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Senses of Belonging: The Politics of Working-Class Insurance in Britain, 1880–1914*

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The social history of British working people has traditionally been framed by two categories, community formation and consumerism, which are usually assumed to be either mutually exclusive or openly at odds. E. P. Thompson's *The Making of the English Working Class* showcased a rich variety of ritual without pausing to consider the extent to which consumption patterns were interwoven into workers' efforts to build a vibrant community. Consumerism, for him, was a process to be wished away as a bourgeois obstacle to the search for a uniquely working-class culture. And when Richard Hoggart attacked the new habits of mass consumption that he saw emerging in the 1950s, he did so by ascribing to them the erosion of a purer community marked by neighborliness and family values. His approach more directly recognized the presence of consumerism in the lives of working people, but it failed to extend that recognition to the working-class subjects who filled his pages; for these subjects, any consciousness of the commodity was doomed to be delusory.¹ Successors to these pioneering contributions have added sophistication to their arguments without moving much beyond either overlooking the existence of working-class consumption or identifying it as a form of false consciousness.² Historians have only recently started to revisit working-class spending patterns with an eye to the important sense in which consumption itself assisted in the formation of distinctive communities—in studies ranging from “co-operative culture” to male fashion, and from “the cultural meanings of food” to the invention of local variants of “populism.”³

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¹ E. P. Thompson, *The Making of the English Working Class* (New York, 1966); Richard Hoggart, *The Uses of Literacy* (New York, 1991).

² See, e.g., Anna Clark, *The Struggle for the Breeches: Gender and the Making of the British Working Class* (Berkeley, Calif., 1995); Thomas Richards, *The Commodity Culture of Victorian England: Advertising and Spectacle, 1851–1914* (Stanford, Calif., 1990).

³ Peter Gurney, *Co-operative Culture and the Politics of Consumption in England*,

Although such studies identify the social importance of consumption patterns, they leave unexplored a nagging tension: the fact that many of these working-class consumers, especially when they gathered together in voluntary societies, were resolutely opposed to consumerism. To make sense of this ambivalence, it helps to inquire more deeply into the dual (and related) mechanisms of community and consumerism.⁴ A successful community straddles the boundary between egalitarianism and elitism by including as many people as possible in the shared belief that they are unique.⁵ Its members discover a shared perspective (a sense of belonging) by imagining that they are in possession of something which is off limits to others. That “something” might be a common place of residence, a common occupation, or a common set of values; in all cases, it is expansive enough to allow for more than a handful of members but exclusive enough to provide the incentive to join. Consumerism works on more or less the same lines.⁶ Without the prospect of sating a sense either of belonging or of being special, much of the incentive to consume disappears; hence the constant tension in modern-day marketing between appeals to conformism and to singularity.⁷ In nineteenth-century Britain, as sophisticated forms of marketing became accessible to everyone in society, leaders of working-class associations rightly feared the prospect of losing members to these new invitations to “belong,” however tenuously, to a community that demanded from its members comparatively little active effort. It was because community and consumerism shared a common currency that late-Victorian voluntarists accused this new “commodity culture” of such debasing effects. In this sense, their hostility had as much to do with envy as with disapproval.

If social historians have often failed to notice these common features of community formation and consumption, political historians frequently err on the other extreme by bundling community and consumerism together under

1870–1930 (Manchester, 1996); Christopher Breward, *The Hidden Consumer: Masculinities, Fashion, and City Life, 1860–1914* (Manchester, 1999); Ellen Ross, *Love and Toil: Motherhood in Outcast London, 1870–1918* (Oxford, 1993), pp. 30–39; Patrick Joyce, *Visions of the People: Industrial England and the Question of Class, 1848–1914* (Cambridge, 1991).

⁴ See Gurney’s thoughtful comments on this point in *Co-operative Culture*, pp. 196–98.

⁵ The classic source on this phenomenon is Benedict Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (London, 1983).

⁶ On overlaps between consumerism and community, see Mary Douglas and Baron Isherwood, *The World of Goods: Towards an Anthropology of Consumption* (London, 1996); and Rob Shields, “The Individual, Consumption Cultures, and the Fate of Community,” in *Lifestyle Shopping: The Subject of Consumption*, ed. R. Shields (London, 1992), pp. 99–113.

⁷ David Knights and Glenn Morgan, “Organization Theory and Consumption in a Post-Modern Era,” *Organization Studies* 14 (1993): 224–28.

the guise of “civil society.” This construct, presented in opposition to the state, conceals many crucial distinctions between the types of membership that are engaged in, for instance, by subscribers to a voluntary society and purchasers of a commodity.⁸ The dichotomy between state and society encompasses a number of related oppositions (including public versus private and coercion versus choice) that reinforce this tendency to overlook what is at stake politically in alternative forms of nonstate association. A different approach, one taken in this article, sees the state as a forum in which different appeals to group membership—consumerist as well as communitarian ideals—contend with each other for the allegiance of citizens.⁹ Instead of treating the state as a transcendent institution that consigns civil society to an antecedent (or at best a supporting) role, this view assumes a permeable boundary between state and society and a range of options on which social provision can be modeled. Such a view makes it possible to revisit past social policy decisions in a more open-ended fashion, at a time when so much of present-day British politics is concerned with weighing different alternatives to welfarism.

The health insurance provision of the British National Insurance Act (NIA) of 1911 is an ideal lens through which to view these social and political interactions between community and consumerism.¹⁰ When it first came into operation, the act provided compulsory health insurance to 12.4 million workers, including all manual workers and anyone else who earned less than £160 per year (this cap was raised to £250 in 1920). Under the scheme, employers contributed three pence per week for each of their workers, the government defrayed two pence per week, and male workers had four pence per week taken out of their wages (three pence in the case of women). These premiums covered medical care, drugs, sanatoria, and maternity benefits; they also pro-

⁸ See Martin Gorsky’s useful discussions in *Patterns of Philanthropy: Charity and Society in Nineteenth-Century Bristol* (London, 2000), pp. 6–20, and in “Mutual Aid and Civil Society: Friendly Societies in Nineteenth-Century Bristol,” *Urban History* 25 (1998): 302–22.

⁹ A third approach, identified in the next section as “the view from the Beveridge Report,” carries the social historians’ opposition between consumerism and community into the political sphere by contrasting a communitarian political ideal with the social fragmentation wrought by “advanced economic systems.” See, e.g., Jonathan Boswell, *Community and the Economy: The Theory of Public Co-operation* (London, 1990); David G. Green, *Reinventing Civil Society: The Rediscovery of Welfare without Politics* (London, 1993).

¹⁰ A second section of the act provided unemployment insurance for the construction, engineering, and shipbuilding trades, to be administered by labor exchanges or trade unions. All unions were also entitled under this section to be reimbursed by the state for one-sixth of their unemployment pay, up to five shillings per week. See Hugh Armstrong Clegg, *A History of British Trade Unions since 1889*, 2 vols. (Oxford, 1985), 2:101.

vided twenty-six weeks of paid sick leave.¹¹ Administration of the act was divided between two different branches, both of which were centrally supervised by the National Insurance Commission in London: “approved societies,” established by benefit clubs, trade unions, and insurance companies; and local insurance committees, filled by representatives from approved societies, the medical profession, and municipal government. Approved societies enrolled members, taught them how the system worked, and paid cash benefits, and insurance committees certified doctors and determined the nature of noncash benefits such as medical attendance and drugs.¹² Responsibility for community formation under the NIA rested mainly with the approved societies, which adapted their prior definitions of membership to the new circumstances of the NIA. This article describes the contest that was waged between the voluntary societies’ participatory definition of community, on the one hand, and the insurance companies’ consumerist definition, on the other, in the course of their respective efforts to provide state-insured workers with a sense of belonging.

The NIA was a consummate compromise between voluntary associations, which had long incorporated sick pay into their fraternal rituals of community, and life insurance companies, which saw the nonprofit provision of health insurance as an excellent opportunity to market their for-profit life and burial policies. Precisely because the act was the fruit of legislative compromise, it introduced new political stakes into a long-standing contest between communitarian values and the goals of mass consumption. Friendly societies and trade unions did their best to attract support by identifying their fraternal rituals with the ideals of personal liberty and participatory democracy. To combat this claim, insurance companies presented their superior administrative machinery as a natural extension of the modern egalitarian state, which valued the comprehensive provision of services over the inefficient clamor of local political participation. They maximized the scale of this machinery by congealing into two huge approved societies: a commonly administered set of four approved societies established by the gigantic Prudential Assurance Company and a combine of ten smaller companies that formed the National Amalgamated Approved Society (NAAS).¹³

¹¹ Workers had to wait four days before being eligible for sick pay. Male workers received ten shillings per week for the first thirteen weeks and women received seven shillings six pence; all workers received five shillings per week for the second thirteen weeks. The sanatorium benefit was nominal for most workers, since beds were available for only a small proportion of those suffering from consumption. For more details on the provisions of the NIA, see Frank Honigsbaum, *The Division in British Medicine: A History of the Separation of General Practice from Hospital Care, 1911–1968* (New York, 1979), pp. 9–17.

¹² The small minority of workers who failed to join a society (less than 3 percent in 1912) were required to make “deposit contributions” into the Post Office Savings Bank.

¹³ The four “Prudential Approved Societies” catered respectively to men, women,

The industrial insurance companies originally gained access to the NIA by convincing David Lloyd George and his lieutenant, Charles Masterman, that they could extend sick pay to a wider segment of the population than either friendly societies or trade unions could ever be bothered to do. Even William Braithwaite, who was the chief drafter of the new law and generally hostile to the companies, had to admit they were “intelligently administered and well advised.”¹⁴ These qualities soon yielded impressive results, both in the initial membership drive of 1912 and in the ensuing three decades. Companies secured 40 percent of the sickness claims delivered under the NIA and covered roughly five-sixths of those workers who did not already belong to a benefit club or trade union.¹⁵ The Prudential enrolled over 3 million members during the summer of 1912, and the NAAS signed up 1.9 million state-insured members by 1913. No corner of Britain was left untouched by these firms. The Prudential signed up at least 9 percent of the state-insured population in every single English and Scottish county and in all but two boroughs; and the NAAS, though faring somewhat worse in Scotland and rural areas, insured at least 10 percent of eligible workers in sixty-four of seventy-one English boroughs. In contrast, the Manchester Unity of Oddfellows (Britain’s largest friendly society) insured at least 10 percent of the eligible English population in only thirty of forty-nine counties and twenty of seventy-one boroughs.¹⁶

Measured by the test of membership in approved societies, one form of community—heavily influenced by salesmen, middle managers, and shareholders—had clearly prevailed over fraternity and local self-reliance by the late 1930s. In 1938, mutual and for-profit insurance offices claimed 46.6 percent of members insured under the NIA, while membership in “approved” friendly societies with local lodges dropped from 23.7 percent in 1912 to 16.6 percent in 1938. Trade unions, despite enrolling 1.42 million workers in the initial membership drive (11.4 percent of the total, and roughly half of union

domestic servants, and rural workers; two other societies formed by the Prudential, for miners and laundresses, only remained in operation for a few years. The original members of the National Amalgamated were the Pearl, Hearts of Oak, Refuge, City, British Legal and United, Pioneer, Britannic, Albion, London and Manchester, and City of Glasgow, one of which, the Albion, was a “collecting” friendly society. On the differences between insurance companies and collecting friendly societies, see below. The Hearts of Oak Life Assurance Company later dropped out of the NAAS; it was distinct (though with overlapping membership) from the Hearts of Oak Friendly Society, which is discussed below.

¹⁴ William J. Braithwaite, *Lloyd George’s Ambulance Wagon* (London, 1957), p. 96.

¹⁵ The proportion of state-insured members is from *Report for 1912–13 on the Administration of the National Insurance Act, Part I* (London, 1913), pp. 316, 606, 656; and the five-sixths figure is from William Worthington, “The National Insurance Act,” *Insurance Institute Journal* 15 (1912): 63–84.

¹⁶ *British Parliamentary Papers* 1913 (vol. 56): 3–272; *ibid.*, 1914 (vol. 72), cd. 7109.

members as of 1912), only increased that number to 1.48 million by 1938 (down to 8.1 percent of the total and a third of union membership overall). Much of the decline in lodge and union membership was picked up by centralized friendly societies, which provided mutual sickness insurance to their members but came with few of the rituals or mechanisms of self-government that had long embodied working-class voluntarism. These societies, along with the insurance companies, were especially effective at attracting women into their ranks. Of the 6.1 million women covered by the NIA in 1938, 3.35 million belonged to approved societies run by companies and an additional 1.64 million joined centralized friendly societies. The “threatened doom of gradual extinction,” which an editorial suggested in 1912 might be the friendly societies’ fate under the NIA, was starting to set in within a generation of its enactment.¹⁷

THE NIA AND THE HISTORY OF THE BRITISH WELFARE STATE

Most historians of the NIA have looked back on it from one of two vantage points: its damning evaluation in 1942 by William Beveridge (who criticized its failure to perpetuate the ideals of voluntarism), or its eventual replacement by the National Health Service (NHS) in 1948 (which implemented Beveridge’s nationalization scheme but did not, as he had hoped it would, preserve room in that scheme for friendly societies). In different ways, each of these perspectives has obscured the contest between community and consumerism that was waged under the act. Those who look back from Beveridge sharply distinguish friendly societies from insurance companies in order to recapture Beveridge’s effort to retain a place for voluntarism in a reconstructed welfare state. These historians identify the similarly bureaucratic structures of insurance companies and government departments and pair these two institutions as natural allies in the trampling of community. In doing so, they demonize the companies to the point of ignoring the many revealing continuities they shared with voluntary societies. Those who look back from the NHS, in contrast, present both the clubs and the companies as belonging to a temporary and not very interesting episode, since neither survived the transition to a fully funded state-administered health service. The only important contest, for them, was between “the state” and an undifferentiated “society,” and in that narrow sense the NIA marked a partial advance by the state in what would become a complete victory thirty-six years later.

The view from the Beveridge Report, usually found in more detailed studies of the NIA’s origins, is suspicious about the act’s rightful place in a social-

¹⁷ William Beveridge, *Social Insurance and Allied Services* (New York, 1942), pp. 25–26; *National Insurance Gazette* 1 (1912): 465.

democratic trajectory. Its starting point is Beveridge's announcement that "the approved society system in its present form has served its purpose and had its day," paired with his assertion that "voluntary insurance against sickness is covered adequately and on right principles by the Friendly Societies, with their long traditions of disinterested service and brotherly co-operation." Beveridge hoped to switch from contributory insurance to a system that was fully funded by the state (hence securing a "national minimum" for all citizens) without wholly abandoning the administration of national insurance by voluntary societies. Such societies, he claimed, should be admitted into partnership with the state only if they had no ties to for-profit insurance, were "effectively self-governing," and were willing to provide bonus coverage to state-insured members out of their voluntary subscriptions. This arrangement would, by definition, exclude insurance companies from the field, while giving friendly societies a boost by handing over to them a captive membership. At the same time, he hoped, it would keep voluntarism alive by giving citizens a first-hand view of its merits.¹⁸

The perspective of Beveridge's influential report (which was not, however, influential enough to save the friendly societies) has been revisited by successive historians, each of whom has modulated his tone to suit the political tenor of the time. The first historian of interwar welfare policy to consider his perspective seriously was Bentley Gilbert, whose exploration of "the evolution of national insurance" has been the standard reference on the topic since its publication in 1966. Like Beveridge, but with less hope for reversing the trend, Gilbert lamented the NIA's role in endangering "the democratically run and altogether admirable friendly societies," which, owing to competition with insurance companies, "began to lose their old fraternal character" after 1911. A generation later, Stephen Yeo relocated Gilbert's account of the NIA in an even more pessimistic narrative in which "the creative, public, associational voluntary life of so many English working people . . . has been subordinated, rendered less ambitious, or assimilated to rational capitalist or bureaucratic models." Like Gilbert, Yeo saw the insurance companies as an alienating force that led citizens into "a refusal to be attached in any deeply-felt way to 'the state' or to most other benevolent-seeming associations."¹⁹ Finally, a post-

¹⁸ Beveridge, pp. 28, 33, 30–31. For a discussion of Beveridge that complements my analysis of his predecessors, see Pat O'Malley, "Imagining Insurance: Risk, Thrift, and Industrial Life Insurance in Britain," *Connecticut Insurance Law Journal* 5 (1999): 692–99.

¹⁹ Bentley Gilbert, *British Social Policy, 1914–1939* (Ithaca, N.Y., 1970), p. 257; Stephen Yeo, "Working-Class Association, Private Capital, Welfare, and the State in the Late-Nineteenth and Twentieth Centuries," in *Social Work, Welfare, and the State*, ed. N. Parry, M. Rustin, and C. Satyamurti (London, 1979), p. 69. Yeo's account is echoed by Tony Novak in *Poverty and the State: An Historical Sociology* (Milton Keynes, 1988).

Thatcherite twist on the Beveridge view informs David Green's discussion of the NIA, which recounted how the "incomplete evolution" of voluntarism "was prematurely halted by the march of socialism." With more hope than either Gilbert or Yeo, Green proposed that friendly societies, with their traditions of "natural justice" and "shared personal responsibility," could once again act as a viable model for social reform once Margaret Thatcher had discredited the welfare state.²⁰

The view from the Beveridge Report rests on a thorough opposition between community and consumerism. Gilbert displayed a condescending impatience with "the lack of economic self-discipline among the lower levels of the English working class," whose failure to join friendly societies opened the door for the insurance companies' invitation to participate in the NIA. Yeo more forgivingly attributed voluntarism's decline to "the absolute deprivation of spare time, money and cultural resources for all but a minority stratum of workers"; but his clear preference for the extinguished creativity of the few over the "crabbed, deformed autonomy" of the many cut short any attempt to inquire more deeply into the consumerist workings of welfare.²¹ Notwithstanding their different political perspectives, these accounts all express nostalgia for "an age of individual responsibility," which diverts blame for the failure of voluntarism onto working-class consumption patterns or plutocratic meddling.²² Lamenting voluntarism's "incomplete evolution" as a basis for British state formation also forestalls a more detailed analysis of the sources and implications of the insurance companies' success in this regard. Without such an analysis, important distinctions between state-administered and company-administered social policy are blurred. "The gigantic industrial insurance industry" becomes a brush for tarring "bloated states masquerading as socialisms"—or vice versa, depending on one's point of view.²³

Such concerns are absent in a second variety of historical writing on British welfare policy, which sees all approved societies—friendly societies, trade

²⁰ Green, pp. 3–4, 102.

²¹ Bentley Gilbert, *The Evolution of National Insurance in Great Britain: The Origins of the Welfare State* (London, 1966), p. 323; Yeo, "Working-Class Association," pp. 50, 69. Green's perspective on consumerism is more complex, since he views friendly societies as superior organs of "consumer control" over the price and quality of working-class medical service. In this sense he can be seen as pursuing the anticonsumerist politics of working-class consumers recounted in this article's introduction: see Green, pp. 101–2, and his earlier *Working-Class Patients and the Medical Establishment* (Aldershot, 1985).

²² Bentley Gilbert, "The British National Insurance Act of 1911 and the Commercial Insurance Lobby," *Journal of British Studies* 4 (1965): 148; Green, *Reinventing Civil Society*, 98. For a cogent critique of Green's position, see Anne Phillips, "Who Needs Civil Society? A Feminist Perspective," *Dissent* 46 (1999): 56–61.

²³ Gilbert, *Evolution of National Insurance*, p. 323; Yeo, "Working-Class Association," p. 52.

unions, and insurance companies—as transitional institutions between “civil society” and “the state.” Instead of blurring the distinction between central government and large corporations, this approach obscures the conflicting claims of community and consumerism. Community, as a possible perspective from which to criticize the welfare state, drops out of this story by being identified with the end process of state formation—as in T. H. Marshall’s claim that the NHS and related laws molded a new form of citizenship, defined as “full membership of a community.”²⁴ Consumerism, at least in the limited sense of private purchase of insurance services, drops out owing to the hindsight that the companies’ participation in social insurance was destined to be a temporary expedient. This dichotomy between “state” and “society” appeared in a typical form in Geoffrey Finlayson’s survey of British social welfare, which viewed the state as gradually taking on functions that the “informal sector” eventually lost the capacity to perform. Finlayson included friendly societies, insurance companies, and charities as part of this sector, which he then contrasted with “the state . . . with its attributes of centralization and uniformity, professionalism and expertise, resources and capacity.” He recognized the potential for conflict between commercial insurance and voluntarism; but, by describing this as an “independent, localized, and competitive effort,” he missed the organizational chasm separating the companies from the friendly societies—although the former, for instance, were anything but local.²⁵

Most recent historians of the welfare state have been conscious of what Peter Baldwin calls “welfare whiggery”: the tendency to read post-1945 innovations back into an earlier age. But instead of combating those dangers by delving into the actual workings of social insurance prior to 1948, many have done so by identifying backward-looking motives among the pioneers of welfare policy. Hence Finlayson pointed to “moralistic ideas . . . among those who helped to lay the foundation of the challenge to older policies and practices”; and E. P. Hennock discovered a blend of sincere commitment to voluntarism (by Braithwaite) with a willingness (by Lloyd George) to settle for a specious “voluntary” model mainly in order to distinguish British social insurance from the existing variety on offer in Germany.²⁶ In her study of the NIA during the

²⁴ Cited in Peter Baldwin, *The Politics of Social Solidarity: Class Bases of the European Welfare State, 1875–1975* (Cambridge, 1990), p. 3. See also A. I. Ogus, “Great Britain,” in *The Evolution of Social Insurance, 1881–1981*, ed. P. A. Kohler et al. (New York, 1982), p. 183; Stuart Hall, “The Rise of the Representative/Interventionist State, 1880s–1920s,” in *State and Society in Contemporary Britain*, ed. G. McLennan, D. Held, and S. Hall (Cambridge, 1984), pp. 7–49.

²⁵ Geoffrey Finlayson, *Citizen, State, and Social Welfare in Britain, 1830–1990* (Oxford, 1994), pp. 128, 165, 135.

²⁶ Baldwin, p. 10; Finlayson, pp. 177–78; E. P. Hennock, *British Social Reform and German Precedents: The Case of Social Insurance, 1880–1914* (New York, 1987), pp. 195–96.

interwar years, Noelle Whiteside countered welfare whiggery in a different way, by stressing the constraining force of fiscal conservatism. Prying away the New Liberals' public face to reveal the "internal machinations within central government," she showed how political pressures to balance the budget led civil servants to restrict the approved societies' ability to do the public's business.²⁷ This focus on "internal machinations" is valuable for identifying how politicians impeded the survival of voluntarism, just as a focus on motivation suggests the reverse for Braithwaite and Lloyd George. By continuing to view the NIA as essentially the product of central government, though, neither style of revisionism identifies the important differences that made the insurance companies so much more appealing than friendly societies among those who had been uninsured prior to 1911. To do so, as I suggest below, it is necessary to view such people as consumers as well as citizens, and to view "community" in terms that extend beyond Marshall's statist ideal.

Historians of medicine who have traced the ancestry of the NHS do focus on approved society members as consumers, but only in the limited sense of the doctor-patient relationship. Jane Lewis, for instance, has identified "the three major groups of protagonists" in the provision of British health care during the twentieth century as "the medical profession, 'consumers' and the state"—a view that leads her to discuss the interwar era strictly in terms of debates between the Ministry of Health and various doctors' groups.²⁸ This approach has valuably revealed how the NIA produced new trends in working-class consumption of medical services, and it has provided even more detail on the changing income levels and professional duties of the new "panel doctors" who practiced under the new system.²⁹ But it has shed little light on working men and women as consumers of insurance. Indeed, viewing the NIA

²⁷ Noelle Whiteside, "Private Agencies for Public Purposes: Some New Perspectives on Policy Making in Health Insurance between the Wars," *Journal of Social Policy* 12 (1983): 165–68. See also M. J. Daunton, "Payment and Participation: Welfare and State-Formation in Britain, 1900–1951," *Past and Present* 150 (1996): 182–86; and Pat Thane, "Non-Contributory versus Insurance Pensions, 1878–1908," in *The Origins of British Social Policy*, ed. P. Thane (London, 1978), p. 104.

²⁸ Jane Lewis, "Providers, 'Consumers,' the State, and the Delivery of Health-Care Services in Twentieth-century Britain," in *Medicine in Society: Historical Essays*, ed. Andrew Wear (Cambridge, 1992), pp. 317, 331–40. See also Jane Lewis, "Family Provision of Health and Welfare in the Mixed Economy of Care in the Late Nineteenth and Twentieth Centuries," *Social History of Medicine* 8 (1995): 1.

²⁹ In addition to Lewis, see Anne Digby and Nick Bosanquet, "Doctors and Patients in an Era of National Health Insurance and Private Practice, 1913–1938," *Economic History Review* 46 (1988): 74–94; Norman R. Eder, *National Health Insurance and the Medical Profession in Britain, 1913–1939* (New York, 1982), esp. chap. 3; Daniel M. Fox, *Health Policies, Health Politics: The British and American Experience, 1911–1965* (Princeton, N.J., 1986), pp. 5–10.

as a chapter in the history of medicine inherently shifts the focus away from approved societies, since the local insurance committees established under the act impeded direct contact between insurance providers and doctors. As a result, doctor-focused histories are apt to view the NIA mainly in terms of the hospitals, insurance committees, and other local authorities that framed the medical practitioner's daily routine.³⁰ Such histories have revealed much about what happened when a worker fell sick in interwar Britain, but very little about the considerations that led healthy workers to decide which approved society to join.

JOINING AND CONSUMING, 1880–1910

Forty years ago the political scientist Harry Eckstein condemned the NIA as “one of the more absurd chapters in the history of public administration.” Its absurdity stemmed from the fact that none of the three main providers that were called in to administer the act—friendly societies, commercial insurance companies, and trade unions—were primarily interested in providing national health insurance. Instead, each was interested in using their right to pay sickness claims to the British worker as a means to attain ulterior ends: to make new converts, respectively, to the principles of fraternal self-help, mass marketing, or organized labor. Judged by its intended consequence of severing the connection between sickness and poverty, the result was needlessly inefficient and socially divisive.³¹ Judged, however, by its unintended consequences, the NIA stands as a wholly unique moment in British social policy: a great government-sponsored contest that pitted against each other three radically different visions of social organization. Using sickness claims as counters, each of the participants in this contest tried to reshape British society in its own image.

The contest that the NIA politicized and nationalized had been brewing for three decades prior to 1911, during which time friendly societies and insurance companies were only the two most prominent institutions to compete for the right to define the meaning of mutual thrift. These institutions took center stage, as they would under the act, because “thrift”—defined as pooling funds for a member's sick leave, for example, or a child's wake—was their primary

³⁰ For a brief account of the occasions when doctors and approved societies did interact, see Honigsbaum, pp. 16–21. David Green sees the relative lack of direct contact between insurers and doctors as the primary cause of the loss in “consumer control” over medical practice after 1911, and as one of the medical profession's primary objects in its negotiations with the state leading up to the act: see Green, *Reinventing Civil Society*, pp. 99, 101.

³¹ Harry Eckstein, *The English Health Service: Its Origins, Structure, and Achievements* (Cambridge, Mass., 1958), p. 21.

reason for existence. Other institutions, including trade unions and temperance societies, also undertook the business of thrift after 1880 in order to attract new members into their fold or to prevent existing members from dividing their time with a second society. Even among friendly societies, there were several variations. By far the most popular in the 1880s were the affiliated orders, which had risen to prominence in the previous generation by confederating numerous local lodges across the breadth of Great Britain and which combined strong fraternal values with basic insurance against sickness and old age. By 1911, however, the affiliated orders shared space with two new types of friendly society as well as the hugely successful industrial insurance companies. Centralized friendly societies provided the same sort of insurance as the traditional lodges, but without the fraternity or local participation. Collecting friendly societies were nonprofit versions of the industrial companies, offering burial insurance to the poor through the constant presence of paid canvassers.

By the 1880s, friendly societies had evolved from their early nineteenth-century roots as informal local clubs into a national movement dominated by a handful of large “affiliated orders.” Although thousands of smaller autonomous clubs survived to qualify as approved societies in 1911, orders like the Manchester Unity of Oddfellows (with 713,000 members in 1899) and the Ancient Order of Foresters (666,000) enjoyed a clear edge in social and political influence.³² The men who assembled at these lodges were often required to conform to various forms of dress and address, including special robes, passwords, and handshakes—the point being to reinforce each society’s unique sense of brotherhood and hence solidify the members’ commitment to voluntary self-help. Even in the large orders, local lodges were small enough (seldom more than 150) to provide ample opportunity for intimate fellowship among members. Besides fraternizing, lodge members governed themselves—both in the legislative sense of determining rules and subscription levels and in the administrative sense of keeping the books and visiting sick members to guard against malingering. The lodge, furthermore, was the basic political unit in the affiliated order’s federal structure. Lodge members elected delegates to represent them at the order’s annual meeting, which moved from city to city in order to reinforce the ties between local and national decision making.³³

³² P. H. J. H. Gosden, *Self-Help: Voluntary Associations in Nineteenth-Century Britain* (London, 1973), p. 104. Other leading orders in 1899 were the Ashton Unity of Shepherds (103,000 members), the Grand Order of Oddfellows (70,000), and the Order of Druids (56,000). Membership in the latter two was already starting to decline by 1899 after peaking in the 1880s. In this paper, “Oddfellows” refers only to the Manchester Unity, except where otherwise noted. The classic institutional history of friendly societies up to 1875 is P. H. J. H. Gosden, *The Friendly Societies in England, 1815–1875* (Manchester, 1961).

³³ Gosden, *Self-Help*, p. 103; Robert Q. Gray, *The Labour Aristocracy in Victorian*

Although lodge members took pride in defying the “impersonal” tenets of the market, friendly societies paradoxically owed their high levels of membership to successful marketing techniques. This tension appeared in the most basic (and apparently least “consumerist”) motive for joining friendly societies, namely, the desire to belong to a group of comparably “respectable” working men. As in any other club, membership in a friendly society offered a young man friendship insurance, which included among its benefits a familiar face at the pub or a good turnout at a member’s funeral.³⁴ Even benefits as intangible as these, however, had their material side, in the form of the robes, sashes, and songbooks that distinguished members of different lodges from each other and from nonclub men. Historians of American friendly societies have argued that purchasing and wearing all this regalia in public constituted an important opportunity for members to display “their consumer prowess,” linking “the public display of consumption with class and gender pride.”³⁵ Men who purchased club regalia spent their discretionary income (the portion that did not directly proceed to the household budget) on a “respectable” alternative to gambling or heavy drinking. This material investment in community was an important source of motivation for the long hours they spent on rule making, bookkeeping, and sick visitation.³⁶

These relatively subtle tensions between an anticonsumerist ethos and the practice of consumption came closer to the surface in the friendly societies’ other primary function, insurance against lost wages due to sickness. Unlike out-of-pocket expenditure on regalia, subscription to a club’s sick fund came from the member’s household budget, which was more often than not “managed” by his wife. The result, as Mary Ann Clawson has observed, was a conflict between the club’s proclamation of “the emotional self-sufficiency of men” and the domestic virtue of “sexual complementarity.”³⁷ Club dues were a regular fixture in working families’ weekly budgets, and wives tenaciously made sure their husbands kept up payments and followed the club’s rules governing behavior. In some cases the active intervention of wives in their capacity as household managers sufficiently disrupted the friendly societies’

Edinburgh (Oxford, 1976), pp. 138–39; Geoffrey Crossick, *An Artisan Elite in Victorian Society: Kentish London, 1840–1880* (London, 1978), pp. 177–79, 195–97; Nob Doran, “Risky Business: Codifying Embodied Experience in the Manchester Unity of Oddfellows,” *Journal of Historical Sociology* 7 (1994): 136–37.

³⁴ James C. Riley, *Sick, Not Dead: The Health of British Workingmen during the Mortality Decline* (Baltimore, 1997), pp. 34–37.

³⁵ Mark A. Swiencicki, “Consuming Brotherhood: Men’s Culture, Style, and Recreation as Consumer Culture, 1880–1930,” *Journal of Social History* 31 (1998): 787; Mary Ann Clawson, *Constructing Brotherhood: Class, Gender, and Fraternalism* (Princeton, N.J., 1989), pp. 211–44.

³⁶ Riley, pp. 41–44. See also Paul Glennie, “Consumption, Consumerism and Urban Form: Historical Perspectives,” *Urban Studies* 35 (1998): 927–51.

³⁷ Clawson, pp. 243–44.

“fraternal” self-image to call for a response, as when a Preston lodge voted to forbid “members sending their money . . . by women and children.” Wives’ efforts to define friendly society membership as the consumption of insurance (and thereby as provision for the entire family) received assistance from the clubs’ middle-class leaders, as well as from the government and the law courts, which encouraged administrative changes that improved the affiliated orders’ financial security. What has typically been seen as a “class” tension between friendly societies’ leaders and their rank and file was hence replayed as part of the constant negotiation between husbands and wives regarding control over the “family wage.”³⁸

Whether exercised in fraternal display or the purchase of insurance, consumption was crucial to the very existence of friendly societies. In the affiliated orders’ mid-Victorian heyday, these two forms of consumption stood in rough equipoise. By the turn of the century, owing to the more rigorous 1875 Friendly Societies Act and the spread of middle-class domestic values to more working families, that balance had started to tilt irrevocably toward insurance as the prevailing object of lodge members’ consumption. Once this happened, a similar imbalance began to appear between the two types of community that formed around the friendly societies’ consumption patterns. The ascendant “insurance” form created what François Ewald has called “abstract mutualities,” which allowed members “to enjoy the advantages of association while still leaving them free to exist as individuals.” The waning “fraternal” form created “qualitative mutualities,” which required individuals to submit aspects of their personality to a single creed.³⁹ Both as an object of consumption and as a form of “mutuality,” the transition from fraternity to insurance led to an organizational bind that was unique to friendly societies. They could not allow members to “exist as individuals” without devaluing the fraternal symbols that motivated brothers to perform the lodge’s necessary work. This made it difficult for friendly societies to adapt to new male consumption patterns that were less focused on fraternity, and it also limited their ability to develop fully the actuarial reasoning that underlay their newfound existence as “abstract mutualities.”

By 1900, male consumption patterns had moved away from mutual proclamations of “emotional self-sufficiency” toward membership in larger and more diffuse groups, which pledged muted allegiance to a brand name or to

³⁸ Shani D’Cruze and Jean Turnbull, “Fellowship and Family: Oddfellows’ Lodges in Preston and Lancaster, c. 1830–c. 1890,” *Urban History* 22 (1995): 40; Gosden, *Self-Help*, pp. 98–100; Ross (n. 3 above), pp. 72–84.

³⁹ François Ewald, “Insurance and Risk,” in *The Foucault Effect*, ed. G. Burchell et al. (Chicago, 1991), pp. 203–4; see also Doran, 134–35, 142–46. Ewald’s dichotomy between “abstract” and “qualitative” mutuality owes an obvious debt to Émile Durkheim’s similar distinction between “organic” and “mechanical” solidarity.

the nation-state. Instead of parading on behalf of their local club, Edwardian working men were more likely to join in “processions dominated by advertising for private companies and state agencies.”⁴⁰ And tastes in where to get together shifted along with these newly sponsored forms of male sociability. Late-Victorian working men flocked to music halls, which offered them the chance to fraternize in the presence of women, something they could not do in male-only secret societies. Sporting events provided another opportunity for men to spend their disposable income, either in the presence of women (as spectators) or in more traditional male-only settings (as participants). Pubs, which had long accommodated friendly society meetings, expanded their recreational offerings to cater to these shifts in their customers’ tastes. A working man could hence let his club dues lapse without abandoning his neighborhood pub, where he could still enjoy a drink with his football team or swoon with his sweetheart to the latest music-hall songs.⁴¹

While these new forms of mass consumption were threatening friendly societies from one direction, the societies also suffered from their tortured efforts to square their new standards of actuarial soundness with their older commitment to fraternalism. Members in reformed societies faced new requirements for belonging that valued regular payment over “qualitative” factors like respectability or good fellowship—which led to a rising proportion of lapses, since the clubs’ prior definitions of mutuality had provided a safety net for members who were temporarily out of pocket. Unlike insurance companies, which tried to keep lapses at a minimum in order to prevent customer dissatisfaction, friendly societies were much slower to see the negative consequences of letting members lapse. Instead, they moralized their lapses away, arguing that a member proved by lapsing that he had never been sufficiently prudent to begin with. The result was a decline in mutuality, whether defined in the “abstract” or the “qualitative” sense—what Dot Jones has called “a converse Robin Hood effect” in which the poorest members of society sustained the financial security of the rest. Finally, the friendly societies’ hesitance to depart from fraternalism made it hard for them to cater to the millions of women who entered the workforce after 1880. One possible solution, the founding of women-only clubs, went nowhere: fewer than 20,000 women belonged to such

⁴⁰ Stephen Yeo, *Religion and Voluntary Organisations in Crisis* (London, 1976), pp. 214–15; John M. MacKenzie, *Propaganda and Empire: The Manipulation of British Public Opinion, 1880–1960* (Manchester, 1984).

⁴¹ Eric Hopkins, *Working-Class Self-Help in Nineteenth Century England: Responses to Industrialization* (New York, 1995), p. 55; Neil Tranter, *Sport, Economy and Society in Britain, 1750–1914* (Cambridge, 1998), pp. 52–57; Dave Russell, *Popular Music in England, 1840–1914: A Social History*, 2d ed. (Manchester, 1997), pp. 84–86; Brian Harrison, “Pubs,” in *The Victorian City: Images and Realities*, ed. H. J. Dyos and Michael Wolff, 2 vols. (London, 1973), 1:167–68.

societies in 1891, down substantially from female membership earlier in the century.⁴²

Commercial insurance companies directly benefited from, and helped instigate, many of the changes in consumer taste that worked against the affiliated orders. Until 1911, direct competition between the affiliated orders and the insurance companies was almost nonexistent, since the latter stayed out of health insurance and specialized instead in securing against the contingency of working-class burials—something the orders never extensively provided. At a more abstract level, however, the sources of conflict between these two institutions stretched back into the nineteenth century. Just as friendly societies practiced consumption even as they preached community, industrial insurance companies preached the virtues of working-class community as a means of selling their policies to millions of low-income households. The companies discovered that it paid to find out what forms of community inspired allegiance in their employees and customers, then alter their managerial and marketing strategies accordingly. As employers of working-class salesmen, they took advantage of the existing emotional appeal of fraternalism by restaging fraternal rituals in their regular sales meetings. And as sellers to the working poor, they severed “thrift” from its middle-class focus on social mobility so as to attach it more firmly to the working-class communal rite of providing family members with a “proper” funeral. The result was that industrial insurance companies enjoyed a spiral of financial and social success between 1890 and 1940, the same decades in which friendly societies experienced stagnating or declining numbers.

Industrial insurance rose from the fading remains of small mutual burial clubs and “friendly leads,” in which friends and family would raise money for burying the recently deceased by walking down the street with hat in hand and corpse in tow. One of the first companies in the field, and quickly the most successful by far, was the Prudential (founded in 1848), which switched from general to industrial insurance in 1854. After buying out its leading rival in 1860, the Prudential commenced a meteoric rise. By 1891 it was writing policies on over 10 million working-class lives, up from 670,000 in 1870; in 1901 its chairman, Henry Harben, announced that Prudential policyholders “represent the nation” since they were “one-third of its population here.” Its success bred imitators, including the Refuge and the Pearl, both of which were writing nearly as many policies each year by 1911 as the Prudential. None of these firms departed very far from the Prudential’s formula for selling and main-

⁴² Dot Jones, “Did Friendly Societies Matter? A Study of Friendly Society Membership in Glamorgan, 1794–1910,” *Welsh Historical Review* 22 (1985): 346; J. Frome Wilkinson, *Mutual Thrift* (London, 1891), pp. 175–80. See D’Cruze and Turnbull, pp. 32, 39; and Gorsky, “Mutual Aid and Civil Society” (n. 8 above), pp. 310–22.

taining their policies, which included a carefully monitored team of salesmen organized into divisions and districts, most of whom doubled as collectors of the weekly premiums; a system of promotion through the ranks whereby hard-working agents could become assistant superintendents, district inspectors, and, in rare cases, directors; and a vast army of clerks who processed the tons of correspondence and agents' accounts that came streaming in from all parts of the country. Shares in all these companies were narrowly held by the founding members, which translated into immense family fortunes.⁴³

Industrial insurance owed much of its success to the constant presence among the working poor of salesmen and collectors, who persistently touted their companies' merits and made sure policyholders kept up their payments. The companies therefore devoted considerable effort to building a loyal and motivated sales staff. Since their agents were almost exclusively male, an obvious motivating tool was fraternity—the same source of inspiration that had convinced millions of similarly situated men to join friendly societies. Fraternity in the industrial insurance company was a carefully orchestrated part of the staff's work routine, an opportunity for release and reflection that complemented the otherwise lonely job of knocking on doors. Presided over by a district manager (or, on special occasions, a director from London), agents' gatherings included a healthy diet of inspirational speeches, songs, and athletic events, always capped off by a night of smoking and drinking on the company's tab. These were the settings at which the salesman's thoroughly masculine identity was shaped: in turns tactful friend, fierce competitor, and devoted husband. On the latter point (and in contrast to most friendly societies), wives and girlfriends were frequent guests at such gatherings; but their presence—and inevitable absence, at crucial points in the event—only highlighted the importance of fraternity among their male partners. A Britannic super, for instance, “called upon the ladies present” at a Blackpool sales gathering to imitate the district inspector's wife “in supporting, by glad home life, the work of their husbands.” As in friendly societies, but less apologetically, fraternalism at these sales meetings relied heavily on the consumption of material goods. Superintendents welcomed successful salesmen into the fold by rewarding their efforts with fountain pens, English lever silver watches, and silver-mounted umbrellas (often reporting the cash value of the items to the assembled gathering); dispensed fish carvers and coffee services to agents' wives; and treated their staffs to elaborate, well-documented dinners.⁴⁴

⁴³ Laurie Dennett, *A Sense of Security: 150 Years of Prudential* (Cambridge, 1998), pp. 39–53, 107, 121–22; *Insurance Record* 39 (1901): 108; Sidney Webb, “Special Supplement on Industrial Insurance,” *New Statesman* 4 (1915).

⁴⁴ *Assurance Agents' Review* 19 (1906): 29–30, 143; *ibid.*, 20 (1907): 45, 127; *Assurance Review* 26 (1913): 47; *Agents' Journal and Official Gazette* 29 (1912): 358.

Such gatherings were as important for their departures from friendly society practice as for their similarities. The features of brotherhood, singing, and speeches, and even the personality cult of the director, all mirrored the social mechanisms at work in the lodge, with its “society ditties” and occasional visits from a Grand Master or Chief Ranger. These overlaps were crucial in contributing to the appeal of the job for insurance salesmen, many of whom were familiar with the similar regalia on offer at lodges. Unlike lodge members, however, whose gatherings doubled as exercises in self-government, insurance salesmen assembled in order to receive instructions from the head office. This was related to a second, equally important difference between the meanings of fraternity in the two institutions. For lodge members, fraternity was an end in itself, although one that many had started to question by 1910. In industrial insurance, fraternity was resolutely a means for achieving the goal of molding a top-notch sales team. To this end, agents were never allowed to forget that they were expected to be active participants in a team sport, in which districts, divisions, and companies ceaselessly jockeyed for the top position in sales figures. Many companies reinforced this lesson by rewarding their top division with a “silver challenge cup” or “Inspector’s Challenge Shield,” which resided in the local office as long as the division remained in first place.⁴⁵

A second form of working-class community that industrial insurance companies consciously encouraged concerned their customers’ burial rites. As Paul Johnson has observed, industrial insurance afforded customers with a unique opportunity for exhibiting status in two ways: by offering the neighborhood weekly reminders that a family was doing well enough to pay the collector as he made his rounds and by avoiding the embarrassment of a pauper’s funeral.⁴⁶ The latter service operated by providing cash for a “proper” burial, which consisted in a wooden coffin, a horse and carriage to transport the corpse, funeral attire (also known as “black”) for the mourning family, and refreshments for the gathered assembly. Thus provisioned, a working-class funeral had much in common with a friendly society procession, contributing in similar ways to a neighborhood’s sense of itself—and also, crucially, allowing mourners to display their “consumer prowess.” Unlike the friendly society parade,

⁴⁵ *Agents’ Journal and Official Gazette* 29 (1912): 374; *ibid.*, 30 (1913): 149. For a perceptive commentary on the continuing relevance of such exercises among insurance salesmen, see David Knights and Glenn Morgan, “Selling Oneself: Subjectivity and the Labour Process in Selling Life Insurance,” in *White-Collar Work: The Non-Manual Labour Process*, ed. C. Smith, D. Knights, and H. Willmott (London, 1991), pp. 217–40.

⁴⁶ Paul Johnson, *Saving and Spending: The Working-Class Economy in Britain, 1870–1939* (Oxford, 1985), pp. 43–47. See also Ruth Richardson, *Death, Dissection and the Destitute* (London, 1987), pp. 275–81.

however, display in the working-class funeral was engaged in at least as much by women as by men. Lady Bell noted with strained sympathy that the funeral, from the working-class woman's perspective, was "absolutely the only opportunity for keeping open house," citing the widow who proudly buried her husband "'with ham,' meaning that the assembled company . . . had sandwiches of the best description."⁴⁷

Besides encouraging a more inclusive form of community than the friendly societies, insurance companies avoided the tension between communitarian and actuarial modes of thinking that saddled the affiliated orders. This was because the expense of staging a proper funeral was itself the contingency that was covered by industrial insurance—in contrast to the practice of friendly society men, whose expenditure on fraternal display was wholly separable from the provision of sickness insurance. Although industrial policyholders could thereby have their thrift without sacrificing their sense of community, this conflation came with a price. From very early on, industrial insurance companies had to defend themselves against the charge that they were encouraging an inferior variety of thrift.⁴⁸ Led by Benjamin Waugh's Society for Prevention of Cruelty to Children, which focused on the high proportion of policyholders who were children (28 percent in the Prudential's case), critics accused industrial insurance of supporting the superstitious, needlessly costly, and possibly criminal working-class desire to receive ready money for fancy funerals. Apologists for the insurance industry responded by urging reformers to humor the deeply ingrained rituals of the working poor as "a barbaric survival," much as colonial administrators made allowances for the "backward" habits of their subjects until the slow process of civilization had taken hold. Winning this argument was crucial for the continued spread of industrial life insurance, and the companies had the requisite financial and cultural resources to keep their naysayers at bay. Their finest hour came in a series of parliamentary hearings between 1889 and 1896 when they permanently silenced Waugh with a barrage of statistics, paeans to the free market, and claims "to have educated the industrial classes in the matter of thrift and insurance."⁴⁹

Affiliated orders and industrial insurance dominated, but did not monopolize, the market for thrift at the end of the nineteenth century. By that point a number of institutions calling themselves "friendly societies" had appeared that combined aspects of the affiliated order and the industrial insurance com-

⁴⁷ Lady Bell, *At the Works: A Study of a Manufacturing Town* (London, 1909), pp. 118–19.

⁴⁸ See the suggestive treatment of this topic in O'Malley (n. 18 above), pp. 685–91.

⁴⁹ T. Mackay, *Working-Class Insurance* (London, 1890), pp. 52–53; *Assure 2* (1890): 54. On the companies' drubbing of Waugh, see George K. Behlmer, *Child Abuse and Moral Reform in England, 1870–1908* (Stanford, Calif., 1982), pp. 125–37.

pany.⁵⁰ Closest to the large orders in structure and function were the centralized friendly societies, the largest of which was the Hearts of Oak—a London-based organization that increased in size from 64,421 members in 1875 to 239,000 in 1899. These provided the same form of insurance (primarily sick pay and old-age pensions) as the Oddfellows and Foresters, with less emphasis on fraternity and local control. Partly because the meaning of “mutual self-help” had itself moved so far to the side of “non-profit insurance provision” by 1900, most observers were happy to include the Hearts of Oak and kindred societies under the flag of voluntarism. Their members did, at any rate, send their payments to London, instead of requiring a canvasser to relieve them of their pennies at the doorstep. They were also “self-governing,” since their managing committees drew from member-appointed delegates. And on occasion they could even claim the formation of local clubs, even if these were more like electoral colleges (for choosing delegates) than lodges.⁵¹

Closer to the industrial offices in most regards were the “collecting” friendly societies, which provided burial insurance and relied on door-to-door canvassers to generate and maintain a steady stream of business. A handful of collecting societies with memberships in the millions took over the field from the thousands of local burial clubs that had blanketed Britain in the 1850s. The two largest, the Royal Liver and the Liverpool Victoria, were founded in Liverpool at midcentury and in fifty years grew to mammoth proportions. Together with the Royal London, these societies enrolled over 6 million members by 1905, or nearly 90 percent of the overall burial society market. In their day-to-day operation, collecting friendly societies provided the same blend of community and consumerism that was supplied by industrial insurance, both for their canvassers (in the form of male bonding at sales meetings) and their customers (by covering the cost of a decent funeral). The only important difference between such societies and the Prudential was that customers, instead of shareholders, were responsible for electing executive officers. Since members had no opportunity to learn about their society’s governance except through the collector, this meant that collectors wielded much more power within these societies than did their counterparts in industrial insurance. One result was that boards of directors were dominated by former collectors, who

⁵⁰ For convenience, and following contemporary usage, the discussion in the remaining two sections will treat centralized friendly societies as belonging to the same class as friendly societies and collecting friendly societies as belonging to the same class as insurance companies.

⁵¹ Gosden, *Self-Help* (n. 32 above), p. 105; Hopkins (n. 41 above), p. 57. On the rising popularity of centralized “deposit” friendly societies which combined sickness insurance with a savings bank account, see Johnson, pp. 69–70.

ensured that commissions were roughly 50 percent higher than those paid by the companies.⁵²

A final category of insurance providers that would qualify as “approved societies” under the NIA were voluntary organizations that offered mutual insurance as distinctly subsidiary lures to attract members to a separate cause. The most important of these combined sickness insurance with appeals to temperance and trade unionism, respectively; but late Victorians also offered sickness or burial insurance in efforts to increase the ranks of the Salvation Army, to encourage church attendance, and to “preserve the Welsh language.”⁵³ Temperance friendly societies, the largest of which were the Rechabites and the Sons of Temperance, thrived in the generation after 1870; the Rechabites, for instance, grew from 10,000 members in 1872 to 212,794 in 1910. These societies did well, in part, because they were centralized, owing to their refusal to convene in the public houses that were typically the only available neighborhood meeting places for mutual aid. They were also assiduous in setting up juvenile branches, which they were able to do more successfully than friendly societies since their temperance message appealed more readily to preteens than the more “adult” virtues of conviviality and insurance promoted by the affiliated orders.⁵⁴

The other major providers of sick pay as an adjunct to a separate purpose were trade unions. The connection between sick pay and trade unionism reached its apogee in the 1860s, when many unions formally registered as friendly societies in order to achieve legal standing (a formality that was rendered unnecessary by Gladstone’s Trade Union Act of 1871). Before workers’ compensation became law in 1906, sick pay was also a crucial lure for attracting new members, especially in trades with high health and accident risks. Membership in miners’ relief funds, for instance, rose from around 20,000 in 1870 to more than 220,000 in 1887, or close to half of all miners working in England. And at least in the higher-paying trades, unions offered larger benefits than those provided by the affiliated orders; the Boilermakers’ Society, whose members could afford the high premium of one shilling six pence per week,

⁵² Gosden, *Self-Help*, pp. 120–26, 141–42; Gilbert, *The Evolution of National Insurance* (n. 21 above), pp. 324–25.

⁵³ Bernard Watson, *A Unique Society: A History of the Salvation Army Assurance Society Limited* (London, 1968); Jones (n. 42 above), p. 345. Cooperative stores did not offer insurance until after 1911. When they did, they were very successful—but they did not elect to establish approved societies under the NIA. See Beveridge (n. 17 above), p. 259.

⁵⁴ Wilkinson (n. 42 above), p. 165; Gosden, *Self-Help*, 103; Michael Savage, *The Dynamics of Working-Class Politics: The Labour Movement in Preston, 1880–1940* (Cambridge, 1987), pp. 125–27. Temperance friendly societies were especially successful in Wales: see Jones, pp. 327–29, 333.

paid out ten shillings a week for six months and another five shillings for the rest of the year.⁵⁵ While sick pay remained central for many unions through the end of the century, however, the trajectory was reversed in others. The more militant unions that formed after 1880 rejected their forebears' focus on sickness insurance, often because they catered to lower-paid workers who had to choose between protecting their health and their jobs. When the upstart General Railway Workers' Union formed in 1889, it promised its members that it would "not be encumbered with any sick or accident fund"; this, in turn, drove the established Amalgamated Society of Railway Servants to depart from its traditional identity as "a friendly society with a few mutual protection benefits." The Charity Organisation Society noticed such departures with alarm in 1892, reporting that the unions' provision of financial security against sickness had "made the older unionists averse to warfare, and the fact has exposed them to some reproach from the newer and more combative school."⁵⁶

CHOOSING AN APPROVED SOCIETY: THE MEMBERSHIP DRIVE OF 1912

George Howell claimed in 1890 that the "first essential principle" of participation in a trade union was that it "shall be purely voluntary," by which he meant that "[a] man must have perfect liberty either to join or refrain from joining such society, according to his taste or inclination." A year earlier, the *Assurance Herald* praised the Prudential as "a Company worked upon democratic principles and embracing the democracy of the country"; by which it meant that the firm was "patronised by the great bulk of the people, whose inclinations it has bent by the application of sound influence."⁵⁷ These two different implications of "democratic" choice—voluntary subscription and "bent inclination"—collided in the NIA, the framers of which softened the law's "compulsory" character by offering workers a broad choice of approved societies to administer their benefits. From one perspective, the state had extended to all workers the virtuous act of deciding whether to "join or refrain from joining" one society out of a number of options, and it punished those who refused to decide (or failed to be accepted) with a set of inferior benefits

⁵⁵ Martin Pugh, *State and Society: A Social and Political History of Britain, 1870–1997* (London, 1999), pp. 36–37; Wilkinson, pp. 171–72; J. E. Mortimer, *History of the Boilermakers' Society*, 2 vols. (London, 1982), 1:22.

⁵⁶ Timothy L. Alborn, *Conceiving Companies: Joint-Stock Politics in Victorian England* (London, 1998), p. 247; Finlayson (n. 25 above), p. 122; Charity Organisation Society, *Insurance and Saving: A Report on the Existing Opportunities for Working-Class Thrift* (London, 1892), p. 70.

⁵⁷ George Howell, *The Conflicts of Capital and Labour*, 2d ed. (London, 1890), p. 129; *Assurance Herald* 3 (1889): 413.

administered by the Post Office. From another perspective, the state had provided workers with yet another occasion to have their desires molded by the persistent application of a salesman's influence. To some extent, the commissioners who were charged with enforcing the Insurance Act tried to modulate which of these meanings of "choice" would prevail during the membership drive that unfolded in the summer of 1912. More commonly, however, they handed that task over to the approved societies themselves, who engaged in a months-long scrum that would largely set the tone for social welfare over the next three decades.

The National Insurance Commission took seriously its mandate to give workers the widest choice and the greatest freedom in choosing their approved society. It showered British workers over the summer of 1912 with 75 million leaflets, which were scrupulously evenhanded in describing the merits of different types of approved society.⁵⁸ This mandate of "free choice," however, was narrowly defined and difficult to enforce. Nor did the commissioners address the fact that insurance companies, with their preexisting sales forces numbering in the thousands, were in the best position to preach to the newly captive audience of compulsorily insured workers—leading friendly societies and trade unions to question how "free" a worker's choice really was. The companies' advantage in the membership drive, however, was apparent only in retrospect and it was never uniform. At many workplaces, insurance companies needed to contend with the trade unions' prior presence on the shop floor. Workers who already belonged to a friendly society, similarly, were more likely to ask their club's "approved section" to administer their government insurance than they were to ask an insurance company. But that left a majority of workers who did not belong to either unions or friendly societies prior to 1911 and whose decision to join an approved society was likely to be made at the doorstep. These were the workers whom insurance companies were especially likely to attract, and their numbers were destined to grow with each passing year, as new cohorts entered the workforce for the first time.

The workplace, where the actual transfer of employers' and workers' contributions to the approved societies' funds took place, posed the greatest risk of coercion getting in the way of the workers' free choice of a society. The Insurance Commission hence focused much of their enforcement efforts on preventing employers from dictating the selection process. Charles Masterman announced in 1912 that "pressure, direct or indirect, exerted by employers upon persons in their employment to join particular societies is wholly contrary to the principle of the Act."⁵⁹ Commissioners were also quick to quell those employers, primarily in rural areas, who tried to boycott the act by refusing

⁵⁸ *Hansard*, 5th ser., 41 (1912): 1760.

⁵⁹ *Ibid.*, 40 (1912): 720.

either to stamp their workers' insurance cards or to contribute their share. A series of well-publicized fines of recalcitrant employers in 1912 offered convincing evidence that the government was serious about enforcing compliance. Between full freedom of choice and coercion (or obstruction), however, lay a substantial gray area, since it was all but impossible to prevent employers from offering their advice to workers who approached them with questions about the relative merits of approved societies or the general principles of the NIA. And in such cases, the very structure of the NIA tilted the balance in favor of the centralized insurance companies, which could tout their administrative efficiency and marketing savvy to win employers over to their cause. However, trade unions also had clear advantages in the struggle to enroll members at the workplace, since they could build on existing channels of communication to spread the word on the shop floor about a union-sponsored approved society.

Insurance companies were quick to see the advantage in marketing their strengths directly to large employers of labor. They promised that their own long experience with paperwork would ease the employers' administrative burden under the act, and they offered to perform "educational" services at the workplace in order to dispel any confusion the act might have caused among employees. By May 1912 the Prudential had already received invitations from Harrods, Debenhams, and Wallis's to lecture to their workers on how "to secure the greatest advantages under the new law." Once it was time for the employees' contribution cards to be issued, the company again appeared with a helpful scheme to relieve employers of their state-mandated duty to stamp and file the cards between redemption dates. A Prudential circular issued in June 1912 offered to "take over all the cards and . . . carry out the many requirements of the Act, the contributions being paid to us direct in one sum." This plan was vetoed by the commission as unfairly restricting the workers' choice of society, despite the Prudential's promise that it would require the employees' written consent and would process cards issued by other approved societies as well as their own.⁶⁰

Such regulatory vigilance was the exception, however, despite voluntarists' urgings that the state take on a more aggressive role in monitoring workplace canvassing. Even after the Prudential officially backed down from its card-collecting scheme, complaints continued to filter in from the provinces that insurance companies were getting employers to pressure their workers into signing up with a single provider. A Rechabite branch secretary, for instance, warned that in Nottingham "hundreds of application forms have been filled up under pressure, if not intimidation, from employers who entered into a stock-broking arrangement, to take all their employees in bulk, to save the employers the clerical and other work the Act involves." Trade union officials similarly

⁶⁰ *National Insurance Gazette* 1 (1912): 60; *London Times*, June 17, 1912.

complained of the companies' "carnival of misrepresentation" and cited cases in which "employers had stood over their men, or sent their foremen to do it, while the agent of the insurance company took their names." The alleged result, in this case, allowed companies to "coerce trade union members into joining capitalistic and anti-trade union organizations," hence sapping the labor movement of its strength.⁶¹

The Prudential and NAAS tried to fend off such accusations with a volley of interviews and press releases, in which they pointed to the advantages that their superior organization offered to members qua employees. Both firms offered free legal advice to customers who were involved in workers' compensation cases, something only the larger trade unions could match.⁶² They also presented themselves as lesser evils, in any case, than the many employer-operated approved societies that formed under the act. Most of these were converted versions of shop clubs, which had often required membership as a condition of employment prior to 1911, and some made the transition to national insurance with a great deal of success. The Midland Railway Friendly Society, by paying a penny out of their workers' weekly contribution, convinced 29,000 employees to keep the railway as their insurance provider; and Boots Chemists, which formed a new approved society from scratch, signed up over 6,600 of its 7,000 workers. In this context, the chairman of the Prudential could argue with some justification that his company had been "a real help to the trade unions . . . for there is no doubt that without our approved society many 'works' approved societies would have been formed, with the employers in strong force on the managing committees."⁶³

This appeal had some success in swaying unionized workers from their belief that choosing the Prudential as their national insurance provider would weaken their power on the shop floor, but only within limits. These limits were on display in the mining districts of Northumberland and Durham, where local mine owners had asked the Prudential to set up a special approved society for miners, presumably as a foil against trade union societies. The result testified that even the Prudential could not convince all the people all of the time: only 3,400 miners joined its approved society in those two counties, against 100,000 who joined the approved societies set up by the two largest miners' unions. Insurance companies likewise faced stiff competition for registering state-in-

⁶¹ *National Insurance Gazette* 1 (1912): 147, 306; *London Times*, September 13, 1912. See also *Hansard*, 5th ser., 41 (1912): 2049–50.

⁶² *Agents' Journal and Official Gazette* 29 (1912): 699; *National Insurance Gazette* 3 (1914): 365; *Appendix to the Report . . . on Sickness Benefit Claims under the National Insurance Act* (London, 1914 [cd. 7688]), qs. 8142–54.

⁶³ *London Times*, August 8, 1912, June 19, 1912; *Agents' Journal and Official Gazette* 29 (1912): 635. In the event, only 68,000 workers ended up joining employers' approved societies; see Beveridge, p. 25.

sured members in Burnley, where the local weavers' union enrolled 28 percent of the borough's eligible members; and in Northampton, where the National Union of Boot and Shoe Operatives outpaced companies and friendly societies alike.⁶⁴ Such cases were the exceptions, however, and they appeared only in regions with heavy concentrations of thoroughly unionized skilled workers who were likely to hold prior loyalties to a union. Unions were relatively unsuccessful at using the NIA to attract new members, as some labor leaders had hoped would happen. Overall union membership only increased by 8 percent during the membership drive of 1912, which was less than the increases in 1911 or 1913. Furthermore, the fact that unions had more pressing concerns than administering sick pay often handicapped their efforts on behalf of the NIA, especially given the volatile state of labor relations during the three years before World War I. The secretary of the Durham Miners' Association suggested that its approved society would have signed up far more than 24,000 of its 140,000 members had it not been for a miners' strike in March 1912, followed by the debate on the Minimum Wage Act, which took up most of the union's energy.⁶⁵

Workplace battles between companies and unions were also waged in the realm of women's employment. Where women were already unionized, they tended to remain in their union's approved society in greater proportion than was the case for unions more generally, which had an overall retention rate of 50 percent. More than two-thirds of the Card Room Operatives' membership stayed with the union's approved society; 24,508 of the 30,104 who stayed were women. The Amalgamated Weavers, similarly, enrolled 65,316 women and 24,366 men in its approved society in 1912, out of a total union membership of 137,196.⁶⁶ Women's trade union leaders, like Mary MacArthur of the National Federation of Women Workers, became converts to national insurance by mid-1911 in the hope that it would help them organize nonunionized women. In scattered cases, the act did provide a spur to new unionization efforts among women, as when the National Union of Shop Assistants increased its membership from 23,000 to 60,000 in 1912 by offering sales clerks

⁶⁴ *British Parliamentary Papers* 1913 (vol. 56): 3–272.

⁶⁵ Clegg (n. 10 above), 2:105; *Appendix to the Report . . . on Sickness Benefit Claims*, q. 35,333. Clegg's claim that the NIA had little to do with the growth of unions revises Henry Pelling's contrary claim in *A History of British Trade Unionism* (London, 1963), p. 127.

⁶⁶ *Appendix to the Report . . . on Sickness Benefit Claims*, qs. 4–7; Arthur Marsh and Victoria Ryan, *Historical Directory of Trade Unions* (Aldershot, 1984), 4:64; Edwin Hopwood, *A History of the Lancashire Cotton Industry and the Amalgamated Weavers' Association* (Manchester, 1969), p. 79. The smaller Boot and Shoe Women Workers' union showed a similar retention rate of 65 percent: *Appendix to the Report . . . on Sickness Benefit Claims*, qs. 5661–64.

the chance to join its approved society; and the Amalgamated Weavers added over 40,000 new union members in 1913.⁶⁷ The insurance companies countered these results by making inroads among domestic servants, who were not unionized, and who held out much longer than other workers in signing up for insurance out of deference to their employers' refusal to comply. The Prudential filled this vacuum with a separate, female-only Domestic Servants Approved Section, which promised (and delivered) more generous benefits than its other sections to reward its members' healthier work conditions. Their society attracted 388,000 members, or 18 percent of a potential market of 2.1 million state-insured women servants, more than five times the membership of their nearest competitor, the London-based Domestic Workers' Friendly Society.⁶⁸

While unions and insurance companies were waging their membership battle on the shop floor, friendly societies spent 1912 trying to retain the allegiance of their existing "voluntary" members who qualified for state insurance. They did so without departing too far from their usual methods of persuasion—including lectures, leaflets, and lodge meetings—which typified a self-consciously softer sell than the companies' aggressive marketing style. Measuring success by retention of members, most of the larger friendly societies did moderately well in the initial flurry of registration. The Druids convinced 50,000 of 70,000 eligible members to join their approved society merely by sending out application forms; the Hearts of Oak, by sending out notices and inviting members to ask their friends to join, retained most of its existing members and attracted 300,000 new ones by 1913. Such results proved, according to one member, that "a lot of people . . . had joined this Society simply because they would not have an insurance agent continually knocking at their doors with other objects in view"; and they attested to a more general assumption that state-insured members who received their claims from companies were not worth the trouble, since their poor health or lack of commitment to voluntarism would eventually act as a drag on the societies' finances.⁶⁹

Such complacency was short lived. Once the first wave of state members

⁶⁷ Braithwaite (n. 14 above), p. 235; Clegg, 2:105; Hopwood, p. 188. At least some of this success can be ascribed to the fact that women workers were much less likely than their male counterparts to belong to a friendly society; hence the unions' offer of state-subsidized sick pay represented a service which had previously been off limits to these women.

⁶⁸ A. Henri, "Servants and the Act," *National Insurance Gazette* 1 (1912): 164; *British Parliamentary Papers* 1922 (9), cd. 1662; *Report by the Government Actuary* (cd. 1662), pp. 49, 52.

⁶⁹ *Appendix to the Report . . . on Sickness Benefit Claims*, q. 6710; *Hearts of Oak Journal* 8 (1913): 18. See, e.g., *Hearts of Oak Journal* 7 (1912): 183; *Oddfellows' Magazine* 43 (1912): 358.

had been enrolled, companies and voluntary societies alike began to realize the implications state insurance held for their respective futures. Every year after 1912 a new cohort of working boys and girls would reach the age of sixteen, at which point they automatically were required to contribute to national health insurance. To the companies, this constant stream of youthful state members meant the same thing as the windfall of adults who had landed in their laps in 1912: “in course of time these young people would be thinking about other insurance,” as a Pearl manager put it, and they would seek these extra benefits from the society that paid their state insurance claims. Friendly societies, conversely, reacted far differently to the prospect of a yearly supply of new state-insured teenagers than they had responded to the initial registration of members in 1912. That year they had convinced themselves that most of the people who had signed up with insurance companies were lost causes, whose past failure to join a self-help society proved their present disqualification. After 1912, the societies were faced instead with a succession of blank slates: boys and girls who could either be molded as the voluntarists of the future or lost to consumerism’s clutches. What was a simple case of “a prospect for Ordinary and Industrial branch business” for the insurance salesman was, for the friendly society, a vital opportunity “to inculcate the wisdom of voluntary thrift.”⁷⁰

Neither insurance companies nor friendly societies were content to wait until children reached the age of compulsory insurance to start angling for the right to pay their claims. The companies tried to convince approved society members to take out burial policies on their offspring, often combining this with their new duty of paying maternity benefits under the NIA. As A. R. Barrand of the Prudential reminded his sales staff: “the payment of over 5,000 maternity claims every week meant so many [life] policies to be issued on the little strangers.” Friendly societies formed special “juvenile branches” that combined sickness benefits with songs and games and offered low-cost burial insurance in order to “secure the children from birth.” A “universal plan of campaign for the initiation of juveniles” was at the top of the Loyal Order of Shepherds’ agenda in 1912, which provided for “Young Shepherd” Brigades and penny-stamp books. The same year the Manchester Oddfellows announced plans for a new life insurance collecting society with paid agents, as did the Foresters in 1913.⁷¹ In this battle to insure Britain’s young people, the com-

⁷⁰ *Agents’ Journal and Official Gazette* 29 (1912): 182, 682; *Shepherds’ Magazine* 30 (1912): 328.

⁷¹ *Agents’ Journal and Official Gazette* 30 (1913): 478; *Shepherds’ Magazine* 30 (1912): 191; *ibid.*, 30 (1913): 61–63; *National Insurance Gazette* 2 (1913): 634; *London Times*, August 7, 1913. On using maternity benefits for selling infant insurance, see also *Liverpool Victoria Record* 37 (1912): 3.

panies were the decided victors. The Prudential and NAAS showed a combined increase of 652,000 state-insured members between 1912 and 1923 (a 13 percent gain), compared with declines in membership of between 5 percent and 9 percent in the Foresters, Oddfellows, and Hearts of Oak over the same period. This failure to recruit enough new state members to replace those who died or withdrew mirrored stagnating membership in the friendly societies' juvenile sections and child burial insurance schemes.⁷² In all these cases, friendly societies were stymied by tensions between the "businesslike" methods they pursued to attract young people and the nostalgic, anticommmercial ideals that motivated their actions. Club members routinely vetoed their directors' suggestions for attracting new members on the grounds that the ends did not justify the means, especially in those societies where the provision of insurance was explicitly secondary to a higher moral purpose. A plan by the Sons of Temperance to hire paid canvassers, for instance, went nowhere when an insufficient number of abstaining salesmen applied for the position.⁷³

No such scruples got in the way of insurance company agents, whose success at enrolling new subscribers after 1912 built on their ability in the initial drive to attract the vast majority of British workers with no prior allegiance to a voluntary society. These agents quickly discovered that the state, by compelling people to insure, had done half their canvassing work for them. "Millions of people are being shepherded by a benevolent Government into Approved Societies," noted the *Liverpool Victoria Record* in July 1912, providing a "unique" opportunity that was "already passing away." As a Wrexham salesman put it in a prize essay on how to make the NIA pay, the act got him "into the houses," where he could "find out all I can about the man's family connections, his income, and what insurance he already holds, and then proceed to canvass him for all I am worth wherever I see an opening." Life offices also hoped that guaranteed sickness insurance would cut back on lapsing, since it would prevent surplus income from being lost to healthcare costs. Along these lines, the *Insurance Mail* suggested in November 1911 that "peaceful persuasion" could be applied to induce members to hand over part of their benefit to make up back premiums.⁷⁴ These incentives were usually enough to get salesmen to double as representatives of the NIA—despite the fact that they only

⁷² *Report for 1914–17 on the Administration of the National Insurance Act, Part I* (London, 1917 [cd. 8890]), p. 48; *Report by the Government Actuary* (London, 1922 [cd. 1662]), pp. 46–59; *Oddfellows' Magazine* 47 (1916): 168.

⁷³ *London Times*, May 28, 1912. See also *Oddfellows' Magazine* 46 (1915): 326, 710; *ibid.*, 51 (1920): 298–301. The Rechabites also defeated a member's recommendation "to promote a system of industrial insurance" in 1915: *National Insurance Gazette* 4 (1915): 549.

⁷⁴ *Liverpool Victoria Record* 37 (1912): 3; *Agents' Journal and Official Gazette* 29 (1912): 847; Gilbert, *Evolution of National Insurance* (n. 21 above), p. 358.

earned pennies per member for these efforts, since approved societies needed to keep within state-imposed expense limits.⁷⁵

In marketing their approved societies to workers who had no prior exposure to voluntarism, the insurance companies took advantage of their ubiquitous sales force and their unequivocal devotion to salesmanship. Over 20,000 Prudential agents spent the summer of 1912 enrolling approved society members, and the NAAS employed an even larger, if less concentrated, force of nearly 30,000 agents. These agents treated sickness insurance first as a commodity and only secondarily as an invitation to belong to a community. A Prudential advertisement summed up the companies' marketing campaign in nine words: "Unrivalled Organization. Agents Everywhere. Economical Administration. Guaranteed Supplementary Benefits."⁷⁶ The Prudential declared that its approved society members "receive personal attention at—their—own—homes IN ALL PARTS OF THE UNITED KINGDOM"; and the same lesson was preached in a promise to customers that the insurance agent "can be utilised to wait upon them, to fetch and carry everything relating to this State insurance business, thus . . . saving them the trouble of going to the branch meetings." Another sales pitch praised the companies' impressive national coverage, which would allow members to migrate within Great Britain without having to change insurers. Members who chose the Prudential over their local club were also reminded of its superior experience in keeping the "scientific, complicated, and difficult records" required under the NIA, and of its stellar investment portfolio managed by London's top financial analysts. Finally, the companies pointed to the actuarial benefits of national coverage, as when the NAAS promised that its members would not be "adversely affected by local epidemics." Taken together, these appeals were designed to provide a pleasing contrast between companies and clubs to an audience with no great prior attachment to the virtues of voluntarism—a sector that Joseph Burn of the Prudential referred to in 1912 as "millions of 'clean,' straightforward cases waiting for anyone to pick up."⁷⁷

⁷⁵ The Prudential paid its salesmen three pence per member enrolled under the NIA, although that increased to one shilling six pence per member per annum in 1914: *Assurance Agents' Union Chronicle* 24 (1912): 205–6; *National Insurance Gazette* 3 (1914): 134.

⁷⁶ *National Insurance Gazette* 1 (1912): 16. Some, but not all, of these benefits were also available from centralized friendly societies, although their ability to communicate that fact to a wider public was restricted. See *ibid.*, p. 152.

⁷⁷ *National Insurance Gazette* 3 (1914): 160; *ibid.*, 1 (1912): 151; *Assurance Agents' Union Chronicle* 24 (1912): 505; *Agents' Journal and Official Gazette* 29 (1912): 481, 375. Actuarial concerns mattered because each individual society was allowed to divide among their members any surplus from their government-appropriated grants.

THE PROBLEM OF PARTICIPATION

The insurance companies' vision of approved society membership, in which members were waited upon at their doorsteps by agents who would "fetch and carry everything related to State insurance business," was not exactly what Lloyd George claimed was on offer when he first presented the NIA in 1911. In its original form, national insurance was supposed to universalize the principles of local and participatory self-help and self-abnegation that had originally been the exclusive preserve of benefit clubs and trade unions. The Liberals reinforced this idea by nominally requiring every approved society to be "subject to the absolute control of its members" and by forcing the companies, which were anything but democratic in form, to create "a separate self-governing department which would be precluded from working for a profit." The problem, however, lay in defining what "self-governing" could possibly mean for a company like the Prudential, with closely held stocks and millions of customers who lived far from its head office in London. William Braithwaite, who was put in charge of squaring this circle, developed "an elaborate system of local life for Friendly Societies" in March 1911, which he tried to extend to the companies by requiring their approved societies' members to operate on a delegate system.⁷⁸

Following Braithwaite's firsthand account, Bentley Gilbert has provided a detailed reconstruction of the process by which this participatory vision was almost wholly derailed. By casting aspersions on the affiliated orders' financial affairs, and by forging temporary alliances with doctors and centralized friendly societies, the companies masterfully gutted Lloyd George's bill of its original participatory intentions. Braithwaite blamed party politics for this turn of events: the Conservatives, despite being "pledged up to the hilt to support the Friendly Societies," were prone to sell out to the "vested interest of the Companies," and the collectors and agents were "a powerful force on the Liberal side at elections." But there was also a deep internal divide among the NIA's architects regarding the relative priority to be attached to self-governed approved societies or comprehensive coverage of workers. Braithwaite claimed that he "would rather see the scheme mismanaged, than managed for profit," while Masterman assumed the top priority was to "get the nation insured." And in the end, even Braithwaite was willing to embrace "a healthy competition between societies" (including those with for-profit branches) in order to hedge against half the population coming in as Post Office contributors. As a result, "self-government" in approved societies soon came to mean whatever the society in question desired. For insurance companies, this meant

⁷⁸ *Hansard*, 5th ser., 26 (1911): 1444; Braithwaite (n. 14 above), p. 119.

the farthest thing imaginable from democracy. The Prudential Approved Societies—which the *New Statesman* ridiculed as a “weird travesty of a Friendly Society”—required a quorum of twelve members at its Holborn Bars office, which invariably translated into “clerks with time on their hands”; an NAAS general meeting, with its slightly higher quorum of fifty members, attracted an average attendance of 250.⁷⁹

The decision to allow industrial insurance companies to take part in the NIA on their own terms was portentous, since it marked the beginning of the end of the friendly society as a viable alternative to the provision of welfare by big business or big government. Far from marking a simple victory of consumerism over community, however, the effects of the NIA on voluntarism can be interpreted more fruitfully as preserving certain kinds of community at the expense of others. Since the 1850s friendly societies had been trying to yoke working-class spending habits to their masculine rituals of respectability in order to preserve a unique space for political expression and administrative self-control. These efforts were starting to wear thin by 1911, partly owing to the spread of less demanding types of consumption among working-class men, but also due to the increasing tendency of middle-class reformers and working-class wives to view friendly societies as “abstract” (actuarial) rather than “qualitative” (fraternal) communities. These internal shifts within the friendly society movement help account for the ease with which the industrial insurance companies translated their phenomenal commercial success into the political coup of taking over nearly half the business generated by the NIA. By privileging “abstract” over “qualitative” meanings of community in the name of comprehensive coverage, the NIA strengthened the companies’ hand while intensifying the dilemmas that had saddled friendly societies since the 1880s. Its prejudicial impact on voluntarism, furthermore, was felt more severely by friendly societies than by other voluntary organizations registered under the NIA—most notably trade unions—which offered members other benefits besides fraternity and sick pay.

Most friendly societies had suspected for years that younger working men were less likely to be interested in the trappings of fraternity than their forebears had been, yet they continued to rely on fraternity to fuel their older members’ participation in lodge affairs. The NIA intervened in this dilemma by giving new artillery to the many club men who urged their societies to change with the times. In 1912 the executive council of the Shepherds recommended the optional omission of “passwords in cypher” at lodge meetings, and similar resolutions were adopted by the Foresters and Nottingham Odd-

⁷⁹ Gilbert, *Evolution of National Insurance*, pp. 360–83; Braithwaite, pp. 209–10; “The Working of the Insurance Act,” *New Statesman* 2 (1914), special suppl., 21; Gilbert, *British Social Policy* (n. 19 above), pp. 280–81.

fellows. All these proposals were greeted with much grumbling about lost heritage, as when a Newcastle Shepherd complained that the reformed lodge “would be simply an office for debt collecting,” but in no case did ritual survive as a required feature of lodge life. In defense of the change, club men pointed to the waning significance of ritual among voluntary members as a sign that such things were bound to scare away the previously uninitiated. Ritual had the effect of “creating a feeling of nervousness” that kept members from attending meetings, observed one Oddfellow in 1913; a Shepherd urged that “you must come to the business in practical form and abolish the ceremony,” adding that many voluntary members at present “don’t go into the Lodge meeting because they have not the pass-word.”⁸⁰

Suffrage in most friendly societies, as in British national elections, had been the sole preserve of men prior to 1911. The NIA changed this by introducing women into the friendly societies’ ranks, in many cases for the first time. Lodges could not simply turn their backs on women, as most had done in the past, because so many of the millions of female workers who were compulsorily insured under the act were wives and daughters of club men and might potentially bring family members with them over to company-sponsored approved societies. J. N. Lee, whose Hearts of Oak Society “had been an ‘Eveless Eden’” prior to 1911, urged his fellow members that “they would naturally desire . . . that their women folk should be insured in the Hearts of Oak.” Once that was settled, however, the issue of female suffrage needed to be solved, which was an especially tender point in a climate where self-government and fraternity had for so long gone hand in hand. In the case of the Hearts of Oak, it was determined only to allow women who entered as state-insured members to vote at lodge meetings if they agreed to take up an extra “voluntary” policy as well, despite the glaring fact that male members who no longer paid any contributions directly to the club retained their right to vote. Even when women were included in a friendly society’s administrative apparatus, as in the Manchester Unity, society leaders complained that they were not keeping up their end of the bargain. Walter Wright mentioned “women particularly” as state members of lodges who were “practically taking no interest whatever” in management.⁸¹

If the NIA helped drive a wedge between fraternalism and political participation in friendly societies, it also strengthened the case for diminishing the local orientation of lodge administration. In order to accommodate the many different forms of insurance coverage that had evolved under the voluntary

⁸⁰ *Shepherds’ Magazine* 29 (1912): 137–38; *London Times*, April 9, 1912; *Oddfellows’ Magazine* 44 (1913): 207.

⁸¹ *Hearts of Oak Journal* 6 (1911): 379–82; Gilbert, *Evolution of National Insurance*, p. 428.

system, the act required every lodge to keep track of nine different account books, twenty-one different categories of insured people, and twenty-two different items of information about each member. To relieve their local secretaries of this burden, many societies moved to pool the state insurance paperwork into larger units, which would allow specially trained clerks to sift through the books. In 1915 the Oddfellows' directors asked its lodges with fewer than 100 members to merge with neighboring branches, and the Shepherds' Executive Committee unilaterally reduced the number of districts in its state section from 706 to fourteen. In a similar vein, the Foresters' Executive Council reconstituted itself in 1912 as "a permanent office and staff in London," departing from the tradition of supplying its executive with members from the local lodge that happened to be hosting the annual meeting.⁸² Such reforms invariably led members to predict the imminent demise of fraternalism—as was the case with the Oddfellow who worried that his brothers had become "actuarial friendly society men rather than actual friendly society men," whose "souls were in pawn to the devil of arithmetic, who blew our ideals sky-high." As for actually doing something to stem the tide of modernization, however, members had to make do with symbolic gestures. The Foresters' rank and file responded to the permanent executive, for instance, by voting to cut new council members' per diem expenses (which were now necessary owing to their annual meeting in London) from the recommended pound a day to fifteen shillings.⁸³

The NIA further contributed to a decline in local self-government by making it harder for lodges to meet in public houses. Insurance Commission rules forbade female members of approved societies from meeting in pubs, a proscription that extended to both sexes in Scotland and Wales. These rules especially affected Welsh clubs, 60 percent of which held their regular meetings in pubs prior to 1911, and "mixed" English clubs, which included male and female members in the same lodge. Although some friendly societies (notably the Sons of Temperance) welcomed the new rule for Wales, most viewed it as an illegitimate infringement of their rights—a "dictatorial, autocratic, imperialistic action," in the words of one Cardiff Oddfellow. Another Oddfellow complained that the school rooms that local authorities offered as alternative meeting places "were the most uncomfortable places it was possible to find" and argued that "a village inn, if properly conducted, was as good as any other place." The English Commission's restriction against female members forced

⁸² *National Insurance Gazette* 1 (1912): 325; *Shepherds' Magazine* 30 (1913): 85, 182–91; *ibid.*, 31 (1914): 148–50; *Oddfellows' Magazine* 46 (1915): 53, 8; *Manchester Guardian*, August 7, 1912. The Foresters' executive henceforth consisted of eight English officers, two Scottish officers, and one each from Wales and Ireland.

⁸³ *Oddfellows' Magazine* 46 (1915): 639–40; *Manchester Guardian*, August 8, 1912.

clubs to choose among the equally impolitic options of abandoning the pub as a meeting place, withholding state benefits from wives and daughters of members, or not allowing female members to attend meetings. The Oddfellows puzzled over these choices at length at their 1913 meeting before determining that separate female lodges should be established wherever possible, and that where there were not enough women for that they could be grouped into larger district lodges—a solution which was less than ideal both from an actuarial standpoint and in terms of their localist ideals.⁸⁴

A final instance in which the NIA detracted from the fraternal side of friendly societies concerned sick visitation and the related problem of malingering. One of the strongest features of the friendly society system had long been the “sympathetic visitor,” who brought “into the house of the afflicted brother . . . not only the benefit which the sick member has contributed for, but also a word of cheer and comfort from his brothers in the Order.”⁸⁵ The NIA tested the limits of this system by substituting the state for the friendly society as the source of sick pay, hence reducing the incentive for members to be honest about exactly how ill they felt; and the larger number of members after 1911 made it harder for visitors to be as vigilant or as friendly as before. Walter Wright complained that the visitor now “rushes round on Friday night or Saturday, hands the money in, . . . takes a receipt for the benefit, and goes.”⁸⁶ The NIA also limited the extent to which lodges could count on the assistance of doctors to report cases of malingering. Although club men had not always seen eye to eye with doctors before 1911, most assumed they could trust their local physician to protect their finances by informing the lodge when a member was faking illness. These doctors were typically hired by the societies and felt more loyal to the club as a whole than to any individual member.⁸⁷ The NIA replaced this system with a scheme of “panel doctors” who attended all state-insured people in their district, hence dividing the doctors’ loyalties between members’ claims to collect sick pay and societies’ concerns about solvency. Freed from the need to see a club-approved doctor, many patients gravitated

⁸⁴ *Report for 1912–13 on the Administration of the National Insurance Act, Part I* (London, 1913 [cd. 6907]), p. 500; *Oddfellows’ Magazine* 44 (1913): 431, 244–56; *Hearts of Oak Journal* 8 (1913): 176.

⁸⁵ *Oddfellows’ Magazine* 43 (1912): 376.

⁸⁶ *Appendix to the Report . . . on Sickness Benefit Claims* (n. 62 above), q. 32,209. Evidence of increased levels of reported illness in friendly societies after 1911 did suggest that compulsory insurance made malingering a bigger problem than before, although some argued that much of the increase was due to the inclusion of less healthy workers on the approved societies’ rolls (see *ibid.*).

⁸⁷ Green, *Working-Class Patients* (n. 21 above); and Hilary Marland, *Medicine and Society in Wakefield and Huddersfield, 1780–1870* (Cambridge, 1987), chap. 5; Eder (n. 29 above), pp. 17–22.

to doctors who were less inclined to send them back to work; and club officials often lacked the resources to “get behind the doctors’ certificates,” as the Forsters’ Chief Ranger lamented.⁸⁸ Friendly society leaders were convinced that newly recruited members, who had no previous exposure to voluntary thrift, were more likely to try to get an extra week off at the club’s expense. One auditor complained that these new members often viewed their approved society “as many unscrupulous people do railway companies, ‘fair game to be done’ as often as possible.” Wright saw malingering as an example of women members’ tendency “to regard insurance as they regard ordinary commodities,” hence corrupting the clubs’ fraternal spirit.⁸⁹

Such conceptions of insurance were all part of the routine for industrial companies, which felt almost no inconvenience in adapting their machinery to the NIA. Long before 1911, they had figured out how to nurture forms of community, whether in application to their sales staff or their customers, that converged with their primary focus on managerialism and marketing. To get the best results from their salesmen, they combined fraternal ritual with persistent reminders that each week’s sales figures would be subject to scrutiny at the head office. To extend their market as far as possible, they welcomed women as well as men into their family of consumers; and the primary article that was consumed—a prospective insurance benefit that paid for working-class burials—supported an even wider community by bringing whole neighborhoods together to mourn their dead. In both cases, the sense of community encouraged by the companies was far more inclusive, if less intensive, than was the case in friendly societies. They translated their pervasive presence in the lives of the British working poor into a uniquely “national” status, which they then ceaselessly broadcast to their salesmen and customers. Industrial insurance was a “national blessing,” according to Joseph Burn; the Pearl was like “a strong national government,” according to its Gloucester manager, and the Prudential embodied “England’s rich charity” which “promptly relieved / The pitiful wants of hundreds bereaved.” Besides elevating the companies in the eyes of their customers, such claims helped motivate their salesmen, who were “schoolmasters of the masses” on matters of thrift, and whose cheerful disposition and natty appearance made a better impression at the doorstep than the somber, black-coated school inspectors who made the same rounds.⁹⁰

⁸⁸ *Appendix to the Report . . . on Sickness Benefit Claims*, q. 19,051. On subsequent efforts by approved societies to restrict members’ ability to switch panel doctors, see Norman R. Eder, “Medical Opinion and the First Year of National Health Insurance in Britain,” *Albion* 11 (1979): 162–69.

⁸⁹ *National Insurance Gazette* 2 (1913): 289; *Appendix to the Report . . . on Sickness Benefit Claims*, qs. 11,880–81.

⁹⁰ Joseph Burn, “Industrial Assurance,” *Insurance Institute Journal* 10 (1907): 63; *Assurance Agents’ Review* 10 (1897): 21; C. Burchell, *Songs and Poems on Life Assurance* (London, n.d.), p. 6; *Assurance Herald* 3 (1889): 563; James Smith, *More*

The NIA allowed these “national” insurance companies to pass themselves off as more national than ever after 1911. By requiring millions of working women and previously uninsured men to choose an approved society, the act played into the companies’ existing strengths. In the process, members of the companies’ approved societies took on a status that was somewhere between citizen and customer, and the salesmen who doubled as representatives of the NIA occupied a gray area between civil service and customer service. By blurring the boundary between their massive market share and the social needs of Britain’s masses, these societies perversely came far closer than the friendly societies to achieving T. H. Marshall’s ideal of citizenship as “full membership of a community.” So defined, however, citizenship implied almost no active political participation, apart from the minority of managers and middlemen who made sure the system ran smoothly. The only problems of participation faced by the insurance companies, consequently, concerned their continuing ability to motivate their staff, and their ability to foil their customers’ attempted evasions of the NIA. They solved the first problem by shifting their employees’ identity from loyal company man to loyal civil servant, and they solved the second by hiring new employees who specialized in policing the claims. Whole categories of problems that plagued the friendly societies—the unpopularity of passwords, women’s voting rights, and the proscription on pubs—never emerged for insurance companies; and other problems, like the extra red tape required by the NIA, were easily absorbed by the companies’ existing bureaucracy.⁹¹

It did not require a great leap for companies to adapt their standard motivational methods to the new circumstances of the NIA. After spending many years telling their agents that they were doing more for Britain’s working poor than the government or organized charity could hope to accomplish, it was relatively easy to convince salesmen that paying out state-subsidized sick pay was the next logical step in their evolution as quasi-public servants. Thomas Neill, an executive at the Pearl Life Assurance Company who spent three years as an Insurance Commissioner before returning to the private sector as head of the NAAS in 1915, referred in his inaugural chairman’s speech to “the great

Light or the Secret and Success of Industrial Life Assurance (Glasgow, 1892), pp. 28–29.

⁹¹ In one sense the NIA did contribute to more far-reaching administrative changes in industrial insurance, by leading Joseph Burn at the Prudential to start experimenting with the “block system” of canvassing and collecting. This system, which replaced large districts patrolled by competing agents with much smaller “blocks” that were exclusive to single agents, was introduced by Burn in 1912 in direct response to the NIA. Following its rapid acceleration during the labor shortage effected by World War I, this system would greatly reduce overhead expenses at the Prudential and would eventually be extended to other industrial companies by government mandate. See Dennett (n. 43 above), pp. 192–94, 228–30.

social work in which the National Amalgamated is engaged.” This “social work,” once defined as teaching “thrift” to the working poor, was reinterpreted as helping approved society members “realise their position and duties under the Act.” By teaching their customers to be good citizens, claimed the Prudential’s A. C. Thompson, the “true missionaries of thrift” who sold insurance would finally receive the recognition they deserved as model citizens in their own right. A London and Manchester director urged his company’s Camberwell agents that they “must work this Bill” so that it would “go down to posterity that our men were worthy citizens of a great country.”⁹²

Considered in the abstract, it was indeed worthy to teach workers their responsibilities under the new regime of compulsory insurance. But such an education, as the companies defined it, was a far cry from the New Liberal ideal of molding ignorant workers into fully informed and active voters. Members of the NAAS or the Prudential approved societies received information only when they were confused about what to do, not as a resource that they could exploit to think independently about social problems. If “perplexity regarding the Act” ever arose, promised Thompson, a sales representative would be “at hand to explain any difficulty which may present itself.” In direct proportion to the salesman’s ability to supply information “generously and tirelessly” to the several dozen approved society members in his book, those members were relieved of the need to become active citizens. The *National Insurance Gazette*, which for the most part supported the companies’ involvement in the NIA, could not resist archly observing that their marketing tactics would “encourage the employee to shelve his responsibilities under the Act.” This would be unfortunate, since the NIA had provided such a great opportunity for the worker “to look into things, to follow them . . . to learn to do his civic duty—to look after the sanitary conditions of his town, etc.” Instead, the companies were urging workers “to push all the work . . . on to the shoulders of an obliging approved society and its local and chief officers.”⁹³

Treating citizens as customers also meant that insurance companies were far less chary than friendly societies about policing the behavior of their approved society members. They went into the NIA assuming that members would try to work the act to their material advantage by faking illness and seeking out lenient doctors, and further assuming that it was more cost-effective to police this behavior than to try to teach members that “shopping” and mutual insurance did not mix. These assumptions led them to hire full-time sick visitors and claims managers who played “bad cop” to the salesman’s generosity and good cheer. The companies’ sick visitors, typically converted

⁹² *National Insurance Gazette* 4 (1915): 635; *ibid.*, 2 (1913): 436; *Agents’ Journal and Official Gazette* 29 (1912): 150, 381.

⁹³ *National Insurance Gazette* 2 (1913): 436; *ibid.*, 1 (1912): 105.

sales managers in the case of men or licensed nurses in the case of women, were not of the same class as their members—in clear distinction with friendly society visitors. Lucy Handel Booth, the head sick visitor for the Prudential Approved Societies, claimed that society members were less likely to try to deceive “educated, observant, and tactful women” whose prior experience as social workers or nurses commanded deference. When handling claims, the companies’ approved societies were no less determined to guard their solvency against the “shopping” proclivities of their members. The NAAS claims department kept its 230 clerks well supplied with medical dictionaries and a set of strict guidelines to help them tell which illnesses merited how much time off work. In such cases, reported the society’s actuary J. A. Jefferson, it was standard practice to write “to the panel doctor direct” with the request that he “pay a little attention to the question whether the patient in his opinion is really now incapable of work.”⁹⁴

Trade unions faced more challenges than insurance companies in squaring the demands of the NIA with their prior administrative patterns, but in doing so they faced less dire consequences than in the friendly societies’ case. Gender was less of an issue for unions because they were organized around trades, which continued to be gender-specific, and not around consumption, which was gender-blind. The all-male Boilermakers’ Society, for instance, succeeded in enrolling nearly three-fourths of its members in its approved society, despite the fact that many of these 48,000 men presumably had working wives who belonged to a different society. Furthermore, patterns of leadership in most unions were so securely masculine that no influx of female members would have likely caused any disruption. The Card Blowers’ Union, where female members comprised a large majority but routinely elected an all-male management committee, delegated no women to manage its approved society despite the even larger majority of over 80 percent women who had enrolled. The case for women’s suffrage translating into women officials was not much stronger in the Amalgamated Weavers, where only six of thirty-six district-approved societies elected women to serve on the managing committee (and two of these districts could not help but do so, since they included no men at all).⁹⁵

The NIA did lead to some dissension between executive officers and members over administrative issues at meetings held in 1912 by the railway servants’ and engineers’ unions, but these were easily patched up. It similarly

⁹⁴ C. Lucy Handel Booth, “The Selection of Sick Visitors,” *Insurance Magazine* 3 (1915): 17–18; *Appendix to the Report . . . on Sickness Benefit Claims*, qs. 7601–2, 7658, 7663.

⁹⁵ *Appendix to the Report . . . on Sickness Benefit Claims*, qs. 8299–8302, 360, 363, 4577–82.

played an important but still subsidiary role in the hotly contested reorganization of the dock trade that began in 1912. Even these relatively minor difficulties were absent in most unions, which were already centralized or moving in that direction prior to 1911. And since many smaller unions had already combined to form the General Federated Trade Union (GFTU) before 1911—which was quick to form an approved society under the NIA—they had a convenient method close at hand for relieving their secretaries of the act's administrative burdens.⁹⁶ The unions' response to malingering under the NIA similarly shared some, but not all, of the concerns that dogged friendly societies. Union officials agreed with the friendly societies that new members (especially women) were prone to "abuse" the act by flocking to lenient doctors. W. A. Appleton of the GFTU argued that women had "been compelled for a great many centuries to get the best of every bargain they could, and they tried to get the best they could in insurance"; he concluded that it might be several generations before women workers would regard mutual insurance "as some of us have regarded it." However, the unions' primary location in the workplace made it easier for them to detect malingering without disrupting their existing administrative structures. As Appleton observed: "We have means, perhaps outside the ordinary society, of knowing when a man is at work and is not. His mates in the shop know, and soon let you know."⁹⁷

In all these cases, the underlying constant was that the NIA had relatively little to do with the more general success or failure of the trade union movement. The two world wars recruited far more workers into unions than the state-assisted offer of an extra ten shillings per week in sick pay; and the shift from industrial to service-sector jobs, not the replacement of the NIA with the NHS, was what led most of the older unions to suffer major losses after World War II.⁹⁸ The situation was different with friendly societies, for which getting the NIA to succeed on their own terms was crucial to their very existence. Even in their case, however, the administrative challenges posed by compulsory insurance merely accelerated a process that had been going on for decades—one that was rooted in the gradual prevalence of "sickness insurance" over "fraternity" as the lodge members' central object of consumption. Hence when A. H. Warren of the Independent Oddfellows claimed in 1913 that the task ahead was to use the NIA as a means of "building up . . . manly, self-reliant characters" among "the large band of State insured members," he was laying plans for a battle that was already well on the way to being lost.⁹⁹

⁹⁶ Clegg (n. 10 above), 2:102–3; Eric Taplin, *The Dockers' Union: A Study of the National Union of Dock Labourers, 1889–1922* (Leicester, 1985), pp. 108–12.

⁹⁷ *Appendix to the Report . . . on Sickness Benefit Claims*, qs. 11,879–81, 11,851.

⁹⁸ Pugh (n. 55 above), pp. 152, 217, 283.

⁹⁹ *National Insurance Gazette* 2 (1913): 634.

CONCLUSION

For every friendly society official who drew attention to the important contrasts between consumption of the insurance companies' wares and participation in a "truly" democratic approved society, there was a company apologist ready to cite the NIA's favored principle of "free choice" to construct a seamless identity between consumerism and voter behavior. Following a series of by-election losses suffered by the Liberals in 1912 and 1913, the *National Insurance Gazette* insisted that this did not mean "that the [Insurance] Acts are hated by the general public." To prove this, it pointed to the "record year" enjoyed by the life insurance side of the industrial companies in 1913, which had mainly been due to the new death benefits purchased by members of the companies' approved societies. These people had "thought insurance so good a thing that they have voluntarily agreed to pay a few extra coppers a week for death benefits." Far from capturing the ideal of direct representation desired by Lloyd George and the New Liberals, this stance marked a return, in a different guise, to the much older politics of virtual representation. The representative was the insurance salesman who told his customers what was best for them and allegedly acted in their best interest when he reached his district sales target. When an M.P. wryly asked J. A. Jefferson if the NAAS committee of management embodied the ideal of "democratic control" mandated by the act, Jefferson's response articulated this definition of political representation: since "all the present members of the committee are those who have been agents or superintendents, and have worked up to their present positions by sheer ability, therefore they are persons who thoroughly know and understand the British public . . . and know absolutely all their interests and everything of that sort."¹⁰⁰

Friendly society members appreciated well enough the significance of Jefferson's reformulation of political representation. Most were content to counter this new political vision, however, by retreating further into their own self-defeating politics of nostalgia. Even after 1911, urged the *Shepherds' Magazine*, voluntary self-help would continue to bring together "[t]he best men and women" who "will do more . . . for themselves and their fellows than will the crowd that is compelled." Such sentiments revealed an especially shortsighted species of sour grapes, owing to the new circumstances created by the NIA. These conditions forced friendly societies to choose between imitating the companies' "abstract mutualities," which they did with sporadic success into the 1930s, and turning their back on a type of community that appeared to them to be only disingenuously democratic. As A. H. Warren concluded, the

¹⁰⁰ *Ibid.*, 3 (1914): 137; *Appendix to the Report . . . on Sickness Benefit Claims*, q. 7794.

translation of the “old and respected title Friendly Societies” into “approved societies” meant that “our future success depends upon how far we are *approved by the Public*.” Or, in the more blunt conclusion of a Mersey Oddfellow who witnessed the “increasing competition of compulsory State Insurance”: “we must advertise or die.”¹⁰¹

British friendly societies have faded away over the last century, but they have not died. The little that remains today of the thriving late-Victorian culture of fraternal self-help has lately undergone a revival, as various factions within New Labour have worked to turn Tony Blair’s “Third Way” from a political slogan into concrete social policy. In one formulation, these factions divide into “managerialist modernisers” like Peter Mandelson, who “believe in the merits of private-sector management and contracting out”; and “mutual modernisers” like Frank Field, who aim to help a lagging voluntary sector retool for a vibrant life in the new century. The first of these middle roads between Thatcherism and welfarism betrays little if any sense of British history, choosing instead to tread in the recently formed footprints of countries that are well on the way to placing social services on the for-profit auction block. By failing to notice the powerful historical precedent for their vision of the future, managerialists have missed an opportunity; but they also have failed to see how the welfare state itself rests, to a great extent, on a foundation built by profit-conscious managers. The mutual middle road, in contrast, first passes through “the pre-socialist history of the left” in an effort to revive a “‘libertarian socialist’ tradition” capable of replastering a human face onto the welfare state. By romanticizing the past accomplishments of voluntarism, mutualists risk ignoring the weaknesses that put voluntary societies at such a disadvantage in 1911. One advocate of a mutualist “Third Way,” for instance, offers it as a “challenge to male-dominated centralised control” without reflecting that the institutions that comprise his historical model lost out to managerialism in part because they excluded women.¹⁰² In the present-day search for a “third way,” a closer look at the quasi-public administration of the NIA would appear to be warranted. Without it, the last century’s contest between voluntary societies and private companies to provide a safety net for the British citizen-consumer—painted in such vividly tragic colors by latter-day mutualists—is likely to be restaged in the new century as a farce.

¹⁰¹ *National Insurance Gazette* 4 (1915): 607; *ibid.*, 2 (1913): 634; *Oddfellows’ Magazine* 50 (1919): 544.

¹⁰² Charles Leadbeater, “Thoroughly Modern Britain,” *New Statesman*, October 10, 1997; Philip Collins and Ian Corfield, “The Wrong Sort of Trousers,” *New Statesman*, March 20, 1998; Peter Hain, “Meet Blair, the Libertarian Socialist,” *New Statesman*, March 12, 1999. Benefit clubs figure largely in the mutualists’ vision; one scheme would extend special consideration to them on an “‘approved’ list of financial-services suppliers in a privatised welfare state.” Stewart Fleming, “The Friendly Shall Inherit the Poor,” *New Statesman*, September 19, 1997.