Commissioner had awarded an initial grant of £5,000 to aid research and to cover the administrative expenses of the Council.³⁶ Though the meeting was criticised for being theatrical and lacking spontaneity,³⁷ on the whole Grondona's speech was well received. Lord Lonsdale followed up the meeting by writing to the Times, asking industrialists and

anyone with money to invest to contact the Development Council. Nothing seems to have come of this. At the end of December he closed up Lowther, his remaining seat in Cumberland, and left the county for good.

The founding of the Development Council coincided with the sudden closure of the Whitehaven Collieries, an event which further emphasised the instability of West Cumberland's economy. More than 2,000 pit workers and several office staff lost their jobs and the unemployment rate in the town doubled. There was nothing that the Council could do directly about this problem. Its main powers were limited to advertising the county and to acting as a pressure group.

The aim of the Council's publicity campaigns was to attract both tourism and industry. One of the first projects was the production of a brochure, Wonderful West Cumberland, covering the entire area. Consisting of photographs rather than text, the booklet emphasised the scenic beauty of the Western fells, but also mentioned the harbour facilities along the coast. 10,000 copies were produced, 75% of the cost coming from the Special Areas Fund. The brochure was very highly regarded in the county as excellent publicity. Its effect is hard to gauge. The idea that tourism was an industry was new and no statistics were kept. Apart from encouraging tourism, the Council also advertised in trade journals and produced leaflets emphasising the industrial potential of West Cumberland.

The Development Council also provided information to manufacturers interested in coming to West Cumberland. This was the province of Jack Adams, who was tireless in following up enquiries and in explaining and sometimes exaggerating the advantages of West Cumberland as an industrial centre. In this work he was helped by Frank Anderson who tried to build up contacts in London. In 1936 at one point they were dealing with enquiries for a canning factory, a starch manufacturing plant and a factory to make washing machines,³⁸ none of which came to fruition. After the formation of SARA the Council supported companies applying for loans to establish industries in Cumberland. During the first two years of SARA's existence all their applications failed and Adams complained that as far as SARA was concerned "the amount of money to be found by the applicant is the first consideration and the question of providing work in the area seems to be only second."³⁹ Neither Anderson nor Adams had experience in business affairs to equip them to judge business propositions; SARA, on the other hand, was concerned to fulfill its responsibilities to its shareholders and the government, so its policy was cautious.⁴⁰ Anderson and Adams found these restrictions incomprehensible. During its first two years the Council had no success in attracting industries: lively publicity was not enough to counteract the depressed image of Cumberland;

Manufacturers will not come into what has been described as a Special Area without inducements ... for years the isolation and poor transport of West Cumberland have been topics of discussion in the press.⁴¹

The Council also acted as a pressure group. Many members of the Council were interested in the revival of traditional industries. This was hardly surprising since the most influential industrialists and trade unionists on the Council represented heavy industry. They refused to accept the possibility that coal and iron mining were dead. The Iron Ore Committee pressed the Commissioner to finance a survey so that the ore reserves could be accurately determined. They also asked for the establishment of central pumping stations, to reduce the problem of flooding in the mines and to enable the ore to be obtained more cheaply. The survey of reserves foundered because of complications with the royalty owners. In 1937, however, the Commissioner finally agreed to a survey of abandoned mines to examine the feasibility of establishing central pumping stations. The Committee also tried to persuade United Steel to use a higher proportion of local ores in its operations at Workington but the company maintained that for technical reasons there had to be a mix of ore.

Anderson and Adams also pressed for government aid to establish a plant in Cumberland to produce oil from coal. This was a popular demand in all the declining coalfields in the 1930's. Oil could be produced from coal by low

temperature carbonisation or by hydrogenation. Carbonisation had not been proved commercially possible. Imperial Chemical Industries held the patent for the hydrogenation process. Though there were severe technical doubts about both processes, these were ignored by advocates from the mining communities. In the end the government agreed to establish an experimental carbonisation plant in South Wales, but nothing was done in Cumberland.

The Development Council, through its Education and Apprenticeship Committee, became a mouthpiece for opposition to the government's transference policy. It pointed out incongruities in aid to trainees. To encourage transference, subsidised apprenticeships were provided only in prosperous areas. This meant that when the Mid Cumberland Electricity Board needed wiremen but could not afford to train them, it had to bring in trained workers from outside.⁴² Such conditions were obviously a disincentive to any manufacturer coming to the Areas. The Council, supplied with examples by the Apprenticeship Committee, made representations to the Ministry of Labour about the situation. These were not immediately successful, but the provision of subsidised training for new workers was among the inducements offered to manufacturers in the 1937 Act.

The Development Council worked closely with the local MP's, who agreed to form a group to work for Cumbrian interests

at Westminster. Anderson was the liaison between the MP's and the Council. He and Cape were the most active of the group. Cape, who was nearly seventy, did not have the vigour of his younger colleague, and the initiatives came from Anderson. Cape was willing to admit this:

Why, Mr. Frank Anderson had almost run him off his feet during the last session. One day he (Anderson) would drag him round to see the Minister of Defence and then the Commissioner for the Special Areas. In fact there was no department they hadn't visited.⁴³

Adams advised Anderson from time to time of the Development Council's views on particular issues which were being debated in Parliament or which should be brought to the attention of the departments.⁴⁴ Similarly, Anderson asked the Council to lobby the government when the Amendment Bill was being drafted.⁴⁵ Anderson believed that the problem of the depressed areas could only be solved by having the government control the location of industry. The Council's demands, moderated by the influence of businessmen, were that the Commissioner's powers should be increased, that strong incentives should be offered to attract industries, but that industrialists should not be compelled to come to the Areas.

Adams believed that part of his job was to help the local authorities get the maximum advantage from the Special Areas Fund. He supported Whitehaven Council when they asked the Commissioner to increase the grant he had offered to build new swimming baths. Adams arranged for a deputation to

discuss the matter with Grondona and made representations in London. The grant was finally raised a few months later, after Stewart had made one of his visits to the area.⁴⁶ Grondona objected when he found out that Adams was also advising local authorities of the types of schemes which might be eligible for a grant, but Adams replied "that it was my job to advise people to start work that would entitle them to some help from the Commissioner."⁴⁷ Although the Council was Grondona's creation, it was not his creature.

Adams was a publicity-seeker. As secretary to the Council, he addressed meetings around the county and became even more widely known. He did not hesitate to take the credit for any achievements and always implied that he could do more were he not hampered by red tape and bureaucracy:

I can hardly express my feelings (about his job) as it is one of those positions where you can run in circles until you are dizzy and the nearer you get to government departments the more red tape and stupidity you have to contend with, and you believe me when I say, knowing me as you do, that at times my thoughts are not as choice as my language when I am dealing with some of these people.⁴⁸

The theme was repeated often, in letters to local businessmen and in public speeches. He was also prepared to make quite unfounded claims, as when he asserted that pressure from the Development Council had caused the government to withdraw Barrow from the schedule of Special Areas, so that Cumbrian

boys could be sent there on assisted apprenticeships.⁴⁹ This was an outright lie, as Barrow had never been in the Special Area. Adams' self-glorification was to cloud his reputation in later years, making it very difficult to assess what people really thought of him at the time. There is no doubt, however, that he did work hard for the recovery of Cumberland.

Fortunately most of the men with whom Adams worked on the Council were not so avid for publicity and were prepared to let Adams have the limelight. The only person with whom he came into conflict was Anderson who, wanting to be established in his new constituency, was keen to get credit for the work he did. At first they worked well together but in later years they were to quarrel.

Though the Development Council made no concrete gains during its first years, its formation was still a significant achievement because, for the first time, West Cumberland had an organisation that could act as its spokesman. Unlike the development organisations in the North East and South Wales the Council represented only the Special Area; its attention was not diverted by rivalries between Special and non-Special areas. The Cumbrian council was also more successful in gaining the whole-hearted support of business interests and local authorities than its counterparts in the other Areas.

The Cinderella of the Special Areas?

The description of Cumberland as "the Cinderella of the Special Areas," because of its poor communications and isolation, first seems to have been used in 1936.⁵⁰ The metaphor was thereafter regularly adopted by spokesmen for Cumberland in presenting their case for better treatment or expressing their jealousy of the other areas.⁵¹

It became a commonplace among Cumbrians that they were badly treated in comparison with the North East and South Wales. There was great indignation, for example, that the deep water quay at Jarrow got a higher rate of grant than the scheme to improve Whitehaven Harbour.⁵² The Development Council, concerned about the question of grants for work schemes, demanded that Stewart explain why "some of the Special Areas were receiving substantial grants and West Cumberland very meagre amounts." Rates in Cumberland were low compared with those in South Wales and Durham and the Cumbrians felt that they were being penalised for careful financial management. Stewart denied this, saying that the rates of grants varied with individual cases and that there was no fixed code for assessing grants.⁵³ Cumberland never did get any of the 100% grants that were offered for some of the smaller schemes in other areas. There is no doubt that the local authorities in West Cumberland were in a healthier financial position than those in South Wales and Durham but

it is difficult to say whether or not this was a sign of virtue.

There were severe doubts at headquarters about the industrial viability of West Cumberland. Ryan believed that "in future West Cumberland can only have tourists to supplement the existing industries which are based on natural resources";⁵⁴ he could see no other industrial future for the county. His views were shared by Tribe and Stewart. Such pessimism meant that the Commissioner's staff had no real faith in the efficacy of schemes proposed for Cumberland. Projects for the county were often justified simply on the grounds that the Commissioner had to be seen to be doing something there. Ryan urged the need for a housing association in Cumberland partly because "Cumberland is a Special Area and so far we have done very little for it."⁵⁵

Such doubts about the future of the Area help to explain the delays which occurred in public works projects. The Commissioner aided two types of works, those which enhanced the economic attractiveness of the area and those which improved social amenities. Of the latter, sewage schemes were the most numerous and were often urgently necessary; at Dearham, for example, "almost the whole of the drainage of the village was discharged into open gutters which in turn discharged into a beck."⁵⁶ There were also several hospital schemes which will be discussed later. Three major "economic" schemes were considered by Stewart:

the improvement of the harbours at Maryport and Whitehaven, and the building of a sea wall at Maryport. Maryport harbour was silting up, but the Harbour Commissioners could not afford to dredge it. It was important because the Aspatria collieries depended on the harbour for the exports to Belfast which absorbed most of their production. In the summer of 1935, the harbour was dredged with the aid of a Special Areas grant, but the following winter the stonework was severely damaged by storms and it silted up again. Now major works were required but it was doubted whether the economic return would justify the investment. Stewart sent an engineering consultant to examine the harbour but his report was gloomy. Grondona, who had had experience of harbour repairs in Australia, suggested a cheaper way of shoring up the wall but could get no support at headquarters. As no more money was forthcoming, the Harbour Commissioners were reduced to clearing the entrance with their own contraption of buckets and ropes.⁵⁷ The situation at Maryport was one of the major grievances of both the Cumbrians and Grondona. The Commissioner was more generous to Whitehaven Harbour, which had more obvious economic potential, and agreed to aid a major modernisation scheme. The plan, which involved closing the harbour for several months, was abandoned when the Whitehaven mines stopped work. The town council and other interests in the town feared that if the harbour were closed, even temporarily, new companies would be

discouraged from taking an interest in the mines.

For several years, the idea of developing Maryport as a seaside resort had been popular in Cumberland. To the north of the town there were miles of beaches. After having the area inspected, Stewart agreed to finance the building of a sea-wall to inhibit erosion, though he was not prepared to provide extra amenities as a swimming pool or promenade.⁵⁸ Nearly a year passed before tenders were accepted and work could begin. Such delays caused much frustration in Cumberland and were often blamed on the Commissioner's Office, rather than on the administrative complications imposed by the legislation. The delays were adduced as further proof that Cumberland was "the Cinderella of the Special Areas," but they were common in the other areas too.

Delays in particular projects were often caused by local rivalries or lack of concerted planning as much as by red tape in London. The wide publicity accorded to the North Eastern Housing Association encouraged local authorities to demand a similar association in Cumberland. The housing problem in Cumberland was smaller than that of the North East, which had the highest rate of overcrowding in the country. In 1936, Durham still needed 10,000 houses under the 1930 Housing Act; Cumberland needed 1,500. Some Cumbrian authorities, particularly Cockermouth and Ennerdale RDC's, did have bad problems and they continued to press the Commissioner for an association.⁵⁹ The requests were treated

sympathetically, even though Cumberland's needs were less obvious than those of the North East. The average rate in Durham was 17s 6d. in the £, compared with 12s. 8d. in Cumberland. Cumberland, however, had completed only 24.5% of the houses needed under the 1930 Act, while Durham had completed 51%. Ryan defended the poorer housing record of the Cumbrians:

The lower rates in West Cumberland are partly because of prudent administration and a recognition, far from universal in Durham, that a poor local authority cannot spend. This attitude is partly responsible for the lagging housing programme.⁶⁰

Stewart agreed with Ryan that something had to be done in Cumberland and he won the Minister of Labour's permission to go ahead with the housing association.

The West Cumberland Housing Association was never formed. To have a viable building programme, the Association needed the support of most of the local authorities. The Councils of Workington and Whitehaven objected to losing control over housing and rents, and rejected the plan. The Commissioner's staff felt that the authorities were being perverse⁶¹ and great pressure was put on them to comply,⁶² but they resisted. Under a housing association, rents would be higher because of differences in loan repayments⁶³ and both Councils agreed that lower rents were more important than lower rates. The councils were criticised for neglecting the chance both to save the ratepayers' money and to get more aid from the

Special Areas Fund.⁶⁴ In this case, local interests were put before regional ones.

Further attempts to persuade Workington and Whitehaven to change their minds failed in the spring of 1937. Later that year, the North Eastern Housing Association agreed to change its constitution so that it could build houses in West Cumberland. Cumbrian representatives were appointed to the Board and several authorities began to implement their programmes through the NEHA. In the case of housing the Commissioner's staff had certainly made every effort to help the poorer authorities in Cumberland, and the Cumbrians could not complain that they had been treated like a "Cinderella."

Isolation and poor transport meant that the one demand common to the whole of the Area was for better road and rail links with the south to encourage trade and tourism. The problem was complex. The Commissioner had no power to build the road, but only to recommend it to the Ministry of Transport. The road also affected places beyond the Special Area: three highway authorities, the County Councils of Cumberland, Westmorland and Lancashire, were involved. Such difficulties were compounded by disputes over exactly what improvements were needed. The most extravagant idea was that of R.H. Quine, a Frizington doctor, who suggested building a road and railway from Lancaster to Dumfries, crossing the estuaries, including the Solway Firth, by dams.

The resulting man-made lakes would increase the tourist potential of the area.⁶⁵ Other schemes included building a dam across the Duddon to carry the road and railway; the land inside the dam could be reclaimed and suspected iron deposits could be worked, or the enclosed estuary could be used as a seaplane base. Another plan called for the building of a road across the mountains from Whitehaven to Ambleside and its links with the south. This road presented fewer technical difficulties than the coast road, but it was bound to be opposed by the Friends of the Lake District. Tribe despaired of ever coming to grips with "all this nebulous stuff."⁶⁶ The Commissioner did have the power to build a dam, and an engineer, Sir Cyril Halcrow, was appointed to survey the Duddon and examine the possibility of building a dam there. Halcrow said the project was feasible but expensive; it would only be really viable as part of a comprehensive development of the road approaches to West Cumberland.⁶⁹ The report finally convinced Tribe and Stewart of the need for a big road project in the area so Stewart urged Brown to support the scheme. He argued that although present traffic was light the potential use was great and that the scheme was of at least as much value as the road developments in the Scottish Highlands which were getting 100% grants from the Road Fund.⁶⁸

From the autumn of 1936 until the war, the Commissioner's staff, urged on by the Development Council

and the District Commissioner, tried to persuade the Ministry of Transport to sanction the plan. Despite the expense of the project, the Ministry refused to consider more than a 60% grant. Lancashire County Council was not prepared to spend money on an expensive project in a remote part of its area, particularly as the proposed road would by-pass Barrow. The Vickers Company was also suspected of lobbying against the scheme. Though its unemployment Committee supported the idea, the Cumberland County Council as a whole never showed much enthusiasm, preferring to suggest that the existing road should be improved.⁶⁹ It is possible that some members of the Council saw the road as a threat to Carlisle and the East's dominance of the north-south route through the County.⁷⁰ Given these difficulties and the government's unwillingness to override the usual highway authorities, there was little that the Commissioner could do. Apart from minor improvements of existing roads and some speeding up of rail services, the transport problems of West Cumberland were not tackled under the Special Areas legislation.

The suspicion that Cumberland was the "Cinderella" of the Areas seemed to be confirmed when SARA was established. Instead of having its own local organisation, Cumberland was represented on the North Eastern Board. Lyon Wyllie, a Whitehaven accountant and member of the Development Council, attended the first meeting of the Board, which was

addressed by Maurice Gibb, the managing director of SARA. Wyllie was not impressed. He thought that Gibb's remarks "tended towards security and balance sheets" rather than towards the need to revive industry. He also felt that Tyneside was over represented on the Board and would "collar the lot. Gibb, I think, is all out for Tyneside." He was especially suspicious when the man appointed to investigate loan applications turned out to be "a part time employee of the North East Development Council and a pet of Lord Ridley."⁷¹ Despite frequent protests, Cumberland never did get its own local board. All requests for loans had to be processed in Newcastle and London, a circumstance that seemed extremely suspicious when it was realised that no loans were forthcoming for industries in Cumberland.

Apart from the dismay over SARA, there was great disappointment that Cumberland was not initially considered suitable for a trading estate. Frank Anderson led the campaign to persuade the Commissioner to provide factory sites in the county. Anderson and the Development Council did not want a central trading estate but preferred to have factories in different parts of the area. This would reduce travel for the workers and would prevent one part of the county being developed at the expense of the rest. This idea was opposed by the headquarters staff, who feared the legal complications:

In practice it would hardly be possible to build factories in different areas unless there were already prospective tenants, and this would lead to the objection that we were giving direct aid to private enterprise.⁷²

The North Eastern Trading Estates Company also protested that the provision of factory sites in Cumberland would be unfair competition for Team Valley,⁷³ a claim that the Commissioner's staff ignored. The practicability of even a centralised trading estate in Cumberland was questioned at headquarters. The isolation of the area, the small local market, the limited industrial base, the need for only a small estate and therefore higher overheads, all caused doubts about Cumberland.⁷⁴ Despite the difficulties, Ryan felt that an attempt should be made.

Cumberland certainly needs industries more than the North East.... The desperate state of Cumberland is in fact the strongest ground on which it (a trading estate) deserves consideration. Their general position and their prospects are undoubtedly worse than the North East and on political grounds it would be difficult to withhold from them assistance which has been given to areas which are not in such a bad way.⁷⁵

While these discussions were continuing, Anderson was writing to Stewart and meeting Grondona, claiming that Cumberland was losing potential industries because there were no suitable factories. According to Grondona, Anderson was blaming this on the Commissioner.⁷⁶ Adams and the Development Council were meanwhile putting pressure on Sir Hugh Beaver, the civil engineer appointed by Stewart to

examine the feasibility of an estate in Cumberland. In December 1936, letters began to arrive from the Ministry of Labour enquiring about the situation: Anderson had been plaguing them, too. But already the situation was changing. Though there were still some doubts about the ultimate success of an estate in Cumberland, the prospects looked better once it became known that the Commissioner was going to have the power to offer inducements to industry. Under the 1937 Act, the Commissioner was further empowered, through an agent, to acquire and develop industrial sites. In the North East and South Wales, the Trading Estate Companies were his agents. In Cumberland, the West Cumberland Industrial Development Company (WCIDC) was formed for the purpose with Robert Crichton as its Chairman and Adams as a director.

The founding of the WCIDC in March, 1937, marked the first real opportunity to attract industries to Cumberland. Factory sites could be provided, loans were available through SARA, and further financial aid was available through the Nuffield Trust and the Treasury Fund. The Development Council retained its role as a publicity organisation, a pressure group and as an initial contact for prospective industrialists. The WCIDC was strictly a business organisation. The overlap of membership between the two groups ensured cooperation.

There was some foundation for the claim that Cumberland was "the Cinderella of the Special Areas." The

pessimism of the Commissioner's staff made them unduly cautious in supporting schemes for Cumberland. The North East and South Wales found it much easier to get trading estate powers. On the whole, however, the civil servants worked hard for the Cumbrians, particularly on the question of the road, though they got small thanks for it. The failure of such projects as the road and the West Cumberland Housing Association was caused as much by local difficulties as by the limitations of the legislation or its executors.

Grondona did not enjoy being District Commissioner. "Frustration was my middle name. I didn't get a brick put on a brick."⁷⁷ He was not involved in the land settlement programme which had been one of his major interests, and some of his ideas for the area, such as the provision of food processing plants, were beyond the scope of the legislation. Though he remained friendly with Stewart, he was irritated by the attitude of the civil servants at headquarters, particularly Frank Tribe, and felt that he did not get their full support. He was also annoyed by the embarrassing delays which occurred in London: "I am in an uncomfortable position with the Cumberland Development Council as I persistently urged them to get on with the Duddon question and now they feel that I am holding them up."⁷⁸ The parochial rivalries of the Cumbrians on such issues as the housing association caused more annoyance. After an interview with Horace Wilson, when he was told that he did not appreciate the difficulties

confronting the government, Grondona decided to resign. He left Cumberland in March, 1937. Though he was not universally popular in Cumberland, his resignation was sympathetically received. "Grondona's going must be a happy release for him. He has been the scapegoat for higher officials and we doubt whether he has had a fair chance."⁷⁹

Economic Development in West Cumberland 1934-7

During the 1930's the British coal industry began to recover from the experience of the 1920's. Under the 1930 Coal Mines Act, prices had been maintained even in the worst years of the depression though production fell. Coal exports, however, never fully revived. Expansion after 1932 was based on growth in the domestic market. In Cumberland, production showed only a slight recovery,⁸⁰ partly because of the decline in the Irish trade. Even after the signing of the 1935 coal-cattle agreement, exports did not increase significantly because of increased competition from other west coast fields which had lost European markets. Attempts were made to build up a market in East Cumberland, where Durham coal was used, but these failed. Cumbrian coal was expensive to produce because of the heavily faulted field, and transport costs were high. The slight increase in output which occurred after 1933 was

used in local industry. The increase did little to ease the employment situation: new techniques increased productivity and also caused the skills of the older miners to become obsolete. In 1934, Cumberland produced as much coal as it had in 1931, but 1,300 fewer men were employed.

Priestman Piele, which had taken over the Whitehaven collieries in 1933, started extensive underground and surface modernisation schemes. By October, 1935, losses were so heavy that the company closed the pits and coke ovens in the town. They remained closed for eighteen months. Meanwhile there was a shortfall of coal production in the county; coke had to be imported from the East coast and coal shipments to Ireland were reduced, further depressing the long term prospects for the Irish trade.⁸¹ As has been shown, the Commissioner's plans for the development of Whitehaven harbour also had to be abandoned.

There was much public agitation in Cumberland to get the pits reopened. The Development Council appointed a Collieries Committee to lobby the government. Frank Anderson, declaring that the mines would never have closed had they been publicly owned, pressured the Lowther family, who owned the mineral rights, to restart work.⁸² During the summer of 1936, there were persistent rumours that the pits were about to be reopened. At the end of the year a Scottish company, Coltness Iron, began to express an interest in the

mines. At the same time, Lyon Wyllie was approached by the Nuffield trustees about the possibility of using Nuffield money to get the pits started. Negotiations were held with the Lowthers and in March, 1937, Ernest Brown was able to announce to the Commons that a new company, Whitehaven Collieries Ltd., was to be formed under the aegis of the Coltness Iron Company with the aid of money from the Nuffield Trust and SARA.⁸³ Only a month later the first coal was hauled from the pits. The new company initiated improvements in ventilation and haulage, and developed new seams. With the restoration of the Whitehaven pits Cumbrian coal production began to recover.

The local iron and steel works were the major consumers of Cumberland coal. Both nationally and in Cumberland the industry revived between 1934 and 1937.⁸⁴ The tariff discriminated against imports of European acid Bessemer steel, which was used in British rerolling mills. Protection thus increased the importance of Workington, the only acid Bessemer plant in England. To serve this new demand, United Steel began a policy of rationalisation and modernisation in Cumberland, concentrating production at the neighbouring Moss Bay and Derwent sites in Workington. In 1934, a new Bessemer converter was opened at Moss Bay, and in 1937 centralised coke ovens replaced the batteries at Moresby and Lowca. The same year, plans were announced

for sinking a new colliery at Workington to exploit the coal seams underneath the works.⁸⁵ Though these improvements made the plant competitive and were important for the economic development of Cumberland, they did not necessarily ease unemployment. Two hundred jobs were lost at Moresby and Lowca. The company did, however, reopen the Gillhead colliery to increase local supplies of coking coal and this ultimately gave work to 250 men.⁸⁶ During 1935 and 1936 the Millom and Askam company also built two new blast furnaces. The demand for local haematite was such that the Bigrigg mine reopened in 1936 and ore production continued to rise though it never regained the volume of 1929. During 1936, the Blastfurnacemen's Union finally won a reduction in their working week to forty eight hours. This took effect in January, 1937, and provided two hundred new jobs at Workington and Millom.

The rearmament programme also stimulated activity in Cumberland. The Cumbrian MP's pressed for the removal of Woolwich arsenal to the county. They were unsuccessful, but the government did subsidize the building of a shell plant at United Steel in 1937, and in the same year began the construction of an RAF depot in north Cumberland which eventually employed 1,400 men. Smaller orders were received by other local firms. Cumberland also benefitted from the labour shortage at Vickers in Barrow. The firm turned to

West Cumberland as its nearest source of apprentices.⁸⁷ Rearmament also had the more general effect of stimulating national demand for steel.

The smaller extractive industries did not do so well. The Nenthead lead mines reopened in 1935, but the company announced that it expected only to break even, not to make a profit.⁸⁸ Despite local pressure, the Threlkeld mines remained closed. A small silica mine opened near Bassenthwaite Lake in 1935, in the face of opposition from the Friends of the Lake District. Adams was unmoved, declaring that if jobs were provided, he was willing to support the establishment of coal mines on Skiddaw.⁸⁹ The mine provided limited employment and was only worked for two years.

Cumberland attracted few light industries. A carpet factory at Egremont was extended and a children's clothing factory was opened at Cockermouth Mill. Once the mill was in full production, it employed a hundred women and girls. Starting wages were very low, but Adams was able to negotiate a travel allowance with the Ministry of Labour. The Commissioner tried to encourage tourism by financing the works at Maryport and by helping to provide youth hostels in the western Lake District. The overall impact of tourism on the economy and employment in the region is impossible to assess.

Agriculture in Cumberland experienced a sharp decline in the 1930's. The acreage under cultivation and the numbers of livestock both decreased. Some farmers farmed at a loss for several years in succession.⁹⁰ Land was lost to cultivation because the farmers often found it impossible to maintain their field drainage. After representations from the Development Council, the 1937 Act empowered the Commissioner to aid field drainage schemes. Though the Land Settlement Association established three estates in north Cumberland, they did not do well, because of poor management and the reluctance of suitable men to move to that part of the county.⁹¹ The District Commissioner further concluded that "the average Cumbrian would prefer to be engaged as an agricultural settler on a wage paid basis" rather than as an independent smallholder.⁹²

Coastal fisheries were also declining in the 1930's. The industry was increasingly concentrated on such deep sea ports as Hull and Fleetwood, and by the end of the decade unemployment among fishermen was twice the national average.⁹³ In Cumberland, the problem of unemployment among fishermen was most acute in Maryport. Grondona was keen to encourage fishing and hoped to establish a canning factory. Again he was frustrated by the terms of the Act, being unable even to aid the purchase of more efficient equipment which was the first step of his plan.⁹⁴

During the first years of the Special Areas legislation there was no change in the economic balance of West Cumberland. Only the heavy industries experienced any real expansion. The Commissioner failed completely to attract any new industries. Without the Special Areas legislation, the Whitehaven mines might not have been re-opened; other developments resulted from the rearmament programme and the general recovery of prosperity in the rest of the country. In November, 1934, unemployment in West Cumberland was 38.3%; by June, 1937, it had fallen to 28.6%, but the county still had the highest unemployment of any of the Special Areas.⁹⁵ Certainly the reduction of unemployment was not among the aims of the Commissioner as defined by the legislation, but unemployment was both the most obvious aspect of depression and the one which caused most public concern. The experience of the first Special Areas Act showed that limited grants for improvements were not enough; much more positive action was needed if the areas were to be revived.

The experience of being a Special Area

There was some ambivalence in West Cumberland towards the idea of the Special Areas. Though people felt that outside aid was necessary if the local economy was to recover, local pride did not want to accept charity. Justification for accepting outside aid was found in the history of the area:

The Special Areas were areas which were called upon to pull their weight perhaps more than any other part of the country during the war. They were areas producing iron and steel which were the most essential to the conduct of the war and were entitled to some consideration and help from the government now if only for that reason. There was no reason to think that they were being treated charitably in receiving help after what they had done for the country.⁹⁶

So to be a Special Area was not to be a recipient of charity. When it was suggested that goods made in the Areas should be labelled, to let buyers know they were helping the Areas, the idea was rejected. Cumbrian goods were to be sold on their merits, not out of pity for Cumberland.⁹⁷

Despite assertions of self reliance, the legislation did induce some feelings of dependence and selfishness among organisations in the area. Once it was known that money was available, all efforts were concentrated on gaining as large a share as possible for Cumberland. The Areas were competing for a limited supply of money and each was concerned to get at least its fair share. A common feeling expressed in Cumberland was that the area "did not shout enough" and thus was deprived of its due.⁹⁸ The feeling was not confined to Cumberland; a writer in the North East complained that

a good part of our trouble in the north is that we are too respectable and while we are waiting for the crumbs to fall ... South Wales and other parts of the country will be sitting at the table.... To me it seems high time the North East began to shout.⁹⁹

The legislation thus encouraged the phenomenon which George Orwell noted:

People in each area in the north seem to be savagely jealous of people from other areas and their jealousy takes the form of declaring that theirs is the only genuinely distressed area and the others don't know what poverty means.¹⁰⁰

When Gillett, on his first visit to Cumberland suggested that the area was not so badly off as the other areas, there was a great outcry. Figures were produced to disprove his statement and Gillett was told that he had been deceived because "Cumberland folks have a wonderful spirit. They are people who face adversity bravely and even cheerfully."¹⁰¹

But the Cumbrians and the people of the other Special Areas were caught in a cleft stick. If they broadcast their distress, they might get sympathy but they would not attract industries. To some extent the Special Areas legislation compounded this problem. It branded the areas as desolate but did not provide the wherewithal to entice industry. The Workington Star rejected exaggerated accounts of poverty. A businessman would not invest "in a town which he reads is dreary, depressed and on its beam ends. Workington is bright and enterprising."¹⁰² There was some resentment in the area at the Daily Herald's harrowing descriptions of Cumberland in its reports of the progress of the Labour Party Commission.

The existence of the legislation did encourage an expectation that the Commissioner should solve the problems of the areas. Mr. Conkey, a Cockermouth councillor, complained that the Commissioner did not give the local authorities any

ideas for local development and had to be reminded by Stewart that the Commissioner's task was to encourage local initiative, not to replace it.¹⁰³ Similarly, the formation of the Development Council was seen in some quarters as an attempt by Grondona "to shift the responsibility for building up the area on to the local authorities."¹⁰⁴ Obstacles to economic development were always blamed on the Commissioner or the government, never on local bodies.

Most people in Cumberland were prepared to work with the Commissioner, even though there was some criticism of the Act, particularly from the left wing of the Labour Party. At a meeting of local Labour Parties held to decide policy towards the Commissioner, Tom Stephenson, a miners' leader, urged opposition on the grounds that the legislation would tie the workers more closely to capitalism. Jack Adams argued that they should take from the bill "all that it might contain that could be used for the benefit of the county and the unemployed in it," an argument supported by Cape and Anderson.¹⁰⁵ Once the Development Council was in existence, the local Labour leadership was tied even more closely to helping the area on the government's terms. Stephenson was the only prominent leader who remained aloof from the Commissioner.

In political terms it was during the years of depression that the Labour Party gained its hold on West Cumberland. But there is no simple correlation between

depression and Labour representation. Both the borough and the parliamentary constituency of Workington went Labour before those of Whitehaven, though Whitehaven was arguably more depressed. Whitehaven constituency did contain Labour strongholds - Arlecdon and Frizington Urban District had elected the first all-Labour council in England in 1919. Labour was strong where there were strong union leaders - Cape and Ambrose Callighan in Workington, Jack Adams in Arlecdon - but weaker elsewhere. Tom Cape was elected to parliament in 1918; Workington Borough Council went Labour a few years later. Whitehaven Council was not controlled by Labour until 1934, and at every election between 1918 and 1935 the Parliamentary seat changed hands. These fluctuations, indicating strong residual conservatism, probably reflected the strong Irish Catholic presence in the constituency. The Orange and thus the Conservative vote was strengthened, a continuation of pre-war trends.¹⁰⁶ J.D.P. Dunbabin claimed that "After the first war ... western Cumberland, like Durham, went Labour on a basis of class solidarity"¹⁰⁷ but the change was neither as sudden nor as simple as he implied. It took prolonged experience of depression to turn Whitehaven into a Labour stronghold.

The strength of the Labour Party came from the unions. The prominent labour leaders were all trade unionists - Tom Cape of the Cumberland Miners' Association (CMA), Ambrose Callighan of the Blastfurnacemen, Alderman Flynn and Thompson

Reed of the iron-ore miners. The strongest of the unions was the CMA whose members were found in all the major industrial centres except Millom. Even during unemployment the CMA kept in touch with its members: an unemployed membership fee was introduced in 1931. Unemployed members got fewer benefits than those in work but they were able to remain members of their old lodges and were not cut off from the workforce. During the closure of the Whitehaven mines the Whitehaven Lodge continued to hold meetings. Jimmy Martin, the Whitehaven agent, offered on several occasions to give up his job as the lodge funds shrank, but the members refused to accept this.¹⁰⁸

The local Labour Party leaders were, with the exception of Anderson, strongly identified with their followers. Tom Cape's influence as General Secretary of the CMA extended beyond the bounds of his constituency. "La'al Tommy" had been born in Cumberland in 1868. He had been the right-hand man of Andrew Sharp, founder of the CMA, and had become well known as a defender of workers' rights during the war. He became an MP in 1918. Cape was not an original thinker, nor did he shine at Westminster, but his followers were oblivious to this. His daughter said of him that "he was content to be among his own men ... he wanted progress but he was evolutionary He wanted people to be comfortable, nothing elaborate."¹⁰⁹ His aim seems to have been to remove the privations of working class life; his

socialism was Christian, humanitarian and emotional, not theoretical. He never appears to have thought through the idea of changing the structure of society; though he occasionally attacked "the capitalists" and talked of nationalisation, his main demand seems to have been that the workers should be treated fairly.

A strong but conventional Labour Party and strong unions did much to discourage the spread of militancy. Though syndicalist ideas were reported to have survived in West Cumberland until the 1920's,¹¹⁰ depression seems to have brought resignation: "if we'd been more radical, we wouldn't have got more."¹¹¹ The local Labour Party followed the national line in discouraging support for the NUWM and the only time when the movement did get much support was during the protests against the Means Test and the UAB regulations. One such protest was supported by such varied organisations as Frizington British Legion and Rowrah YMCA. The protestors were concerned with such details as the need for the provision of milk and eggs, private interviews for applicants and modifications of the "pots and pans" clause of the regulations,¹¹² hardly the stuff of which revolutions are made.

The failure of even moderate radicalism was demonstrated in the battle at Whitehaven during the 1935 election. William Nunn was defending his seat against the

Labour candidate, Frank Anderson, a Manchester railway clerk, and Tom Stephenson of the ILP. Stephenson was a popular man in Whitehaven and much better known than Anderson. He was a prominent member of the CMA, a County Councillor and a well known advocate of the rights of the unemployed on the County PAC. The official Labour Party, including Tom Cape, who was returned unopposed, spoke against him. It seemed as though the Labour vote would split and Nunn's supporters were confident of re-election. But, though the final margin was narrow, Anderson won. Stephenson, despite his undoubted popularity, took only 3% of the votes.¹¹³ The working classes of Whitehaven were not prepared to return a man who was regarded as personally sound but politically extreme.

The isolation of West Cumberland and the pervasiveness of unemployment also contributed to moderate political attitudes in the Area. W.G. Runciman's concept of relative deprivation seems particularly appropriate in this context. Runciman argues that the sense of grievance necessary to provoke militancy arises when expectations are high and are then disappointed, or when a sudden direct attack is made on living standards - as happened with the introduction of the new UAB scales in 1935.¹¹⁴ If people are used to a situation of economic deprivation, if the people with whom they compare themselves are similarly deprived, then they are likely to

acquiesce in their situation. This explanation seems appropriate as a description of conditions in Cumberland. Though living standards had fallen after the First World War, the prosperity of the war years could be explained as an aberration; the depression of the 1920's was a return to the depressed situation which Cumberland had been experiencing before 1914. Nor did unemployment carry any stigma because so many were workless. Villages such as Broughton Moor had 70% unemployment. Respected public figures were unemployed. Lancelot Casson, Mayor of Workington in 1936, was on the dole. Eleanor Cain, Workington Councillor and County Councillor, was married to a steel worker who was unemployed for a year. There was a sense of inevitability about the whole process which encouraged a fatalistic acceptance of the situation. And the county's isolation helped the process. Though people might hear there were jobs elsewhere, such stories seemed unreal and distant. The immediate situation was one of unemployment which was so pervasive that it seemed inevitable. There was no real expectation that things could be any different: "Well I expect the government and everyone were doing the best they could. You just had to get on with it."¹¹⁵

In this atmosphere of resignation, the people of Cumberland, as elsewhere, settled down to life on the dole.¹¹⁶ Income could be eked out by picking coal from the beaches

or the slag heaps. Women learned to make vinegar cake and meatless stew and to shop late at the market when the stallholders were selling off their produce. There were rabbits and fish to be poached. Some men grew vegetables in allotments or council house gardens. Sometimes the produce was sold or the men did part time work for local farmers, activities which were hidden from the UAB officials. Unemployment became a way of life.

The Special Areas Act made very little difference to the lives of the people of industrial West Cumberland, at least during the early years. The experience of the Area showed that the original legislation was inadequate to foster economic development and demonstrated clearly the need for the stronger powers which the Commissioner acquired under the 1937 Act.

NOTES

1. Dolben, Archbishop of York to Sancroft, Archbishop of Canterbury 31 Mar. 1684. The quotation was brought to my notice by Bruce Frank.
2. Whitehaven News, 5 Jan. 1935.
3. Interview with Grondona.
4. Professor Abercrombie, Minutes of evidence to the Royal Commission on the Distribution of the Industrial Population (London, 1939), 482.
5. Whitehaven News, 9 July, 1935.
6. First report, 98.
7. PRO, LAB 23/125, Tribe to Somervell, 26 Mar. 1938.
8. PRO, MT 39/368, Stewart to Brown, 21 Sept. 1936.
9. PRO, BT 104/4, Tribe to Somervell, 3 Mar. 1937. Interviews with Emmerson and Mallaby.
10. Speech by Jack Adams, West Cumberland Times, 12 Feb. 1936.
11. Douglas Sutherland, The Yellow Earl: the life of Hugh Lowther, Fifth Earl of Lonsdale (London, 1965), 225.
12. Tom Cape and Frank Anderson, Labour. Alan Dower, Mid-Cumberland, Conservative. Wilfrid Roberts, North Cumberland, Liberal.
13. George Mallaby, Each in his office (London, 1972), 146.
14. Cumberland News, 21 Jun. 1935.
15. West Cumberland Times, 9 Jan. 1935; Whitehaven News, 10 Jan. 1935.
16. Interview with Grondona.
17. CRO, SMB Whn. 1934-5, Minutes of Finance Committee, 16 Nov. 1934.
18. West Cumberland Times, 30 Jan. 1935.

19. Ibid., 2 Feb. 1935.
20. Ibid., 6 Mar. 1935.
21. First report, 5-8.
22. West Cumberland Times, 27 Jul. 1935.
23. PRO, MT 39/368, Grondona to Stewart, 17 May, 1935.
24. First report, 18.
25. Municipal Borough and Urban District Councils could contribute the product of a 1/4d. rate to the TIDA. 75% of the money would be returned to the local development body; the remainder was used for administration and advertising.
26. Interview with Grondona.
27. Interview with Emmerson.
28. Interview with Frank Carruthers, 14 Jul. 1978.
29. Ibid.
30. For an account of Adams' character and methods see Mallaby, Each in his office, 146-153.
31. Interview with Grondona.
32. The most common story told of him is that he charged a royalty of 1d. a ton on all the coal that passed through a railway tunnel on his land. The story is told to illustrate his selfishness; he did no work for the money and by taking it he raised the price of Cumbrian coal, increasing the difficulties of the industry and hence of the miners.
33. West Cumberland Times, 23 Oct. 1935.
34. Councillor Bowerbank of Keswick. Ibid. 2 Nov. 1935.
35. Ibid., 12 Oct. 1935.
36. West Cumberland News, 23 Nov. 1935.
37. Whitehaven News, 28 Nov. 1935; Workington Star, 29 Nov. 1935.

38. PRO, BT 104/41, Anderson to Stewart, 2 Oct. 1936.
39. CRO, DSO 42/2/1, Adams to Anderson, 14 Nov. 1936.
40. CRO, DSO 42/2/56, Statement by Lord Portal, meeting of SARA and local boards, 15 Oct. 1936.
41. PRO, BT 104/41, Grondona to Ryan, 31 Aug. 1936.
42. CRO, DSO 42/2/54, Memorandum of meeting regarding suggested training scheme for wiremen, 21 Jul. 1936.
43. Report of Cape's address to the Labour Party Commission on the Special Areas. West Cumberland Times, 2 Dec. 1936.
44. For example Adams urged Anderson to emphasise the need for defence establishments in Cumberland. CRO, DSO 42/2/1, Adams to Anderson, 21 May, 1936.
45. West Cumberland Times, 9 Dec. 1936.
46. CRO, DSO 42/2/187, Bone (Town Clerk of Whitehaven) to Adams, 15 Jan. 1936.
47. CRO, DSO 42/2/1, Adams to Sadler, 23 May, 1936.
48. CRO, DSO 42/2/47, Adams to Cockfield (Clerk of Ennerdale RDC) 10 Mar. 1938.
49. Speech to Whitehaven Rotary Club, West Cumberland Times, 12 Feb. 1937.
50. H. Powys Greenwood. Employment and the distressed areas (London, 1936), 148. Greenwood had worked for the NCSS in West Cumberland for two years.
51. See for example, remarks by the Mayor of Whitehaven, Times, 23 Dec. 1936.
52. Whitehaven News, 28 Apr. 1935.
53. CRO, DSO 42/1/10, Executive Committee minutes, 16 Apr. 1936.
54. PRO, BT 104/41, note, 15 Sept. 1936.
55. PRO, MH 61/60, note, 30 June, 1936.
56. Report of Cockermouth RDC Medical Officer of Health, quoted in West Cumberland Times, 5 Mar. 1935.

57. West Cumberland Times, 14 Mar. 1936.
58. Ibid., 9 May, 1936.
59. PRO, MH 61/60, Swindin to Holloway, 17 Apr. 1936. The local authorities were particularly worried that the legislation would expire before they could take advantage of it.
60. Ibid., unsigned note, 2 Mar. 1936.
61. Ibid., Swindin to Ryan, 26 Oct. 1936.
62. Ibid., note by Dalton, 7 Dec. 1936. Particular pressure was put on Whitehaven which had the larger programme. The Council were invited to send a deputation to the Ministry of Health to discuss the matter and it was even suggested that the Ministry might threaten to reduce their normal housing grant if the Council did not agree.
63. Housing association loans were repayable over fifty years, local authority loans over sixty.
64. West Cumberland Times, 12 Dec. 1936.
65. R.H. Quine, The three roads, (Cockermouth, 1935), 4-48.
66. PRO, MT 39/368, note, Aug. 1935.
67. Ibid., Halcrow report, 28 Aug. 1936.
68. Ibid., Stewart to Brown, 29 Sept. 1936.
69. Ibid., Ministry of Transport memorandum, 3 Feb. 1937.
70. Lyon Wyllie suggested in his interview that "if the Grahams had lived in the west, we would have got the road." The Grahams of Netherby were the great family of North Cumberland. Unlike the Lowthers, they played an active role in local politics.
71. CRO, DSO 42/2/152 Wyllie to Sadler, 23 Jul. 1936. Lord Ridley was Chairman of the North East Development Board.
72. PRO, BT 104/41, note by Boyd, 11 June, 1936.
73. Ibid., Perceval to Stewart, 7 Aug. 1936.

74. Ibid., Notes by Ryan, Dalton and Tribe, Aug and Sept. 1936.
75. Ibid., memorandum, Sept. 1936.
76. Ibid., Grondona to Tribe, 6 Oct. 1936.
77. Interview with Grondona.
78. PRO, MT 39/368, Grondona to Boyd, 26 May, 1936.
79. Workington Star, 19 Mar. 1937.
80. See Appendix 5.
81. Iron and Coal Trades Review, 17 Jan. 1936.
82. CRO, DSO 42/2/1, Anderson to Adams, 29 Nov. 1936.
83. Interview with Wyllie; Andrews and Brunner, Lord Nuffield, 284; J.L. Carvel, The Coltness Iron Company, A study in private enterprise (Edinburgh, 1948), 141-7.
84. For the national situation see Youngson, British economic growth, 105-6. For Cumbrian production see Appendix 6 and 7.
85. For more details see P.W.S. Andrews and E. Brunner, Capital Development in steel (Oxford, 1951), 222-6.
86. West Cumberland Times, 9 Jan. 1937.
87. Ibid., 27 Feb. 1937; J.D. Scott, Vickers. A history (London, 1962), 221-4.
88. Cumberland and Westmorland Herald, 19 Oct. 1935.
89. F. Carruthers, "The Lord Adams story", West Cumberland Times and Star, 29 Jun. 1968. Skiddaw is the second highest mountain in England.
90. See J.M. Williams, Gosforth: the sociology of an English village (Glencoe, 1956), 27.
91. PRO, LAB 23/35, Memorandum by Ministry of Agriculture, 1938.
92. PP, Fourth report of the Commissioner for Special Areas (England and Wales), Cmd. 5595, 1937, 49.

93. Mitchell and Deane, Abstract, 67; L. Dudley Stamp and S.H. Beaver, The British Isles (London, 1954), 265.
94. Interview with Grondona.
95. For comparative unemployment rates, see Appendix 4.
96. Report of speech by Councillor Pattinson of Whitehaven, West Cumberland Times, 9 Feb. 1935.
97. Greenwood, Distressed areas, 148.
98. CRO, DSO 42/1/10, Minutes of Executive Committee 3 Apr. 1936.
99. PRO, LAB 23/150, cutting from Northern Mail and Newcastle Daily Chronicle, 30 Dec. 1936.
100. Orwell to Jack Common, 3 Apr. 1936. Sonia Orwell and Ian Angus, ed., Collected essays and journalism of George Orwell, (London, 1968), vol. 1, 215.
101. West Cumberland Times, 3 Dec. 1936.
102. 12 Sept. 1936.
103. CRO, DSO 42/1/10, Minutes of Executive Committee, 3 Apr. 1936.
104. Meeting of Whitehaven Town Council, West Cumberland Times, 12 Oct. 1935.
105. West Cumberland Times, 12 Dec. 1934.
106. Henry Pelling, The social geography of British elections 1885-1910 (London, 1967), 330-1, 340-1.
107. J.P.D. Dunbabin, "British elections in the nineteenth and twentieth centuries, a regional approach", English Historical Review 95 (April 1980), 263n.
108. Whitehaven Lodge Minutes, Apr.-Dec. 1936.
109. Interview with Eleanor Cain, 2 Nov. 1977.
110. A. Coles, "The moral economy of the crowd: some twentieth century food riots", Journal of British Studies 13 (1978), 170.
111. Interview with John Lightfoot.

112. West Cumberland Times, 18 Nov. 1936.
113. The final result was: Anderson, 14,794; Nunn, 14,442; Stephenson, 1,004. West Cumberland Times, 18 Nov. 1935.
114. W.G. Runciman, Relative deprivation and social justice: a study of attitudes to inequality in twentieth century England (London, 1966), 62-8.
115. Interview with Billy Proud, 26 Oct. 1977.
116. For examples of this elsewhere see Pilgrim Trust, Men without work, 163; J. Stevenson and C. Cook, The slump (London, 1977) 74-93.

CHAPTER V

THE ECONOMIC EXPERIMENT EXPANDED: 1937-9

The Commissioner's Industrial Policy

The task of testing the new industrial powers created by the 1937 Special Areas Act fell to Sir George Gillett. Though quieter than Stewart, Gillett was also a man of very firm convictions. A Quaker, he had a strong sense of man's duty towards his fellows. He believed that both industry and government had a responsibility towards the depressed areas: arguing that it was wrong that whole districts should "be ruined without industries being held liable for some of the ruin they have created" and that the government, as it already interfered in the economy by means of tariffs and quotas, could not evade all responsibility for the situation.¹ Working only half time, and troubled by ill health, he did not make as strong an impression as Stewart, but he was no pawn of the Government.

Under the 1937 Act, Gillett possessed new powers to influence the location of industry, powers which marked a new departure for British economic policy. Briefly, the Commissioner could now provide factories on places away from the main trading estates and could grant financial inducements to firms moving into the Areas. The inducements were novel in that they were direct subsidies. In addition,

he could now recommend that certain firms be given loans from the Treasury Fund established by the Act. These powers represented the first attempt by the state to interfere in the economy at the extreme micro-level, the individual firm. They were powers of persuasion, not of compulsion, but their newness aroused suspicion and to implement them required a great deal of tact. In developing his industrial policy, Gillett had to consider such factors as his relationship to other Special Areas bodies, to industrialists and to other government departments.

By 1937, there were several means of financing new industries in the Special Areas, though they were not all controlled by the Commissioner. Firms could get loans from SARA, the Nuffield Trust and the Special Areas Loans Advisory Committee (SALAC) which controlled the Treasury Fund. Co-operation between the loans bodies was ensured by overlapping personnel, principally Lord Portal and Sir Nigel Campbell, who were members of all three bodies and also acted as Industrial Advisers to Gillett. Division of function among the bodies avoided duplication. SARA's funds were used for loans of less than £10,000, the Treasury fund for larger sums. The Nuffield money, which was less restricted, was often used to take Treasury stock in companies, and acted as a buffer for loans from SARA and SALAC. At Gillett's insistence, a central register was kept of all applications received, to ensure that firms could not play off the lending bodies or the Areas against one another. This was a necessary precaution as several industrialists applied to different

bodies to see where they could get the best conditions.²

The new powers which Gillett administered directly were the powers to provide factories and grant inducements. Under the Act, he could acquire factories away from the main trading estates and this allowed developments on less favoured sites in the Areas. He used the trading estate companies as his agents in acquiring the sites, but he retained ultimate ownership. Under the 1937 Act smaller trading estates were started in Wales and the North East and several sites were acquired in Cumberland. The Commissioner could also grant inducements, the reduction or remission of rents, rates and income tax for up to five years, to new firms. These powers, along with the provision of factories, were used to encourage development in more difficult parts of the Areas. The inducements were adjusted according to the needs of the place to which the firm was moving. Firms going to Team Valley, the most convenient site, were rarely given any inducements, whilst maximum inducements were reserved for firms going to places with the worst prospects - the heads of the Welsh valleys and West Cumberland. To try to ensure a fair distribution of industry - and to prevent competition among the Areas - Gillett kept these powers firmly in his own hands. He acted only on the advice of his industrial officers: there were to be "no negotiations with MP's or local authorities acting

as intermediaries."³ This control was resented in the Areas⁴ but it was the only way in which Gillett could attempt to direct overall development.

To be successful, the legislation required the cooperation of industry. This made it essential to win the confidence of businessmen. As far as possible Gillett worked through industrialists. His industrial advisers and the members of the loans bodies were all prominent businessmen. He also hired two industrial officers, F.A.R. Paton and C.D. Morrison, from industry to vet applications and advise him on inducements. The businessmen served to distance the government from responsibility for the Commissioner's industrial policy and also calmed industrialists' fears of bureaucratic interference and red tape. One industrialist reported that his dealings with the Commissioner were conducted so efficiently that it "almost makes one wonder whether there is any government touch to it at all."⁵

Even with the new powers, the Commissioner and the Areas still depended largely on publicity to attract industries. All the Special Areas development bodies published advertising material and to some extent they were in competition with each other. Some centralised propaganda was provided through the Travel and Industrial Development Association. The Commissioners published a booklet, New Fields for Industry, which advertised the trading estates and the inducements available. Gillett also financed detailed

surveys of the resources, natural and man-made, of his three areas.⁶ These were useful sources of information for industrialists and development agencies and by emphasising the positive attractions of each Area they helped to counteract the negative effect of the 1934 investigations and earlier surveys.

Though Gillett could offer a wide and flexible range of inducements, his bargaining position was weak. He could only persuade, not command, and this was not sufficient given the economic circumstances of the time. There was still room for expansion outside the Special Areas; even in 1937, the most prosperous year of the decade, there was surplus labour in the more prosperous parts of the country.⁷ The rate of growth of the new industries also began to slacken in the latter part of the decade.⁸ These factors meant that Gillett and his staff had neither the power nor the opportunity to "plan" economic development in the areas; they had to attract what industries they could. There is no doubt that some industrialists took advantage of this position. Silbertsons, a London company, refused to go to Cleator Moor unless they were granted maximum inducements.⁹ In their desperation to get industries to go to the worst areas, neither the Commissioner nor the lending bodies felt able to impose any conditions about wage levels or working conditions in the new industries.

It is impractical to use any compulsion (as to wage rates and conditions) except by withdrawing inducements. This would not work in Team Valley, where no remissions are given, and if it were only used in West Cumberland the effect would be to make West Cumberland a fair wage area which manufacturers might tend to avoid.¹⁰

Despite these disadvantages, it was essential that some conditions be imposed on firms coming into the Areas. The new industries had to be viable as the legislation would be discredited if they failed. Applicants for aid were thus carefully screened by the staff of SARA. Their competitive position was also examined. Applications were discussed with the Board of Trade, the Federation of British Industries (FBI) or the manufacturing associations in order

to avoid the danger of aiding industries which might be in competition with other industries in the area or in other areas with high unemployment.¹¹

The checking served a double purpose: it meant that new industries did not face severe competition from the start and it also assured established manufacturers that they were in no danger of being forced out of business by government aided industries.¹²

Failure of the assisted firms would embarrass the government. They had to do well. One Civil Servant argued that

The Commissioners' first aim is to increase employment ... (the new firms) must flourish, progress and employ more people. Every precaution must be taken to see that they do not fail.¹³

This was an individual view. The argument most commonly used in favour of aiding the new industries was that the government's money must not be wasted.¹⁴ Direct involvement in a firm's affairs smacked of nationalisation. Instead, the Commissioners' industrial officers were responsible, in an advisory capacity, for helping firms to build up business contacts and to develop sound management and accounting practices; it was hoped that this would save firms from disaster. In addition, if firms got into difficulties through no fault of their own, the lending bodies were willing to consider bailing them out.¹⁵

Gillett also tried to persuade other government departments to give more sympathetic consideration to firms in the Areas. During the debate on the National Defence Contribution, a tax on profits, Gillett was able to have the tax amended so that some firms in the Areas could be exempt.¹⁶ His officials also continued their efforts to get more government contracts for the new firms. Because of pressure from firms outside the Areas, the Contracting Departments were unwilling to offer any preferences other than that afforded by the existing rule that, other things being equal, contracts should go to firms in the Special Areas.¹⁷ On the whole there seemed to have been very few failures amongst the new business: of 154 businesses aided by SARA during its first thirty months, only seven failed.¹⁸

Though there was an initial flood of applications from industrialists after the 1937 Act was passed, the numbers soon fell off.¹⁹ By the end of 1937 Britain was entering a recession and companies were not so willing to expand even with government aid. Thus it happened that much of the aid to industrialists went not to British companies but to aliens, forced by political circumstances to flee the continent. Though the influx of refugees, both Jewish and Gentile, began early in the decade it became particularly heavy in 1938 with the threat to Czechoslovakia. In addition to refugees, some continental manufacturers, worried about the future, took advantage of the legislation to open branches in Britain while retaining their parent plants in Europe; this was the case with both West Coast Chrome Tanning and Hornflowa in Cumberland.

Gradually the Home Office began to co-operate with the Commissioner over the question of aliens. In 1936 the Home Office had agreed to refer alien industrialists to the Ministry of Labour so that they could be urged to go to areas of high unemployment. The following year it was arranged that aliens who had been refused Board of Trade permits to continue their industries in Britain should be referred to the Special Areas organisations who could suggest other ways of using their capital, and the Home Office agreed to try to give aliens the impression that it would be easier to get a permit if they agreed to establish their industry

in the Areas.²⁰ Before 1937 the refugees had tended to go mainly to the South and Midlands but in 1938 two-thirds of the factories established by foreign firms were in the North and Wales,²¹ and the Treforest Estate had become known locally as "Jew's Lane."²²

Though the Daily Express and some unions tried to stir up hostility to the influx of foreigners in a time of unemployment, the government defended their admission and claimed that the 11,000 refugees who had entered Britain by the end of 1938 had provided 15,000 jobs.²³ Many of the refugees brought industries that were new to Britain. The entire Leipzig fur trade was transferred and new luxury industries, such as the manufacture of high quality silk, were introduced. In Cumberland, the Hornflowa factory produced high quality buttons of a type not made anywhere else which were to prove valuable dollar earners during the war. Though prejudice persisted, on the whole the value of the immigrants' contribution was recognized.

By May 1939 the Special Areas organisations had helped to establish 158 new factories employing 6,954 people.²⁴ A wide range of goods was produced: clothing, medical equipment, luxury items. Though Team Valley and Treforest attracted most industries, some of the more difficult parts of the areas - Dowlais, Bishop Auckland, Sunderland, Cleator Moor - all attracted some industries which they would not have had without government aid. But the number of jobs

provided was pitifully small in comparison with the size of the problem: there were still 232,847 unemployed in the Areas in March 1939.²⁵ Many of the new industries employed women and juveniles and so tended to attract new people to the labour force rather than tapping the pool of unemployed. This aided family income and provided a stimulus to the local economy but had little effect on the surplus of less adaptable older men.

The Special Areas experienced some recovery in relation to the rest of the country between 1937 and 1939. For most of 1937 the national economic recovery continued, stimulating demand for the products of the basic industries. Defence expenditure also continued to provide employment, particularly on the Tyne and the Clyde. Rearmament was dubious benefit. It created such a demand for the products of heavy industry that other projects were delayed: the improvements to Whitehaven harbour were held up because of the difficulty of getting steel for the dock gates.²⁶ The cost of rearmament caused the Treasury to impose spending restrictions elsewhere and a revived West coast road scheme was deferred on these grounds.²⁷ The demand for the products of heavy industry helped the areas during the recession of 1938 and early 1939, when they experienced a smaller increase in unemployment than the rest of the country.²⁸ But the defence programme aggravated the industrial imbalance of the Areas, and grave doubts were

expressed as to what would happen when rearmament ended.²⁹

The amount of money spent in the Special Areas was considerably in excess of the £2,000,000 which the government had originally offered in 1934. By October 1938 the Treasury Fund had made commitments of £799,500 while SARA and the Nuffield Trust were committed to spending £2,675,901.³⁰ By August 1939 the Commissioner had spent £6,464,000 on industrial development,³¹ though this sum included harbour and quay developments and grants to Development Councils as well as the provision of sites and inducements. These were very small sums, particularly when compared to the amount spent on defence - £397,497,977 in 1938³² - a comparison often drawn by the Labour Party. Though the government claimed that £26,000,000 had been spent in the Areas by August 1939, this total included not only the money provided by the Nuffield Trust and SARA, but the private capital brought in by new firms. Such expenditure was clearly not enough. Even without the 1938 recession it was obvious that the introduction of new industries was going to be a long term process. The existence of unused capacity even in the prosperous areas meant that there was not enough incentive for industrialists to move to the Special Areas. Only a ban on expansion in the South East and Midlands would have forced industrialists to look elsewhere and even then they might not have gone to South West Durham or West Cumberland.

R.H. Campbell - and Lord Woolton in his memoirs - blame short-sighted obstruction in Whitehall for many of the failures of the legislation.³³ Certainly there was some obstruction. The Treasury, which was concerned with wider problems of national finance, did take a very grudging attitude towards Special Areas expenditure. The Board of Trade was also hostile, asserting during its evidence to the Royal Commission on the distribution of the Industrial Population that industrial location should not be influenced by government policy.³⁴ The service ministries too, in granting their contracts, did not always pay much heed to the needs of the Areas. But Whitehall was not monolithic. The Ministries of Labour and Health which were both closely concerned with the legislation supported the efforts of Gillett and his staff in their attempts to bring industry to the Areas.³⁵ Both these Ministries had local organisations and were in regular contact with the regions of Britain; they were thus probably more aware of the extent of local depression and realised its social and economic effects more clearly than exclusively London-based Ministries. This awareness may have been a factor in their support of the Commissioner. It is unfair to place too much blame for the failures of the legislation on "Whitehall"; "Whitehall" was not homogeneous and while some civil servants hindered or ignored the legislation there were others who did their best to implement it.

The provision under the 1937 Act for extending aid to "certified areas" of high unemployment came to nothing. Even Lancashire, the best organised of the areas, was only with difficulty able to finance a sites company. The Lancashire Industrial Council, even with "direct behind the scenes Treasury support," could only raise £250,000 capital, instead of the £500,000 originally intended.³⁶

Apart from brief moments of publicity, the Special Areas legislation was never a major concern of government policy. Even Neville Chamberlain, with his past record of social reform, was too bound up with foreign policy and problems of rearmament when he was Prime Minister to pay much attention to the Areas. The Labour Party too directed much of its attention to the German threat and to the problem of Spain. This neglect was resented in the Areas:

"Parliament spends far too much time discussing foreign policy to the detriment of domestic legislation which is crying out for attention."³⁷ Had foreign affairs not seemed so pressing to both major parties it is possible that the Special Areas might have been able to attract more attention.

Industrial Development in Cumberland 1937-9

In Cumberland, the new Act of 1937 was administered by new people. Following the death of Sadler in February, 1937, Major Hibbert of the Millom and Askam Haematite Company became Chairman of the Development Council. In March,

E.G. Sarsfield-Hall became the new District Commissioner. An Irishman, recently retired from the governorship of Khartoum, he had the reputation of being a good administrator, experienced in dealing with local government, unemployment and land settlement in the Sudan. The choice caused some surprise in the county. He was autocratic and did not get on at all well with Hibbert or Adams who, he complained, "have given me more trouble than all the others in West Cumberland."³⁸ Despite the personal conflict, he appreciated Adams' position in West Cumberland and insisted that he be given a specific role to play in the attraction of industries, though he thought that the role should be clearly defined and restricted.³⁹

Sarsfield-Hall was District Commissioner for just over a year. In July 1938, he became a director of the Workington Branch of United Steel. His new appointment caused a great uproar, Hibbert claiming that he would use all the inside knowledge he had gained as District Commissioner against United Steel's rivals. There was a further outcry when George Mallaby, who was about to resign his post as headmaster of St. Bees' School, was appointed as the new District Commissioner.⁴⁰ A young bachelor, Mallaby regarded his new job as a challenge. His lack of industrial experience was criticised, locally by Adams and in Parliament by Anderson. After this inauspicious beginning he went on to become the most popular

of the District Commissioners in Cumberland. He was the first District Commissioner who actually had some prior knowledge of Cumbrian conditions. He and Adams became close friends and it was while they were working together that West Cumberland had most success in getting new industries. Mallaby stayed in Cumberland until the outbreak of war.

The major work of industrial development was carried on by the West Cumberland Industrial Development Company (WCIDC). Unlike the companies in the North East and Wales, it did not control a central trading estate and acted simply as the Commissioner's agent in acquiring sites. It thus had no power to fix rents and this was resented, the directors feeling that the Company was "merely a redundant post office, unable to act except with continual reference to London."⁴¹ Several struggles between the Company and London left a residue of bad feeling in Cumberland. Headquarters initially opposed both the Company's plan to acquire and renovate Cleator Mill as a site for new industries and the building of factories in advance of requirements. London's hesitation resulted from continued scepticism about the prospects for West Cumberland: "Their programme allows for eight factories. I would be surprised if more than two or three materialised,"⁴² wrote Tribe. Paton warned "that there is not much likelihood of getting large numbers of new factories for small light industries ... because of the bad

communications of the Area."⁴³ Though the company directors asked for £500,000 for their original site development plans, they only received £250,000 initially, with provision for the remainder if required. To some extent the directors shared headquarter's pessimism about Cumberland's prospects. They asked that factory rents should be lower in Cumberland than in the other areas because of the geographical difficulties of the county.⁴⁴ In effect they were arguing that Cumberland could not support new industries without a permanent subsidy. Tribe refused to accept the argument and insisted that an economic rent be charged.⁴⁵

The work of the company was concentrated on two main sites: Cleator Moor and Maryport. The old threadmill in Cleator eventually housed four new industries. In Maryport, the Company acquired a site close to the harbour and railway which became the Solway Trading Estate. There they were allowed to build two factories ahead of immediate requirements, so that industrialists could move in quickly. In addition, if a firm wanted a factory in some other place, the Company had the power, as the Commissioner's agent, to acquire the site and build there.

Within West Cumberland, as at the national level, there were now several organisations involved in promoting industrial development. Much of the necessary co-operation was ensured by overlapping personnel. All of the local

directors of the WCIDC were on the executive of the Development Council. Lyon Wyllie, as well as being a director of the WCIDC, was the local representative of SARA and the Nuffield Trust. The District Commissioner was a director of the WCIDC and an ex-officio member of the Council. The Council and the Company had a joint committee of which Adams was the secretary. The company was directly concerned with industrial development while the Council had more general interests such as publicity and giving advice to local authorities. Industrialists who expressed an interest in the area were referred to Adams who showed them round and gave them information. Their proposals were examined by Wyllie and Crichton, the Chairman of WCIDC, who sifted out some of the more unsuitable ones before negotiations began with the lending bodies or the Commissioner. The Company was responsible for the acquisition and development of sites.

One of the chief complaints of the headquarters staff in the early years had been the lack of local leadership in West Cumberland. However as a result of the legislation a new leadership began to develop. The Development Council and WCIDC brought together local politicians, local industrialists and businessmen in a team, working to promote the industrial recovery of Cumberland. Any success in attracting new industries depended on this local organisation. Though the Commissioner could refer

industrialists to the Area, it was up to the men on the spot to convince them that Cumberland was the place where they wanted to settle. The new leaders learned how to manipulate the legislation and became experienced at presenting their case to government officials in London. They became a pressure group for West Cumberland's interests, giving evidence to the Barlow Commission and working with the development bodies in the other Areas to try to persuade the government to retain the Special Areas legislation.

Adams was the central figure in this new leadership. His task was to convince the industrialist that Cumberland was the place for them to settle. Stories are legion of his initiative and energy in convincing industrialists to come to the Area.⁴⁶ Anderson, whose parliamentary duties meant that he was frequently in London, was important in establishing initial contacts. With the help of his "so-called technical adviser," A.T.M. Jones,⁴⁷ he formed a company, Development Facilities Trust Limited. The company advised industrialists of the facilities in the Area and may have helped them raise sufficient private capital to be considered for a SARA or Treasury loan. Anderson and his wife also helped immigrants to smuggle capital out of their home countries and they helped one industrialist, Andrew Vigodny, to organise his escape from Hungary after his passport was confiscated.⁴⁸

The first success of the local leadership was the establishment of a tannery at Millom. Anderson, Wyllie and Adams had interviewed the owner, Andrew Vigodny, as early as December 1936. At this stage they could only offer him the possibility of a SARA loan, but the quality of the water at Millom convinced him to come to Cumberland. Negotiations were long drawn out, partly because of the difficulty of getting capital out of Hungary, but in April 1938 Anderson laid the foundation stone of the new factory. Anderson and Adams each regarded the starting of the industry as a great personal triumph.

After this start a variety of light industries was introduced to West Cumberland.⁴⁹ It is highly unlikely that these industries would have come without the Special Areas legislation. Though Gillett thought that the most useful attraction was the provision of factories,⁵⁰ he did feel that the provision of inducements was valuable in attracting industries to the more isolated areas, a view that was endorsed in the county.⁵¹ Certainly the extreme pessimism of the Commissioner's staff about the viability of West Cumberland was proved wrong. In May 1939, the WCIDC were given the remainder of the £500,000 they had originally required for their plants.⁵² Later, after a dispute when two companies simultaneously demanded the smaller of the two ready built factories, the WCIDC was given permission to build four factories ahead of requirements.⁵³

Some of the new industries did try to take advantage of Cumberland's need for jobs. E.J. Pierce tried to get better conditions by threatening to go to the North East.⁵⁴ Kangol wanted to know immediately whether its 100% remissions of rent, rates and income taxes would be extended for five years and also questioned the rent.⁵⁵ In such cases there was little the WCIDC could do as it did not provide the finance or fix the rents. These industries, despite their complaints, did come to Cumberland. Had the financial power not been centralised, it is probable that the WCIDC might have succumbed to these threats and given the companies more than they really needed. It was not only outsiders who tried to profit from the legislation. Adams claimed that there had been "a fantastic rise in the price of land wanted for sites for factories."⁵⁶ Though the District Valuer was to assess the price that the WCIDC paid, the directors felt that his assessments too were inflated and they continually complained that they were paying too much for land.⁵⁷

Most of the new industries were situated on the coast where transport facilities were better. The industries at Cleator were only a few miles from Whitehaven and the main railway line in the area. There was some criticism of this distribution and accusations of favouritism on the part of the Development Council, though in fact the distribution seems to have been suggested by the

Commissioner's office.⁵⁸ The concentration at Cleator Moor and Maryport could be justified on the grounds that they were the most depressed places in the area. Nothing was done for Aspatria which was also very depressed. Alston got no new industries, though this was less surprising. The town was isolated from the main centres of activity on the coast; its roads were often blocked in winter and its rail links were poor. The Workington Star regularly claimed that Workington was not part of the Special Area, as it was getting no industries, though the paper seemed unsure whether this was a compliment to the town's economy or a cause for grievance. Workington was relatively prosperous and so there was less tendency to direct business there; it was not until the summer of 1939 that the town got its first new factory. There was bound to be criticism as there was not enough industry to go round; on the whole the distribution of the new industry was fair.

The welcome given to the new industries was ambivalent. Their effect on unemployment was slight. By June 1939 they employed 443 people, though when fully developed they were expected to provide 2,000 jobs.⁵⁹ Women and juveniles formed the bulk of the employees. At the time there were 6,568 unemployed in West Cumberland - a rate of about 20% - of whom 5,494 were men.⁶⁰ It was obvious that the new industries offered no real solution to the problem of male unemployment. In an area where there was no real tradition

of female employment, jobs for women were not regarded as an adequate substitute for jobs for men. "One suggestion that a football pools firm should establish its head office in West Cumberland was rejected because it would "only provide women's work."⁶¹ The type of work was also regarded with some contempt: "Gitten paid fur just watchin' machines ... whey ah's wurkin' harder noo, trottin' down ter Irish Street iver every day."⁶²

There also seems to have been some resentment of the foreign ownership of so many of the new industries. Crichton found it necessary to tell the people of Cumberland to give a welcome to the refugees, pointing out that they were providing jobs as well as receiving government money.⁶³ Even as late as 1949, one Cumbrian remarked that the new industrialists were "all strangers and mostly foreigners ... an alien, unassimilated and apparently affluent minority."⁶⁴

Local demand emphasised the need for industries which would fit more easily into local traditions, and which would be tied to the area by the use of local resources. These would be preferable to companies which manufactured "mass produced goods and gadgets which can just as well be made in the suburbs for which they are intended."⁶⁵ There was a particular demand for finishing industries associated with iron and steel but it was not until the war broke out that any such industries came to the area. Sarsfield-Hall felt that the government should encourage industries using local

facilities or resources, such as minerals, agricultural products, water or port facilities and Paton agreed.⁶⁶

Water seems to have been the main local resource which was used by the new industries; Millom tannery and Kangol were both attracted by the quality of local water, the Stern Wood Pulp factory by the quantity. However attempts to get industries based on other local resources fell through. This might have been because such industries required more capital than light industries. Capital on a large scale could be provided by the Nuffield Trust and the Treasury fund, but the Nuffield Trust began to run out during 1938 and the Treasury fund was never used very freely.

Anderson, Adams and Sarsfield-Hall all urged the need for industries based on agricultural products. Anderson promoted a company to undertake large scale pig production to supply the Carlisle bacon factory. The WCIDC also supported a Belgian scheme for producing and processing vegetables. It was hoped that these schemes would employ older men on the land in a wage earning capacity. The Commissioner was unable to help either scheme because the legislation did not permit the provision of agricultural land for the use of private companies.⁶⁷

Though the pig farming scheme was licensed by the Pig Marketing Board and the Bacon Development Board it was refused aid by the Nuffield Trust.⁶⁸ It is difficult to criticise the Nuffield decision without knowing any details

of the financing of the pig scheme, but the basic idea seems to have been sound and there was certainly a local market: the Carlisle factory imported 97% of its pigs from Denmark.

There was also some demand for aid to existing industries in the area. Several firms in West Cumberland, after years of depression, could no longer afford to replace old equipment and were in danger of losing markets because they could not keep up with orders. The Eskett quarries were working on order for 31,500 tons of limestone in May 1933, but had to refuse orders for another 97,000 tons because of inadequate equipment.⁶⁹ In such cases only the private funding bodies - the Nuffield Trust and SARA - were empowered to help.⁷⁰ Though such aid did not help to diversify the economy of the area, it did keep men in employment and was much more acceptable locally than loans to outsiders.

While the Special Areas bodies were struggling to bring new industries to Cumberland, the fortunes of the basic industries fluctuated. The coal industry did well in 1937; production increased and the output was wholly absorbed. The Spanish Civil War disrupted foreign ore supplies, increasing the demand for local haematite to such an extent that the iron companies had difficulty in filling their orders on time.⁷¹ But during 1938 the basic industries experienced a slump, though this was mitigated by the continuing demand for high quality steel for armaments.⁷² Even so, in

September 1938 the rolling mills were on short-time and the collieries were losing a shift a week.⁷³ After the occupation of Czechoslovakia in March 1939, increased defence costs stimulated a recovery and by May the accumulated stocks of 1938 had been absorbed.

The rearmament programme helped the area in several ways. It stimulated heavy industry and the building of government depots and aerodromes provided jobs. The decline in unemployment in Maryport in 1938 was attributed to the building of Silloth aerodrome rather than to the new industries.⁷⁴ But no government factory was established in West Cumberland before the war, despite the area's undoubted advantages as a producer of high grade steel in a strategically safe area. Even though Cumberland was the last county in England to get gas masks during the Munich crisis, because of the Home Office's faith in its safety,⁷⁵ representations by Cape and Anderson still failed to get a new factory. Gillett himself admitted that he was puzzled by the government's failure in this regard.⁷⁶ There were also complaints that the government depots only employed ex-servicemen, sometimes from outside the area, penalising local men who had been in reserved occupations during the First War.⁷⁷ Rearmament continued to be a mixed blessing for West Cumberland.

The Cumbrians still maintained that their area was the Cinderella of the Special Areas, though increasingly their

jealousy was directed against South Wales rather than the North East. South Wales seemed to get more publicity, and Lord Portal, a director of the Great Western Railway, was suspected of favouring the area.⁷⁸ The percentage reduction in unemployment was smaller in West Cumberland than in the other areas⁷⁹ which implied that its problems were more intractable. There is no evidence at headquarters level that Cumberland was overlooked in favour of the other areas, even though some of the staff were pessimistic about the prospects. Industries moving to West Cumberland frequently got maximum inducements, and in 1938 the lending bodies claimed that they had given more to West Cumberland than to any other area in proportion to the total population and the number of unemployed.⁸⁰

In terms of reducing unemployment, the revised Special Areas legislation had only a limited effect in West Cumberland. The new industries which were established did point the way to the development of a more diverse economy and offered widening opportunities, particularly for women in the area. In a limited way, the experience of West Cumberland did demonstrate that depressed areas could support more varied industries. The major benefit that the area derived from the legislation was the development of a confident local leadership.

Public Works, Land Settlement
and Transference

Gillett's industrial policy was the most novel aspect of his work, but he also continued the more traditional programmes which had been developed by Stewart. Here, he was not an innovator; he limited himself to trying to increase the effectiveness of some of the programmes, and he defended them against outside attack.

One of Gillett's first acts as Commissioner was to try to hasten works schemes by simplifying administrative method. At his suggestion, an Interdepartmental Expenditure Committee was formed to discuss proposals for public works and grants and to make decisions, without the Commissioner having to contact the departments separately. The new procedure increased efficiency in London, but it proved more difficult to hasten matters in the Areas. Gillett complained that

Some local authorities are very leisurely and once they know that grants are available they do not prepare the schemes for final approval very carefully. I should regard it as most unsatisfactory if, at the termination of my office, numbers of schemes for the Special Areas were outstanding ... because delays in producing the necessary information have prevented me from approving proposals for grants from the Special Areas funds.⁸¹

In the months before the Act was due to expire, the Commissioner's staff spent much time exhorting local authorities to accelerate their plans, as only schemes on

which a definite start had been made before the expiry date would continue to be eligible for government support.⁸²

Local authority boundaries also hindered the development of regional planning for the Areas. Grants for projects involving more than one local authority had to be divided proportionately. Many local authorities resisted surrendering any of their powers particularly over housing. Several local authorities in declining areas, particularly in the North East, wanted to use their grants for slum clearance to rehouse the slum dwellers within their own boundaries, even though there was little prospect of employment. Meanwhile authorities in areas with brighter prospects, for example around Team Valley, had powers only to replace slums or rehouse over-crowded families, not to build new houses for new workers. The problems with the local authorities demonstrated the need for a more powerful regional organisation.

There had long been a feeling at the Treasury that if the Commissioner was to spend money on industrial development then his expenditure on public works should be cut back.⁸³ Even before the 1937 Act was passed, Gillett was under pressure to curtail his works programme in the interests of defence. Resisting this move, the Commissioner's officials argued that if the legislation was to be successful they must make full use of their powers and that it would be politically impossible to slacken their efforts.⁸⁴ Though the Ministries

of Labour, Health and the Board of Education agreed to defer part of their programmes, the Commissioner's programme remained intact.⁸⁵ During 1938 the pressure to reduce public works continued and at the end of the year, the Chancellor of the Exchequer urged that Gillett "put a brake on his other activities" apart from industrial policy.⁸⁶ Gillett refused, reminding the Cabinet that he was legally required to suggest any ways to help the Areas, and that his position would be compromised unless the government made a public announcement that he was no longer required to exercise these powers.⁸⁷ This was too embarrassing for the government to consider particularly at a time when there were rumours that it was contemplating cutbacks in general social service expenditure because of the escalating cost of rearmament. Brown thought that such an announcement would have "a more serious effect than saying that the Acts would lapse."⁸⁸ Gillett's strong stand meant that there was no change in his public works policy before the war and his staff continued to remind the local authorities and other public bodies of the grants available for work schemes.

Though the Treasury officials could not alter Gillett's general policy, they were able, through their general control of expenditure, to hinder some of his schemes. One topic which was discussed frequently by the Expenditure Committee was the problem of Maryport harbour which was in danger of becoming derelict. The whole episode

displayed the conflict between the Treasury's view that expenditure had to be justified on economic grounds and the view of the Commissioner and the Ministry of Labour that social and political considerations were equally important. Though the Cumbrians claimed that a good harbour would stimulate the local economy, their arguments were questioned by the Mines Department and the Ministry of Agriculture which felt that the hinterland of the town offered few prospects for development. The Commissioner and the Ministry of Labour contended that, though there was little economic justification for the harbour, to allow it to become completely derelict would aggravate the condition of the town.⁸⁹ The argument that the harbour had strategic value was rejected by the Ministry for Co-ordination of Defence.⁹⁰ Throughout, Treasury officials supported those who opposed improvements. After a bad winter, during which one pier was washed away and at least one firm rejected a factory on the Solway Estate because of the state of the harbour,⁹¹ the Ministry of Labour persuaded the Treasury to agree to a compromise. Instead of making complete repairs, £75,000 would be offered to the Harbour Commissioners to patch up the harbour so that it could still be used.⁹² The harbour was eventually re-opened in January 1939. The whole affair demonstrated the grudging attitude of the Treasury towards any expenditure which they did not deem essential.⁹³ Only a few years later, the Lords of the Treasury were to be

warned that "it is imperative ... that Maryport harbour be kept ready for emergency use."⁹⁴

Though the Commissioner continued to promote public works schemes, their value was more social than economic. Apart from harbour development and site clearance, most of the works dealt with hospitals, housing and sewage. The works improved the environment of the areas and saved local authority expenditure. By September 1938, £17,101,000 had been spent or promised for such works.⁹⁵ The projects employed a few hundred older men for limited periods of time; they were not on a large enough scale to make any real impression on unemployment.

During 1937 the land settlement programme was increasingly criticised because of escalating costs and its doubtful effectiveness. Between 1934 and the start of 1938, the estimated cost of settling a family on the land increased from £800 to about £1,700.⁹⁶ In addition, the numbers settling on the land were far fewer than originally anticipated. Stewart's programme had called for 3,000 families to be settled on the land. By the end of 1937 797 families were settled; only 122 men had completed their training and been removed from the live register.⁹⁷ During 1937 outbreaks of poultry disease and the rising price of foodstuffs affected the smallholders on the Land Settlement Association's estates. The LSA had concentrated on pigs and poultry, rather than on market gardening, the main concern

of the schemes in Durham and Wales. Industrial recovery also affected recruitment: in 1938 only fourteen men were prepared to go before the LSA selection board in Cumberland. By July 1938, further increases in the estimated cost of the programme caused Gillett to appoint a Committee of Enquiry under Sir William Dampier to "examine the whole programme. The Committee was to assess the results of the experiment to date and its future prospects, taking into account both the social and economic aspects.

The Committee's analysis of the schemes in England and Wales was critical but sympathetic. The disappointments in the LSA's programme were blamed largely on the haste necessitated by the temporary nature of the Special Areas Acts. Emmerson agreed that the Commissioner's programme had been rushed but pointed out that because the legislation was temporary it had been essential to start as large a programme as possible in a short time.⁹⁸ The LSA also stressed the difficulties of putting men with no agricultural experience on the land. The Committee concluded that "no scheme of the nature, scope and size of that now carried on by the Land Settlement Association can be self-supporting,"⁹⁹ though it did feel that co-operative farms had more chance of success. It also suggested that it would be better to find industrial rather than agricultural work for the industrial unemployed. However, the Committee did emphasise the social value of the experiment:

It has put new heart and life into many men who had been unemployed for years and who had little hope for the future.... We are much impressed with the benefits which accrue to the children; strong evidence of both physical and mental improvement makes us feel that here ... land settlement is a success.¹⁰⁰

The Committee emphasised that the experiment was still too new for final conclusions to be drawn. Its report did show however that the problem was much more difficult than earlier advocates of land settlement, including the four investigators of 1934, had realised.

In many ways, transference, by draining potential workers from the Areas, ran counter to Gillett's aim of reviving local economies, and, on the whole, he preferred to concentrate on bringing work to the unemployed.¹⁰¹ However he did feel that for some of the more remote parts of the Areas transference was the only solution;¹⁰² consequently he continued to aid the schemes. Other factors were working against the transference policy and by the time he became Commissioner, the peak of transference had already passed. In 1936 an estimated 42,975 people left the areas, a year later the number had fallen to 27,733.¹⁰³ Gillett's industrial policy and the recovery of the basic industries under the stimulus of rearmament increased the attractiveness of the Areas and, once the recession of 1938 had begun, transference became even less attractive.

The Debate on the Future of the Legislation

The Special Areas (Amendment) Act was originally due to expire at the end of March, 1939. Several senior officials had every intention of trying to get rid of the Act at the stated time. They opposed the continuation of the legislation for several reasons. One was simply financial, the perennial desire to cut costs because of rearmament: "Can we afford it at this time?"¹⁰⁴ There were administrative objections. If the legislation was to remain on the statute book, various anomalies would have to be dealt with. These included the difficulties arising from the arbitrary nature of the boundaries, the pressing need to deal with other areas of high unemployment, and the administrative problems arising from a law which only applied to limited parts of the country. The government would also have to do something about its early pledges that successful experiments in the Special Areas would be applied elsewhere. Even worse, "Mere continuance of the Act would not suffice; continuance would be an admission that there was still a need for special treatment and this would make it seem that there should be more drastic measures than those hitherto taken."¹⁰⁵

The officials also shared a very real fear that "if the Act is extended for a second time it will be extremely difficult ever to bring it to an end."¹⁰⁶ If the legislation was to be permanent then it would be necessary

to consider seriously the whole problem of the government's relationship to industry and how far the government wanted to interfere in "the normal industrial life of the country."¹⁰⁷ The expected exhaustion of SARA and the Nuffield Trust meant that all future aid would have to come from the Treasury: the Governor of the Bank of England had warned that no more aid could be expected from the City.¹⁰⁸ Though Gillett argued that "new days require new methods,"¹⁰⁹ the Treasury wanted to avoid giving "free and easy money on terms which we think are quite inappropriate for government funds."¹¹⁰ None of the Treasury officials were prepared to consider more than at most continuing some loans to industry, even though it was admitted that "loans and debentures are not fully effective."¹¹¹

At Cabinet level, Chamberlain shared the official distaste for the legislation. He was never convinced that the state should try to influence the location of industry, and regarded the Special Areas legislation as a temporary expedient.

He (Chamberlain) had never been able to understand how it was thought possible to say to industry "you shall go to a certain area" unless the command was accompanied by financial inducements. Such inducements had been held out on a very limited scale in the Special Areas, but there could be no question of their extended use.... Accordingly he was very averse from (sic) using such phrases as "a forward policy in industrial planning."¹¹²

Apart from doubts about the principles on which the Act was based, official reluctance was fuelled by fears as to how far industrialists would be prepared to cooperate with the government in any extension. Already in 1937 industrialists had displayed their strength by forcing the government to water down the National Defence Contribution which taxed profits reaped from rearmament.¹¹³ There had been no strong business opposition to the revised Special Areas Act, but 1937 had been a comparatively prosperous year. In the changed conditions of 1938, however, the civil servants feared opposition to continued government subsidies to new industries.¹¹⁴ In March, 1938, the President Elect of the FBI warned of "untold national difficulties and injury" if the government interfered unduly with industry,¹¹⁵ and individual industrialists had already complained about aid being given to their competitors in the Special Areas. Though the government had interfered in industry during the decade by providing tariffs and quotas, this legislation had limited competition and benefitted established interests; the Special Areas legislation encouraged new industry and competition, and there were limits which the civil service did not wish to test as to how far established industry would go in tolerating this.

During the official discussions there was no suggestion that the work of the Commissioner should be

stopped entirely. His commitments would be carried out after the demise of his office and some of his functions, particularly in social work, would be transferred to other departments. The main aim was to stop the Commissioner starting any expensive new projects and to extract the government from legislation whose inadequacy had become embarrassing. Within months of the passage of the Amending Act, the officials were casting round for some publicly acceptable justification for terminating it on time. In September, 1937, Gilbert, at the Treasury, was arguing that by March, 1939, the public works projects would be almost complete and the main part of the industrial policy would be initiated so the termination of the Acts would cause no harm.¹¹⁶ A month later, Ernest Brown, having surveyed the new powers of the Commissioner, advised Chamberlain:

in general we have formed the definite conclusion, though we have not yet stated it publicly, that the problem of the Special Areas might be said to be solved and could disappear from the statute books in eighteen months.¹¹⁷

It was one thing to argue in Whitehall that the Special Areas would be on the road to recovery by 1939. It was another to convince the public of this, particularly after the rise in unemployment during the recession of 1938:

The percentage increase in unemployment was 3.5% in the country and 1.8% in the Special Areas. This strengthens the case for letting the Acts lapse but it has no public appeal ... especially when it is realised that unemployment

in the Special Areas is nearly twice as high as in the rest of the country.¹¹⁸

Public interest in the legislation, though spasmodic, never died out. As the recession of 1938 deepened, pressure to continue the legislation developed, much of it stirred up by such recipients of the Commissioner's grants as the social service bodies and the Development Councils. The Special Areas development organisations sent a joint deputation to Ernest Brown. In their memorandum they argued that though some reclassification of the Areas was necessary, the experiment should be continued; otherwise the experience gained would be wasted.¹¹⁹ The Times gave a good deal of publicity to the issue - three leading articles and one special correspondent's report between September and November - arguing that

the discontinuance of the office of the Commissioner for Special Areas would be a calamity and might easily lead to the disintegration of much of the hard work of four years which is just beginning to bear fruit.¹²⁰

The strategic argument for a wider dispersal of industry received a boost from the Munich crisis of September 1938: the announcement of Home Office plans to evacuate 2,000,000 people from London emphasised the vulnerability of large concentrations of population in the south¹²¹ and incidentally caused an increase in applications to the Commissioner from industrialists in the South East.¹²²

The long wait for the report of the Royal Commission on the Distribution of the Industrial Population also kept the issue of industrial location in the public eye. Though the hearings of the Commission were completed in 1937, disputes among its members meant that the Report took a long time to prepare.¹²³ It was not published until January 1940. Speculation as to the reason for the silence kept the issue alive in the press. At the same time both Gillett and the Scottish Commissioner argued that the Acts should not be allowed to lapse until the report had been published and the future lines of government policy established.¹²⁴ Far from causing the problem of location of industry to be forgotten, the delays in the Commission's work served to increase pressure on the government at least to keep the Special Areas Acts in being.

Chamberlain's views were not shaken by the public demand for a more interventionist policy. When the Cabinet committee met to decide the future of the Special Areas legislation on 10 November he dominated the meeting. He argued that there was no economic justification for the legislation. The Areas were much improved since 1934 and the scheme was expensive. "Anybody who was open to conviction" would understand the need to terminate the Acts. The problem was that

the government's critics were not open to conviction, and it was clear that, politically speaking, the termination of the scheme would be a very unpopular step.

He rejected Brown's suggestion that the legislation be extended until the Barlow Commission's report was published, because that implied that the government would implement the suggestions in the report. Instead, he suggested, and the committee agreed, that the Acts be continued for a year pending the development of new legislation "unconnected with the Special Areas Acts" to deal with the problem of unemployment.¹²⁵

Keith Middlemass has argued that the guiding principle of the National Government was the need to avoid a social crisis, to avoid open hostility between the government and the public.¹²⁶ His thesis seems to be borne out by the history of the Special Areas legislation. In 1938, as in 1934 and 1936, the government had compromised its economic beliefs for fear of a public outcry. In each case concessions had been made to appease public demands. The concessions had been limited because the government's members, particularly Chamberlain, and its financial advisers had been pessimistic about the possibility of government intervention causing any real improvement. In 1938, however, Chamberlain obviously felt enough compromises had been made. Though he conceded the continuance of the legislation, he hoped that the new measure would finally extricate the government from its particular commitment to the Special Areas.

During the winter of 1938-1939, the Expiring Laws Continuance Bill and rising unemployment figures provided

the Commons with more opportunities than had been usual to discuss unemployment. There was a whole new tone to the debates, a marked feeling that unemployment could no longer be tolerated, particularly after the number of unemployed rose above 2,000,000 at the start of 1939. The debates did not concentrate solely on the Special Areas, but on unemployment as a national problem requiring national solutions. The inadequacies of the Special Areas policy were criticised by such MP's as Dingle Foot, whose constituency in Dundee had higher unemployment than most places in the Scottish Special Area. The particular problems of the young and the old were discussed, the young men who had become demoralised and apathetic, and the old men who, it was assumed, had become unemployable and would never work again.

Apart from the expected Labour attacks much of the criticism came from the government back-benchers, and not just from representatives of the distressed areas. Two major critics were Ronald Cartland and Anthony Eden, MP's from the prosperous Midlands who were concerned with the need for a national policy rather than one restricted to a few areas. Cartland, a cousin of the District Commissioner for South Wales, was moved by the difficulties of the unemployed and the problems of congestion in his Birmingham constituency. He demanded "more positive government ... we cannot leave business to solve the problems of unemployment or inter-

national trade."¹²⁷ Eden, the ex-Foreign Secretary, saw unemployment within the context of foreign affairs and demanded "the building of a better and stronger Britain which can alone make a stronger foreign policy."¹²⁸ He urged the need for programmes of slum clearance and public works. Both inside and outside Parliament there was a strong feeling, reflected in the Conservative press, that the existence of unemployment discredited the democratic political process and provided a propaganda weapon for the dictators.¹²⁹

From the press it is easy to get the impression that the whole country was urging the government to adopt a more active policy. But it is very difficult to assess the actual balance of forces. In November 1938, Sir John Simon, the Chancellor of the Exchequer, received a deputation from the Conservative Private Members Committee which asked that the government should do its utmost to restrict expenditure - a policy which was not conducive to the good of the Special Areas. And it is doubtful how far Chamberlain's Conservative critics were prepared to take their opposition.¹³⁰ Though the parliamentary debates were well publicised, they were not well attended. During one debate on the inclusion of the Special Areas legislation in the Expiring Laws Continuance Bill, only nineteen MP's were present,¹³¹ a total which does not indicate general concern with the problem. It seemed that the unemployed could attract enough

attention to make the government unwilling to accept the odium of allowing the Special Areas Acts to lapse, but not enough to force a real change in policy.

In considering the problem of the unemployed, the government was not prepared to do anything that involved expense. Since Munich foreign investors, fearing war, had been drawing their money out of Britain. This drain on the country's gold reserves meant that the Treasury was even less willing to countenance any expenditure which would risk increased inflation.¹³² Nor was there any hope of increasing revenue. By 1938, rearmament had caused income tax to creep up to 5s. 6d. in the £, only 6d. below its peak rate in the First World War - and 6d. above the 'crisis' level of 1931. As Peden has pointed out, this level of taxation was close to being intolerable, given the standards of the time.¹³³ Consequently in the autumn of 1938 Kingsley Wood had announced the possibility of cuts in social services because of defence expenditure; a few months later the government rejected plans to raise old age pensions for the same reason. The new bill to replace the Special Areas legislation was also discussed in this atmosphere of financial stringency.

In May 1939, while the new bill was being discussed, Gillett was forced by ill health to resign. His successor, Sir James Price, was a retired civil servant from the Ministry of Labour. Cynics suggested that the government

were tired of having an "independent, unconventionally minded outsider" as Commissioner, and that the purpose of the appointment was to keep the administration of the Special Areas under tighter control.¹³⁴ The staff regarded him as "a receiver, brought in to wind up the work."¹³⁵ He had little influence on the department and worked mainly from his home in Yorkshire.

The aim of the new bill, the Loans Facilities Bill, was to continue what the Ministry of Labour and Secretary of State for Scotland saw as one of the most useful features of the Special Areas legislation: the provision of loans to industry.¹³⁶ The new legislation was to apply to areas defined by criteria other than geography: the amount and duration of unemployment and reliance on one or two industries which were depressed. Nor was there to be a Commissioner required by law to initiate measures to stimulate recovery; the initiative was to come from the localities. Local development bodies would support a firm's application for a loan; a Treasury advisory committee would decide whether the area met the criteria to be eligible for a loan. By leaving everything to local initiative in the depressed areas the government was practically ensuring the bill's failure. The local development organisations would be dependent on local funds, which were limited in the depressed areas. Even the Lancashire Development Council, the best organised of the non-Special Area development

bodies, had been unable to attract any new industries. Nor did the new legislation give any help to the blackest areas: there was no provision for varying the loan according to anything other than a particular firm's need. In addition, the Act was to be limited in time: the Treasury wanted it to end in March 1941, but the Ministry of Labour managed to have it extended until March 1942. The bill was no substitute for the Special Areas legislation with all its weaknesses. Almost the only advantage it had over the Special Areas legislation was that the areas were not rigidly defined, but could be altered according to changing economic circumstances.

Even this limited bill was too much for some. After the German occupation of Czechoslovakia in March 1939, the increased pace of rearmament caused a rapid reduction in unemployment. In the Treasury this was seen as a chance to drop the bill particularly as it seemed likely to have dire consequences: "there has been a steady rise in expenditure and it is undesirable to inflate credit by giving loans to risky enterprises." Though it was realised that to drop the bill ran counter to government pledges, the risks would be no greater than the problems caused by discussing the bill which would be "highly contentious and would presumably necessitate the sitting of Parliament late into August, another straw for the Chief Whip's back."¹³⁷

These arguments were over-ruled. Though Chamberlain agreed that, especially after the fall in unemployment, "on its merits alone it is doubtful whether such legislation could be justified," he felt that because of the pledges given it must be introduced as soon as possible.¹³⁸ The Cabinet agreed and the Loans Facilities Bill was introduced by Simon on 1 August. Greeted by some Labour MP's as a pre-election gimmick, the bill was never discussed. After the outbreak of war it was withdrawn.

Though the revised Special Areas legislation did encourage some industrial development, its effects were small. To some extent the government did achieve its desire of leaving the recovery of the areas to natural forces, aided by rearmament, a programme not directed specifically at industrial recovery. Increasingly the pressures of the defence programme caused the government to cut back other activities and the Loans Facilities Bill marked a retreat from even the limited interventionism of the 1937 Act. This retreat was made in the face of an increasingly vociferous public demand for more government control over the location of industry. It is interesting to speculate on what would have happened to the Bill if there had been no war. In terms of West Cumberland, the legislation, by offering a challenge to local initiative, encouraged local people to work together for the good of the area and helped the county to produce the spokesmen

whom it had previously lacked. That their successes were few illustrates the limitations of the legislation, not of their effort.

NOTES

1. Fourth Report, 12. For Gillett's background see R.S. Sayers, Gilletts in the London money market, 1867-1967 (London, 1968), 73-4, 115-6.
2. For example in September 1937 the WCIDC were warned by the Commissioner that one company with whom they were dealing had applied to all the Special Areas and that the matter would be dealt with in London CRO, DSO 42/2/65, WCIDC minutes, 20 Sept. 1937.
3. PRO, LAB 23/179, Principles governing industrial policy, memorandum by Tribe. April 1937.
4. "Before a scheme goes forward from the Development Council it is completely vetted and we fail to see why it should be further vetted by the Industrial Officer.... It is considered that any scheme put up should have immediate blessing and not be subject to delay." Major Hibbert. CRO DSO 42/1/11. Minutes of meeting of Cumberland Development Council with Gillett, 24 Sept. 1937.
5. Letter from C.J. Savill, Times, 8 Mar. 1938.
6. G.H.J. Daysh, West Cumberland (With Alston): a survey of industrial facilities (Whitehaven, 1938); G.H.J. Daysh, A survey of industrial facilities on the North East Coast (Newcastle-upon-Tyne, 1937); H.A. Marquand, The second industrial survey of South Wales (Cardiff, 1937).
7. See Appendix 2.
8. Aldcroft, Interwar economy, 125.
9. Interview with Emmerson. Harold Emmerson replaced Tribe as Secretary to the Commissioner in July 1938.
10. PRO, T 187/36, Emmerson speaking at interdepartmental meeting on assistance to aliens. 18 Oct. 1938.
11. PRO, BT 104/16, Note on organisation, 11 Jan. 1937.

12. Cumberland lost at least one industry through this process; proposals for a rayon factory were rejected because, under the Cotton Industries Bill, rayon was classed as part of the cotton industry which was already severely depressed. PRO, T 187/3, SALAC minutes 29 June, 1939.
13. PRO, BT 104/49, Unsigned Note, 4 June, 1937.
14. See for example, note by Morrison. PRO, BT 104/16, 6 Mar. 1939.
15. Kangol, the beret-making firm at Cleator Moor, lost nearly £6,000 in its first year because of difficulties with the water supply and a slump in the millinery trade. When trade improved the company no longer had sufficient working capital to fill its orders. Because the company's prospects were good, the Nuffield Trust and the Treasury Fund gave an extra loan of £1,500. PRO, T 187/2. SALAC minutes 11 May, 1939.
16. Fourth Report, 60. The National Defence Contribution was a 5% tax on business profits, introduced by Chamberlain in 1937. This extra inducement, the first example in Britain of a regionally varied tax was controlled by the Treasury, not the Commissioner.
17. PRO, T 187/45, Minutes of meeting of the Contracts Co-ordinating Committee and the Commissioner's department. 14 Dec. 1938.
18. PRO, T 187/37, Notes on the progress of SARA to December 1938.
19. Times, 3 Nov. 1937.
20. PRO, BT 104/45, E.N. Cooper (Home Office) to C.H. Boyd (Commissioner's Office) Feb. 1937.
21. In 1935, of twenty foreign firms, ten went to London, seven to the north and none to Wales. Board of Trade, Survey of Industrial Development, 1935 (London, 1936), 7. In 1938 of eighteen foreign firms, six went to the North West, four to the North East, and two to Wales. Board of Trade, Survey of Industrial Development, 1938 (London, 1939), 8.
22. PRO, LAB 23/181, Portal to Sir Horace Wilson 21 July, 1938.

23. Speech by Sir Samuel Hoare quoted in C.H. Coker, "The British reaction to refugees from Germany 1933-9" (Ph.D. thesis, University of South Carolina, 1973), 139.
24. PRO, T 187/61, Special Areas progress report, 31 May, 1939.
25. Ministry of Labour figures. PD, (Commons), 26 Apr. 1939, 5th ser., 344, col. 1169-70.
26. West Cumberland Times, 2 Feb. 1938.
27. Ibid., 3 Mar. 1938.
28. Between September 1937 and September 1938 unemployment in the Special Areas rose by 13.9%; over the country it rose by 34.3%. However unemployment in the Areas was still 24.5% compared with a national average of 13.6%. Fifth report, 16, 19.
29. "The problem (of the Areas) is not yet solved, especially as substantial numbers of those employed are in armament work ... if this work stops then the situation would be as bad as ever." CRO, DSO 42/2/211, Memorandum prepared by the Development Organisations operating in the Special Areas, October 1938. R.H. Campbell has shown that the Scottish Office was also concerned about this problem. "The Scottish Office and the Special Areas." 181-2.
30. PRO, T 187/37, Memorandum Assistance to industry in the Special Areas, Nov. 1938.
31. Times, 16 Aug. 1938.
32. Shay, British rearmament, 297.
33. Campbell, "Scottish Office and the Special Areas," 182; Lord Woolton, Memoirs (London, 1959) 114-5. Woolton, as Sir Frederick Marquis, had been one of Gillett's industrial advisers and a member of SALAC. It is obvious from his memoirs that his recollections of his function and of the Special Areas legislation are, to say the least, indistinct.
34. Economist, 23 Oct. 1937,

35. Emmerson, in his interview, particularly mentioned how helpful the Ministry of Labour had been when he was the Commissioner's secretary. Gillett made a special request that on the demise of his office, the residual powers should be transferred to the Ministry of Labour rather than the Board of Trade. PRO, LAB 23/181, Gillett to Brown, 26 Apr. 1938.
36. PRO, LAB 23/180, Wilson covering note with the report, 23 Dec. 1937.
37. West Cumberland Times, 2 July, 1938.
38. PRO, LAB 23/183, Sarsfield-Hall to Tribe, 2 July, 1938.
39. "We must bring Adams into the picture for obvious reasons, but he should have definite and well defined functions i.e. he should deal with prospective industrialists in the first instance, showing them round and giving them information. But once they make the decision to come, they should be sent to me and the Industrial Development Company." PRO, BT 104/42, Sarsfield-Hall to Paton, 3 July, 1937.
40. St. Bees was a public school known, at least locally, as "the Eton of the North". It had been in great financial difficulty. Enrollments had been declining, as parents did not want to pay for their sons to be educated in a depressed area - an interesting ramification of the consequences of depression. Interview with Mallaby.
41. PRO, BT 104/42, A.G. Somervell to Tribe, 3 Nov. 1937. Somervell, the Managing Director of K Shoes in Kendal, was the Treasury's representative on the Board of the WCIDC.
42. Ibid., Tribe to Gibert, 25 Nov. 1937.
43. Ibid., Note by Paton, 6 June, 1938.
44. Ibid., Paton to Tribe and Thompson, 2 Nov. 1937.
45. Ibid., Tribe to Gillett, 6 Nov. 1937.
46. See Mallaby, Each in his office, 150-1. One story tells of Adams, hearing that an industrialist wanted to open a new plant and required soft water, making a personal tour to collect samples from six Cumberland

rivers. He sent them off in beer bottles, with a request that the industrialist should decide which was the most suitable. The industrialist came to Cumberland.

47. PRO, T 187/56, Note by Padmore, Secretary to SALAC, 14 Mar. 1939. Jones is a shadowy figure. Distrusted by the civil servants, and regarded by Wyllie as a charming rogue, he did do some valuable work for West Cumberland but probably benefitted himself as well. He sometimes represented the WCIDC at negotiations in London. For a fee, he would help foreign industrialists through the formalities of company registration. In 1939 he visited Prague and Budapest and came back with thirty inquiries from industrialists of which fifteen were considered suitable for Cumberland. Interview with Wyllie. CRO, DSO 42/2/192. Correspondence between Jones and Adams January/July 1939. DSO 42/2/187. Minutes of Joint Committee 13 Mar. 1939.
48. Interviews with Emmerson and with Mrs. Anderson Dec. 5, 1977. According to Mrs. Anderson, Vigodny's passport was confiscated because Adams, on an exploratory trip to Budapest, had talked too freely about Vigodny's plans to use his capital to establish a factory in England.
49. See Appendix 8.
50. Fifth report, 1-2.
51. CRO, DSO 42/2/157, Note by Crichton 9 Sept. 1938.
52. PRO, BT 104/44, Emmerson to Dawson (Secretary of WCIDC) 4 May, 1939.
53. Ibid., Emmerson to Mallaby, 12 May, 1939.
54. CRO, DSO 42/2/131, David Hatrick (Secretary of E.J. Pierce) to Dawson, 18 June, 1938.
55. CRO, DSO 42/2/69, J. Sprieregen (Kangol) to Paton, 21 Dec. 1937.
56. Whitehaven News, 1 Dec. 1938.
57. PRO, BT 104/42, Sarsfield-Hall to Tribe, 15 Sept. 1937.
58. CRO, DSO 42/1/1, Minutes of Joint Committee, 8 Jan. 1938.

59. CRO, DSO 42/1/8, Cumberland Development Council Executive Committee Minutes, 5 July, 1939. The estimates of future employment were unreliable as they were provided by the industrialists who often exaggerated the figures in order to get more aid.
60. PRO, T 187/3, Notes on unemployment in West Cumberland, June 1939. At this time unemployment was low, having fallen by about a third since March 1939 as a result of the increased defence programme following the invasion of Czechoslovakia.
61. West Cumberland Times, 24 Dec. 1938.
62. Ibid., 4 June, 1937. Irish Street was the site of the Labour Exchange in Maryport.
63. Ibid., 20 May, 1939.
64. Norman Nicholson, Cumberland and Westmorland (London, 1949), 253-4.
65. Ibid., 254.
66. PRO, BT 104/42. Extract from private letter from Sarsfield-Hall to Tribe, 4 Jan. 1938.
67. Ibid., Thompson to Tribe and Gillett, 16 July, 1937.
68. CRO, DSO 42/1/1 Minutes of Joint Committee 18 June, 1937.
69. CRO, DSO 42/2/87. W. Casson (Eskett Limestone) to Adams, 3 May, 1938.
70. See Appendix 9.
71. Iron and Coal Trades Review, 21 Jan. 1938.
72. Ibid., 20 Jan. 1939.
73. Cumberland News, 3 Sept. 1938.
74. PP, Annual Report of the Unemployment Assistance Board 1938, Cmd. 6021, 129.
75. Whitehaven News, 27 Nov. 1938.
76. West Cumberland Times, 15 Nov. 1938.

77. Whitehaven News, 3 Aug. 1938
78. Interview with Emmerson. Portal had also quarrelled violently with Appleyard, a director of North Eastern Trading Estates, Ltd. and this increased his tendency to favour South Wales. PRO, LAB 23/180, Tribe to Wolfe, 5 Apr. 1938.
79. Between November 1934 and March 1939 unemployment fell by 32.3% in the North East, 34.2% in South Wales, 30% in Scotland and 28.8% in West Cumberland. Figures given by the Ministry of Labour. PD, (Commons), 26 Apr. 1939, 5th ser., 344, col. 1169-70.
80. CRO, DSO 42/2/92, Swindin to Adams, 28 June, 1938. As very few new industries had been started in Cumberland by this date, it seems likely that the bulk of the money had gone to the Whitehaven mines.
81. Fifth Report, 59.
82. Holloway complained that there were delays of up to two years on some schemes in Cumberland, which were all the more irritating because "we get complaints if there are delays of two or three weeks." He asked Swindin to push the local authorities, particularly the County Council, into taking some action. PRO, LAB 23/151, Holloway to Swindin, 9 July, 1939.
83. PRO, LAB 8/11, Gilbert to Marlowe, 21 Apr. 1936.
84. PRO, MH 61/76, Meeting of interdepartmental committee on the building programme of government departments. 3 Mar. 1937.
85. Ibid., 24 Mar. 1937.
86. PRO, LAB 23/181, Sir John Simon to Ernest Brown, 28 Nov. 1938.
87. Ibid., Gillett to Brown, 5 Dec. 1938.
88. Ibid., Brown to Simon, 23 Dec. 1938.
89. PRO, BT 104/50, Special Areas Expenditure Committee Minutes 3 Mar. 1937.
90. Ibid., 3 Dec. 1937.
91. This was an aluminium company which had intended to use the harbour to import bauxite. PRO, BT 104/42, " - to ' 21 ' 1938.

92. PRO, BT 104/50. Special Areas Expenditure Committee minutes 31 May, 1938. £25,000 was to be given as a grant, the rest as a loan.
93. For a discussion of the Treasury's approach to civil expenditure during these years see G.C. Peden, British rearmament and the Treasury 1932-1939 (Edinburgh, 1979), 88-91.
94. PRO, MT 48/15. War expenditure emergency committee No. 66 1942.
95. Calculated from figures given in Fifth Report, 92.
96. Commissioner for the Special Areas, Enquiry into Land Settlement, 17.
97. Fourth report, 141.
98. PRO, LAB 23/39. Emmerson's evidence to the Dampier Committee, 17 Jan. 1939.
99. Commissioner for the Special Areas, Enquiry into Land Settlement, 135.
100. Ibid., 136.
101. He made this point very forcibly in a speech at Team Valley. Times 14 May, 1938.
102. Fourth Report, 31.
103. Ibid., 192; Fifth Report, 105.
104. PRO, LAB 23/180, Tribe "Survey of the Special Areas Acts", 25 Mar. 1938.
105. Ibid., Gilbert, notes for meeting of interdepartmental committee, 9 Nov. 1937.
106. Ibid., Tribe, "Survey of Special Areas Acts," 25 Mar. 1937.
107. PRO, PREM 1/363, Gilbert to Barlow. 7 June, 1938.
108. PRO, LAB 23/180, Note by Horace Wilson. Norman had stated that the raising of funds for SARA had been regarded in the City as a charitable appeal which could not be repeated.

109. PRO, LAB 23/181, Gillett to Tribe, 1 June, 1938.
110. PRO, LAB 23/180, Gilbert to Todd, 3 May, 1938.
111. Ibid., Tribe, "Survey of Special Areas Acts," 25 Mar. 1937.
112. PRO, CAB 27/758, Committee on reports of Commissioner for Special Areas, 10 Nov. 1938.
113. For a discussion of the conflict see Shay, British rearmament 150-5; Sabine, British budgets, 101-13.
114. PRO, LAB 23/180, list of points raised at inter-departmental committee meeting, 21 July, 1938.
115. Times, 31 Mar. 1938.
116. PRO, LAB 23/180, note by Gilbert, 30 Sept. 1937.
117. PRO, PREM 1/363. Brown to Chamberlain, 21 Oct. 1937.
118. PRO, LAB 23/180. Note by Hardman (Ministry of Labour) on draft report, 28 Mar. 1938.
119. CRO, DSO 42/2/211. Memorandum by the Development Boards of the Special Areas, October 1938. This appears to have been the first occasion on which the different Special Areas cooperated.
120. 3 Nov. 1938.
121. Times, 27 Oct. 1938.
122. Whitehaven News, 24 Nov. 1938, comments sarcastically on this.
123. PRO, LAB 23/181, Tribe to Sir John Maude, 11 Apr. 1938.
124. Ibid., Gillett to Tribe, 1 June, 1938; notes by Scottish Commissioner, 1 Mar. 1939.
125. PRO, CAB 27/758, Committee on reports of Commissioner for Special Areas, 10 Nov. 1938.
126. Keith Middlemass, Politics in industrial society: the experience of the British system since 1911 (London, 1979), especially 233, 245, 256.

127. PD, (Commons) 14 Nov. 1938, 5th ser., 341, col.619.
128. Ibid., 10 Nov. 1938, 5th ser., 341, col.377.
129. See, for example, "Germany and British unemployment," Spectator, 17 Mar. 1939.
130. Neville Thompson, The Anti-Appeasers: Conservative opposition to appeasement in the 1930's (Oxford, 1971), 195-200 discusses this issue.
131. News Chronicle, 29 Nov. 1938.
132. Shay, British rearmament, 244.
133. Peden, Rearmament and the Treasury, 89.
134. Manchester Guardian, 6 May, 1939.
135. Interview with Emmerson.
136. PRO, LAB 23/184, Joint memorandum by Minister of Labour and Secretary of State for Scotland, November 1938.
137. PRO, .PREM 1/363, Note by Tribe, 25 May, 1939.
138. PRO, CAB 24/288, CP 161, note by Chamberlain, 21 July, 1939.

CHAPTER VI

THE COMMISSIONER'S SOCIAL POLICY 1934-9

The Position of the Voluntary Societies

Public outcry at the social decay of the Special Areas had been a major factor in forcing the passage of the Special Areas legislation in 1934. Thus one of Stewart's charges was "to facilitate the social improvement of the Areas,"¹ His policy in this regard was less controversial than the developments in economic policy; fewer hostile vested interests were involved and no really new ground was broken. Instead social policy in the Special Areas provides an example of the developing trends in the national provision of social services, trends which were encouraged by the financial support of the Commissioner.

Traditionally social work had been pioneered by voluntary societies, but gradually the areas of statutory authority had increased. The advent of insurance schemes and increasing state intervention in health care had diminished the need for the old fashioned relief functions of the philanthropic organisations. Government intervention had been prompted by the realisation of the importance of particular services provided by the voluntary organisations, and the organisations' incapacity to maintain uniform

services throughout the country. Voluntary associations often provided workers for these government services and, by the 1920's, payments for services rendered formed an increasing part of their income.² Such payments were necessary because traditional sources of finance were declining: as taxes rose, private donations fell.³ Simultaneously, economic and social changes meant that the number of people available for full-time voluntary work declined. Increasingly full-time workers for the social service organizations were paid professionals, and so the organizations' costs were rising.⁴ Partly as a result of these factors, the state and the voluntary movement developed a closer partnership between the wars, a partnership in which the state contributed finance whilst the voluntary movement provided expertise.⁵ The founding of the National Council of Social Service (NCSS) in 1919 marked the realisation of this interrelationship. The Council co-ordinated the activities of the voluntary societies and acted as a liaison between them and the government.

Some supporters of the voluntary societies - and some civil servants - were anxious about the developing relationship, fearing that the expansion of state power would cause voluntary service to contract. The Secretary of the NCSS, Lionel Ellis, argued instead that the scope of

voluntary work was changing; not contracting; volunteers should continue to pioneer new forms of service, while, within the framework of the statutory services, voluntary workers could provide a buffer between the state and the individual.⁶ Both Stewart and Gillett were careful to preserve the roles of the voluntary societies. Their policy was that grants from the Special Areas Fund should be used "to stimulate voluntary effort and to supplement voluntary services drained by local poverty,"⁷ not to supplant voluntarism. The Commissioners thus helped to further the partnership between the state and philanthropy.

Stewart and Tribe feared that the announcement of government aid to the Special Areas would cause a decline in public contributions to the voluntary organizations working there. To forestall this, Stewart wrote to the Times urging the need for continued assistance from private sources.⁸

The NCSS agreed with this approach urging that the Commissioner's grant aid "be given with as little advertisement as possible" because "once it is believed that the Commissioner will pay for everything ... local effort will cease and self-reliance will be diminished ... voluntary work must depend on voluntary effort and voluntary support."⁹

Throughout the period of the legislation emphasis was laid on the importance of the voluntary contribution and

neither Stewart nor Gillett helped voluntary projects unless some private money was provided. Because the Special Areas Acts were temporary, support was given to projects requiring an initial outlay of capital, rather than to maintenance costs: the aim was to restore the services in the areas, not to make them dependent on the central government.

Health Services

Health services in Britain were the last major bastion of the relief work of the voluntary societies. Environmental health - sanitation and working class housing - were largely under statutory control. In the field of personal health, however, though there were some public hospitals, voluntary hospitals and district nursing associations were more important. Both were supported by charitable donations, workmen's subscriptions and, increasingly, by patients' contributions. In dealing with public health projects, Stewart and Gillett had only to deal with local authorities; personal health schemes were more difficult because of the need to deal with both voluntary and statutory organizations.

Statutory concern for personal health had expanded in the twentieth century. Legislation had encouraged the establishment of the school health service, maternity and child welfare centres and tuberculosis dispensaries. The 1929 Local Government Act had given local authorities some

responsibility for hospital provision, either through public hospitals or by arrangement with the voluntary hospitals.¹⁰ But much of this legislation was permissive and many of the local authorities in the Special Areas had been unable to use their new powers to the full. The voluntary institutions supported by local contributions also faced severe financial difficulties - workmen's contributions to Maryport Cottage hospital fell by 20% between 1927 and 1929.¹¹ This meant not only that existing services were curtailed but also that they were unable to afford specialist staff or the new equipment necessary to keep up with changing medical techniques.¹² In addition, demand was increasing; unemployment meant that people who would normally have gone to a private doctor for treatment were forced by lack of means to go to public or voluntary hospitals.¹³

Cumberland shared these financial difficulties, and was also governed by a county council which was frequently criticised by Ministry of Health officials for being slow and unwilling to take action. Consequently the County's health services lagged. In 1935 the average number of hospital beds per thousand population was 7.4 in England and Wales; in Cumberland it was 5.43.¹⁴ Though the county had the highest rate of mortality from tuberculosis in the country¹⁵ there was no public provision of hospital beds for advanced cases, the sufferers being sent to voluntary

hospitals in Westmorland or Northumberland. The maternity and child welfare scheme in the county was described as "better on paper than in working. Centres are established but ill attended and there is not the drive behind the movement. Medical staff tend to be short."¹⁶

Stewart and Gillett tried to provide a rational system of health care for the areas, but their attempts were hindered by the confusion of existing health provision. There were three health authorities in West Cumberland; the County Council and the borough councils of Whitehaven and Workington. The area was served by four voluntary hospitals, which were partly funded by local authorities, and one public hospital. The situation was even more confused in the North East and South Wales where there were many more local authorities. The Commissioners had to deal with the touchy pride of both the local authorities and the voluntary hospital management committees. Sometimes local jealousies meant that projects were never carried out. Plans to replace the Whitehaven hospital with a new infirmary at Hensingham were delayed for three years by conflicts between the County Council, Whitehaven Council and the hospital management committee.¹⁷ Once these conflicts had been resolved, at the end of 1937, the local bureaucracy moved so slowly that by the outbreak of war the site had been purchased but, because construction had not

started, the project was abandoned. Plans to extend and re-equip the Cumberland infirmary in Carlisle as a base hospital for the County were bedevilled by conflicting jurisdictions; even though in this case there seems to have been very little local in-fighting, the calculation of relative responsibilities and hence of the amount of the Commissioner's grant took almost two years.¹⁸ Local administrative divisions posed a major problem in trying to develop a comprehensive plan for the region.

District nursing associations were important in rural areas, especially where hospital beds were limited. The nurses treated people in their homes and, apart from their nursing functions, promoted health education. The Associations were supported by workmen's contributions and local authority payments. Both these sources were threatened by continuing depression. Though Cumberland was served by an adequate network of associations, the County Medical Officer complained that "the life of some of the associations is precarious for financial reasons."¹⁹ Stewart and Gillett made annual grants to the NCSS to be used for the development of nursing services. Much of the money went to South Wales where the service was particularly bad. In Cumberland, one new nurse was hired but most of the money was used to renew equipment and pay part of the salaries of the nurses. The use of money for the maintenance of the

service implies that the associations were indeed in a parlous financial condition. Stewart and Gillett hoped that their aid would tide the associations over a bad period but that they would be restored to independence as the economy improved.

There was much debate during the 1930's over the effect of prolonged unemployment on health. The Ministry of Health undertook a series of investigations into this problem, concentrating mainly on the Special Areas. On the whole Cumberland was reported to have a better standard of health than the North East or South Wales, a finding attributed to the area's low level of urbanisation and its proximity to the sea. Maryport was described as:

more favourable than any other place yet visited. It is a well laid out town, with access to the sea and country. The children can play on the seashore The housing is bad but is better than that, for example, in Sunderland.²⁰

Nevertheless, the reports catalogued the poor physique of the men, anaemia in women and the population's low resistance to illness and poor recuperative powers. Such reports emphasised the need for preventive health care to build up the strength of the population.

One of the most obvious means of helping the unemployed was to improve their standard of nutrition. The problem of working-class nutrition was a contentious issue in the 1930's, so contentious that Chamberlain kept all

mention of it out of the 1937 White Paper on physical training for fear of provoking Labour attacks.²¹ Throughout the decade, doctors kept up a running fight with the Ministry of Health over the adequacy of the working class diet, arguing that neither the unemployed nor the low paid could afford sufficient nutritious food, especially if they had large families.²² The only place in Cumberland where there was any marked degree of malnutrition was Whitehaven, where 58.9% of the boys attending the Junior Instruction Centre were found to be below average in physique.²³ It was also remarked, however, that Cumbrian children and young people often displayed "a lower physical standard measured not so much by malnutrition as by softness and weediness ... an absence of kick."²⁴

Local authorities were responsible for the provision of dietary supplements to necessitous children and to expectant and nursing mothers. Though the Cumbrian authorities did provide such supplements, financial difficulties meant that they were not always adequate.²⁵ Workington, for example, could not afford to give supplements to pregnant women until the seventh month. Even when food was available it was not always used; there were frequent reports of parents refusing to allow their children to have free school meals in case their unemployment benefit was reduced.²⁶ The Commissioner was unable to help the local

authorities because Ministry of Health grants were available.

Neither Stewart nor Gillett challenged the government's failure to act on the question of nutrition. Stewart accepted the conventional wisdom that the skill of the housewife was an important determinant of nutritional standards, and he provided classes in cookery and nutrition for women in the Areas. Though such classes would be useful, critics pointed out "there is no wise way of spending 10 shillings if that has to provide for five for a week."²⁷ The provision of allotments and group holdings also helped to add variety to the diet.

Though Stewart admitted that there was evidence of deterioration of health standards in the Special Areas²⁸ he did not feel that it was his function "to act in the capacity of a Relieving Officer for the Special Areas or to utilise the funds at his disposal for the purpose of supplying food stuffs at cheap rates."²⁹ He was prepared, however, to help experiments in nutrition, particularly when it helped government policy in other spheres. The Milk Marketing Board was trying to increase the demand for liquid milk, and Stewart helped to fund an experimental scheme for giving cheap milk to expectant and nursing mothers and children under five in the Rhondda. The scheme was operated through the Urban District Council and the losses per gallon were shared by the Milk Marketing Board, local retailers and

the Special Areas Fund. Stewart also helped to fund a National Birthday Trust scheme for providing food supplements to mothers and children in the Rhondda and parts of the North East.

Under Gillett these projects were extended to more areas with bad nutrition: the milk scheme was established in Jarrow, Walker and Whitehaven.³⁰ These were still pilot projects but their success in raising milk consumption encouraged the government to consider extending the scheme to needy families throughout the country.³¹ Gillett was also interested in the National Birthday Trust Scheme which had resulted in a reduction in maternal mortality rates. Worried that the scheme would not survive the lapse of his powers, he persuaded the Trust to act with the Joint Council on Midwifery to try to persuade the government of the need for permanent provision of aid to mothers and children.³² Though neither Commissioner made a great contribution in the area of nutrition, the success of their schemes drew attention to the inadequacies of working class diet, and by the end of the decade the Ministry of Health was studying the projects with the aim of incorporating them into a new national policy on nutrition.³³

Stewart did suggest one method of easing demand on family food budgets in the Special Areas - giving aid to birth control clinics. This notion was opposed by his

headquarters staff and the District Commissioners on the grounds of the furore which it would arouse.³⁴ The Civil Servants were worried about the outcry from Roman Catholic quarters, but it is likely that there would have been protests from Labour as well. To say that the government was trying to solve unemployment by preventing the working class in the Special Areas from reproducing would have been a fine rallying cry - especially as the Society for the Promotion of Birth Control Clinics was headed by Lady Maureen Stanley, wife of the Minister of Labour. By May 1935, the idea had been dropped. Given that he could only aid projects inside the Special Areas, Stewart's proposal was extremely tactless.

The Commissioners gave more help to other aspects of preventive health care. During the 1930's there was great concern with physical fitness, encouraged by such voluntary organizations as the Youth Hostels Association and the National Playing Fields Association.³⁵ The fitness movement also had state support: the Ministry of Labour provided physical training classes in unemployed clubs and Junior Instruction Centres. Stewart was convinced that physical education would help the unemployed by keeping them fit and giving them a new interest, and he encouraged a wide range of sports using the unemployed clubs and the juvenile organizations as his agents. The classes were

organised in conjunction with the NCSS, the Ministry of Labour and the Local Education Authorities. Both Commissioners gave grant aid to voluntary groups and local authorities to provide recreation grounds and open air swimming pools.

Much of the Commissioners' work in physical education was eventually taken over by other bodies who provided the services at a national level. King George's Jubilee Fund (from 1936) and the King George Memorial Fund (from 1937) funded youth work and the provision of recreation grounds respectively. In 1937 the Physical Training and Recreation Act was passed in response to the increasing interest in health and to the rejection figures for the armed forces - 62% of applicants had been rejected on grounds of physical inadequacy in 1935.³⁶ The Act established a National Fitness Council (NFC), under Lionel Ellis, which gave grants to local authorities and voluntary organizations for capital expenditure on projects to promote physical fitness. Local fitness committees were established; in the Special Areas one of their members was the District Commissioner. The NFC took over the Commissioner's powers. The transfer was not effected without some dispute as Gillett wanted to be satisfied that the NFC would not reduce the level of activity in the Special Areas. In the sphere of physical fitness, the Commissioner's work anticipated by only three years the

development of a partial national recognition of the government's responsibility for the physical condition of the nation.

Local authorities were empowered to provide holidays for necessitous children, but in the Special Areas few could afford to do so. Stewart therefore encouraged the provision of camps for school children. These were organised by the NCSS and YMCA and were run in conjunction with the Local Education Authorities. The children, accompanied by their teachers, had two weeks by the sea during which they were well fed and had opportunities for open air exercise. The camps were a great success: two thousand children from West Cumberland attended the camp at Drigg in 1937, and on average each gained 2 to 3 lbs.³⁷ During the school holidays, the camps were used by unemployed men and during the winter the Drigg camp continued to be used by children in poor health. Both Stewart and Gillett regarded the camps as one of their most successful experiments and Gillett requested that they should continue to be eligible for government grants after the legislation expired.³⁸

By emphasising physical fitness, both Commissioners followed the Government line on health policy and neither of them seems to have made any effort to encourage the government action on the basic problem of nutrition.

The Social Service Movement

The Commissioners tackled what one doctor described as "spiritual malnutrition"³⁹ more energetically than physical malnutrition. This was the problem of relieving the boredom and hopelessness of many of the unemployed and of aiding communities whose traditions and institutions were thought to have been undermined by years of depression. Both Commissioners placed much emphasis on this work, an emphasis which was spurred by their basic pessimism about the prospects for the Areas. Stewart believed that: "there will remain in the Areas for years the necessity for a continued and determined effort to maintain the morale of the unemployed."⁴⁰ Gillett, who echoed Stewart's pessimism,⁴¹ had a strong personal interest in the field: he had been a social worker himself, and his brother, Rowntree Gillett, was a member of the Cumberland Friends' Unemployment Committee.

For advice in dealing with the social service aspects of his work, Stewart turned to the NCSS. This was to be expected: since 1932 the National Council had administered the Ministry of Labour grants for unemployed clubs and they had developed liaison with Civil Servants. Lionel Ellis, the Council's secretary, suggested that there was need for work among women and juveniles, as well as among the unemployed themselves,⁴² and Stewart accepted his

suggestions. By working through the NCSS, Stewart ensured that social policy in the Areas would be run according to the lights of the philanthropic organizations.

Government grants to the voluntary organizations have been seen as sinister devices to exert social control.⁴³

Wal Hannington argued that

whilst many of the persons responsible for these schemes might be doing so in the honest belief that they were helping the unemployed, nevertheless, the sum total of their effort amounted to keeping the unemployed quiet when they should be actively resisting their poverty conditions.... We were more than suspicious of the connection of the National Government with the development of these centres.⁴⁴

The problem of social control is a thorny one. As Hannington agreed, most people engaged at whatever level in the social service agencies were prompted by humane motives, even if the aim of their work was to prevent the alienation of the unemployed. But at Cabinet level too, there is no indication that social service work was sponsored for other than humanitarian reasons. Any activity designed to help a disadvantaged group in the community can be construed as social control, as a bribe to bind the recipients to the status quo. Yet, in a situation where members of the government believed that there was no prospect of reducing unemployment in the short term, the desire to provide some sort of activity to fill the empty hours can be interpreted as a benevolent gesture; it was not necessarily a

Machiavellian ploy. Social control is in the eye of the beholder. Its existence cannot always be proved or disproved but depends on the interpretation of motive.

The voluntary societies used the Special Areas grants to continue and develop newer forms of social work. Their work had two main, though inter-related, concerns: work with individuals and community development. In working with individuals, the social workers were concerned with the constructive use of leisure. This was not a new idea: it underlay the work of youth movements and organizations such as the Workers' Educational Association (WEA) but it had received a new impetus from the impact of mass unemployment, particularly as some of the voluntary organizations assumed that unemployment would be a permanent feature of society.⁴⁵ The unemployed were urged to realise that "leisure time, whether enforced or otherwise, is meant for a higher purpose than standing at street corners."⁴⁶ Their inability to realise this for themselves was blamed, condescendingly, on their industrial background: the industrial workers

were in a very real sense imprisoned in the streets or places where they worked; utterly dependent ... on what could be supported by a drab urban environment. Thus when industrial unemployment came, they had no resources to fall back upon, no means of occupying their time or of using such physical and mental energy as they possessed.⁴⁷

One aim of the social workers was to teach individuals how

to enrich their lives through education and creative activities; and in this way to help them to retain their self-respect, even though they were unemployed. Self-respect was also fostered by self-help; members of clubs or organizations had to pay a subscription, however nominal, and if they used materials supplied by the organization, they had to contribute to the cost.

This spirit of independence was essential to the development of community work, the attempt to provide social opportunities for those who were deemed to have lost some of their social traditions. Community work had originated in the early settlement movement and had been developed by the NCSS through its creation of Rural Community Councils and of community centres on new housing estates. The aim of social workers in the Special Areas was to prevent alienation and to foster opportunities for people to work together. All the organizations tried to encourage a sense of responsibility among their members: members of unemployed clubs were encouraged to run the clubs themselves, members of juvenile bodies were given individual responsibilities. Clubs were encouraged to raise their own funds, by such means as giving concerts, or to help others - women attached to the Aspatria Club made blankets for refugees from the war in China.⁴⁸

The Government money which was used to help in this

work, was channelled through the NCSS. The Council received annual grants, whose purpose was defined under very general headings, such as "work among women" or "educational work." The Council supervised the distribution of the grants among its constituent organizations, which in turn provided accounts of how the money was spent. There was very little interference from the Commissioner's staff, and one observer remarked that:

Perhaps never before in the history of public administration has public money been handed over to an unofficial body with fewer restrictions and conditions.⁴⁹

Effectively the government was distanced from the social service movement, and the majority of the ultimate beneficiaries of the Special Areas fund seem to have been unaware that any of their services were subsidised by the government.

The distribution of the grants was complex. The NCSS gave some money directly to national organizations, such as the National Association of Boys Clubs (NABC) who distributed it among their regional organizations in the Areas. Other grants went to local Councils of Social Service who distributed the money locally and tried to co-ordinate the different social service activities in their area. Though most aid was given via the NCSS, money was sometimes given directly to organizations which wanted to work independently, usually to local organizations working

on a particular project.

In addition to handling the Commissioner's grants the NCSS also directed private funds, particularly those resulting from the adoption movement. By the mid-1930's many towns or firms were adopting villages or clubs in the depressed parts of the country. Some mistakes were made - Luton adopted Ashington in Northumberland only to find that Ashington was relatively prosperous - and the NCSS because of its knowledge of the depressed areas was able to direct this aid more usefully. Prominent amongst the adopting bodies were the Civil Service Social Service Associations. The Inland Revenue SSA and the War Office SSA supported much activity in West Cumberland.

The records of social work in the Special Areas often contain references to "the peculiar problems of West Cumberland."⁵⁰ The problems are never clearly defined, but seem to relate to the slowness of the Cumbrian response. The population of West Cumberland was small and scattered, which made community work difficult. The area also lacked local resources for funding the voluntary work. "We couldn't have managed without the NCSS funds. Local appeals never raised very much and I used to end up begging from my friends."⁵¹ Because of this, Cumberland often got social service grants which were very high in relation to the cost of the projects.⁵²

The major difficulty faced in Cumberland was the co-ordination of social service. Unlike South Wales, Durham or Tyneside, there was no local Council of Social Service for the area. Most of the unemployed clubs were run by the Society of Friends Unemployment Committee. There were, however, some independent clubs, notably the Workington Unemployed Centre. Founded by the town's Social Service Committee and funded by the Inland Revenue Social Service Association and the NCSS, the club kept itself apart from the Friends. Other voluntary organizations such as the Boy Scouts and the YWCA received their Special Areas funding from their national headquarters. Though the organizations "kept an eye on each other and knew what the others were doing,"⁵³ there was no overall co-ordinating body and no one to whom the NCSS could turn for a summary of local activity. This caused complications in giving grants for new ventures because there was no obvious body to whom the responsibility could be given. In adult education, for example, initial grants were made to the local Councils of Social Service during Stewart's first months in office - but no grant could be made to Cumberland until later, because there was no local Council.

Grondona's tidy mind was repelled by this confusion, particularly as it meant that it was very difficult for him to find out what was going on in the social services: it was "quite by chance (that he) heard of occasional grants."⁵⁴

He wanted to establish an Area Council of Social Service, a counterpart to the Development Council. The stumbling block was the Friends' Committee which, having founded most of the unemployed clubs in the area, was the main link between the clubs and the NCSS. Though the NCSS agreed that it would be desirable to have a local council it did not want to upset the Friends. George Haynes, the National Council's northern organizer, made this very clear to Grondona.⁵⁵ The Friends had already been instrumental in securing the removal of one NCSS organizer, Powys Greenwood, from West Cumberland, because there was "a cleavage between him and the Committee in their aims for developing work for unemployment."⁵⁶

In rejecting the idea of a Council, the Friends tried to claim a special status for their work:

This work should be the result of personal concern and cannot be done rightly in a professional manner. It is a living and growing thing and can only too easily be killed by imposing some development from above, rather than waiting until it comes naturally.

They further feared that

The proposed Council will consist of people with neither knowledge or experience and perhaps even without sympathy for this special kind of work.

This was surely self-deception. The other members of the council would represent other welfare groups, such as youth organizations, or District Nursing Associations; they were

unlikely to be unsympathetic and to assume that they would have no "knowledge or experience" was crass arrogance. On a more pragmatic level, the Friends did admit that "we feel such a council would delay grants."⁵⁷ It is difficult to avoid the conclusion that the Friends simply did not want to lose their importance as the main NCSS agents in the area, or to have their work subjected to criticism, as might have occurred had they participated in a local council.

The most Friends were prepared to consider was the establishment of "a panel of advisers for the District Commissioner to consult."⁵⁸ Grondona gave up, but Sarsfield-Hall continued the struggle. He succeeded in forming a consultative body, the West Cumberland Advisory Committee of Social Service, but it never achieved more than a token existence. The social service movement in Cumberland remained unco-ordinated.

The work of the Friends in West Cumberland was not always appreciated. There is marked though spasmodic evidence of hostility towards them. In 1935 the Cumberland Federation of Unemployed Clubs was formed, apparently under the auspices of W.G. Latimer, warden of the Workington Club - the one major club which remained completely independent of the Friends. The Federation's activities were reported in the monthly "Around the unemployed centres" column in the West Cumberland Times - which was written by Latimer. After occasional mention of attacks on the Friends at the

Federation's meetings, a violent report appeared in April, 1938, attacking "undue interference by the Society of Friends' organisers in the clubs' inner workings."⁵⁹ It was followed two months later by an accusation that the Friends had refused to inform the Workington Club of a Lake District camp for the unemployed. At this point the Federation seems to have collapsed. Only one more meeting was reported,⁶⁰ at which very little was discussed, and the usual list of participating clubs was omitted which seems to indicate that there were few participants. It is impossible to say exactly what happened, but it seems likely that the Friends, through their control of so many clubs, had something to do with the collapse of the Federation. Mallaby, too, indicated dissatisfaction with the Friends whom he accused of "spiritual pride."⁶¹

Many varieties of social service activity were promoted in Cumberland. Though the main statutory support for the men's clubs came from the Ministry of Labour, the Commissioners did give some grants for projects such as improving club grounds, which were not covered by the Ministry's grants. The clubs were also used for other work funded by the Commissioner, such as women's activities and education.

Though clubs for women pre-dated the Special Areas legislation, it was only in the Areas that they were able to

develop widely, because of the availability of government funds. Forced to make do on a small budget, with few opportunities for outside interests, women in the Special Areas were under great strain. The Special Areas Fund financed holidays for women, and provided them with clubs which were attached to men's clubs and used their premises. The clubs were mainly recreational, though classes in needlework and cookery were offered. In 1937, the eighteen women's clubs in Cumberland all offered dressmaking and cookery or handicraft classes; only six offered classes in academic subjects.⁶² In women's work, Cumberland was regarded as "the least progressive of the three main areas" by the headquarters staff⁶³ though no reason was given for this assertion. Judging from accounts of women's work in other areas, West Cumberland seemed to be in the mainstream.⁶⁴ In their report for 1937, the Friends reported increasing self-confidence among the women, demonstrated by a greater willingness to run the clubs themselves, including doing the accounts.⁶⁵ There were problems over sharing premises with the men: "in a comparatively remote mining area such as this, a claim for equality between the sexes has no social tradition behind it and it is not always accepted, either by men or by women, as a reasonable basis for the working of a club,"⁶⁶ but similar problems were found elsewhere.⁶⁷ By 1939 all but one of the men's clubs had a women's section,

and the women's clubs had 1,400 members,⁶⁸ a substantial number. In terms of membership and activities Cumberland did not seem to be "less progressive" than the other Special Areas.

The formation of women's clubs in the same premises as the men's meant that the clubs gradually developed into social centres. This development was furthered as the employment situation improved, when men returning to work retained their membership of the clubs. In 1937 the Workington Unemployed Centre changed its name to the Borough Social Centre⁶⁹ and in 1939 the Friends began to experiment with film shows at some of their clubs to retain their "social" members.⁷⁰ This development was part of a national trend, and encouraged the NCSS to hope that the clubs would develop into permanent community centres.⁷¹ Such social clubs were very valuable, particularly in rural areas where the inhabitants had few other forms of diversion.

The social service movements paid particular attention to the problems of juveniles. Between the ages of 14 and 16 adolescents were not the responsibility of any statutory authority, being under no legal requirement to attend school and yet too young to pay National Insurance contributions. Though the Ministry of Labour had powers to compel unemployed juveniles aged 16 to 18 to attend approved courses of instruction, this was not practical in areas where

the population was small and scattered; there was only one centre in Cumberland, in Whitehaven. The care of juveniles was still largely a voluntary responsibility. Juvenile organisations had suffered badly in the Special Areas because of lack of funds and of local leaders; by the end of 1934, for example, all but one of the Girl Guide companies in the villages around Maryport had been disbanded.⁷² The grants from the Special Areas Fund were used to provide personnel, new equipment and buildings. To avoid waste, joint projects were encouraged: in Whitehaven, for example, the YWCA and the Girl Guides shared a new clubhouse.⁷³ The aim of the juvenile organisations was to teach young people how to use their leisure constructively and most also claimed an interest in training young people in citizenship.⁷⁴

An important aspect of the voluntary work was the attempt to provide new intellectual interests. Classes were offered in subjects such as music, drama, politics and economics. They were provided by the club organising bodies, the WEA and the local education authorities, aided by Special Areas grants. Some of the work was successful. Cleator Moor Miners Choir broadcast on the BBC. Spanish classes were popular in Workington, where there was an opportunity to meet seamen from the Spanish ore ships. On the whole, however, the response seems to have been slow; the WEA complained about poor attendance,⁷⁵ and the Pilgrim

Trust remarked on the difficulty of getting drama classes going in Cumberland.⁷⁶ These problems were compounded by demarcation disputes: the Friends claimed a right to some say in the local organisation of the WEA, as WEA classes were held in their clubs. This was successfully resisted by the WEA, but such disputes did not further the cause of adult education in the Area.

In 1937 an educational settlement was established at Maryport. Founded partly as a result of pressure from the Friends, it was funded directly through the NCSS. Whilst the settlement never became a "powerhouse" in the same way as the Welsh settlements, it did stimulate more interest in educational activities in the area, attracting 100 students during its first session.⁷⁷

The Commissioners supported schemes of sub-economic employment, which aimed to keep the unemployed busy and fit for work, and to ease their economic difficulties. Such schemes had to be carefully devised to avoid conflict with UAB regulations. Schemes of allotments or group holdings were the most important. The Commissioner gave extra grants to the National Allotments Committee towards the purchase of land or equipment, and encouraged participation by offering prizes for the best produce at local allotment shows. On group holdings, which were organised by the Land Settlement Association, twenty to thirty men worked joint holdings producing vegetables and raising poultry and pigs. The men

were allowed to sell their produce and only if the profits were substantial did it make any difference to their unemployment benefit. By 1936, the nine group holdings schemes in Cumberland employed 103 men.⁷⁸ These latter schemes were reserved for men regarded as too old for transference and unlikely to get jobs again.

The most controversial of the sub-economic employment schemes were the voluntary (Local Amenity) schemes which were funded directly by the Commissioner. They were work schemes not regarded as likely to improve the economic prospects of the area, or likely to be provided by local authorities, and usually consisted of the provision of recreational amenities such as playgrounds or bowling greens. The work was unpaid, but the men were provided with work clothes, equipment and meals. Some of the money had to be raised by voluntary effort. There was much controversy over the use of unpaid labour and the schemes seem to have been particularly unpopular in Cumberland where Grondona complained bitterly about lack of support.⁷⁹ Cleator Moor Council rejected one scheme for building a playing field for which grants had been offered by the Carnegie Trust and the Pilgrim Trust because Stewart would not give a grant sufficient to allow the men to be paid wages.⁸⁰ The local authorities preferred to support the British Legion's wage-paid work schemes. Whitehaven provided the materials for a children's playground at Kells,

and for footpath improvements in the town. The schemes were carried out by local unemployed British Legion members who were paid from donations given by branches in the south.⁸¹

The local amenities schemes proved difficult to administer. The provision of meals on site was awkward but to give the men food vouchers, which they preferred, was likely to cause difficulty with the UAB. The returns for meals were sometimes fiddled; there were complaints of "cigarettes ... being camouflaged as cake".⁸² Because of these difficulties, in 1937 the headquarters staff warned the District Commissioners that "voluntary schemes are fading out and we do not want to encourage extensions."⁸³ By this time such schemes were often eligible for grants from the National Fitness Council. The schemes did continue until the outbreak of war, but there were very few. In his last report Gillett stated that he had only approved twelve such schemes in the previous year.⁸⁴

In helping the voluntary organisations in their provision of individual services, Stewart had concentrated on supplying the psychological rather than the material needs of the unemployed. This was in line with the new directions that the philanthropic organisations were taking. Yet the need for the old form of philanthropy, relief, was far from dead. Stewart had decided not to support relief schemes partly because he felt that such work was the province of the UAB and the local Public Assistance Committees but also

because "if he gave grants to such organisations, there would be no end to the applications."⁸⁵ Both Commissioners did, however, recognise the need for relief work and gave moral encouragement to the Personal Service League's work of distributing clothing in the Areas. When the League considered disbanding in 1937 because of waning support, Gillett was instrumental in persuading the Executive to continue at least in the areas with very high unemployment.⁸⁶ The destitution resulting from prolonged unemployment was not relieved to any significant extent under the Special Areas legislation.

The Reaction to the Social Service Movement

The development of the social service movement under the Special Areas legislation provides an example of the historically bad relationship between philanthropic and working class organisations.⁸⁷ This hostility stemmed from several sources. Labour supporters maintained that the provision of unemployed clubs and recreational activities were merely palliatives, substitutes for government action to deal with the economic problems of the time: "the men do not want charity, they want jobs."⁸⁸ While social service workers were prepared to admit that economic revival was the only satisfactory solution, they shared the government's pessimistic belief that little could be done to improve the economic situation and argued that in the

meantime something had to be done for those who were suffering.⁸⁹

Labour supporters and the trade unionists made very little attempt themselves to deal with the problem of keeping the unemployed busy. In Cumberland, Labour Party discussion, at least as reported in the press, concentrated on castigating the government for the economic situation rather than on the problem of what the unemployed should do until the situation revived. Though the TUC did begin to organise clubs from 1934 their clubs were never as well developed as those helped by the NCSS. They concentrated on educational work and recreational activities and never attracted as many members as the social service clubs.⁹⁰ Wal Hannington, of the NUWM, was later to admit that this concentration on economic and political problems, to the neglect of the social life of the unemployed, had been a mistake.⁹¹ In Cumberland there is no record of any trade union clubs having existed, although there were NUWM clubs in Cleator Moor and Maryport. The CMA's provision of an unemployed membership did help unemployed members to keep in touch with their union and may have caused some reduction in the potential membership of the voluntary clubs.

To ardent trade unionists and Labour Party members, voluntary social services were charity and an insult to the independence of the working class. They claimed that once

the state had recognised everyone's right to basic subsistence, this would do away with the need for philanthropy:

Almost all of the problems which our social service movement thinks it is trying to deal with would disappear if an adequate wage level was substituted for the present unemployment allowance.⁹²

This was a play on the traditional labour demand for "work or maintenance". Labour and the unions demanded that the unemployed should have basic financial support as a right, with no obligations attached. To the social workers, such a principle implied pauperization. If men got something for nothing, they would become dependent,⁹³ and so in the clubs men were expected to contribute some part of the cost of whatever they received. To the Labour movement it was criminal to deprive a man of his means of independence - his job - and then expect him to pay for some substitute. It is perhaps significant that, at least in West Cumberland, Labour Party members engaged in relief work rather than social service. Adams, who occasionally received begging letters from his former work-mates, helped Mrs. Grondona to organise the West Cumberland Children's Footwear Fund. Eleanor Cain worked with Lady Mabel Howard to distribute clothing from the Personal Service League. Perhaps because they had often experienced poverty themselves, the local Labour leaders were concerned to deal with material problems

first and worry about any moral problems later.

Most of the early social service clubs had been recreational, but by the mid-1930's there had been a marked shift to occupational clubs where members made furniture or other articles. The social workers regarded the change as an advance, a chance for the men to keep their self-respect,⁹⁴ but to the Left, the clubs threatened the jobs and wages of those in employment and the voluntary amenity schemes were anathema. "We saw in the social service schemes ... a clever move to prepare the way for a system of unpaid labour among the unemployed."⁹⁵ Social workers could easily argue that carpentry done by club members posed no threat to tradesmen, because the unemployed could not afford to buy furniture in any case, but it was less easy to explain away the work schemes. The hostility of Labour councils in Cumberland to these schemes has already been noted; in Whitehaven, the local Council of Social Service was unable to persuade men who were already club members to undertake a voluntary scheme to build a garden and a bowling green.⁹⁶ The social service movement regarded the trade union opposition as "obstructionist" and "political"; no attempt was made to understand the very real fears which underlay the Labour attitude.

Part of the reason for hostility between the social service movement and Labour was a difference of class. The

voluntary social service movements were middle class in finance and personnel. Their paid employees were professional social workers with university training who were open to the accusation that they were making their living from the miseries of the unemployed.⁹⁷ The unemployed were working class, and often came from what had been the better paid sections of that class, coal hewers for example, who had never expected to be in a position of near destitution. For many of them, it was too humiliating to attend the clubs, and those who did attend were regarded with some condescension: "The clubs were all right for those who needed them."⁹⁸ It was a maxim of club management that the men should run the clubs themselves but despite this, the clubs never really overcame the stigma of being external institutions.

This hostility to the voluntary movement was shared by some of the civil servants, though owing to the Commissioners' interest in the work they were not able to express it. Dalton complained:

We have been unable to be as cold-blooded as some of us would have liked... (In giving grants for social service) I need only remind you of the interest which the first two Commissioners took in social service work.⁹⁹

Dalton also had doubts about even the settlements in South Wales, which were regarded within the voluntary movement as "the most successful response to the unemployment situation."¹⁰⁰ These, he thought, were "alien importations.... I suspect that

all attempts to incorporate the settlements as part of the normal community have failed" giving as evidence for his view the fact that "the organisers seem to attach importance to the need to keep interest alive."¹⁰¹

The Pilgrim Trust report, Men without work, concluded that social services for the unemployed would be more effective if provided through existing institutions than through new "ad hoc social institutions."¹⁰² But restrictions on the use of government money inhibited such a development. Money was distributed through the NCSS on condition that it should go to organisations which were non-sectarian and non-political; the organisations had to be open to anyone who wished to join. The problem was that many of the existing working class institutions were sectarian or political. What seems, at least from newspaper accounts, to have been one of the most active clubs in Cumberland, never received any government aid. This was the Grail Club at Cleator Moor. Run by the local priest, Father Clayton, the club had its own small "factory", where the men made wooden toys for sale. The enterprise never made enough to do more than buy new materials. At Dearham, the "Men's Fireside" run by the local vicar, also seems to have been quite active. But such clubs, and trade union organisations, which already had a working class constituency, were cut off from government aid.

Whether or not it was intended to be so, as an agent of social control the social service movement failed. It never reached more than a minority of its intended clientele. Partly, no doubt, this was because of the limited funds available: the Commissioner's grants for social service only amounted to £905,000 between 1934 and 1938. The result showed in the facilities provided. Grondona was only one of several commentators who remarked on "the dingy accommodation of the clubs" which "far from raising the spirits of the unemployed... gives them an inferiority complex."¹⁰³

Poor facilities alone do not explain the limited appeal of the voluntary movement; union meeting rooms and church halls were also often drab. The social service movement smacked of charity. Though the methods had changed since the nineteenth century, the voluntary organisations were still agencies for transferring aid from the privileged to the under-privileged, and as such they were resented. The social workers tried to tell grown adults how they should run their lives. In their concern to rescue the people of the Special Areas from the social consequences of industrial decay they ignored existing institutions. There is some evidence for a degree of co-operation with the churches, but none for co-operation with the unions or the Labour Party. Ellen Wilkinson reported

it has been difficult for me as a Labour MP, to make the necessary contracts among the social service workers ... and that, I think, is symptomatic of the attitude of the well-intentioned people who administer and run these charities.¹⁰⁴

Shoeten-Sack, who replaced Ellis as Secretary of the NCSS, blamed the National Council's difficulties with the WEA on "the trade union element,"¹⁰⁵ without analysing the situation any further. It was patronising for the social workers to assume that the unemployed had no resources of their own to draw upon in times of trouble, and this attitude contributed to their limited appeal.

For the social service movement never touched the majority of the population, though in some ways the response in Cumberland was gratifying to the organisers. In 1936 the Friends' clubs claimed a membership of 20% of the unemployed, almost twice the national average.¹⁰⁶ In the same year, NABC figures indicated that boys' clubs in Cumberland had the highest membership in England and Wales: 6.03 per 1000 population.¹⁰⁷ The organisations did seem to supply a real need, at least in the smaller villages. Yet after almost five years of expansion of organised social activity in the area, a journalist claimed that of a dozen boys stopped in the street in Workington none belonged to any youth organisations and only two had even heard of the Workington Boys Club.¹⁰⁸

Some of the unemployed were simply too busy to need the facilities provided by the voluntary organisations. Married men with family commitments often did not belong to the clubs:

I had a wife and kiddies and there was all the work to do in the garden. And I kept hens and needed seconds from the steam thresher for them so I had to go to the farms to get that. And I needed muck from the farm and I had to help the farmer for the help he gave me.¹⁰⁹

Often family men had allotments - though not necessarily through the allotments societies. Even those who did get allotments through the societies did not regard them as charity. For men who liked the type of work, allotments were very valuable; the produce helped the family income and the work kept the men fit and busy. Other ways of providing for the family involved getting coal from the beach. This was remembered by one man and his daughter as a great social occasion - several families went together:

Thirty of us would be on the beach. We all went with one bag. Someone would bring kippers. Some would get coal from the water's edge others would collect sticks for a fire and we had our meals there.¹¹⁰

This family was Catholic, and much of its life revolved around the church. Mr. McGreavey, the father, also worked for the Labour Party. Generally, men with strong religious or political affiliations were too busy elsewhere to bother with the social service organisations.

Many men who were neither political activists nor church men, did not participate in social service activities. The men interviewed were contacted through the unions or the Labour Party; to contact uncommitted men was not easy. Many, of course, would be family men. Others probably drifted - there are many cases cited in the Pilgrim Trust survey of men who turned in on themselves and became apathetic.¹¹¹ Unemployment regulations also limited the impact of the social service movement:

Unemployed men's refusal to undertake activities which will benefit their morale and help them economically can often be directly traced to the fear of punishment following upon the unintentional breach of statutory regulation.¹¹²

There were many rumours of what happened to men who unknowingly broke regulations. Frank Carruthers told of giving a few packets of cigarettes to an unemployed man in return for some tomatoes from his allotment. The man's allowance was subsequently docked.¹¹³ Though the regulations were gradually eased during the decade, such stories established themselves in folk memory and may well have deterred some men from participating in social service activities.

Only a comprehensive social survey could fully answer the question of what the unemployed did with their time. In terms of occasional entertainment, West Cumberland still had plenty to offer the unemployed.

Some men might have followed the local sports, of which there were a wide variety. Whippet racing and hound trailing - a sport peculiar to the Lake District region - were popular but I was told that it was tactless to ask where the men got the money to feed their dogs. Cock fighting, though illegal, was still carried on; it seemed to be particularly popular among iron miners - or at least they were the ones who got caught. Local traditions provided diversions: "uppies and downies," an amazing annual football game played in the streets of Workington between the walls of Workington Hall and the harbour, provided activity for over a hundred players and entertainment for spectators who were said to number several thousand. The annual hospital carnivals were major events for the towns involved. The local football and rugby league teams also had large followings, and offered reduced entrance fees for the unemployed. The unemployed in Cumberland did not lack for diversion, and many of them could find a social life outside the clubs.

One group which was rarely touched by the social service movement and about whom Stewart and Gillett became anxious was the young employed, particularly men in the 18 to 25 age group. Having been brought up in an atmosphere of depression and unemployment, they were more ready to accept it without worrying about the prospects of getting

work. Some of the young men were reported to be "restless, uninterested members of the community. Some cause trouble in the clubs and they often make nuisances of themselves."¹¹⁵ There were real worries that such men would settle down to life on the dole and would never learn independence.¹¹⁶ By the time of his final report, Stewart had indentified the problem of the younger men as one of the most pressing difficulties in the Special Areas,¹¹⁷ and he advised the adoption of some measure of compulsory training. Gillett too agreed that in their own interests this would be wise.¹¹⁸ Any idea of compulsion was anathema to the Left. To make the young work for their dole smacked of test work and the poor law. At the start of 1939 there were suggestions in parliament that the younger unemployed should be conscripted into work camps on the lines of those in the USA or South Africa, but the idea came to nothing. The problem of the younger men was solved with the coming of the war in September, 1939.

Many of the social service organisations which dealt with West Cumberland complained of the apathy of the Cumbrians. Club organisers said that most of their members were unwilling to participate in running the clubs or working on committees.¹¹⁹ The Workington Girls' Club had difficulty in getting adult volunteers to help.¹²⁰ After a long series of grumbles the Central Allotments Committee noted:

it is significant that each time a paid organiser goes into Cumberland new societies are formed and the number of recipients goes up, only to drop again when they are left alone.¹²¹

Criticism of the apathy of the majority of club members was not restricted to West Cumberland,¹²² but South Wales and Durham never seem to have aroused the complaints that Cumberland did. As in the economic sphere, it seemed that there was some lack of local leadership.

It is difficult to explain this apathy but some suggestions may be made. West Cumberland was more rural than the other areas and socially may have been more backward. Family influences were very strong - one priest in the area claimed that sons were firmly under their mother's influence until they were at least eighteen¹²³ - and it has been suggested that in areas where familial influences are strong, external organisations are less likely to prosper.¹²⁴ Cumberland also had a longer experience of industrial decay than the other Special Areas. With the exception of the war years, the area had been experiencing industrial decline since the 1890's. One man remembered his grandfather's reminiscences of the 1890's, the time "when the colliers were really well off," and his accounts of how, since then, life had become harder and more uncertain for working men.¹²⁵ Prolonged decline may well have bred hopelessness and apathy. Part of the problem may have been caused by the organisers:

Tribe commented "The Cumberland Committee (the Friends) have six full time organisers, but I doubt if they do a quarter of the work of the Durham Committee with their twenty four."¹²⁶

Though Haynes was satisfied with the results of the Friends work, he often remarked that their methods were slow.

Mallaby accused the Friends of being self-righteous,¹²⁷ a characteristic which was not likely to commend itself to the Cumbrians.

The impact of the social service movement in Cumberland varied. Claribell Walker thought that only one Cumbrian club had much effect on the local community - that at Aspatria.¹²⁸ Here an unemployed miner, Jonty Blair, took much of the initiative in encouraging the local men to run the club themselves. With the exception of the Workington centre, clubs in the towns do not seem to have been very successful - probably because there were other diversions for the men. In contrast to its impact on Cumberland's economic affairs, the Special Areas legislation did not stimulate the development of strong local leadership in social service. The lack of Labour support meant that the social workers did not get much help from trade unionists or local authorities; and this limited the impact of the social service movement.

The Future of Social Policy

From early 1938 there was increasing debate as to what should become of the Commissioner's social powers once the

legislation lapsed. Some powers were dispersed before war broke out. By 1939 the grant for juvenile work had been halved as the Commissioner's responsibilities for capital expenditure had been taken over by the National Fitness Council. In April 1939, the UAB, as part of the development of its welfare powers, took over the responsibility for club work among men and women. It remained to be seen how far the Commissioner's other powers would be applied nationally and how far they would be returned to the control of the voluntary organisations.

By the end of the decade, the voluntary societies were having increasing difficulty in raising money from private sources for their unemployment work, and for their general community work.

The appeal that the clubs have made in the past has been the appeal of unemployment and today, although many people are less ready than they were in the depression to subscribe for unemployed clubs, they are in many cases no more willing to support workers' clubs.¹²⁹

The voluntary organisations felt that their work was still essential, particularly in the Special Areas, so the threat of the withdrawal of government funds was very serious. The wardens of the Welsh settlements whose work was financed mainly by the Special Areas funds feared that the withdrawal of the government grant, which signified approval of their work, would lead to a further decline in private contributions.¹³⁰

On the government side, the pressure was to cut expenditure as much as possible. Frank Tribe had long been concerned about the effect of government grants on the voluntary social services. His argument reversed that of the settlement wardens; he claimed that the knowledge that the government was giving money caused the voluntary funds to dry up, "a kind of Gresham's Law."¹³¹ When he moved to the Treasury in the summer of 1938, he was given the job of determining the principles according to which any of the Commissioner's tasks could be continued, and he advocated severe cutbacks. The Commissioner's commitments to capital expenditure would be met, providing that work had started on the projects before the Acts expired. His powers relating directly to the welfare of the unemployed would be passed to the UAB. Any grants for maintenance expenditure or for work relating to the community rather than specifically to the unemployed would be terminated. This meant an end to grants for the District Nursing Associations, the remaining juvenile work, settlements and holiday schemes.

The Treasury's parsimony caused some dismay in the other departments. One Ministry of Labour official wrote:

I am at a loss to understand the Treasury view that because a measure is a maintenance service it cannot be transferred, if by transferred Tribe has in mind enabling it to continue.¹³²

When the Treasury tried to pressure Gillett into cutting back his work projects, including hospital building, Gillett

was backed by the Ministry of Health. Gillett argued that if the Ministry said that a project was necessary to bring standards of health care in the Areas up to the national average, then he was bound by the terms of the Act to recommend that the project be undertaken.¹³³ The Ministry of Health officials defiantly maintained that "we can never be in a position to say that no other project is necessary. Schemes are always necessary on public health grounds."¹³⁴ Again, the Treasury was at odds with the other departments over the question of expenditure.

During 1938 and 1939, the voluntary societies pressed for the continuation of the legislation - or at least of their grants. In October, 1938, Shoeten-Sack the new Secretary of the NCSS, wrote directly to Chamberlain, urging the need to continue aid to the voluntary organisations.¹³⁵ Even in the summer of 1939, when the economic situation was improving, the Friends' Committee warned that their work was not finished:

We should not be content merely to maintain those services already in existence; it is surely commonsense, not pessimism, to plan for the next slump. And that demands a policy of expansion, not retrenchment.¹³⁶

By giving grants to the voluntary organisations, the Commissioner had created vested interests which would not willingly relinquish their new sources of finance. When Ernest Brown advised the NCSS that there would be no more

Special Areas grants after 1939, and that social service activities should be planned accordingly, the NCSS ignored the warning. Dalton was angered by their attitude:

If these activities were voluntary, they would be governed by the amount of money available and the organisers would have had to make the best of it. It is not unreasonable to expect organisations to put a limit on activities undertaken out of grants.¹³⁷

He was particularly annoyed by the wardens of the Welsh settlements who, far from cutting back, had increased their staff in what Dalton saw as a deliberate attempt at blackmail: "the organisers are trying to force the hand of the government to continue its support."¹³⁸ The battle continued after the legislation was extended to 1940 and was still unresolved when war broke out in September, 1939.

In social policy, as in economic policy in the Special Areas, the government found that once it had started to spend money it was difficult to stop. Though the aim of the legislation had been just to give aid for a few years to help the Areas to their feet, the government discovered that once a responsibility had been accepted, it could not be discarded. The legislation had created its own vested interests: those groups whose activities had been made possible by the Commissioner's grants were reluctant to relinquish them. The partnership between the state and the voluntary movement did not always develop smoothly and

sometimes it seemed that groups like the NCSS were more enthusiastic about the relationship than the civil servants.

The Commissioners had made no direct attack on the poverty which underlay many of the social problems in the Areas. Problems of under-nourishment and of material deprivation were largely ignored. An effort was made to improve health services in the Areas, though the work was sometimes hindered by the conflicting jurisdictions of local authorities. In the Areas, the government had at least admitted some responsibility for the health and social conditions of the people, a responsibility which was soon to be expanded and applied nationally as a result of the war.

NOTES

1. First report, 4.
2. David Owen, English philanthropy, 1660-1960 (Cambridge, Mass., 1964), 527.
3. Elizabeth Macadam, The new philanthropy (London, 1934), 245-60, attributes the decline to the decay of the "old rich" who had paternalist traditions which were not shared by the "new rich". In addition, economic conditions were more stringent than before the war. For the impact on hospitals see Brian Abel-Smith, The hospitals in England and Wales: 1800-1948 (Cambridge, Mass., 1964), 317-20, 384.
4. Lord Beveridge and A.F. Wells, The evidence for voluntary action (London, 1949), 122 and 268.
5. This was by no means a new partnership. See M.J. Moore, "Social work and the organisation of philanthropic resources in Britain, 1900-1914", Journal of British Studies 4 (1977), 85-104, for its Edwardian antecedents. Peter Cahalan enlarges on the developing partnership in "The treatment of Belgian refugees in Britain during the Great War" (Ph.D. thesis, McMaster University, 1977), especially 499-508.
6. L. Ellis, "The respective spheres of public authorities and voluntary organisations in the administration of social service," Public Administration (1927), 392.
7. First report, 53.
8. Times, 14 Dec. 1934.
9. NCSS, Unemployment Box 3, Interim report on work undertaken in the Special Areas, March 1935.
10. The impact of the Local Government Act on hospital provision is discussed in Sir George Newman, The building of the nation's health (London, 1939), 157-60.
11. West Cumberland Times, 1 Mar. 1930.

12. One third of the specialists in Britain lived in London. Abel-Smith noted that the staffing of hospitals was related "more to the numbers of wealthy residents in the area than to the numbers needing care." Hospitals, 406.
13. Third report, 74.
14. PRO, MH 61/11, undated note by Moriarty.
15. Titmuss, Poverty and population, 80.
16. PRO, MH 61/11, note from J.D.C. to Dr. Pearman, 18 Mar. 1937.
17. The County Council was accused of misrepresenting the needs of the area to the Ministry of Health so that the initial grant was too small. CRO, T/HOS 9/8, H. Higgins (Hospital Management Committee) to A. Hodgson (Clerk to the County Council) 30 July, 1936.
18. The grant had to be calculated as a percentage of the costs of the project which would be borne by the ratepayers of the Special Area: a difficult calculation which involved working out the relative contributions of Carlisle County Borough, the County Council and the two municipal boroughs, and further working out how much of the County Council's contribution would be provided by the Special Area.
19. Medical Officer of Health for Cumberland, Annual Report, 1936, 2.
20. PRO, MH 61/6, Report by Dr. Pearse, 11 May, 1938.
21. PRO, CAB 23/87, minutes of meeting of the Cabinet, 21 Jan. 1937.
22. Ann Boyer, "Malnutrition in the thirties: the doctors' crusade" (M.A. paper, McMaster University, 1979), 4-13.
23. PRO, MH 61/6 Report by Dr. Pearse, 27 Aug. 1937.
24. Ibid.
25. See Titmuss, Poverty and population 235, on the problems of the local authorities.
26. West Cumberland Times, 18 Sept. 1937 discusses the prevalence of this fear in Whitehaven.

27. Industrial Women's Organisation, Report on nutrition and food supplies, 1937, quoted in Boyer, "Malnutrition in the thirties," 11. See also Wilkinson, Town that was murdered, 236.
28. First report, 74.
29. Ibid., 84.
30. The milk was sold at 2d a pint in Whitehaven, with the aid of a grant from the Midland Bank Employees Association. The scheme provided a good example of the inter-relation of statutory and voluntary social services. It was administered by Whitehaven Borough Council, whose Medical Officer selected the beneficiaries, and who handled the money provided by the Commissioner and the Milk Marketing Board. The use of the Midland Bank money, an example of traditional charity, was arranged by Wilfrid Lunn, professional social worker, employed by the Society of Friends and paid by the Pilgrim Trust.
31. PP, Milk policy, Cmd. 5533, 1937, 7.
32. Fifth report, 119.
33. PRO, LAB 23/80, Draft report on the situation after 1939.
34. PRO, MH 61/60, Ryan to Tribe, 8 Mar. 1935; Tribe to Stewart, 20 Mar. 1935. For a discussion of this subject in the general context of the birth control movement, see Jane Lewis, "The ideology and politics of birth control in interwar England," paper presented at the Canadian Historical Association, 1980, 16-17.
35. P. McIntosh, Physical education in England since 1800 (London, 1968), 223-233.
36. J. Burnett, Plenty and want (London, 1966), 33.
37. West Cumberland Times, 23 Oct. 1937.
38. Fifth report, 7.
39. PRO, MH 61/6. Dr. Pearse, Report on Cleator Moor and Ennerdale, July, 1937.

40. Second report, 38.
41. "Social service may be a palliative but it will be a long time before the economy revives and in the meantime we must help the unemployed to maintain their morale and make their lot happier." Fifth report, 160.
42. NCSS, Unemployment Box 3, File 1. Minute 56, 22 Nov. 1934.
43. See Frederic Miller, "Work or maintenance," 393.
44. Unemployed struggles, 272-3.
45. NCSS Unemployment Committee, Minute 56, 22 Nov. 1934. NCSS Unemployment Box 3, File 1. "There is no present likelihood of unemployment disappearing altogether in any modern industrial society, and however prosperous trade as a whole may become, readjustment, reorganisation, and fluctuations in demand for goods will result in large numbers of workers experiencing shorter or longer periods of unemployment." NCSS, Annual Report, 1933-4.
46. W.G. Latimer, Warden of Workinton Unemployed Centre, West Cumberland Times, 9 Sept. 1935.
47. I.A. Richmond, preface to Fry, Friends Lend a Hand, 5.
48. Article in Epic, Jan. 1939. Epic was the journal of Aspatria unemployed club. Only one edition appears to have been published. NCSS, Unemployment Box 11.
49. Pilgrim Trust, Men without work, 393.
50. NCSS, Unemployment Box 1. YWCA, "Report on extension of club work among adolescents in the Special Areas," 23 Dec. 1935.
51. Interview with Mrs. Curwen.
52. PRO, LAB 23/11, Holloway to Stevens, 4 Apr. 1938.
53. Interview with Mrs. Curwen.
54. PRO, LAB 23/113, Grondona to Tribe, 3 Dec. 1936.

55. Ibid. Memorandum by Grondona, 19 Aug. 1935.
56. Cumberland Friends' Unemployment Committee, minutes, 10 June, 1936. It has so far proved impossible to find out exactly what happened in this case. The Commissioner's records make occasional references to the "Greenwood incident" but the details always seem to have been passed on verbally.
57. PRO, LAB 23/113. David Reed (Chairman of Friends' Committee) to Grondona, 16 Dec. 1936.
58. Cumberland Friends' Unemployment Committee, minutes, 11 Dec. 1936.
59. West Cumberland Times, 30 Apr. 1938.
60. Ibid. 29 Oct. 1938.
61. PRO, LAB 23/113, Mallaby to Dalton, 13 May, 1939.
62. PRO, LAB 23/13, Account of women's programmes in Cumberland, November, 1937.
63. PRO, LAB 23/8, Note by Holloway, 3 Jan. 1938.
64. See for example, Pilgrim Trust, Men without work, 264-5; NCSS, Out of adversity: a survey of the clubs for men and women which have grown out of the needs of unemployment (London, 1939), 46-53. Both of these describe activities similar to those carried on in Cumberland.
65. Cumberland Friends' Unemployment Committee, Annual Report (May, 1937), 8.
66. Ibid. May, 1939.
67. NCSS, Out of adversity, 55-8.
68. Cumberland Friends' Unemployment Committee, Annual Report, (May, 1939), 5.
69. West Cumberland Times, 7 Dec. 1937.
70. Cumberland Friends' Unemployment Committee, minutes, 21 Feb. 1939.

71. NCSS, Out of adversity, 9-10; Fifth report, 84.
72. West Cumberland Times, 7 Dec. 1935.
73. NCSS, Unemployment Box 3, Report on juvenile work, 27 June, 1935.
74. See P.F. Beard, "Voluntary youth organisations" in A.F.C. Bourdillon, ed., Voluntary social services: their place in the modern state (London, 1945), 135-6.
75. Whitehaven Council of Social Service, minutes, 18 Mar. 1938.
76. Pilgrim Trust, Annual Report, 1937, 20.
77. Fifth report, 88.
78. Third report, 199.
79. PRO, LAB 23/54 Grondona to Howe, 3 July, 1935. West Cumberland Times, 24 June, 1936.
80. West Cumberland Times, 1 Jan. 1936.
81. Whitehaven News, 10 Nov. 1938.
82. PRO, LAB 23/54 Holloway to Crawshay, 20 Oct. 1937.
83. Ibid.
84. Fifth report, 107.
85. PRO, LAB 23/130, Tribe to Emmerson, 3 Nov. 1935.
86. Ibid. Mrs. Marsham to Gillett, 31 May, 1937.
87. G.D.H. Cole, "Mutual aid movements in their relation to voluntary social service," in Bourdillon, ed., Voluntary social services, 118-20.
88. Wilkinson, Town that was murdered, 232.
89. See J.Q. Henriques, Social services, 20.
90. Hayburn, Responses to unemployment, 277-85.
91. Hannington, Depressed areas, 203.

92. Wilkinson, Town that was murdered, 232.
93. For fears of the men becoming "pauperized" see Pilgrim Trust, Men without work, 280, 282.
94. S.P.B. Mais, "Occupational clubs for the unemployed," English Review 64 (1937), 20-31.
95. Hannington, Unemployed struggles, 273.
96. Whitehaven Council of Social Service, minutes, 20 July, 1937.
97. According to Mr. Noble of the Friends' Committee, there was some adverse comment in Cumberland about the number of people making their living through the social service movement. Reported by Grondona to Tribe, PRO, LAB 23/113. Stewart had been aware that such accusations might be made and asked that the social workers' salaries be limited "to rates no higher than is consistent with attaining a reasonable degree of efficiency." NCSS, Unemployment Box 3, Ryan to Ellis, 18 Jan. 1935.
98. Interview with Jack Smith.
99. PRO, LAB 23/18, Dalton to Parnis, 17 Dec. 1940.
100. Pilgrim Trust, Men without work, 306.
101. PRO, LAB 23/18, Dalton to Parris, 17 Dec. 1940.
102. Pilgrim Trust, Men without work, 289.
103. PRO, LAB 23/11, Grondona to Howe, 6 Nov. 1935. See also Windsor, A King's Story, 250; Cartland, Ronald Cartland, 125.
104. Town that was murdered, 226..
105. NCSS, Unemployment Box 3, File 2, Shoeten-Sack to Tribe, 31 Jan. 1938.
106. Cumberland Friends' Unemployment Committee, Annual Report, 1936, 4.
107. A.E. Morgan, The needs of youth (London, 1939), 294.

108. West Cumberland Times, 5 Aug. 1939.
109. Interview with Billy Hiddlestone.
110. John McGreavey. Interview with John and Julia McGreavey, 1 Nov. 1977.
111. Men without work, 293-7.
112. Charles Muir, Justice in a depressed area (London, 1936), 44.
113. Interview with Frank Carruthers.
114. Pilgrim Trust, Men without work, 176.
115. PRO, LAB 23/12, Haynes, memorandum for NCSS conference, 2 Oct. 1937.
116. See R.C. Davison "Dole as a way of life," Manchester Guardian, 22 Dec. 1936.
117. Third report, 120, 128.
118. Fifth report, 9.
119. West Cumberland Times, 29 Jan. 1938.
120. NCSS, Unemployment Box 1, YWCA Report on club work among adolescents in the Special Areas, 23 Dec. 1935.
121. Central Allotments Committee, File 3, Report on schemes 1937-8.
122. See Hayburn, Responses to unemployment, 58.
123. Morgan, Needs of youth, 75.
124. Williams, Gosforth, 61.
125. Interview with Jack Cameron, 2 Nov. 1977.
126. PRO, LAB 23/113, Tribe to Grondona, 18 Dec. 1936.
127. Ibid. Mallaby to Dalton, 13 May, 1939.
128. Interview with Mrs. Curwen.

129. NCSS, Out of adversity, 30.
130. PRO, LAB 23/182, Notes on wardens' meeting, 15 May, 1939.
131. PRO, LAB 23/12, Tribe, notes on NCSS conference, 4 Oct. 1937.
132. PRO, LAB 8/1269, King to Hardman, Sept. 1938.
133. PRO, LAB 23/181, Gillett to Brown, 28 Dec. 1938.
134. PRO, MH 61/8, Montmorency (Ministry of Health) at meeting of officials of the Ministries of Health and Labour and the Special Areas staff.
135. NCSS, Unemployment Box 6, Shoeten-Sack to Chamberlain, 11 Oct. 1938.
136. Cumberland Friends' Unemployment Committee, Annual Report (1939), 9.
137. PRO, LAB 23/13, Dalton to Tribe, 6 May, 1938.
138. Ibid.

CHAPTER VII

THE WAR YEARS

The Survival of the Legislation

The Munich crisis triggered a flurry of activity in Whitehall as contingency plans were made for war. The Ministry of Labour's war book included plans for the disbanding of the Commissioner's Office, the cancellation of his projects and the dispersal of his functions amongst the Ministries of Labour and Agriculture and the UAB.¹ Such tidy plans were not to materialise. Administrative difficulties were raised even before the war, when it was realised that "the Ministry of Labour might need statutory power to refrain from honouring the Commissioner's commitments."² The political implications of new legislation were so horrendous that the Treasury agreed that the Commissioner's activities should not cease, but should be reduced as much as possible.³ No qualms were felt about this decision, as it was assumed that the Acts would expire in March 1940.

In September 1939, the Commissioner's central organisation was disbanded fairly quickly. Dalton remained in charge of the Special Areas work, but was based at the Ministry of Labour. Other headquarters staff returned to

their original ministries. Price remained as Commissioner with power to initiate projects. By mid-October the district organisation was disbanded despite local protests. Mallaby began what was to be a distinguished civil service career with the Ministry of Labour in Manchester. Swindin was transferred to the Newcastle Office of the same Ministry.

The dispersal of the Commissioner's functions proved more difficult than the dispersal of his staff. Some projects, such as school camps and holidays for the unemployed, were abandoned immediately, with no difficulty. Land settlement was handed over to the Ministry of Agriculture, and the smallholdings made available to agricultural workers. But projects such as public works, housing and aid to trading estate companies proved more difficult to deal with. The Treasury, keen to cut other expenditure as armaments costs increased, wanted these functions transferred to appropriate departments as soon as possible and paid for from departmental estimates.⁴ Dalton and the Commissioner resisted this, proposing that even after the expiry of the Acts, a Special Areas Fund should be kept in existence until the last of the Commissioners' projects had been completed.⁵ It was a conflict of expediency against principle. The Treasury wanted the convenience of a return to departmental administration. Price and Dalton resisted this, arguing

that other departments, not fully understanding the terms on which the Commissioner's grants were allocated, might be tempted to cut work which the Commissioner deemed to be necessary.

The economic dislocation at the outbreak of war was marked by an increase in unemployment. This was used as ammunition by Labour MP's who wanted the Acts to continue. They were able to exploit an uncertain parliamentary situation. Labour MP's had refused to join the government while it was led by Chamberlain, though they had agreed to an electoral truce and, tacitly, to a moratorium on outright party conflict in the House.⁶ On 5th December, 1939, a group of Labour MP's approached the government, complaining about the omission of the Acts from the Expiring Laws Continuance Bill, an action which they regarded as sufficient reason to break the truce. The government capitulated immediately. The whole episode was so swift that Price, the Commissioner, could only be told after the event.⁷ He agreed to continue in office.

Initially, the legislation was extended for only nine months, until December 1940. At Treasury insistence, however, Ernest Brown made a public announcement⁸ that the Commissioner's projects would be limited, and that there would only be minor expenditure in addition to that which would have been incurred had the Acts expired.⁹ Though the

decision was criticised by some Labour MP's - Batey, MP for Spennymoor, said the extension was "not only a farce but an insult to the Special Areas"¹⁰ - the Labour leadership was satisfied with the compromise.

The continuation of the legislation gave Dalton more time to try to work out the administrative details of the dispersal of the Commissioner's powers, but his task was overtaken by the war. By the summer of 1940 he was arguing that administrative difficulties made the continuation of the legislation essential.

The problem of handing over the Commissioners' powers is difficult in peacetime but insoluble in wartime except on a haphazard basis. I appreciate that political considerations are paramount but on administrative grounds I feel bound to recommend the continuance of the Act.¹¹

The Treasury had been mollified by substantial cutbacks in expenditure, and agreed to an extension of the legislation until March 1942.¹² In the event, the Act was included in the Expiring Laws Continuance Bill every year until the end of the war, pending the development of post war reconstruction plans. The legislation had demonstrated an amazing resilience: intended initially to last only two and half years, it remained on the statute book for eleven.

Social Policy

Nearly all the Commissioner's activities in social policy were overtaken by the war. By 1945, only the District

Nursing Associations were still receiving grants from the Special Areas fund. The war had imposed financial restrictions on housing and hospital projects in the Areas. Full employment and high wages meant that much of the work of the social service movement became irrelevant. Most important, the government's acceptance of wider social responsibilities made many of the Commissioner's schemes unnecessary.

The immediate effect of the war on social provision in the Special Areas was bad. Treasury parsimony and the difficulties of getting raw materials halted some projects, including the building of the new hospital at Whitehaven and the Cumbrian tuberculosis sanatorium. Sewage and water schemes were suspended. The NEHA's building plans were terminated, despite the protests of some local authorities.¹³ The Whitehaven cheap milk scheme was also abandoned in September 1939.

The situation, and the government, changed in the summer of 1940. In May, Churchill became Prime Minister, and members of the Labour Party accepted government posts. Of particular importance was the appointment of Ernest Bevin, the Trade Union Leader, as Minister of Labour, a position which he made into "one of the commanding heights of the Home Front."¹⁴ In June 1940, after Dunkirk and the fall of France, Britain stood alone. The sense of national emergency

provoked a realisation that if the dangers of war were to be shared by all, then the nation's resources had to be shared. This idea underlay the famous leader in the Times on 1 July, 1940:

If we speak of democracy, we do not mean a democracy which maintains the right to vote but forgets the right to work and the right to live. If we speak of freedom we do not mean a rugged individualism which excludes social organisation and economic planning. If we speak of equality we do not mean a political equality nullified by social and economic privilege. If we speak of economic reconstruction, we think less of maximum production (though this too will be required) than of equitable distribution.

After the fall of Dunkirk, government social policy altered.¹⁵

The first changes were made in nutrition. In June, 1940, the government inaugurated a scheme for providing cheap or free milk to expectant and nursing mothers and children under five; by September 1940, 70% of those eligible were benefitting.¹⁶ The advent of rationing and the provision of meals for school-children and of dietary supplements for mothers and young children helped to reduce disparities in nutrition. At the Ministry of Labour, Bevin went ahead with schemes to provide canteens for factory workers, which helped to compensate for the absence of differential rations for manual workers. These activities, combined with higher wages, meant that many of the working classes were better fed in wartime than before, a fact reflected in the great

improvement in general standards of health.¹⁷

The war witnessed a change in attitude to the public provision of social services. The nutritional schemes were available to all, irrespective of income. Similarly services such as those provided for victims of bombing - emergency hospitals and evacuation centres - did not discriminate among recipients. The 1941 Determination of Needs Act, which abolished the family means test, made the granting of relief more humane. That state aid was now available to all, irrespective of income, meant that to receive it was no longer to be the object of charity. The state's responsibility for the social welfare of its citizens was gradually becoming accepted.

It was against this background that the Beveridge Report was produced.¹⁸ Sir William Beveridge had been appointed to chair a committee to consider the provision of social insurance and allied services after the war. By providing for a comprehensive national insurance scheme, paid for by all and available to all, the Report advocated a national minimum standard below which no citizen would be allowed to fall. The main assumptions of the Report - the provision of a National Health Service, of family allowances and the maintenance of full employment - presaged an ending to some of the problems which had afflicted the inhabitants

of the Special Areas. The bulk of the Report was implemented in later legislation - the National Insurance Act, the Family Allowances Act and the National Health Act. These measures helped to ensure that whatever other problems arose from regional unemployment in later years, problems of destitution and ill health would no longer be so acute.

At the start of the war, the Commissioner was still giving grants to the NCSS, mainly for juvenile work and education and settlement work. In this field, too, the Commissioner's functions were gradually superseded by the development of new national policies, though not without a strong fight from the voluntary agencies to retain their grants for Special Areas work.

The immediate impact of the war on voluntary services was unfortunate. In response to the initial crisis, the National Fitness Council was disbanded and much of the educational work and youth work was cut back - a move that soon seemed unwise, as unemployment rose and the sense of emergency was dissipated by the Phoney War. Conscription caused further problems; by November the Boy Scout movement in West Cumberland had lost many of its local leaders and was appealing for older men to take over.¹⁹

As early as 5 September Walter Elliott, Minister of Health, and Earl de la Warr, President of the Board of Education, were discussing the problem of how to keep

adolescents occupied and out of mischief at a time when they were likely to have less family supervision than usual. By the end of the month a National Youth Committee had been established, with representatives from the Board of Education, the local Education Authorities and the national youth organisations. The Board of Education also formed a new branch to deal with youth work. The Youth Committee was given a grant of £100,000 to aid juvenile work throughout the country.²⁰ According to past policy, once national provision had been made for a service, then the Special Areas grants would stop. Thus, in January 1940, Dalton warned the NCSS that there would be no grants for juvenile work in the following year.²¹ Shoeten-Sack, Secretary to the NCSS, ignored the letter. Instead, in his capacity as Secretary to the Standing Conference of National Juvenile Organisations, he wrote to Dalton welcoming the extension of the Special Areas Acts and the grant to the National Youth Committee. This grants, he said, would enable juvenile organisations "to extend our work in other directions provided there is no reduction in grant from other sources."²² This underhand ploy to retain the Special Areas grant served only to cause annoyance in Whitehall.²³ Dalton remained unmoved

the time has passed when a strong case can be made for Special treatment of this kind of organisation in the Special Areas and the obvious need for economy in wartime must have a reaction on this type of activity, however desirable.²⁴

The Special Areas grants for juvenile work ceased in March 1940. At a national level, however, youth work continued to expand throughout the war. It was declared to be "an integral part of the national system of education" in the 1943 White Paper on educational reform. Again, the Commissioner's activities had been made redundant by national developments.

Grants to the settlements were continued for a year after March 1940, as they had been very helpful in dealing with evacuees. Evacuees were not the concern of the Commissioner, but it would have been politically difficult to cut off the settlements' main source of income at a time when they were performing a useful public function. The grant for educational and settlement work was reduced by £7,000 to £35,000, and Dalton suggested that projects should be cut back, so that some of the money could be saved for future years, when the Commissioner's grant would have ended. This was angrily rejected by the Grants Committee of the NCSS, one of whose members admitted that the rejection was motivated by fears that

if there is any drastic reduction in expenditure now the Board of Education, whom the settlements are expecting will ultimately assume the responsibility, will be provided with a reason for continuing assistance on a lower level.²⁵

Such tactics did not work. After December 1940, the

settlements' grants from the Board of Education and the UAB were lower than those provided by the Commissioner. Though Dalton felt that the voluntary organisations were being greedy in their demands for government support,²⁶ he did not really appreciate their financial difficulties. The demands of war had further reduced private contributions to voluntary societies²⁷ which thus felt compelled to fight for their income from other sources.

In West Cumberland social service activity died down after 1940. At first it had seemed that the unemployed clubs would continue. Although the County Council withdrew its craft instructors from the clubs at the outbreak of war, they had left the equipment, and the club facilities continued to be in demand. In May, 1940, nearly all of the clubs were still active, though their members were now mainly in employment or were pensioners. By the end of 1940 the pressures of war were beginning to tell:

It is difficult to get the clubs to do anything, to arrange lectures or even to get the room ready The men are working long hours and their shifts are awkward.²⁸

Though grants continued to come from the Pilgrim Trust and, via the NCSS, from the UAB, other sources of finance were drying up. In 1941 the Civil Service Social Service organisations ended their grants. By May 1942, club work had largely ceased,²⁹ and by the end of the year, records of

the Friends' Committee and the Whitehaven Council of Social Service were no longer kept. In June 1943, at the prompting of the NCSS, the Cumberland Community Service Committee was formed to replace the moribund West Cumberland Advisory Council of Social Service, and it took over the Friends' club work.³⁰

The war did not end the scope for voluntary work, but it did change its focus. New problems, such as dealing with evacuees, helping the influx of war workers to settle down, or keeping inhabitants informed about changes in government regulations, occupied voluntary workers in Cumberland and elsewhere. The old clubs at Maryport, Whitehaven, Workington and Aspatria found new roles as Citizens Advice Bureaux and a few of the village clubs survived the war as community centres. But on the whole, the needs of war rendered the prewar experiments in club work irrelevant.

The Economic Impact of the War in Cumberland

If there is another war, depend upon it, nothing will be too good for Cumberland; but at this time the idea seems to be to keep us quiet at the least possible cost.³¹

The Cumbrians had long brooded on the strategic value of their geographical position and their resources, and reflected bitterly that the war would show "them" the folly of neglecting the county. In September 1939 their prophecy was tested and, on the whole, it turned out to be accurate.

Though the immediate effect of the war in West

Cumberland was, as elsewhere, a slight increase in unemployment, the increase was not very marked. By March 1940, unemployment had halved and the area was experiencing "a situation more nearly approaching prosperity than anything (it had) seen for very many years."³² As the Cumbrians had predicted, there was an increase in government activity in the county: Royal Ordnance factories were established at Drigg and Sellafield and government aid was given to both new and established firms to build shops for armament production. United Steel opened an electric steel making plant at Chapel Bank, Distington. In the same village, High Duty Alloys, a Slough firm, began production of aircraft parts. The iron mines, controlled by the Ministry of Supply, were in full production. So desperate was the need for ore that reserves under Cleator Moor were exploited, necessitating the demolition of part of the town.

All of this activity - and evacuation from more vulnerable areas - had several implications for West Cumberland. In mid-1941 the population of the Special Area was 154,160, an increase of 9% since 1939.³³ Many of the new workers were Cumbrians who had left the area in the 1930's. The influx created a major housing problem: one of Jack Adams' new duties was to try to arrange accommodation for key workers. In 1940 the NEHA was commissioned to build 1000 new houses in the area.³⁴

The composition of the workforce also changed. The percentage of women workers increased from 9.64% in 1939 to 25% in 1945.³⁵ The industrial distribution of the workforce also changed; though mining and metal industries continued to be important, by 1943 37% of the insured population were chemical workers.³⁶ Thus the effect of the war was to increase and diversify the labour force.

The Development Council was well aware that the prosperity of the First World War had been short-lived, and its members, wanting to prevent any new post war depression, were concerned to protect the new industries introduced during the 1930's. Crichton deprecated any suggestion that the Special Areas legislation should be abandoned: "it will be a short sighted policy if the (Commissioner's) department is to be scrapped altogether under the ruthless pressure of war."³⁷ He had support in London; even the normally cheeseparing Tribe argued that the Commissioner's industrial policy must be allowed to continue as far as possible, subject to the demands of the supply departments.³⁸

The Development Council addressed itself to the task of protecting the new industries. The first problem was that of Hornflowa. The Treasury tried to stop its promised loan to the company when war broke out. The CDC made representations, and Anderson and Jones got statements from the Board of Trade and the supply departments attesting to the need for Hornflowa

products. These statements finally convinced the Treasury and the loan went through.³⁹ The CDC successfully resisted the threatened withdrawal of a grant to Crowther's, the Workington firm, for the conversion of factory premises. Adams was also indefatigable in his attempts to protect key workers in the new industries from conscription, and to get government contracts for the new firms.

As part of the reduction in Special Areas spending, the grants to the Development Councils were to cease in March 1940. The Special Areas Development organisations worked together to resist this. A joint deputation met representatives of the Board of Trade in April 1940. They argued that the Development bodies would be useful sources of local information for the government in drawing up its economic plans for the war and that it was still necessary to attract new industries to prevent a post-war depression.⁴⁰ The government officials pointed out that development organisations in other areas were not grant-aided by the government and that the prewar circumstances that necessitated the grant no longer prevailed.⁴¹

The reactions to the withdrawal of the grants demonstrated the success of the new leadership in Cumberland. The North East Development Board immediately folded, and the Welsh organisation was drastically reduced in scope. In West Cumberland, however, the announcement of the termination of government funds prompted three firms to raise their

subscriptions immediately⁴² and, as their lead was followed by other local groups, the Council was able to continue throughout the war. The Cumberland Development Council had much more local authority support than the other organisations and this was also a factor in its survival. The other development organisations had been an outgrowth of businessmen's organisations; only in Cumberland had industry, local authorities and trade unionists been involved from the beginning. These facts were appreciated at headquarters. Dalton thought that "the West Cumberland Council have been the most successful" and, after the meeting with the Development Organisations, Price recorded that he "was impressed by the general attitude and reasonable statements of the Cumbrians but not so much by the others."⁴³ The survival of the CDC in wartime was largely a result of Grondona's wisdom in ensuring that all major local groups should be represented on the Council.

The WCIDC, which was still aided by the government, continued to work with the Development Council to help new industrialists in the area, sometimes by provision of factories, more often with advice. In 1940 two Czech businessmen started a small firm in Whitehaven making firelighters. This was the genesis of Marchon Chemicals, which became one of the biggest employers in Cumberland in postwar years. Bata, the shoemaking firm, was one of

several companies which came to the area to escape the blitz. As government control over the economy tightened Adams made representations to try to protect the new companies. From 1941, the government encouraged firms producing consumer goods to concentrate production in a nucleus firm, so that factories employed in other branches of the industry could be used for war production or for storage.⁴⁴ The Bata factory was lost under this scheme, although the company returned to Maryport after the war. The Kangol factory did become the centre of beret production for the country, though not without some infighting in the industry. Kangol, however, did have the support of the Treasury, which wanted to protect its investment in the firm.⁴⁵ During the war several of the companies were able to pay off their debts. By June 1944, both Kangol and Cumberland Coal had paid back their loans, and Cumberland Coal had bought up the stock held by the Nuffield Trust.⁴⁶

Adams' position in West Cumberland was strengthened by the war. In May 1942 he was appointed Deputy Regional Commissioner for the North West Civil Defence region, with responsibility for Cumberland, Westmorland and Furness. Later the same year, as a result of the failures of Dawson, the Secretary of the WCIDC, he became general manager of the company.⁴⁷ It may have been this increase in Adams' powers

which caused his quarrel with Frank Anderson. The quarrel seems to have occurred in 1942, and thereafter the two men worked independently.

The early years of the war demonstrated the resilience of the bodies set up to implement the Special Areas legislation in West Cumberland. Though the war promoted full employment in the area, the memories of the 1930's remained and the development organisations continued their efforts to ensure that the economy of the county would remain diversified.

Plans for the Future

From the very start of the war, spokesman for West Cumberland emphasised the need to avoid a repetition of the postwar slump of 1920.

We cannot shut our eyes to the fact that a grave situation will arise when armaments production stops. That must always be in our minds. It will need all our foresight, energy and careful planning to meet or ameliorate such a situation.⁴⁸

At first, the Development Council was, inevitably, concerned with the transition to a war economy, but from 1943 the problems of the return to civilian production became more important. In that year, the wartime boom in Cumberland peaked and by December the government factories at Drigg and Sellafield were threatened with closure.

The fear of a postwar slump was widespread.⁴⁹ In one public opinion poll taken in 1943, 48% of the respondents said that they did not think there would be jobs for all

after the war.⁵⁰ Despite this pessimism, there was a strong feeling that, after the sacrifices made by all in the war, mass unemployment must not recur and a new confidence that government action could provide full employment.

This confidence arose from the experience of government activity during the war. The mobilisation of the economy and massive government expenditure demonstrated the limitations of prewar attitudes. Halifax, Chamberlain's Foreign Secretary, remarked on:

the contrast between the readiness of the nation, and particularly of the Treasury, to spend £9,000,000 a day in order to protect a certain way of life, and the unwillingness of the administrative authorities in peace to put up £10,000,000 to assist in the reconditioning of Durham unless they could see the project earning a reasonable percentage.⁵¹

Previously conservative economists, such as Lionel Robbins, now Director of the Economic Section of the Offices of the War Cabinet, were

impressed by the disappearance of mass unemployment under the impact of rearmament and war expenditure I had become convinced that it was undesirable that individual governments should do nothing.⁵²

Despite the pessimism about the potential postwar situation, there was faith in the efficacy of government action and a belief that the perpetuation of controls could prevent a repetition of the events of 1918-21 and the subsequent mass unemployment.⁵³

The impact of the new thinking on Whitehall can perhaps best be seen at the Board of Trade, which had been one of the most forthright advocates of laissez-faire in the 1930's. From 1942, the President of the Board was Hugh Dalton, MP for Bishop Auckland, in the North East Special Area, who had been the leader of the Labour Party investigation into the Special Areas. He dedicated himself to preventing postwar unemployment in the Areas.⁵⁴ But other forces apart from his persuasion were influencing his staff. The poverty of the areas was brought home to them by the experience of the Consumer Needs Department, which found a chronic undersupply of basic household goods in the areas. It was forced to increase the allowances for the areas, doubling the original assessment for the North East and tripling that for Cumberland.⁵⁵ At the same time, through control of factories and storage and direction of the concentration of industry, the Board's officials developed "a wartime extempore location of industry policy"⁵⁶ which took into account problems of employment as well as national need.⁵⁷ Under Dalton, the Board took an active part in postwar reconstruction plans.

During the war, the government's capacity for developing more active postwar policies also increased. Taxes were raised and for the first time many of the working classes began to pay income tax:

I never thought I'd ever see the day - I had often heard tell of income tax but I hadn't a clue how it worked.... Middle way through the war we started paying, about '41 or '42 it would be.⁵⁸

The new tolerance of higher levels of taxation prepared the way for more active government policies after the war. At the same time, the Civil service expanded, to cope with the increased volume of government regulation. It has been estimated that, outside the Post Office and Revenue departments, the numbers of the Civil service increased four-fold.⁵⁹ This enlarged body of administrators meant that future governments would have the machinery to implement more interventionist policies.

The first indications of the direction of possible postwar planning came with the long-awaited publication of the Barlow report in January, 1940.⁶⁰ The writers of the Report agreed on the need for a national planning agency to formulate a plan for the dispersal of industry from areas and to be responsible for anticipating regional depression and encouraging diversification of industry, though there was some disagreement as to the extent of controls. Little attention was paid to the Report at first because of the pressures of war, but the destruction wrought by the Blitz gave a new impetus to the idea of planning. The Uthwatt Committee was set up to investigate the problems of

reconstruction in blitzed areas. Its report, published in 1942, advocated greater government control of land development.⁶¹ In 1943, a Cabinet Committee on Reconstruction was established. It was headed by the new Minister of Reconstruction, Lord Woolton, formerly Sir Frederick Marquis, Industrial adviser to the Commissioner for Special Areas. Members of the Committee included Hugh Dalton, President of the Board of Trade, and Lord Portal, now Minister of Works. The presence of such personalities ensured that prominence would be given to the problems of regional unemployment, a prominence which was ensured by the appointment of a sub-committee on employment.

The debates in the Reconstruction and Employment Committees were heavily influenced by the prewar experience of the Special Areas. The areas had proved their worth in the war, and both the Ministries of Supply and of Labour argued that it was essential that the basic industries there should be maintained on a sound footing. Bevin added that, if this proved impossible for private industry, "in the last resort the state and local authorities should take a hand in the running of these industries."⁶² The whole tone of the debate at government level had shifted since 1939. A Ministry of Labour memorandum argued that "the approach to structural unemployment lies only partly in securing the mobility of labour, but more fully in securing that a sufficient and diverse

proportion of light and developing industry establishes itself in accordance with employment and population needs."⁶³ Work was to be brought to the workers and the location of industry was to be determined by social needs rather than solely by the economic interests of industry. The only major opponent of this idea on either committee was Beaverbrook, the Minister of Aircraft Production, who still argued that "industry should be allowed to develop where it develops best."⁶⁴

From discussions at Cabinet and interdepartmental level, the White Paper on Employment Policy emerged in May 1944.⁶⁵ It marked the government's acceptance of what had been implicit during the discussions: "the government accept as one of their primary aims and responsibilities the maintenance of a high and stable level of employment after the war." This was the first time that any government in the western world had made such a commitment. Though the paper was sometimes vague in detail, it did demonstrate clearly two major influences. One was a fear of a repetition of the boom and slump of 1919-1920 which had resulted from the sudden slackening of wartime controls. Rationing would be maintained after the war, and the flow of investment would be controlled to ensure that government priorities were met. The paper also displayed the extent to which the experience of war had converted government officials to the ideas of Keynes. The government was pledged to maintain the total level of expenditure, in order to keep

demand at a high enough level to ensure full employment. In cases of regional depression an active policy was also promised:

where a large industrial population is involved, the government are not prepared either to compel its transfer to another area or to leave it to prolonged unemployment and demoralisation.⁶⁶

For the Special Areas this was probably the most important clause in the paper.

This public statement of its commitment to the maintenance of high employment forced the government to take action as some of the dislocations resulting from the slow-down in war production became apparent. During the autumn of 1944 some of the Special Areas powers, which had been allowed to lapse during the war, were revived, in order to alleviate the problems caused by the changeover to civilian production.⁶⁷ The first particular problem to arise was that of the running down of production at High Duty Alloys at Distington in Cumberland. By 1944 the factory was only working at half capacity.⁶⁸ Hugh Dalton argued that emergency action had to be taken, as the government would lose credibility if unemployment in the area was allowed to increase.⁶⁹ As an interim measure, temporary road works were begun in the area, while the Company and the CDC negotiated with the Board of Trade. In March 1945, the government gave the Company an order for aluminium window frames to be used in the housing programme. Though this would be costly, it was felt that "in

the circumstances the government would be justified in taking into account other considerations than cost.⁷⁰

While these ad hoc adjustments were being made, a Cabinet Committee on the Distribution of Industry was thrashing out new legislation based on the White Paper. The main Minister concerned with the Bill was Hugh Dalton. His department, the Board of Trade, had controlled civilian production during the war and seemed - more than the Ministry of Labour - to be the natural executor of any policy to control industrial location. Dalton had a long standing interest in the Special Areas; he had been responsible for changing their name to Development Areas during the war - a change which he hoped would imply a more positive view of their future.⁷¹

T.W.F. Dalton, the sole remaining official of the Commissioner's department, was also consulted by the Board of Trade during the preparation of the bill. The influence of the two Daltons ensured that the desire to prevent a recurrence of the Special Area situation would be a major influence on the legislation.

The new bill, as it was presented to the Cabinet in the fall of 1944, in some ways resembled the Special Areas legislation. The Board of Trade had power to buy and build factories, to make loans to trading estate companies and to clear derelict land. The Treasury was empowered to help new firms in the areas raise capital. Other Ministries, with

Treasury approval, could make grants or loans to improve basic services in the areas. These were all powers which the Commissioner had had. T.W.F. Dalton had advised against continuing the power to give inducements, feeling that they had been "asked for merely because they were available," and that they had not really been of much use once their novelty value had worn off.⁷² The new powers were divided among the Ministries in an attempt to avoid the interdepartmental confusion which had resulted from the Commissioner's overlapping powers. The President of the Board of Trade, however, had most responsibility for development areas - and a more direct responsibility than the Minister of Labour had had in 1930's. This kept the working of the legislation more firmly under parliamentary control, and assured the Areas of a voice in the Cabinet. The Barlow Report also had an influence; the new areas were to be subject to alteration as circumstances changed, while Clause 9 of the bill allowed the Board of Trade, subject to parliamentary approval, to restrict development in congested areas.

The bill altered the old Special Areas slightly. Teeside was finally added to the North East Area, and both the Welsh and Scottish areas were extended. Cities such as Cardiff, Swansea and Dundee were included. More rural areas, such as Alston, Haltwhistle and parts of west Durham were excluded. The exclusions marked an admission that such areas,

whose mineral resources were worked out, could no longer hope to attract industry. They have since developed as agricultural and tourist areas. In Cabinet, the bill faced stiff opposition from Beaverbrook, Lord Privy Seal, who argued that it would "take the white paper too far" and that new industries in the areas would not be viable if they could not "commend themselves to existing financial institutions."⁷³ Despite this opposition, Dalton got the bill through Cabinet with only minor amendments.⁷⁴ The measure was introduced to Parliament on 16 February, 1945. It had reached the Committee stage when the coalition government resigned on 23 May. Fearing a Conservative victory and therefore anxious that the bill should be passed before Parliament was dissolved, Dalton agreed to drop the contentious Clause 9 in order to speed its passage.⁷⁵ The clause was unnecessary in the short term: while war-time restrictions lasted the Board had such power through its control of building licences. As a result of Dalton's "help in keeping his friends quiet"⁷⁶ the bill passed quickly through the remaining stages and received the Royal Assent on 15 June, 1945.

Unlike the Special Areas legislation, there was no limit on the duration of the Distribution of Industry Act. This acceptance of a permanent commitment by the government marked a dramatic change from the attitudes of the 1930's, and it was a change that was widely accepted: there were few

voices to support Sir John Wardlaw-Milne's contention that the bill was "bureaucracy and socialism carried to the last limit."⁷⁷ The change, however, was one of attitude rather than means. The new legislation was not markedly different from the old Special Areas Acts. There was no provision for control over restricted areas, nor was there any central planning body, as the Barlow Report had recommended. The legislation was still permissive. In the event, this was to prove irrelevant. In the immediate postwar years, there was very little unemployment in Britain - though there was still more unemployment in the old Special Areas than elsewhere.⁷⁸ One aspect of the Special Areas policy was not continued. The Commissioner's land settlement policy had failed. Out of 1600 settlers from the Special Areas, only six hundred had qualified as full tenants, and only three hundred of these remained on their holdings at the end of the war.⁷⁹ The other holdings had been taken over by agricultural workers. The supplementary schemes, such as cottage holdings or group holdings were anachronistic in a time of full employment. In 1944 the Commissioner's agricultural schemes were handed over to the Ministry of Agriculture. This marked the end of the long history of the belief that land settlement was a solution to industrial unemployment.

Transition to a Peace Time Economy

By 1944, 30% of the work force in Cumberland was engaged

directly in war work.⁸⁰ In addition the county had to face the eventual prospect of men returning to the labour force from the services. Under these circumstances it was important to have a smooth transition to civilian production. The difficulties were complicated by the realisation that some of the resources on which Cumberland industries were based were becoming exhausted. Already in 1942 the last of the Aspatria collieries had closed - a reminder that the inland coal field was being worked out. Though significant undersea resources remained, they would be expensive to exploit, and Cumberland was already a high cost coalfield. Iron ore was also being depleted; though the local mines were being worked at full capacity, output fell during the war.⁸¹

Jack Adams was the main Cumbrian figure who dealt with the return to civilian production. He worked directly with the Board of Trade. On Hugh Dalton's appointment as President of the Board, Adams had written to congratulate him and to remind him of his past interest in the Special Areas.⁸² Thereafter, at Dalton's suggestion, Adams corresponded regularly with J.P. Wilmot, Dalton's Parliamentary Private Secretary and kept him in touch with events - and complaints - in Cumberland. For the first time the Cumbrians had access to a member of the government. Both the CDC and Adams felt that this link was an important factor in some of their successes in Cumberland.⁸³

The prospects for employment looked bleak in 1944.

Work at High Duty Alloys and at the Royal Ordnance Factories was running down. Eisenhower's call for more shells in the wake of the D-Day landings provided temporary relief.⁸⁴ Adams pressed the Board of Trade for more licences for civilian production and by November several of the clothing firms had been granted permission to produce utility clothing rather than uniforms. Though licences for factory building were limited - housing was to have priority - the WCIDC was allowed to erect a new factory at Hensingham, and to add extensions to Crowther's factory in Workington and the Millom Tannery. New companies continued to come to the area. General Electric took over a factory on the Solway Estate in May 1944, and Brannans, a surgical instrument manufacturer, took over the premises of the bankrupt Cumberland Mowers in Cleator Moor. During 1944 the WCIDC were also negotiating to have first refusal on government factories in the area, so that they could be made available to new industries. One old problem reappeared when the new Ministry of Town and County Planning tried to classify Silloth, Drigg and Sellafield as rural areas, which would have hindered industrial development on the government sites there. The Development Council fought against this "sterilisation in the interests of rural amenities" - particularly as Drigg and Sellafield were close to potential industrial blackspots - and won their re-designation as industrial areas.⁸⁵

The WCIDC were helped in their attempts to maintain the level of employment by the activities of United Steel. The company had been modernising some of its plant in West Cumberland since the mid-1930's. In 1942 the Workington Branch produced a policy statement as a basis for future development. Recognising the branch's position as "a collection of enterprises which are the principal sources of employment for the Workington community," the statement declared that one of the company's aims was to ensure maximum regularity of employment in the area. The motive was not completely altruistic:

Action and prosperity will put new life into the community, create spending power, and attract settlers, which in turn will bring trade to us and work to our employees.⁸⁶

The programme included modernising the company's local mines, which extended along the coast from Harrington to Maryport. The company used the Ministry of Supply factory at Chapel Bank, Distington, to produce mine cars for export to the USA. This scheme was hastened by the Board of Trade and Ministry of Labour because of the employment situation in the area.⁸⁷ In addition plans for modernisation of the Moss Bay works were implemented. United Steel's programme was especially important because it provided employment for men.

As the adjustments to civilian production were made, the old rivalries among the Special Areas revived. Adams complained bitterly when he suspected that the other areas were getting more licences for factory building than West

Cumberland.⁸⁸ When the Board of Trade began to establish a regional organisation in 1944, Cumberland was to be included in the North West region, centred in Manchester. Adams was indignant: "Manchester has no conception of West Cumberland and we are not prepared to be part of the North Western machinery."⁸⁹ Possibly in response to this complaint, Cumberland, Westmorland and Furness were created a separate sub-region of the North West area, and Adams himself was appointed Deputy Regional Controller.

The government's employment policy was greeted with caution in Cumberland. Adams felt that the White Paper was designed "too much on Special Areas lines" and argued for more positive national planning.⁹⁰ Opinion in the area was distressed by the dropping of Clause 9 from the Distribution of Industry Bill:

the day may come when war and the need for dispersing industry are forgotten, when persuasion and its accompanying inducements fail. What then? Cumberland has no other weapon. Personally we would feel we were on surer ground if that measure of compulsion has been retained in the new Act.⁹¹

In the event, fears for the immediate future of West Cumberland were unfounded. United Steel continued to be a major employer, Marchon, the chemical company, expanded rapidly while the government factory at Sellafield became the site of the first nuclear power plant in the country, providing work within commuting distance of the declining iron ore area around Cleator.

During the war, there had been a dramatic shift in ideas about the legitimate sphere of government. The experience of the war years discredited the National Government's approach to economic and social problems, because it was seen that purposeful government action in the economic and social spheres could have beneficial effects for the mass of the population. In Cumberland, the prosperity of the war years did not cause memories of the 1920's and 1930's to fade; local leaders, especially Adams, made use of their links with the central government to press their claims for postwar consideration. This was the local reflection of the national demand for more positive government. The change in attitude was reflected in legislation which made the powers of the Commissioner for the Special Areas redundant.

NOTES

1. PRO, LAB 8/219, Emergency arrangements in war-time: proposals, 11 Oct. 1938.
2. Ibid., Todd to Tribe, 2 May, 1939.
3. Ibid., Hardman to Mitchell, 3 Aug. 1939.
4. PRO, LAB 23/181, Tribe to Todd, 30 Oct. 1939.
5. PRO, LAB 23/182, Dalton, notes on Tribe's letter, November 1939.
6. Paul Addison, The road to 1945 (London, 1975) 60.
7. PRO, LAB 8/19, Phillips to Price, 6 Dec. 1939.
8. PD, (Commons), 12 Dec. 1939, 5th ser., 355, col.1074-5.
9. The Treasury wanted to provide "a defence against claims that the Act should be extensively used if it was still in being." PRO, LAB 8/271 Phillips to Price, 13 Dec. 1939.
10. PD, (Commons), 12 Dec. 1939, 5th ser., 355, col.1075.
11. PRO, LAB 23/182, Dalton to Todd, 29 July 1940.
12. Ibid., Haile to Phillips, 6 Aug. 1940.
13. Times, 8 Oct. 1939.
14. Addison, Road to 1945, 114.
15. R.M. Titmuss, Problems of Social Policy, History of the second World War: United Kingdom Civil series (London, 1950), 508; Addison, Road to 1945, 117-122.
16. S.M. Ferguson and H. Fitzgerald, Studies in the social services, History of the Second World War, United Kingdom Civil series (London, 1954), 156.
17. Titmuss, Social Policy, 518-9.
18. Sir William Beveridge, Social Insurance and allied services, Cmd. 6404, 1942.

19. Whitehaven News, 9 Nov. 1939.
20. P.H.J.H. Gosden, Education in the Second World War (London, 1976), 210-11; P.F. Beard "Voluntary youth organisations", in Bourdillon, Voluntary social services, 141.
21. PRO, LAB 8/271, Dalton to Shoeten-Sack, 12 Jan. 1940.
22. Ibid., Shoeten-Sack to Dalton, 18 Jan. 1940.
23. PRO, LAB 23/18, Unsigned memo, probably by Holman, 25 Jan. 1940. The writer expressed his surprise at Shoeten-Sack's letter and felt "that at least some attempt might have been made to rebut Dalton's letter."
24. Ibid., Dalton to Price, 24 Jan. 1940.
25. Ibid., Dalton to Todd, 17 May, 1940, reporting on a meeting with the Grants Committee.
26. Ibid., Dalton to Parnis, 17 Dec. 1940.
27. Owen, English philanthropy, 575.
28. Cumberland Friends' Unemployment Committee, Report on education in the clubs, 2 Dec. 1940.
29. Cumberland Friends' Unemployment Committee, Minutes, 4 May, 1942.
30. Ibid., 15 Mar. 1943; 11 June, 1943; Cumberland Friends' Unemployment Committee, Chairman's final report, 5 Mar. 1957.
31. Workington Star, 24 May, 1935.
32. Cumberland Friends' Unemployment Committee, Annual Report, March 1940, 3.
33. G.H.J. Daysh, "Cumberland" in Daysh ed., Studies in regional planning (London, 1949), 120.
34. CRO, DSO 42/2/200, Adams to Daysh, 29 Jan. 1941.
35. Figures taken from Daysh, "Cumberland", 118 and Cumberland Development Council, Annual report, 1945, 6.

36. Daysh, "Cumberland", 123.
37. West Cumberland Times, 11 Oct. 1939.
38. PRO, LAB 23/182, Tribe to Todd, 30 Oct. 1939.
39. PRO, T 187/57, Memorandum by Parnis, 3 Oct. 1939; T 187/4, Minutes of SALAC, 8 Feb. 1940. The Board of Trade and the supply departments said that the army needed such buttons for uniforms and that without the Hornflowa supplies, £ 125,000 would have to be spent on the purchase of ivory buttons from the USA and Scandinavia, so the buttons would be valuable earners of foreign exchange.
40. CRO, DSO 42/2/190, Memorandum for the deputation, 24 Apr. 1940.
41. CRO, DSO 42/1/1, Report of meetings of the Special Areas Development Organisations with the Board of Trade, 24 Apr. 1940.
42. CRO, DSO 42/1/8, Executive Committee minutes, 27 Apr. 1940.
43. PRO, LAB 8/302, Dalton to Price, 24 Apr. 1940; Price to Dalton, 27 Apr. 1940.
44. See G.C. Allen, "The concentration of production policy" in D.N. Chester, ed., Lessons of the British war economy (Cambridge, 1941), 167-181.
45. PRO, T 187/73 contains the correspondence referring to this case.
46. PRO, T 187/7, notes for Nuffield Trust meetings, 25 Mar. 1942, 8 June. 1944.
47. PRO, BT 104/44, Dalton to Somervell, 31 Aug. 1942.
48. Hibbert at the AGM of the Development Council, West Cumberland Times, 6 Dec. 1939.
49. Even in East Anglia, relatively untouched during the 1930's, there were reports that workers "are making a great deal of money but are putting it away for "the slump after the war'," M.P. Fogarty, Prospects of the Industrial areas of Great Britain (London, 1945), 77.

50. H. Cantril Public Opinion 1938-46 (Princeton, 1951), 892.
51. Halifax to Duff Cooper 30 July, 1940. Quoted in Addison, Road to 1945, 122.
52. Lionel Robbins, Autobiography of an economist (London, 1971), 188-9.
53. In public opinion polls taken in 1944, 68% of the respondents were in favour of the government rather than private business handling the change over to peace time production. By June 1945, 48% of respondents still supported government control, with only 30% being in favour of leaving everything to private enterprise. Cantril, Public Opinion, 343.
54. Dalton, The fateful years, 434.
55. Dame Alix Meynell, "Location of Industry," Public Administration 37 (1957) 10; E.L. Hargreaves and M.L. Gowling, Civil Industry and Trade, History of the Second World War: United Kingdom Civil Series, (London, 1951), 301-2.
56. Meynell "Location of Industry," 13.
57. For example, the Board gave orders for service clothing to Edgards in Whitehaven "because of the labour situation in Whitehaven." CRO DSO 42/2/190
A.W. Greenhalgh (Board of Trade) to Adams, 26 March, 1942.
58. Interview with Billy Hiddlestone.
59. Sir Richard Hopkins, "Introductory Note," Chester, ed., War Economy, 1-2.
60. PP, Report of the Royal Commission on the Distribution of the Industrial Population, Cmd. 6153, 1940.
61. PP, Compensation and betterment, 1942, Cmd. 6336.
62. PRO, PREM 4/96/5, Report of meeting of Reconstruction Committee 28 Jan. 1944; CAB 87/63, Ministry of Supply memorandum, Nov. 1943.
63. PRO, CAB 87/63 Ministry of Labour memorandum, 15 Oct. 1943.

64. Ibid., Meeting of the Committee on Postwar Employment, Nov. 1943.
65. Employment Policy, Cmd. 6527, May 1944.
66. Ibid., 3, 9, 16-18, 13.
67. The Commissioner's powers to build factories was revived, though the Ministry of Supply still had a veto power. Loans from the Treasury Fund were made available to firms moving to the Special Areas. PRO T 187/7. Minutes of meeting at Board of Trade, 30 Nov. 1944; Padmore, notes for a meeting of SALAC, 20 Dec. 1944.
68. PRO, CAB 87/94, Ministry of Supply Memorandum, 17 Oct. 1944.
69. Ibid., Minutes of Distribution of Industry Committee, 12 Oct. 1944.
70. Ibid., 14 Mar. 1943.
71. Dalton, The Fateful Years, 438.
72. PRO, LAB 23/174, Notes on measures undertaken by the Special Areas Commissioner to promote industrial development, Oct. 1944.
73. PRO, PREM 4/96/7, Memorandum by Beaverbrook, 15 Nov. 1944.
74. For an account of the Bill's passage through the Cabinet see Dalton, The Fateful years, 447-50.
75. Ibid., 453-4.
76. PRO, PREM 4/96/7, Conservative Chief Whip to Churchill, May 1945.
77. PD, (Commons), 21 Mar. 1945, 5th ser., 408, col.887.
78. See Appendix 10.
79. PRO, LAB 23/182, Dalton to Hitchman (Ministry of Labour), 4 Aug. 1944.
80. CRO, DSO 42/2/190, Adams to Hugh Dalton, 6 Apr. 1944.
81. See Appendix 6.

82. CRO, DSO 42/2/190, Adams to Hugh Dalton, 17 Mar. 1942.
83. The Joint Committee of the CDC and WCIDC recorded in their minutes their thanks to Dalton "for what he had done for West Cumberland." CRO, DSO 42/1/1, Minutes, 9 Nov. 1942. In 1943 Adams wrote "this county suffered prewar ... from lack of influence in London. We only had our MP's and our Company. But now we know the Board of Trade will give some help." CRO DSO 42/2/190. Adams to Wilmot, 26 Apr. 1943.
84. Cumberland Development Council, Annual Report, 1945, 3.
85. CRO, DSO 42/1/1, Minutes of Joint Committee of CDC and WCIDC, 8 May, 1944.
86. Quoted in Andrews and Brunner, Capital development in steel, 274.
87. PRO, CAB 87/94- Minutes of Distribution of Industry Committee, 5 Mar. 1945.
88. CRO, DSO 42/2/190 Adams to Wilmot, 4 Apr. 1944.
89. Ibid., Adams to Wilmot, 12 Dec. 1944.
90. Ibid., Adams to Wilmot, 12 Sept. 1944.
91. Whitehaven News, 16 June, 1945; West Cumberland Times, 16 June, 1945 makes similar criticisms. Col. Hibbert, Chairman of the Development Council, had already stated that the bill as it stood in March 1945 "embodied the minimum of legislation necessary to put the development areas on their feet again." Whitehaven News, 29 Mar. 1945.

CONCLUSION

To some extent, the Special Areas legislation realised the worst fears of its originators. Its longevity explains why civil servants are so fearful of establishing precedents. The temporary experiment lasted for eleven years, initiating a commitment to regional policy which was unchallenged until the late 1970's. The legislation took the shape it did and lasted so long because of a complex balance of economic and political forces which changed over the years. Both national and local forces changed the initial reluctant government undertaking to the Areas into a long term involvement in the stimulation of regional economies.

The original Special Areas Act was limited, mainly because of the government's economic beliefs. In the aftermath of 1931, priority was given not to the relief of unemployment but to the stimulation of business confidence; this involved balancing the budget, keeping government expenditure down and allowing the market to operate relatively freely. Such a policy militated against giving any extra aid to the depressed areas, for fear this would disrupt the normal operation of the economy elsewhere. Throughout the thirties, members of the government clung to the belief that a forward policy in the Areas would be

economically unsound, and the Cabinet strove to keep its commitment to the Areas to a minimum.

In many ways, Chamberlain was the most important member of the National Government. His ascendancy was particularly evident in the development of the Special Areas policy. Though he was ideologically opposed to government intervention in the economy through public works or giving aid to individual firms, he was prepared to make compromises on political grounds. It was always he who judged the moments when public pressure for action was such that the government would have to give way. But he never had much faith that the legislation would work, and by the autumn of 1938 he was determined to extricate the government from its commitment to the Areas.

For the legislation proved a constant embarrassment to the National Government on several counts. It was not in line with the government's economic philosophy. The Commissioners' activities attracted attention to contentious issues which the government preferred to avoid, such as nutrition and the efficacy of works programmes. It also provided an unwelcome drain on resources at a time when rearmament was absorbing an increasing share of the national revenue. Most of all, the legislation did not work. It made no significant difference to the economic situation of the Areas, nor did it satisfy public

demand for action. To take stronger action in the Areas was too much for the government to consider, and so attempts were made to limit discussion of the whole problem. The Commissioners were not subject to Parliamentary scrutiny. The extent of the Areas, or the possibility of altering their boundaries was an issue which the Ministers refused to discuss. The tightly drawn financial resolution for the 1937 Act prevented any back bench input into the legislation. In such ways the government tried to protect, as far as possible, its principle of non-intervention.

The government did have support in its resistance to an active policy. Leaders of industry, who were important supporters of the Conservative Party, agreed with the official philosophy of non-intervention. They argued that industrialists were the best judges of the needs of industry and resented any government direction. Industry's hostility to any government interference was demonstrated by the outcry which greeted Chamberlain's attempt to introduce the National Defence Contribution in the budget of 1937. Given such attitudes among leaders of industry - attitudes which were supported by the Board of Trade - it was almost inevitable that any legislation introduced by the government would be permissive: industry could be encouraged but could not be forced to relocate.

This passive attitude to the problem of the Special Areas had the tacit support of many people in Britain. Any government attempt to tackle the question by means of large scale expenditure on works programmes, industrial re-organisation and social services would have required an increase in government machinery, in government control of economic life and in taxation. There is no evidence that the majority of the people who lived outside the Areas would have accepted such restrictions. They were more prepared to help the Areas by giving donations to philanthropic organisations than by paying increased taxes. On humanitarian grounds there was a demand for action in the Areas, but in practice there was insufficient support for the social, political and economic changes which radical action would have entailed.

Those who did oppose the Government's approach to the problem consequently did not have sufficient political support. Though such leaders of progressive opinion as the Next Five Years Group received a sympathetic hearing in the press, they had little public following. By 1937, the Labour Party was recovering from the debacle of 1931, but it still did not offer a major challenge to the National Government. Labour's immediate proposals for the Areas, as embodied in its report of 1937, differed little from the revised Special Areas Act of the same year. Its longer term proposals, expressed in vague talk of nationalisation and socialism, meant that it

was unlikely, given the mood of the times, to be able to mount an effective challenge to the government. Because both the Labour Party and the "middle opinion" groups were committed to using parliamentary methods, they could not hope to succeed without electoral support, which was not forthcoming.

The unemployed themselves put little pressure on the government. Though the Times' articles of 1934 warned that the unemployed were likely to become alienated and hostile, there was never any threat of revolt to spur government action. In West Cumberland, the unemployed were isolated from the prosperous parts of the country. Their reference groups were the people around them, who were also unemployed or feared unemployment. This atmosphere, combined with the long experience of depression in the Area, encouraged them to accept their fate. They were not alienated: they were supported by their social institutions and often played a part in local government. Politically, the long experience of depression ensured Labour's eventual dominance in the area. But the Labour Party, both nationally and locally, did not countenance extremism, and in this area even the ILP was regarded as extreme. Under these circumstances, the NUWM received little local support. Because there was no threat of major political crises in Cumberland or the other depressed areas, the government was not compelled to take a more active

line.

Though the government was given no mandate to take strong action, there was a public demand that something be done and that the Areas not be left completely to their fate. The original legislation was introduced in response to widespread demands from the press and in Parliament. The motives were partly humanitarian, partly the result of a fear that the unemployed might turn to extremism if nothing was done. Some MP's also feared for their seats in the event of a general election. Others, such as Macmillan, abhorred the waste and inefficiency that unemployment represented. The Cabinet had to act because the parliamentary pressure came not only from the Labour Party but also from the government's own backbenches. In the spring of 1934, the government was experiencing a period of unpopularity, making the threat of internal revolt dangerous. Thus, against his own better judgement, Chamberlain was pushed into introducing the first Special Areas Act.

Given the strength of the government's economic beliefs, it is not surprising that the first Act was very limited. But because the government was trying to satisfy a public outcry, it made initial claims for the legislation which raised expectations as to what would be achieved. The government's announcement that the legislation would set the Areas on the road to recovery was repeated in its 1935 election

manifesto; when no signs of recovery were apparent, further action became unavoidable. The government had become the prisoner of its own rhetoric.

The discrepancy between the original claims for the legislation and its limited achievement was pointed out by the press generally and by supporters as well as opponents of the government. The Times, in contrast to its supine attitude over foreign affairs, was a major critic of the government, repeatedly advocating the treatment of the Areas within the context of national economic planning. Again, it was pressure from the government backbenches which forced the introduction of the amending Act of 1937. At the end of 1938, the government wanted to abandon the legislation to reduce costs, but again political pressures caused its continuance. Rising unemployment figures made it impossible for the government to abandon the one active policy directed at easing the situation. At the same time, considerations of foreign policy provided arguments in favour of a more interventionist approach. The Munich crisis exposed the vulnerability of the South East, while the bleak situation in Europe encouraged the Eden clique to demand social reform at home in preparation for war abroad.

Apart from these outside pressures, the legislation created its own vested interests which pressed for continuance and extension. To distance the government from the

administration of the Acts, the Cabinet had appointed independent Commissioners. These men and their deputies were public men who subscribed to the traditional virtues of the English ruling class, including a strong sense of duty. They were unwilling to compromise their positions or to risk tarnishing their reputations. Both Stewart and Gillett pointed out the inadequacy of government policy in their reports. In addition, Gillett refused to give in to ministerial pressure when he was asked to reduce his activities without the support of a public announcement that this was official policy. At local level, the District Commissioners bore the brunt of local disappointment with the legislation. Grondona, in particular, felt frustrated by the Act, railed against its inadequacies and urged a more positive policy. By refusing to be hacks, the Commissioners, both in London and the Areas, prevented the government from neglecting its declared responsibilities to the Special Areas.

The legislation also created interest groups in the Areas. The voluntary societies which had received grants under the Acts pressed for continuance, as did the development organisations and the local authorities. Cumberland seems to have made few attempts to influence domestic policy before 1934. After the creation of the Development Council the area had its own pressure group which could be vociferous if not always effective. In conjunction with the development bodies of the North East and South Wales, it urged the

continuance of aid to the areas. Once grants had been given to the voluntary bodies and the development organisations the government was unable to escape these obligations without risking a public outcry.

Pressure for the extension of the legislation also came from within the government machine. The Commissioners' staff and officials of the Ministries of Health and Labour were often ready to urge a generous interpretation of the Acts. They supported such schemes as the building of trading estates and of the west coast road against older more traditional departments such as the Treasury and the Board of Trade.

The shape and duration of the legislation was thus determined by a balance between economic fears and political and administrative pressures. Over the years the balance altered and the government was forced to give way. The shift was reflected in the changing shape of the legislation. The 1934 Act emphasised social improvement and land settlement, but offered little encouragement to industrial development. The experience of West Cumberland vividly demonstrated the limitations of the Act, which served to advertise the region's economic woes without providing the means to remedy them. The 1937 Act was much more positive, in that it did offer a novel range of inducements to industrialists who were prepared to move to the Areas, but

it, too, proved inadequate in practice.

Though new industries were attracted to the Areas from 1937, the number of jobs provided was pitifully small in comparison with the magnitude of the problem. It was unfortunate that the passage of the Act coincided with a recession which affected the newer industries more than the old and hindered their capacity for expansion. But even in 1937, the boom year of the decade, average unemployment did not drop below 10%. There was still surplus labour in other more favourably situated parts of the country. Under such circumstances, permissive legislation could not hope to succeed. There were two alternatives open to the government, but neither was ideologically acceptable or perhaps politically practical at the time. The government could have introduced compulsory controls over the location of industry, but this would have caused a major uproar. Alternatively, the government could have introduced public works programmes in an attempt to raise the general level of activity in the economy, in which case the inducements offered in the Special Areas might have been more attractive. In the absence of a more effective policy, most of the improvement in employment which occurred in the Special Areas resulted from the revival of older industries as war approached, and thus was independent of the legislation.

In formulating the 1937 Act, the government had accepted the view that the Areas needed a more balanced industrial structure which could best be achieved by the establishment of newer, lighter industries. This analysis was not always accepted, at least in West Cumberland. The new industries, offering work for women and juveniles, challenged old patterns of male superiority. The work, demanding qualities other than brawn or technical skill from the majority of employees, often seemed demeaning to men. In Cumberland, a refusal to admit that the county's reserves of coal and iron were nearing exhaustion hindered acceptance of the new firms. The demand in the Area was for aid to finishing trades relating to the basic industries and for help to the basic industries themselves, but little government money was forthcoming for this. But the major conflict between government policy and the demands of the areas was over the question of transference. Resistance to transference was expressed at all levels of local society; it came from local government, development organisations and from its intended subjects, unemployed men who refused to move. Opposition to transference compelled a more active policy in the areas.

A major cause of the economic difficulties of South Wales and West Cumberland was isolation. Poor communications made it difficult for any new industries there to tap a wider market. It was perhaps in this respect that the

National Government failed most in its treatment of the Special Areas. Comprehensive improvements to the West Coast road would have helped West Cumberland enormously, both by providing immediate employment and in improving its economic attractiveness. Larger government grants could have overcome the difficulties of local authority obstruction. Here the government's ideological hostility to public works prevented action.

The experience of the legislation demonstrated some of the difficulties inherent in a mixed economy where the government accepts some responsibility for economic development but works in cooperation with private industry. Companies tried to play off the Areas against one another and used their position as potential employers to extort maximum aid from the Special Areas funds. Most of the aid, apart from rent, rates and tax inducements, came as loans and on the whole the firms did not get free gifts; in the end, both SARA and the Nuffield Trust made a profit. However, in many ways, the Special Areas legislation was the first step on the road to more direct subsidies of private industry.

In terms of social policy, the Special Areas legislation anticipated changes at national level. The economic decay of the areas meant that the old means of social relief were no longer adequate. Neither philanthropy nor the local authorities in the Areas could afford to fulfill their

traditional or statutory duties. Government aid was necessary and was forthcoming but it only anticipated a greater national need which became apparent just before and during the war. The Special Areas grants also enabled the social service movement to extend the newer forms of philanthropy, such as education for leisure. In this way, government aid helped the voluntary movement to find a new role to replace its traditional role of relief.

The war years changed the balance between the economic and political forces which had shaped the legislation in the 1930's. The experience of 1939-45 demonstrated that massive government expenditure could solve the problems of unemployment. Fear of state action was diminished when experience of such programmes as rationing showed that government intervention could benefit the population as a whole. The expansion of the taxpaying classes and the increases in income tax altered views of what was a tolerable level of taxation. In addition, the sharing of dangers and privations made the prospect of postwar unemployment intolerable. For the first time, maintenance of full employment became a priority of government economic policy.

In the 1950's and 1960's, under changed economic circumstances and more refined development acts, Cumberland did enjoy a period of prosperity. Communications are still

bad, however, and unemployment has always been higher than the national average. In the 1980's, the old problems have revived. Many of the industries which moved into the area in the 1930's or later are in difficulties or have collapsed. The closure of British Steel's Workington plant in May, 1981, has ended the area's connection with the iron and steel industry. So far, none of the western nations have found a solution to the social, political and economic problems posed by regional industrial decline. In this respect, the Special Areas legislation was the first of a long line of failures.

APPENDIX 1

PERCENTAGES OF WORKERS UNEMPLOYED BY INDUSTRY 1924-1939

	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
Coalmining	5.8	11.5	9.5	19.0	23.6	19.0	20.6	28.4	34.5	33.5	29.7	27.2	22.8	16.1	16.7	12.5
Pig Iron	14.1	21.5	43.3	16.4	18.7	14.4	20.3	37.7	43.8	41.5	27.7	22.3	16.0	10.7	12.9	17.6
Steelmaking	22.0	25.0	40.4	19.4	22.4	20.1	28.2	45.5	47.9	41.5	27.3	23.5	17.4	11.4	9.5	15.1
General Engineering	16.9	13.3	15.1	11.8	9.8	9.9	14.2	27.0	29.1	27.4	18.4	13.6	9.6	5.8	7.0	6.6
Electrical Engineering	5.5	5.6	7.5	5.9	4.8	4.6	6.6	14.1	16.8	16.5	9.6	7.0	4.8	3.1	4.7	4.4
Manufacture of Motors, Cycles and Aircraft	8.9	7.1	8.2	8.1	8.1	7.1	12.1	19.3	22.4	17.6	10.8	9.0	6.9	5.0	7.2	4.4
Total insured Workers	10.9	11.2	12.7	10.6	11.2	11.0	14.6	21.5	22.5	21.3	17.7	16.4	14.3	11.3	13.3	11.1

Source: Mitchell and Deane, Abstract of British Historical Statistics, 67.

APPENDIX 2

REGIONAL UNEMPLOYMENT IN GREAT BRITAIN 1927-1938

Region	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
London.....	5.8	5.6	5.6	8.1	12.2	13.5	11.8	9.2	8.5	7.0	6.3	8.0
South East.....	5.0	5.4	5.6	8.0	12.0	14.3	11.5	8.7	8.1	7.2	6.7	8.0
South West.....	7.3	8.1	8.1	10.4	14.5	17.1	15.7	13.1	11.6	9.4	7.8	8.1
Midlands.....	8.4	9.9	9.3	14.7	20.3	20.1	17.4	12.9	11.2	9.2	7.2	10.2
North East.....	13.7	15.1	13.7	20.2	27.4	28.5	26.0	22.1	20.7	13.5	11.0	13.5
North West.....	10.6	12.4	13.3	23.8	28.2	25.8	23.5	20.8	19.7	17.0	14.0	17.8
North*										22.9	17.9	18.3
Scotland.....	10.6	12.4	13.3	18.5	26.6	27.7	26.1	23.1	21.3	18.7	15.9	16.3
Wales.....	19.5	22.0	19.3	25.9	32.4	36.7	34.6	32.3	31.2	29.4	22.3	24.7
Great Britain...	9.6	10.7	10.4	16.0	21.4	22.0	19.8	16.6	15.3	12.9	10.6	12.6

* The Ministry of Labour regions were reorganised in 1936. The new northern region consisted of Northumberland, Durham, from the old North East division, and Cumberland and Westmorland, which had previously been included in the North West.

Sources: Annual Reports of the Ministry of Labour, 1929, Cmd. 3579
 1933, Cmd. 4543
 1935, Cmd. 5145
 1938, Cmd. 6016

APPENDIX 3

UNEMPLOYMENT IN WEST CUMBERLAND 1923-1929

	West Cumberland*	North West England ⁹	Great Britain
1923	13.3		11.6
1924	15.9		10.2
1925	21.9		11.0
1926†			
1927	17.0	10.6	9.6
1928	21.1	12.4	10.7
1929	21.2	13.3	10.4

* The area covered by the three employment exchange offices of Workington, Whitehaven and Cleator Moor.

⁹ No regional figures issued for the early part of the decade.

† Figures misleading because of the coal strike.

Source: Ministry of Labour Annual Report, 1929, Cmd. 3579.

Jewkes and Winterbottom, Cumberland and Furness, 72.

APPENDIX 4

PERCENTAGE UNEMPLOYMENT IN THE
SPECIAL AREAS 1934-1938

	West Cumberland	North East	South Wales	Special Areas	England & Wales	Great Britain
December 1934.....	37.9	32.9	37.1	35.0	15.7	16.6
March 1935.....	36.2	34.6	38.1	36.1	16.3	17.2
June 1935.....	32.7	36.8	37.3	34.2	15.1	15.8
September 1935.....	33.3	37.9	38.1	35.1	14.7	15.5
December 1935.....	40.7	30.8	34.5	32.7	13.9	14.8
March 1936.....	38.8	28.9	39.5	33.8	14.3	14.9
June 1936.....	33.8	26.0	37.6	31.2	12.8	13.5
September 1936.....	35.2	29.7	34.2	29.1	12.1	12.9
December 1936.....	38.6	24.6	31.3	27.9	11.8	12.5
March 1937.....	36.2	24.6	28.7	26.7	11.6	12.3
June 1937.....	28.6	20.0	25.1	22.5	9.9	10.4
September 1937.....	26.9	19.7	24.4	21.9	10.1	10.4
December 1937.....	30.5	21.8	24.4	23.1	11.8	12.6
March 1938.....	28.0	19.9	26.2	22.9	12.6	13.2
June 1938.....	25.9	20.3	29.0	24.1	13.2	13.6
September 1938.....	28.8	21.4	27.9	24.3	13.1	13.6

APPENDIX 5

OUTPUT OF COAL IN WEST CUMBERLAND 1918-1945

Date	Output (tons)	Date	Output (tons)
1918	1,904,324	1932	1,713,521
1919	1,842,153	1933	1,628,683
1920	1,847,699	1934	1,798,834
1921	Strike	1935	1,787,674
1922	2,191,746	1936	1,739,731
1923	2,115,687	1937	1,400,000*
1924	2,190,480	1938	1,568,200
1925	1,986,092	1939	1,592,300
1926	Strike	1940	1,542,600
1927	2,417,149	1941	1,209,600
1928	2,139,400	1942	1,106,600
1929	2,021,805	1943	1,074,000
1930	2,017,969	1944	1,094,500
1931	1,793,224	1945	999,900

*From 1938 statistics refer to saleable coal produced.

Source: Lancaster and Wattleworth, Iron and Steel Industry of West Cumberland, 158.

APPENDIX 6

OUTPUT OF IRON ORE IN WEST CUMBERLAND
1918-1945

Date	Output (tons)	Date	Output (tons)
1918	1,230,596	1932	492,157
1919	982,143	1933	529,829
1920	1,257,388	1934	711,243
1921	243,065	1935	708,155
1922	625,935	1936	749,820
1923	982,661	1937	736,700
1924	901,283	1938	678,700
1925	809,761	1939	655,325
1926	422,191	1940	706,877
1927	1,070,000	1941	642,782
1928	1,009,945	1942	584,851
1929	1,245,447	1943	577,600
1930	1,036,111	1944	519,700
1931	613,322	1945	405,800

Source: Lancaster and Wattleworth, Iron and Steel Industry of West Cumberland, 161.

APPENDIX 7

STEEL OUTPUT AT WORKINGTON 1930-1940
(Year ending 30 June)

<u>Date</u>	<u>Output</u> (Ingot tons)
1930	148,000
1931	116,000
1932	87,000
1933	157,000
1934	218,000
1935	196,000
1936	221,000
1937	223,000
1938	229,000
1939	178,000
1940	237,000

Source: Andrews and Brunner,
Capital development in steel, 204

APPENDIX 8

COMPANIES ESTABLISHED IN CUMBERLAND WITH THE AID
OF THE SPECIAL AREAS ORGANISATIONS

	Nationality	Product	Aid from SARA	Aid from Nuffield	Aid from Treasury	Factory Provided	Inducements
<u>Cleator Moor</u>							
Kangol	British	Berets		X		X	X
Egerton	British	Trimings & Ribbons					
Silbertson	British	Uniforms	X			X	X
Cumberland Mowers	British	Mowers				X	X
Cumberland Paper	German	Stationery	X			X	X
<u>Maryport</u>							
Cumberland							
Childwear	Czech	Clothing				X	X
Cumbrel	German	Umbrellas	X			X	X
Pierce	British	Surgical Instruments				X	X
Lakeland Foods	Czech	Food processing	X			X	X
Hornflowa	Czech	Buttons				X	X
Cumberland					X		
Knitwear	German	Clothing				X	
<u>Whitehaven</u>							
West Cumberland							
Silk	Hungarian	Silk	X			X	X
<u>Cockermouth</u>							
Bradford							
Fertilizer	British	Fertilizer	X				
<u>Workington</u>							
Crowthers	British	Wool				X	X
Stern	Czech	Wood Pulp	X			X	X
<u>Millom</u>							
West Coast							
Chrome Tanning	Hungarian	Leather	X			X	X

Source: Compiled from records of the Cumberland Development Company.

APPENDIX 9

ESTABLISHED INDUSTRIES IN WEST CUMBERLAND
AIDED AS A RESULT OF THE
SPECIAL AREAS LEGISLATION

Location	Company	Aid from Nuffield Trust	Aid from SARA
Whitehaven...	Cumberland Coal Company	X	X
...	John Pattinson & Son (Flourmill)	X	
...	Pattinson Grain Storage Company		X
...	Smith Brothers (Papermill)	X	
Workington...	Drummond & Company (Engineering)	X	
Aspatria.....	Westmoor Colliery Company	X	
Frizington...	Eskett Limestone Company	X	X
St. Bees.....	Tom McKay & Sons (Concrete)		X

Source: Compiled from records of Cumberland Development
Council.

APPENDIX 10

UNEMPLOYMENT IN GREAT BRITAIN 1946-8

	1946	1947	1948
London.....	1	1	1.1
Eastern.....	1.5	1.5	1.1
Southern.....	1	1.5	1.5
South Western.....	1.5	1.5	1.5
Midlands.....	1	0.5	0.5
North Midlands.....	1	1	0.6
East and West Riding.....	1.5	1	0.9
North Western.....	3	2	1.2
Northern.....	5	3	2.7
Scotland.....	5	3	3.0
Wales.....	7.5	5.5	4.2
Great Britain	2.5	2.0	1.6

Source: Annual Reports of the Minister of Labour

- 1946 Cmd. 7225
- 1947 Cmd. 7559
- 1948 Cmd. 7822

ABBREVIATIONS

Archive

BT: Board of Trade
CRO: Cumbria Record Office
CAB: Cabinet minutes and memoranda
DSO: Cumberland Development Council Archive
HLG: Ministry of Housing and Local Government Files
LAB: Ministry of Labour Files
MH: Ministry of Health Files
MT: Ministry of Transport Files
NCSS: National Council of Social Service Archive
PREM: Prime Minister's Files
PRO: Public Record Office
SMB Whn: Whitehaven Municipal Borough Files
T: Treasury Files
T/HOS: Hospital Files (Cumberland)

Others

CDC: Cumberland Development Council
CMA: Cumberland Miners' Association
FBI: Federation of British Industries
ILP: Independent Labour Party
LSA: Land Settlement Association
MB: Municipal Borough

MP: Member of Parliament

NABC: National Association of Boys Clubs

NCSS: National Council of Social Service

NEHA: North Eastern Housing Association

NFC: National Fitness Council

NUWM: National Unemployed Workers Movement

PAC: Public Assistance Committee

PD: Parliamentary Debates

PP: Parliamentary Papers

RAF: Royal Air Force

RDC: Rural District Council

SALAC: Special Areas Loans Advisory Committee

SARA: Special Areas Reconstruction Association

SSA: Social Service Association

TIDA: Travel and Industrial Development Association

UAB: Unemployment Assistance Board

UDC: Urban District Council

WCIDC: West Cumberland Industrial Development Company

WEA: Workers' Educational Association

YMCA: Young Men's Christian Association

YWCA: Young Women's Christian Association

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Public Record Office

Board of Trade Files

Cabinet Papers

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