Introduction

What should they know of England
Who only England know!

Rudyard Kipling

This book compares social policies in England and Germany, the two leading industrialising countries in Europe, from roughly the mid-nineteenth century to 1914. It was originally intended as the first volume of a larger project that would have gone to the oil-price crisis of the mid-1970s, the moment when the assumptions about continuous economic growth, which had under-pinned the expansion of the welfare state in both countries since the 1950s, began to be seriously questioned. Those plans have had to be abandoned and this book now stands on its own.

Its structure is thematic, dealing in turn with policies of poor relief and industrial injury, and with policies outside the poor law on sickness, invalidity and old age, and unemployment. These were significant problems in both countries with enough similarity to make for profitable comparison. The focus on these policy areas has resulted from my discovery that time, space and effort were more limited than I had thought. That has led to the omission of public health, housing and labour market policies. A generation ago it had still been usual in Britain to include the first two in the kind of survey that I had in mind.[1] Since then developments in the history of medicine have so transformed the history of public health that it gradually became obvious to me that it would now require a book in its own right. Having completed a study of the policy of vaccination against smallpox focussing on the issues of compulsion and of urban sanitary reform, I was working on bacteriology in public health when I aborted this

[1] E.g. Derek Fraser, *The evolution of the British welfare state* (London, 1973); Eric J. Evans (ed.), *Social policy 1830–1914: individualism, collectivism and the origins of the welfare state* (London, 1978); U. Henriques, *Before the welfare state* (London, 1979).

part of the project. Housing policy was also discarded, since prior to 1914 it had been so closely linked to public health issues that it would not have made sense on its own. The two completed studies have been published in article form.[2] They are constructed essentially on the same principles as the chapters in this book but represent a mere fragment of what a comparative study of public health policies would have required. The abridged treatment of labour market policies is a matter to which I shall return.

This cutting away has altered the aim of the research. The original intention had been to use a diversity of policies to test the view that there was a fairly consistent difference between the two countries, in particular that policies in Germany were based on compulsion, central bureaucratic control at State level and professionalism; those in England on voluntarism, local initiative and amateurism. I suspected that these stereotypes were based on the difference between the educational system of the two countries, a difference that had greatly influenced ideas of Germany in Britain in the later nineteenth and early twentieth centuries. I believe that they need to be tested against a wider range of evidence. Traces of that agenda can still be found in the book in its final form, but in the necessary process of reducing the range and diversity of subject matter the project has gained greater coherence. It now concentrates on social security and the provision of medical treatment, the two issues that stood at the origin of what is now called the welfare state, and are still considered to form its core.

In this connection it should be emphasised that this book is conceived as a comparative study of social policies. It is not intended to provide a rounded study of the welfare state as a historical phenomenon. It takes the history of State development for granted and it deals only in passing with the consequences of the adoption of new objectives for the structures of domination that characterise the State: the distributing elites, the service bureaucracies and social clienteles.

What should become clear, however, is the intimate connection with the development of modern industrial capitalism in both countries. The State became a welfare state because it increasingly dealt with the social consequences of the way in which modern industrial capitalism was established. These consequences, often described as 'externalities', resulted from the narrow definition of the legal obligations of capitalist entrepreneurs, which contrasted with the obligations imposed on entrepreneurs in the

[2] 'Vaccination policy against smallpox, 1835–1914: a comparison of England with Prussia and Imperial Germany', *Social History of Medicine*, 11 (1998), 49–71; 'The urban sanitary reform movement in England and Germany, 1838–1914: a comparison', *Continuity and Change*, 15 (2000), 269–96.

older *corporatist economy*. This emancipation of the entrepreneur was a deliberate act of State, undertaken in the interest of increasing 'the wealth of nations' and therefore the power of states over other states. It undoubtedly had that effect. Enterprise took new and unforeseen forms once it was freed from old regulations. To limit obligations towards workers to the short-term purchase of their labour power, obligations towards the community to the payment of local taxes and to resort to competition without responsibility for those driven out of the market, all this encouraged innovation, increased production and facilitated capital accumulation. But it created problems that resulted from economic decisions while being considered external to the economic process. These, or rather some of these, are the problems that social policies were intended to address. How the State in the two countries did so, is the subject of the book.[3]

The period treated here begins around the mid-nineteenth century with the poor law structures established by the reforms of the 1830s and 1840s both in Prussia and in England and Wales, and with the compulsory insurance introduced in Prussia in the 1840s and 1850s. The latter is contrasted with the voluntary insurance of the friendly societies in England and Wales and their relation to the State. For that purpose it reaches further back, but the focus is on the development among the affiliated orders of a more systematic approach to the insurance function of the movement, and on the role of the Registrar of Friendly Societies from the mid-1840s. The same principle applies to factory regulation, where the turbulent and experimental years of the British factory movement before the 1850s are treated mainly as background.

The year 1914 marks the end of an era for this as for many other aspects of history. The radical changes of the war years make it the inevitable closing date. But the bunching of important legislation, both British and German, in 1911 creates a problem. It has generally been my intention to deal both with the origins of policies and their consequences, but the consequences of insurance systems take time to build up. In the case of the legislation of 1911 it is sometimes only possible to describe the original intentions before radical war-time changes in the value of money, and post-war changes in the nature of unemployment overtook them. In view of the importance of the new structures established so late in the period I have occasionally reached beyond 1914, where that was possible and appropriate. That applies

[3] See my entry under 'welfare state – history of' in the *International encyclopedia of the social and behavioral sciences* (Oxford, 2001), pp. 16439–45, for further analysis.

particularly to the Conclusion, which sets out to demonstrate the relevance of the book for the long-term development of social policy.

This is a book of comparative history. That term is open to the objection that all historians rely on comparison. Narrative depends on comparing one time with another, structural exposition frequently on comparing one place or one set of institutions with another. What this book does is to compare one nation-state with another. The choice of the State as the unit of comparison, rather than, say, the region or the city, is deliberate. But for the years before the establishment of the German Empire, which State should it be? For practical and strategic reasons I have concentrated on Prussia. It is impractical to encompass the diversity of the German states, and in relation to poor law, factory regulations and sickness insurance Prussia provided the precedents for the policies adopted by the *Reich*. Such a Prusso-centric approach runs counter to the current trend of German historiography and may seem old-fashioned, but it is justified by the subject-matter.[4] On this side of the North Sea I have concentrated on England and Wales, and on Britain only if the law in Scotland was not significantly different, and the Scottish statistical evidence created no additional problems. In those cases I have referred to Britain; elsewhere I have occasionally used 'English' for 'English and Welsh' merely for the sake of brevity.

These are small matters but they need to be said. The big issues of comparison are methodological. This book owes little to the comparative study of welfare state regimes pursued by empirical quantifying sociologists, nor much to the more theoretical sociological literature on the origins of 'the welfare state'.[5] I do not use comparative studies to test and refine a model of how societies work, whether neo-Marxist or developmental. That is to say that I do not start with the assumption that I already know the crucial questions that a comparative historian of social policy must ask, and that my task consists of filling the blank spaces in a predetermined framework with the data. My strategy has been different. Historians are used to identifying and analysing different historiographies. An Anglo-German comparison provides the opportunity to confront two of these with one another, to identify their similarities and their

[4] Cf. the different approach in my 'The urban sanitary reform movement in England and Germany', where it would not have been appropriate.

[5] For the most influential example of the former see G. Esping-Andersen, *The three worlds of welfare capitalism* (Cambridge, 1990). For a critique see Peter Baldwin, 'Can we define a European welfare state model?' in Bent Grieve (ed.), *Comparative welfare systems: the Scandinavian model in a period of change* (London, 1996); also Christian Toft, 'Jenseits der Dreiweltendiskussion', ZSR, 46 (2000), 68–86. For the latter approach see particularly Peter Flora and Arnold J. Heidenheimer (eds.), *The development of welfare states in Europe and America* (New Brunswick, 1981).

differences. Where the questions posed were basically the same, I needed to obtain the relevant data and to compare the results. Where not, the task was more difficult as well as more rewarding. I needed to ask the questions that had so far not been asked about the one country and became obvious only through comparison with the other. Thus British historiography has proved fruitful for the history of Germany and vice versa. Sometimes it was possible to extract that data from the printed material, secondary and primary, available to me. When not, I have contented myself with drawing attention to a neglected issue that invites archival research. Those occasions may well be among the most valuable contributions of the book.[6]

The scale and range of the book has precluded detailed archival research; it is intended as a synthesis of the existing literature. Few of the monographs and articles on the German side of the story are available in English. For that reason, quite apart from its value as a comparative study, the book should provide a service to English-speaking historians without a reading-knowledge of German. However, even those with a good knowledge of the German literature are likely to find unfamiliar features in this presentation of German social policy. By good fortune the work on the book has coincided with the publication of a bulky series of the documents on German social policy in this period.[7] Most of these had never been available to historians even in manuscript; their publication has added significant evidence and changed the received view of key episodes. That is particularly true of those for the Bismarck era, twelve large volumes of which were published in time to be consulted in the course of the work, providing what is practically an archival dimension to the work.

Nothing similar should be expected of the treatment of British social policy, which will be familiar to specialists. Whatever claim to originality it possesses will be found in the issues raised by the comparison with Germany and the comments that these have required, which, I hope, will throw new light on familiar subjects.

[6] E.g. pp. 131–4 and 320–7. For an instance from the comparative studies of public health see 'Vaccination policy against smallpox', 69–71.

[7] *Quellensammlung zur Geschichte der deutschen Sozialpolitik 1867–1914* supported by the Akademie der Wissenschaften und der Literatur, Mainz, to be published in four sections: I (1867–81); II (1881–90), both edited by Florian Tennstedt, III (1890–1904) still to come, IV (1904–14) edited by Karl Erich Born and Hansjoachim Henning. To be referred to as QS. See reviews in *German History*, 13 (1995), 254–5; 16 (1998), 58–74; 21 (2003), 229–38.

The importance of the new German material is one reason why the book differs from Gerhard A. Ritter's work, published in German in 1983 and in a revised English edition in 1986.[8] The other is methodological. Ritter's comparative history consisted of two separate national narratives and left the comparison to a brief final chapter of eight pages. This book treats each of the several social policies comparatively, in addition to providing an overall view in the Conclusion. The original intention to extend the subject beyond Ritter's exclusive concern with social insurance has, however, had to be much curtailed.

In so far as there is a pioneering study that laid out the issues to be considered in a comparative history of social security policies, it was that by G. V. Rimlinger in 1971.[9] There have been few other attempts. Daniel Levine's is primarily an exercise in the history of ideas and only precariously rooted in the study of the relevant institutions.[10] Peter Baldwin, *The politics of social solidarity*, a *tour de force* and an example of versatility across five countries and five languages that few can emulate, compensates for its national breadth by focusing narrowly on pensions policy from one particular point of view.[11] While the early studies by Georg Zacher have now little to contribute of method or substance, the best of W. H. Dawson's work from before 1914 is still worth attention.[12]

My essentially historiographical approach to comparison governs both the individual chapters and the choice of themes. The approach of German and British historians to the subject matter of a history of social policy is not the same, and I believe that each needs to be supplemented by the other. The historiography of German social policy has been overwhelmingly concerned with the history of social insurance. That is partly due to the pioneering role that Germany played in its introduction: compulsory, contributory and State-controlled insurance was their invention. It is also

[8] Gerhard A. Ritter, *Sozialversicherung in Deutschland und England. Entstehung und Grundzüge im Vergleich* (Munich, 1983); *Social welfare in Germany and Britain*, trans. Kim Traynor (Leamington Spa, 1986).

[9] G. V. Rimlinger, *Welfare policy and industrialization in Europe, America and Russia* (New York, 1971).

[10] Daniel Levine, *Poverty and society: the growth of the American welfare state in international comparison* (New Brunswick, 1988).

[11] Peter Baldwin, *The politics of social solidarity: class bases of the European welfare state 1875–1975* (Cambridge, 1990). These comments are confined to comparative studies of social security policies. His subsequent and even more ambitious book, *Contagion and the State in Europe 1830–1930* (Cambridge, 1999), is a contribution to the comparative history of public health.

[12] Georg Zacher, *Die Arbeiterversicherung im Ausland*, 5 vols. (Berlin, 1900–8); W. H. Dawson, *Social insurance in Germany 1883–1911: its history, operation, and results, and a comparison with the National Insurance Act 1911* (London, 1912, reprinted Westport, 1979); *Cost of living of the working classes: German towns*, BPP 1908 Cd.4032 CVIII.1; and, less comparative but a major contribution, *Municipal life and government in Germany* (London, 1914).

due to the fact that it plays a particularly important role in the social security system of the German Federal Republic. That is the result of the deliberate rejection of alternative strategies in the period immediately after World War II and the strong support for the traditional German insurance system on the part of the vested interests that had opposed the alternatives.[13]

In 1981 the centenary of the Imperial Message of 17 November 1881, which was held quite wrongly to mark the beginning of the social insurance policy, gave the political establishment of the Federal German Republic an opportunity to celebrate social insurance as quintessentially German, a move that both lawyers and historians were happy to support.[14] Those celebrations were preceded by three international colloquia under the auspices of the Max-Planck Foundation, resulting in prestigious publications which placed the German experience firmly at the centre of international comparison. The final meeting was held in Berlin on 17 November 1981 to coincide with the celebrations by the federal government and the various insurance bodies. The audience was assured that 'the colloquium had demonstrated the vitality of social insurance as an autonomous technique for the establishment of social security'.[15]

The outcome was thus to legitimise the political decisions that had been taken by those opposed to the reform proposals of the Allied Control Commission in 1946–8 and consolidated by the dominant CDU–FDP alliance in the early years of the Federal Republic. By 1981 social security rights had long been recognised as a means of legitimising a regime, and there was in all this an element of confrontation with the different social policy developments in the Soviet zone of occupation and the DDR. There

[13] See Hans Günther Hockerts, *Sozialpolitische Entscheidungen im Nachkriegsdeutschland. Allierte und deutsche Sozialversicherungspolitik 1945 bis 1957* (Stuttgart, 1980), and briefly his 'German post-war social policies against the background of the Beveridge Plan: some observations preparatory to a comparative analysis', in W. J. Mommsen (ed.), *The emergence of the welfare state in Britain and Germany 1850–1950* (London, 1981), pp. 315–39.

[14] On the Imperial Message and the myth around it see pp. 91 and 187–8 below.

[15] Hans Zacher (ed.), *Bedingungen für die Entstehung und Entwicklung von Sozialversicherung. Schriftenreihe für internationales und vergleichendes Sozialrecht*, vol. 3 (Berlin, 1979); Peter Köhler and Hans Zacher (eds.), *Ein Jahrhundert Sozialversicherung in der Bundesrepublik Deutschland, Frankreich, Grossbritannien, Österreich, und der Schweiz. Schriftenreihe* . . ., vol. 6 (Berlin, 1981), translated as *The evolution of social insurance 1881–1981: studies of Germany, France, Great Britain, Austria and Switzerland* (London, 1982); Peter Köhler and Hans Zacher (eds.), *Beiträge zur Geschichte und aktueller Situation der Sozialversicherung. Schriftenreihe* . . ., vol. 8 (Berlin, c. 1983). The quotation is from p. 732 of the third of these publications. The contribution by Gerhard A. Ritter to that colloquium was subsequently expanded to become his Anglo-German comparison, *Sozialversicherung in Deutschland und England* (Munich, 1983).

under the influence of survivors of the Weimar Left, who revived plans first put forward by critics of contributory insurance in the 1920s, the Soviet authorities had introduced a people's insurance financed from general taxation.[16] By the late 1970s pride in the social insurance system of the Federal Republic had become a feature of the ideological climate. It was convenient that the Nazi Labour Front had also once proposed a people's insurance financed from general taxation to replace contributory insurance.[17]

The historiography of British social policy was of course also associated with a political affirmation. Since the late 1940s historians of nineteenth-century Britain had been on the hunt for the history of the collectivism whose triumph was associated with the welfare state reforms of the 1940s.[18] In contrast to the nationalisation of industry, these reforms had by the 1950s become a matter of national unity and pride with which the Conservatives were willing to identify themselves. The nineteenth-century Poor Law as reformed in 1834, once regarded as the extreme repudiation of collective responsibility, underwent historical revision. From a study of his papers Edwin Chadwick, its intellectual progenitor, emerged as someone committed to collectivist as well as individualist policies.[19] Historians revised their view of the practical consequences of the Act of 1834, pointing out that conditions made the more doctrinaire aspects of Chadwick's proposals impossible to carry out in practice and arguing for a more gradual evolution of policy and administration. An intense preoccupation with Poor Law administration on the ground led to a rehabilitation of poor law regimes in the early nineteenth century. Moreover the Poor Law after 1834 came to be presented as an important agency in the evolution of collective provisions in such welfare state areas as education and hospital medicine.[20]

It is not too much to say that the British historiography of what has only gradually come to be described as 'social policy' has been dominated by a preoccupation with the Poor Law. The origin of the institutions characteristic of the post-1945 welfare state has been interpreted as a deliberate revulsion from the 'principles of 1834'. New policies for the elderly, the

[16] See Hockerts, *Sozialpolitische Entscheidungen* and 'German post-war social policies'.
[17] R. Smelser, *Robert Ley: Hitler's labor front leader* (Oxford, 1988); Marie-Luise Recker, *Nationalsozialistische Sozialpolitik im Zweiten Weltkrieg* (Munich, 1985).
[18] See the subtitle of Evans, *Social policy*.
[19] S. E. Finer, *The life and times of Sir Edwin Chadwick* (London, 1952).
[20] Derek Fraser (ed.), *The new poor law in the nineteenth century* (London, 1976), see especially contributions by Digby, Duke and Flinn. The reinterpretation of the early nineteenth-century poor law was begun by Mark Blaug's seminal article, 'The myth of the old poor law and the making of the new', Jl Econ. Hist, 23 (1963), 151–84 and the study of parish records is still in full swing.

sick, disabled and the unemployed in the early twentieth century are explained in terms of a determination to remove categories of the deserving poor from the operation of a Poor Law intended to work on principles that had come to be regarded as inappropriate for these groups.[21] The subsequent history of social policy in the twentieth century up to and beyond the reforms of the 1940s is often portrayed as a battle against the Poor Law heritage. For historians of British social policy the Poor Law is therefore central, dominating the subject irrespective of whether its influence was positive or negative.

When they turn to the German history of social policy they are bound to be struck by the lack of interest shown by German historians in that subject. It was an attitude not shared by Americans. Levine had no doubt that 'any account of the development of the welfare state must begin with poor relief', and Rimlinger's comparative study of social security regarded the attitude to poor relief as the first question to be investigated. He did so in detail for England, France and the USA, and dealt with poor relief in Prussia in the period of early industrialisation in so far as the meagre secondary literature available to him permitted.[22]

As a subject, the history of German poor relief was largely ignored by historians and only rescued from neglect by Christoph Sachsse and Florian Tennstedt, two professors of welfare law responsible for the education of students of social work.[23] In 1993 when the American, George Steinmetz, turned his attention to social policy in Imperial Germany he could point to their work as a significant exception to the general neglect of poor relief. He himself made the introduction of 'modern' poor relief an integral element of his book and declared himself puzzled by the neglect of the subject in German histories of the welfare state.[24]

It is significant that the first historian from within the German historical establishment to show interest in linking the introduction of social

[21] E.g. Bentley B. Gilbert, *The evolution of national insurance in Great Britain: the origins of the welfare state* (London, 1966); Pat Thane, *The foundations of the welfare state* (London, 1982); Derek Fraser, 'The English poor law and the origins of the British welfare state', in Mommsen (ed.), *Emergence*; E. P. Hennock, *British social reform and German precedent: the case of social insurance 1880–1914* (Oxford, 1987); David Vincent, *Poor citizens: the state and the poor in the twentieth century* (London/New York, 1991).

[22] Levine, *Poverty and society*, p. 40; Rimlinger, *Welfare policy*, pp. 3, 18–63, 93–5.

[23] Christoph Sachsse and Florian Tennstedt, *Geschichte der Armenfürsorge in Deutschland*, 3 vols. (Stuttgart, 1980–92), vol. 1 (enlarged 2nd edn, 1998). Tennstedt's ambitious *Sozialgeschichte der Sozialpolitik in Deutschland* (Göttingen, 1981), the only German history of social policy that pays much attention to poor relief, has not been influential among historians.

[24] George Steinmetz, *Regulating the social: the welfare state and local politics in Imperial Germany* (Princeton, 1993), pp. 42, 110–22.

insurance in the 1880s to poor law policy should have been Gerhard A. Ritter in his history of social welfare in Germany and Britain. That book is probably more important for raising the question than for the answer it provides. In any case more has to be done to change the thrust of German historiography than merely to include a reference to poor relief among the explanation for the origins of social insurance in the 1880s. The subject needs to be treated as an integral part of a full history of German social policy. That is what this book attempts to do.

In that respect, as in others, it has benefited from Tennstedt's recent work as editor for the Bismarck era of the *Quellensammlung zur Geschichte der deutschen Sozialpolitik*. There are now two volumes of documents on the poor relief legislation of the early years of the German Empire. They signal the abandonment of a long tradition of excluding that subject from studies of *Sozialpolitik*.

That tradition had been established by Hans Rothfels, the first historian to be commissioned to undertake an edition of the documents on the social policy of the Bismarck era, in 1919. Surveying the definition of *Sozialpolitik* as it was then understood, he concluded 'that it was generally assumed that poor relief policy was no part of *Sozialpolitik*', and devised his own proposal accordingly.[25] After Rothfels failed to produce his promised work and the project was launched afresh in the 1950s, this time for the *Kaiserreich* as a whole, the new editors followed him in the exclusion of poor relief, although in other respects they opted for a broader concept of *Sozialpolitik* than he had done.[26] Only when Tennstedt joined the editorial team in 1991 with responsibility for the Bismarck era was that policy abandoned. Hence the publication of the first relevant volumes in 2000.

In his introduction to them Tennstedt drew attention to a precedent in 1976, when a section on the development from poor law to modern public assistance (*Sozialhilfe*) was added to a revised edition of the standard text on welfare law.[27] Tennstedt justified his editorial decision in terms more

[25] Quoted in *Grundfragen staatlicher Sozialpolitik*, QS,I.1, p. XLI. The fullest modern survey of the history of the concept is F.-X. Kaufmann, 'Der Begriff Sozialpolitik und seine wissenschaftliche Deutung', in *Geschichte der Sozialpolitik in Deutschland seit 1945* published by the Bundesministerium für Arbeit und Sozialordnung und Bundesarchiv, vol. 1 (Baden-Baden, 2001), pp. 7–101.

[26] See Karl Erich Born *et al.*, QS, *Einführungsband* (Wiesbaden, 1966), pp. 11–14.

[27] In view of this and other drastic changes what had been intended as the third revised edition of Gerhard Erdmann's *Die Entwicklung der deutschen Sozialgesetzgebung* (1st edn, Berlin, 1948, 2nd edn, Göttingen, 1957) was published as Michael Stolleis, *Quellen zur Geschichte des Sozialrechts* (Göttingen, 1976). It should be noted that Tennstedt has not followed Stolleis's other innovation, the entire excision of labour law from the scope of his work. For Tennstedt's justification of his innovation see the Introduction to QS,I.7(a), pp. XLV–XLVI.