A new edition of the leading textbook on the Economic History of Britain since industrialisation. Combining the expertise of more than 30 leading historians and economists, Volume II tracks the development of the British economy from late nineteenth century global dominance to its early twenty-first century position as a mid-sized player in an integrated European economy. Each chapter provides a clear guide to the major controversies in the field and students are shown how to connect historical evidence with economic theory and how to apply quantitative methods. The chapters re-examine issues of Britain’s relative economic growth and decline over the ‘long’ twentieth century, setting the British experience within an international context, and benchmark its performance against that of its European and global competitors. Suggestions for further reading are also provided in each chapter, to help students engage thoroughly with the topics being discussed.

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The Cambridge Economic History of Modern Britain

Volume II. 1870 to the Present

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PREFACE

These two volumes of *The Cambridge Economic History of Modern Britain* follow their predecessors, published in 1981, 1994 and 2003, in bringing together experts in economic history from across the world to reflect on our current understanding of British economic history since 1700 and to describe and explain the most recent views of important historical controversies. As in those earlier volumes, the intention is to provide a text which is comprehensible to an intelligent lay audience, both at universities and more widely, but which does not avoid the sometimes difficult task of explaining economic theory and statistical methodologies as they have been used to assist in historical interpretation.

In the preface to the edition of 2003, these words appeared: ‘change is always with us, a lesson which needs to be learned by each generation. It should be learned particularly by those eminent economic commentators who, at each stage of the business cycle, confidently predict that that stage, whether of boom or bust, will go on forever.’ As this new edition is written, in the midst of the worst ‘bust’ since the 1930s, those words possibly give grounds for some optimism. Historians usually reject any notion that one can ‘learn from history’, but it is a matter of observation – as described in these volumes – that economies, including the British economy, are resilient, that invention and innovation continue and that economic growth resumes after periods of decline.

We also trust that recent economic events will raise the profile of historical analysis. The Queen is reputed to have asked a group of economists at the London School of Economics: ‘Why did no one see this coming?’ As she implied, economic theorists failed to predict, forestall or even – after the event – very clearly explain the factors that contributed to the global economic meltdown and subsequent recession. Indeed, many economists believed between 2000 and 2008 that we had entered a new economic age incorporating, as the then Chancellor of the Exchequer, Gordon Brown, unwisely suggested, ‘the end of boom and bust’. No economic historian, conscious of the history of capitalist economies over the past two or three centuries, would have made such a statement. Even if it is too much to expect politicians or economists to learn the lessons of the past, they should at least seek to be aware of the accounts provided by economic historians.
It is certainly true that the analysis of the economy, and of economic history, never stands still and the last decade has, once again, demonstrated that the subject of economic history is itself resilient. Scholarly interests change, as they should, to reflect contemporary events as well as developments in techniques of analysis and the availability of new sources of data. But scholarly activity, in any discipline, builds on what has been done before and we have therefore felt free, in commissioning chapters for this edition, to leave out some topics which have received relatively little attention in the past decade so as to give space for areas where new research has been particularly productive. Thus, in the first volume, there is a chapter reporting exciting new research on population geography and occupational structure. Health and nutrition, again the topic of much new research, are given more prominence. Perhaps as a result of economic depression, there has been a revival of interest in economic thought and ideology, and chapters on this topic appear in both volumes.

This selectivity is one among a number of reasons why these volumes, like their predecessors, are not conventional textbooks. They do not seek to cover every important topic in the economic history of Britain, much less its place in the world, but to focus on areas of interest where research is moving ahead. This focus means that we have not sought to reach agreement or consensus among the authors, but have instead required that they set out clearly the evidence and theories which they have used in coming to their own conclusions. This allows others to disagree, either by citing new evidence or adducing new theories, both of which are the basis of scholarly advance.

As an example, consider the discussion about the standard of living of the workers during the Industrial Revolution, once described as the longest-running debate in British economic history; it began with the work of Macaulay, Marx and Engels in the middle of the nineteenth century. Despite the length of the debate, new ideas continue to illuminate it. In recent decades, these new ideas and new collections of evidence include the use of material on the changing heights of the population as evidence for its nutritional status, the collection and analysis of working-class biographies to illuminate the labour of women and children, and the thesis that Britain was, in relation to other countries, a high-wage economy. All of these advances have been illuminating but also controversial; these controversies are illuminated, but not resolved, in chapters within the first volume. Meanwhile, in the second volume, different views are expressed on the significance of structural changes in the British economy – the decline of manufacturing and the rise of the service sector – and on the impact of British entry into the European Union. Readers are invited to follow up the references, to analyse the arguments and to make up their own minds.

This edition covers the whole period from 1700 to the present with a break in 1870. This, like most historical subdivision, represents an arbitrary chronology. Our contributors have responded to it as such. Several, where the topic requires it, have
extended their surveys back in time to cover earlier but pivotal developments. Others have looked forward, anticipating subsequent trends. One, Harley, was explicitly asked to link the two volumes by tracing the legacy of the early start in terms of a subsequent relative falling behind if not later relative failure. Thus his chapter, which opens the second volume, in its very timeframe responds to developments in historiography. Finally, as attention has recently turned again to economic thought and ideology, there are chapters by the same authors on this topic in both volumes.

There is, in fact, much continuity between this and previous editions. In particular, we have continued the tradition of seeking out both established experts and relatively less experienced scholars who have, nevertheless, already made their mark within the international community of economic historians. The chapters have also, as with previous editions, been intensively discussed at a conference of all authors and a number of invited commentators. This conference, held at All Souls College, Oxford, in April 2012, was made possible by generous grants from that college, the Economic and Social Research Council, the Economic History Society, Cambridge University Press and the University of Western Australia. The Economic and Social Research Council also supported this project through Professor Humphries’ Professorial Fellowship. We are very grateful to these institutions and also to Alex Field, Anthony Hotson, David Mitch, Patrick O’Brien, Eric Schneider and Peter Solar, who acted as discussants, and to Stanley Engerman who sent written comments. Michael Watson and his colleagues at Cambridge University Press have supported us throughout the production process.

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