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# **A Radical Endeavor: Joseph Chamberlain and the Emergence of Municipal Socialism in Birmingham**

*By* JULES P. GEHRKE\*

**ABSTRACT.** Joseph Chamberlain, an industrial entrepreneur, proponent of the “civic gospel,” and emerging British Radical Liberal leader of the 1870s, established Birmingham as one of the most influential models for municipal socialism in Europe and North America. Arguing gas and water ought to be in public hands and city officials ought to take a role in securing inhabitants’ health, he set the stage for continued mayoral activism and municipal socialism in the late 19<sup>th</sup> and early 20<sup>th</sup> century.

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## **Introduction<sup>1</sup>**

In the late 19<sup>th</sup> century, Birmingham, England, became one of the world’s premier sites for municipal reform. One political figure seemed to tower over the changes. Between 1873 and 1876, Joseph Chamberlain—a local industrialist turned Radical Liberal politician and mayor—energized both his own career and the cause of municipal reform in Britain as he led Birmingham’s municipal takeover of its local gas and water works, reinforced sanitary improvement, took steps to improve working-class housing, and even pressed for the construction of a new thoroughfare through the city’s congested heart. Birmingham’s municipal transformation—guided by the reforming spirit of the “civic gospel”—mirrored changes taking place in other British cities and showcased the commitment of many middle-class Victorians to the “improvement” of industrial society. Beyond this, Birmingham’s “civic gospel,” better known as “municipal socialism” by the end of the century, emerged as a critical model for European

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and American reformers arguing for the democratic provision of public goods and services. Opponents characterized the Birmingham model as a dangerous departure from 19<sup>th</sup>-century principles of *laissez-faire* and minimal government and highlighted both the inefficiencies and abuses they believed would ensue. Municipal socialism thus helped shape the character of 20<sup>th</sup>- and 21<sup>st</sup>-century debates in Britain, Europe, and the United States about how far the state—as either a municipal or centralized authority—should go in offering goods and services.

### **Joseph Chamberlain's Background**

As a young man, Chamberlain developed the skills and sensibilities of an entrepreneur in a business career that both took him into the heart of Birmingham's metal-working business and introduced him to a city government that had so far been unprepared and ill-equipped to meet the challenges of urban and industrial life. At the age of 18 (in 1854), Chamberlain went to Birmingham to take a position in his cousin's screw-making company. He learned the business quickly and soon he and his cousin formed "Nettlefold and Chamberlain," a partnership in which Chamberlain took charge of management and sales. The firm grew quickly as Chamberlain established business relationships in France, Ireland, and Germany. By the 1870s, as the company was exporting around the world, Chamberlain had secured several mergers that gave Nettlefold and Chamberlain a near monopoly in Birmingham. As his early biographer, J. G. Garvin (1932–1934: Vol. I: 171–172) notes:

As the firm [Nettlefold and Chamberlain] developed from 1865 to 1870 the smaller concerns could not stand against it. Under Chamberlain's financial management, it built larger works for the production of its own wire, erected its own iron mills, and linked up with the colliers ... Chamberlain from about 1869 onwards entered upon Napoleonic operations and pursued them until almost the whole of the screw trade of Birmingham and its neighborhood passed into the hands of his firm.

Yet, in addition to business, Chamberlain was also drawn to civic affairs through the social concerns manifested within Birmingham's

Unitarian community. He served as a Sunday School teacher for the Church of the Messiah and appears to have taken an active interest in teaching a variety of courses in night school, as well. Unitarianism, which generally rejected the notion of the Christian trinity and focused upon the use of reason to interpret the scriptures, was a part of Britain's "nonconformist" community. Unitarians emphasized social progress and the moral duties of the individual to the community. Members of the church were prominent among both the entrepreneurs of the Industrial Revolution and those who sought to implement social and political reform.<sup>2</sup>

Critical to the development of Chamberlain's attitudes toward social reform was the influence of the "civic gospel" as delivered at the Church of the Messiah. The "civic gospel" had first truly manifested itself in Glasgow in the 1830s when leading evangelicals had gained a majority on the town council and set about improving the city's water supply (W. Hamish Fraser 1990: 63). Their efforts had led to an enormous growth in municipal activity in Glasgow in the 1850s and in the process helped to shape two reforming ministers, George Dawson and Henry William (H. W.) Crosskey, who later traveled to Birmingham. Dawson gained an education at the universities of Aberdeen and Glasgow before setting up his own Church of the Savior in Birmingham in 1847, and Crosskey, the Unitarian minister at Chamberlain's chapel, came from Glasgow in 1869. They, along with a third minister, Robert William (R. W.) Dale, found a sense of divine mission in municipal government (Briggs 1965: 200–206). They fought for solutions to the social problems they saw around them and argued that service in the municipal sphere was doing God's work on earth. Their calls for action echoed the calls for political reform among Birmingham's radicals earlier in the century who, under the leadership of Thomas Attwood, sought to achieve political representation for Birmingham.

### **Reform and Resistance**

Despite the growth of evangelical fervor that supported municipal reform, not everyone in England was inspired by it. The older liberal tradition of fiscal frugality remained dominant in the 1850s. As a

result, proponents of the “civic gospel” regarded many members of the town council, such as Joseph Allday, as obstacles to reform because they would rather reduce expenditures than increase rates. For example, in 1855, the old guard on the council, known as the “Economists,” blocked the municipal purchase of the waterworks, and later they prevented an increase in the council’s borrowing powers. Councilors were preoccupied by private political quarrels, and decisions were often made secretly among those who met at the Woodman Tavern (Hunt 2005: 323). Though Allday pressed for continued reductions in municipal expenditure, new voices did begin to advocate for improvement; some argued for a public library, while others pressed for street improvements. The large-scale improvements of Chamberlain’s tenure were some way off, but liberal voices, such as that of Thomas Avery, mayor between 1867 and 1868, began to argue for both efficiency and candid assessments of the city’s multiple sanitary problems.

Chamberlain joined the Birmingham Liberal Association in the late 1860s. It was one of the earliest groups in Britain both associated with a major party and devoted to popular political mobilization. The Association achieved its first great organizational victory by ensuring that through an effective distribution of votes, Liberals were returned to all three of the city’s parliamentary seats after the Reform Act of 1867. Chamberlain’s visibility in Liberal circles both enabled him to gain a seat on the Birmingham Town Council and positioned him to begin his campaigns for educational and municipal reform.

The first major reform program promoted by Chamberlain was in the field of education. From the perspective of nonconformists, the basic problem was the absence of any separation of church and state. The Church of England retained a near monopoly on primary education in the late 1860s. Chamberlain, along with Jesse Collings, and then-mayor George Dixon (elected to Parliament in 1868) founded the Birmingham Education Society in 1867 (Watts 2015: 237). Their organization soon evolved into the National Education League, which argued for free, compulsory, and nonsectarian education, controlled locally, but supported by the national government. Chamberlain and his nonconformist colleagues eventually decided that the government’s 1870 Education Act was inadequate because it

preserved the role of church schools within the educational system. In addition, they lost what might have amounted to a majority on the Birmingham School Board by ineffective management of the local vote (Briggs 1952: 104). Despite these setbacks, the campaign to reform education helped to stir up a "New Radicalism," which challenged the powers of the Anglican Church and proposed economic reforms in the shape of new land and labor laws.

### **Mayor Chamberlain: Municipal Reform**

The campaign for education reform also helped to propel Chamberlain into the world of local and national politics. The next step for Chamberlain was his selection as mayor by a reform-minded town council in 1873. He would now be able to apply the principles of the civic gospel to the municipal sphere.

By 1873, Birmingham was overwhelmed with problems associated with crowding, disease, and sanitation. The death rate within its inner wards was increasing. In British industrial cities of the 19<sup>th</sup> century, migrants had crowded into the inner wards where rents were low. In many, the density of working-class neighborhoods was rising by mid-century, as middle-class homes were divided into cramped quarters and cheap housing units were built. Families generally shared one to two rooms that had little ventilation due to back-to-back and side-by-side construction around court areas. Removal of human refuse was minimal, and contamination of water drawn from local wells led to increasing rates of cholera and other diseases in inner wards. While cities such as Leeds and Liverpool responded to the calls for civic improvement in the 1850s and 1860s, the Economists on Birmingham's Town Council chose to spend little on improvement despite the ongoing problems the city had in disposing of the sewage it collected (Derek Fraser 1976: 173).

Reformers won a major political victory over the Economists in 1873 by selecting Chamberlain as mayor, but still faced a major obstacle to solving the city's problems: how to pay for the improvements needed in sanitation, water supply, and the provision of gas for heating as well as public and private lighting. Local government in England at mid-century was generally dependent on rates (taxes) levied on the occupiers of real property. Most occupiers resisted any

increase in the local levy. While some cities benefited from income drawn upon municipally owned property, such as Liverpool's docks, Birmingham had little to supplement the taxes on real property.

One obvious place to look for new funding was the possibility of municipal ownership of utilities. Numerous localities in Britain had sought and received power to construct or purchase municipal gasworks during the course of the 19<sup>th</sup> century. The Manchester street commissioners had built a publicly owned gas works as early as 1817, and Glasgow and Leeds had, with parliamentary approval, purchased their local companies within the previous five years. Indeed, many officials, both within Parliament and local administration, had recognized that provision of gas (along with water) was a natural monopoly, and that regulation was often not enough to prevent private companies from abusing the power that monopoly gave them. Though Parliament had attempted to limit the dividends companies paid in the hopes that excess profits might be channeled back into making gas cheaper, private companies often simply issued more shares (Hennock 1973: 117). By mid-century, attitudes began to shift toward municipal purchase as a means of limiting abuse. In Birmingham, however, until the 1870s, no serious consideration had been given to municipal purchase.

### **Municipal Ownership of Gasworks**

Birmingham's gas was supplied by two companies: the Birmingham Gas Light and Coke Company and the Birmingham and Staffordshire Gas Light Company. Their distribution networks overlapped in Birmingham and surrounding communities. In fact, the overlap created dangerous problems because the two dueling companies regularly broke up pavement to connect and redirect lines. Nevertheless, each company was in financially good shape, despite the fact that its profits were regulated by Parliament and that relations with the town government were sometimes tense.

Because of his experience in directing a large commercial concern, Chamberlain knew that enormous savings, as well as social benefits, might accrue to both the city and the town council as a result of municipal purchase of the gasworks. Though Chamberlain,

like many other Victorian reformers, believed municipal utilities might be a vital sphere for the exercise of urban democracy, it was the dire financial needs of the city that drove him to begin negotiations with the two companies. In January 1874, he made a motion that the General Purposes Committee of the council open negotiations with the two gas companies. Soon negotiations led to an agreement for a buyout that would raise the debt burden of the city from approximately £500,000 to £2.5 million (Bunce 1885: 347).

Chamberlain then had to persuade the town council to accept the deal. He described the mounting pressure that resulted from increased financial obligations, including provision of a municipal fire brigade, and the unwillingness of ratepayers to pay higher taxes. Once the city owned the gas companies, he explained, revenues from the sale of gas could offset rising expenses. The purchase could also lead to savings by eliminating the duplication of gas mains and reducing administrative costs. The low cost of issuing city bonds was also an advantage: 4 percent interest on municipal bonds compared to 7 percent the private companies had to pay (Hennock 1973: 119). Overall, the city gas revenues were predicted to be £14,800 in the first year, rising to £50,000 per year, without consumers having to pay more than the increases they would have paid without municipal purchase (Borough of Birmingham 1875a: 27–28). The town council voted 46–1 in favor of the buyout, and the plan was soon approved by Parliament (Bunce 1885: 356).

Chamberlain's business acumen and social concern enabled him to negotiate an excellent deal for the city. He believed the gas buyout would reduce the need for future direct taxation and put the city on a footing from which it could engage other needed reforms. He and like-minded colleagues devoted a great deal of voluntary effort to developing methods of managing the increasingly complex workings of the municipality. As Briggs (1952: 70) has noted: "Religion provided the inspiration, and business sense the political driving force of the civic transformation." For Chamberlain, there was the realization that all else depended on widening the financial base of the municipal corporation. He told the council that:

Birmingham has unfortunately fallen from its high position and is no longer the healthiest town in the kingdom; it has become one of the most



unhealthy of the large cities and boroughs in the country. . . . All these duties involve a largely increased expenditure, and I believe that the pressure of the rates will become intolerable unless some compensation can be found. . . . That compensation is secured in the case of other large towns. I do not know a large town which is so badly off as Birmingham. Every penny of our expenditure has to be raised by direct taxation of the ratepayers. In Manchester the Corporation possesses the Gas Works, and they have secured an enormous profit from these undertakings. . . . In Liverpool they have the advantage of dock dues, and other large towns have landed property, which forms a large source of the income of the Corporations. Birmingham alone appears to be reduced to direct taxation. (Borough of Birmingham 1875a: 10–11)

The buyout of the gasworks also represented a critical component of Chamberlain's political philosophy, which reflected the ideas of John Stuart Mill. In Chamberlain's view, the state in a liberal society should counteract those forces of economic individualism that adversely affect the well-being of society. On that basis, he favored public ownership of monopolies. "I distinctly hold that all monopolies which are in any way sustained by the State ought to be in the hands of the representations of the peoples—by the representative authority should they be administered, and to them should their profits go, and not to private speculators" (Borough of Birmingham 1875a: 9). In addition, democratic expansion was intertwined with an expansion in the power of local government. Chamberlain said that he was determined to see the powers of local authorities increased, to the point of making them "real local parliaments, supreme in their special jurisdiction" (Borough of Birmingham 1875a: 9). Thus, early on, Chamberlain and his Radical supporters put their faith in local government as the prime mechanism by which true democracy could be achieved.

Transferring the gasworks from private to public ownership was, perhaps, the most unqualified success of Chamberlain's political career.<sup>3</sup> The profits of the first year were £34,000, more than double what had been predicted (Borough of Birmingham 1879: 6). Within four years, the municipal corporation had significantly reduced both gas leakage and administrative overhead. The price of gas was lowered almost every year between 1875 and the mid-1880s, with profits of the

municipal company being used to cover costs that would otherwise be charged to users (Bunce 1885: 392–393). The capacity of the gasworks grew to meet rising demand. Briggs (1952: 73) relates that on March 2, 1881, the *Birmingham Mail* wrote that the Gas Committee had no difficulty in presenting its annual financial statement, “for the figures always seemed to be part of some fairy tale.” They always seemed to have “a sound which is musical, and a sound which is captivating.” Not only were profits high enough to reduce consumer prices, they could also be used to subsidize other municipal ventures, including sanitation reform and an art gallery on the upper floors of the building housing the Gas Committee in 1885.

### **Municipal Sewer and Water**

Chamberlain had justified municipal purchase of Birmingham’s gasworks in financial terms. The argument for purchasing the city’s existing waterworks was predicated on a different principle: the improvement of the city’s health. Birmingham’s reputation for health had been severely degraded by the 1860s. Severe problems of sewage and sanitation led to a death rate comparable to other industrialized cities. A death rate of 24.5 per 1,000 of population increased to a rate of 26.8 per 1,000 from 1865 to 1874 (Bunce 1885: 112).<sup>4</sup> In 1859, a special committee appointed by the town council found that up to the year 1851 the Street Act Commissioners had spent £35,000 in building sewers and that since the year 1851 the town council had spent £117,000. It advised that an additional £100,000 was needed to complete the sewerage and filtration system at the sewers’ outlet on the River Tame (Bunce 1885: 127). In 1871, when the Public Works Committee established the Sewage Inquiry Committee to make recommendations on the sewage problem, it found that:

The extent of the midden system is now for the first time ascertained. There are in Birmingham 3,884 premises, containing 7,065 water-closets, accommodating about 20,000 persons; and 70,000 houses, connected with 19,551 privies and middens, accommodating about 325,000 persons. Of these middens or ashpits, nearly 14,000 are drained into the sewers. The middens cover an area of 65,170 square yards, or about 13½ acres; and practically all of them, containing foecal matter and solid and liquid

refuse, are open to the air. Some of them are situated beneath houses or workshops, and large numbers are built against the walls of houses, which are thus permeated with the filthy liquid soaking through the walls. The consequence is that the sewers are constantly fouled by the drainage from the middens and that the surface wells generally become the receptacles of sewage matter, with which the earth surrounding the middens is absolutely saturated. (Borough of Birmingham 1871: xi)

Though the Sewage Inquiry Committee's report highlighted the pollution of both underground water and the River Tame, needed improvements, which were estimated at about £324,000, were put off as a special borough improvement bill was defeated in Parliament and other legal battles prevented reform from going forward (Borough of Birmingham 1871: xxiii; Bunce 1885: 132–135). In the meantime, the Waterworks Company was able to supply only about 56 percent of the population with water; the rest of the population was forced to draw it from contaminated wells or from water carts that made rounds of the city (Reigeluth 1981: 195). Soon after the landslide victory of the reformers in 1873, Chamberlain and his party had the number of sanitary inspectors increased from 12 to 38 (Hennock 1973: 116). A reformed Sanitary Committee set out to replace the ashpits and middens that drained into the sewers with a “pan system” in which large vans picked up waste pans every week, transported them out of the city, and dumped the waste onto land that had been set aside for the filtering of sewage.<sup>5</sup> In 1875, the Sanitary Committee used the Public Health Act of 1875 to organize the creation of “The Birmingham Tame and Rea District Drainage Board,” which bound together a number of local communities in providing for the better treatment of sewage. Between 1873 and 1876, approximately £325,000 was spent on sewage lines and treatment stations (Reigeluth 1981: 204).

By 1874, Chamberlain had secured control of the gasworks, begun to deal with the problem of sanitation, and stood poised to confront the problem of the city's water supply. In fact, he proposed that the corporation enact a buyout of the waterworks even before engaging a policy of closing private wells—in order to ensure that the value of the waterworks did not skyrocket (Bunce 1885: 211). The idea of municipal purchase was not new, but in addition to a previous lack of enthusiasm on the part of the city's “Economists,”

the company continued to be financially healthy and had managed to hold off previous attempts to purchase it. In December 1874, Chamberlain laid out his arguments for municipal purchase:

I am going to say, in the first place, that the health of large towns and the liability to disease of their population are intimately connected with the Water supply; I am going to say, in the second place, that there are special reasons why the supply of Water to all communities should be in the hands of local representative authorities, and not in the hands of those private speculators to whom pecuniary profit must necessarily be the first consideration; and lastly, I am going to urge upon the Council that the time has come when the most strenuous exertions should be made to overcome every obstacle in the way, and by hook or by crook to obtain possession of this undertaking. (Borough of Birmingham 1875a: 53)

Chamberlain argued that the prevalence of disease showed that the city might as well have been poisoning its own residents for the amount of indifference that was shown regarding fresh water, and that residents should not be kept from securing water for lack of ability to pay. The “power of life and death” should not be left in private hands, he said. “Whereas there should be a profit made on the gas undertaking, the Water Works should never be a source of profit, as all profit should go in the reduction of the price of water” (Briggs 1965: 227). By 1870, at least 69 other local authorities owned their waterworks (Briggs 1965: 227). Thus, it was clear that, in this instance, concern for overall health and well-being trumped the financial concerns:

Many of the most experienced magistrates of this town have told me that of all their duties the saddest they have to perform is that of registering convictions against poor people brought up at the instigation of the Water Works Company for stealing that which is one of the first necessities of life. They might almost as well be convicted for stealing air . . . For my part, I hold that it is a positive disgrace to us that such a large proportion of our population should be placed in the alternative of either stealing the pure water or of drinking water which contains the germs of ill-health and of death. (Borough of Birmingham, 1875a: 61)

Negotiating a deal with the owners of the water company did not occur as smoothly as it did with the gasworks. Eventually, city leaders supported a bill submitted to Parliament for compulsory

purchase of the waterworks. It was adopted in May 1875.<sup>6</sup> This victory for Birmingham radicalism did not go unchallenged by more conservative interests. In the House of Lords the purchase was deemed by some as unjust to shareholders. Nonetheless, after agreeing to a deal in which the company was guaranteed perpetual annuities of £54,491, the waterworks were transferred to municipal control on January 1, 1876 (Reigeluth 1981: 216). In the same year, Birmingham's first Health Committee started closing polluted wells; at the same time, the capacity of the waterworks was increased. Approximately 47,000 new households were supplied with water between 1876 and 1883 (Bunce 1885: 443). During these same years, the total capital expenditures for expanding the infrastructure of water were £388,391; slightly less than half of this went to building 145 miles of new water mains (Bunce 1885: 441).

The Water Committee, taking advantage of both its ability to borrow at a lower rate of interest and economies of scale, was able to begin lowering the price of water in 1880. An American writer, Louis Loeb (1896: 72), was impressed by the way in which responsible business leadership was enabling the city to make improvements without venality: "No opportunity is afforded for jobbery or corruption, because the work is done under the immediate personal supervision of the Water Committee, composed of eight of the best business men in the Council, serving without a penny of remuneration . . . It is not surprising that few mistakes are made, or that no intimation of jobbery or waste is heard."<sup>7</sup>

### **Improved Housing**

Providing clean water was an important measure in combating widespread illness and premature death in the poorest parishes of Birmingham. Yet, as Chamberlain understood, the larger issue was overcrowding in the city's slums. Sir Robert Rawlinson's *Report to the General Board of Health on the Sewerage, Drainage, and Supply of Water, and the Sanitary Condition of the Inhabitants of Birmingham* (1849), reported that houses that had cost £60 could be let for rents that varied between 2s., 6d. and 4s. per week. Construction costs were kept down by making supporting walls 4-1/2 inches

thick and placing sub-sized joists approximately 17 inches apart (Gill 1952: 368). Soon, cracks and water damage affected the buildings. Though Parliament expressed enormous concern over the conditions affecting cities, initial measures to reform housing codes faltered on the interests of builders, the inability of cities to begin providing sound working-class housing at affordable rates, and the reluctance of medical inspectors to force families in overcrowded conditions to find other dwellings (Reigeluth 1981: 235). Nonetheless, the Artisans' and Labourers' Dwelling Act of 1868 (Torrens Act) and the Artisans' and Labourers' Dwellings Improvement Act of 1875 (Cross Act), by providing compulsory purchase rights for local authorities, did begin to breach the rights of property that had slowed reform.

Birmingham made extensive use of the Cross Act. It had expanded the power of local authorities to buyout unsanitary and overcrowded areas within their boundaries and provided for payment of no more than the market value of the properties. Chamberlain had consulted heavily with the national government as the bill was being prepared and expressed his happiness: "For the first time an English Parliament has recognized the duty of looking after something higher than property—the duty which it owes to life, health and happiness of the people" (Borough of Birmingham, 1875c: 83). Once the property at issue had been purchased, the 1875 bill allowed for localities to borrow money at 3.5 percent for renewal efforts (Borough of Birmingham 1875b: 32).

Dr. Hill, the borough's medical officer, was asked to select areas for improvement; his recommendations were subsequently incorporated into the Improvement Scheme that Chamberlain presented to the town council in July 1875. The plan involved a total of 93 acres in the most unhealthy wards of the city (perhaps 4.5 percent of the city's total population), of which the city would purchase a little less than half in beginning the improvement scheme (Bunce 1885: 460). A large new street, originally foreseen to be about a mile in length, would slice its way across the area, relieve traffic congestion, and allow light and air into densely populated areas with narrow streets. The open lots on either side of the new street would be let for offices and shops (Reigeluth 1981: 246). Most of the housing in the

“improvement” area was judged to be in a dilapidated condition and plans were made to construct new dwellings that would provide suitable housing for those who were displaced by the project. Though the new housing might entail substantial costs, Chamberlain indicated that the corporation would provide it:

In the first place (the Committee) will probably provide lodging houses. . . . The Committee will also no doubt erect buildings which will be in flats or storeys, much higher than buildings have hitherto been built in Birmingham. . . . All of them I hope will have perfect ventilation, and a supply of improved water and will be provided with accommodation in the shape of separate privies for each family concerned. (Borough of Birmingham 1875b: 25)

Chamberlain convened a conference of municipal officials in 1875 in Birmingham. Representatives of well over 100 municipal corporations and local boards attended. Chamberlain proposed to the assembly that local governing bodies had a duty to care for the lives and health of the people and “to consider also their happiness and their morality” (Boyd 1914: 63). For mid to late Victorians, and in particular for those who had followed the reforming ideal of the civic gospel, there was nothing so important as transforming the built environment to improve both the physical health and moral habits of its inhabitants. Polluted water, crowded and dirty homes, and poorly ventilated streets not only cultivated disease; they also produced crime, domestic violence, and intellectual stagnation. As Chamberlain pointed out:

What folly it is to talk about the moral and intellectual elevation of the masses when the conditions of life are such as to render elevation impossible! What can the schoolmaster or the minister of religion do, when the influences of home undo all he does? We find bad air, polluted water, crowded and filthy homes, and ill-ventilated courts everywhere prevailing in the midst of our boasted wealth, luxury, and civilization . . . and then, when these people whom we have suffered to grow up like beasts behave like brutes, we rush to the Home Secretary, Mr. Cross, in a blind paroxysm of terror, and ask him to give us the humanizing influence of “the lash,” in order to repress the instincts which our neglect and indifference have allowed to develop. (Boyd 1914: 63)

Thus, not only would Birmingham's improvement scheme—quickly dubbed the “Great Improvement Scheme”—provide fresh air in the inner wards, it would also infuse the working class with a new spirit. However, since the poor were going to have to pay higher rents for the new housing under the program, the success of the entire enterprise depended on their acceptance of it. At that point, Chamberlain revealed much of the paternalism implicit to both the civic gospel and his own background as a mid-Victorian businessman when he implied that he knew what was best for the poor, even if they did not:

We have got to face that difficulty. We have got to teach the poor people that they must pay more for the rent of their houses than they have hitherto done. . . . What we have a right to say is that those who are tolerably well-to-do amongst the artisan class must spend more on their houses and less on their drink, and those who are so poor as already to have to apply for public assistance must receive such increased public assistance as will at least provide them with the necessaries of life, one of those necessaries being a decent dwelling. (Borough of Birmingham, 1875b: 26)

Beyond providing the necessaries, however, the improvement scheme had to pay for itself and here the financial calculations of the Improvement Committee did become complex. Chamberlain believed the scheme would bring enormous economic benefits to the city in the long run. Initially, the net cost of the scheme was estimated to be just over £500,000 after the land had been purchased, the new streets constructed, and surplus land sold. After increases in the taxable value of land had been accounted for, it was assumed that overall costs might well be less (Reigeluth 1981: 260).

The town council approved the improvement scheme on November 10, 1875 and its decision received confirmation from both the Local Government Board and Parliament. Though the initial negotiations for the property seemed to secure the interests of the municipal corporation, the plan was unexpectedly subjected to the vagaries of the business cycle. From 1878 to 1880, a downturn in the national economy meant that the corporation was not able to rent land and buildings along the new Corporation Street as it had planned. In addition, a ruling by the Local Government Board stipulated that certain properties had to be purchased with compensation for “compulsory purchase,”



and the Public Works Loan commissioners made the decision to lend money at less favorable rates than those upon which the corporation had planned. Members of the Birmingham Landlords' and Ratepayers' Mutual Protection Association responded that the project had already generated high rates and showed poor promise of rehousing the poor in places that they could afford:

Schemes of showy and complacent benevolence may look well on paper, but when the poorest artisan occupier has to pay his full share in their carrying out, they may not prove an unmixed advantage. . . . Your Committee . . . believe that Corporation management of property always involves the maximum of payment and the minimum of profit, and they fear that even a worse experience may be yet in store for the ratepayers of Birmingham. (The Birmingham Landlords' . . . Association 1878: 24)

Nonetheless, portions of Corporation Street were completed in the early 1880s and subsequent improvements in surrounding dwellings undertaken. Death rates within the areas affected seem to have improved. The project ran a fiscal deficit that increased through 1883, but by the late 1880s it appeared to become financially stable, all the while meeting its stated goals of reducing congestion, disease, and providing the city with a further source of revenue (Briggs 1952: 81). As Chamberlain's supporter and one of the first historians of modern Birmingham, J. T. Bunce (1885: xxiv), wrote:

Driving a broad roadway through what was once the most crowded, the poorest, and the most insanitary quarter of the town, seems to have carried light, and air, and life throughout the district. Slums and rookeries, pestilential morally and physically, have disappeared as if by magic, and have given place to streets and buildings worthy of occupying the centre of a great town, while other portions of the improvement area have been so benefited and purified that an artisan population may now occupy them without injury to health or the sacrifice of self-respect.

However, the corporation fell short in building housing for the working-class families that had been displaced by the scheme. Though Chamberlain had actively indicated that this would be a prime concern of the Improvement Committee, the committee was prevented from following through because of language in the Artisans' and Labourers' Dwellings

Act that forbade authorities from building without the permission of the Local Government Board. Significant criticism was leveled at the Improvement Committee for failure to find adequate housing for those displaced, but subsequent investigations seemed to indicate that many of the poor preferred to move to lower-priced housing (despite its substandard sanitation) rather than to move to new housing that was higher priced. Why Chamberlain had neglected to mention the restrictive language in the Dwellings Act when pitching his plan remains a minor historiographical debate.<sup>8</sup> Nonetheless, the framework for the responsibilities of the public and private spheres that he laid out as he backed away from his earlier commitment to housing is instructive:

We are not going to build a single house. We are not allowed to build a single house—the Act does not entrust us with that duty. We are land-letters, and not builders. All we have to do is to let our land to builders. The kind of houses which they will put upon the land, and the rent of the houses, will rest wholly with them, and not with us, except so far as this, that we shall have to see that the houses which they erect fulfill proper sanitary conditions. Our part is to let out land, to see that there is plenty of ventilation, to see that the streets are wide, to make open spaces, and make the most of our property, subject to those conditions of sanitation. (Chamberlain 1878: 17)

Chamberlain had already become an MP and resigned his position as mayor by the time Parliament gave final approval to the “Great Improvement Scheme.” Radical politics had led him to stand for Parliament as a Liberal in 1876 in a victorious campaign in which he benefited immeasurably from the votes generated by the Liberal Association. His position as mayor was assumed by George Baker, and the spirit of his radical reformism continued, though with somewhat less gusto due to the lack of such an overwhelming personality to lead it. The same socially concerned middle-class groups did continue to participate in politics as they had during Chamberlain’s time, though already by the late 1870s there were complaints about rising debt. Henry Hawkes (1879) proclaimed at a meeting of the Householders’ and Ratepayers’ Protection Association that the total debt for Birmingham had risen to over £6 million.

**Chamberlain's Accomplishments as Mayor**

Chamberlain's years as mayor had an enormous impact on those who looked with hope toward municipal socialism. Writers visited Birmingham *en masse* to witness what had been accomplished when effective leadership was applied to the principles of effective management and social responsibility. First, there was interest in Chamberlain himself, a dynamic personality who had forged enormous local support for a program of social change and was now enlivening the national political scene with continued calls for reform. And second, there was interest in the role of the political caucus that, by 1877, had been transformed into the National Liberal Federation. More than anything else, however, it was the expansive set of social institutions that drew those interested in how local government might be effectively managed in the industrial era. The American writer Julian Ralph (1890) called Birmingham "the best-governed city in the world" in 1890 and, like so many others, was impressed not only with the quality of its institutions, but with the capabilities of its officials.

Chamberlain's achievements were enshrined in *The History of Birmingham*, an official history commissioned by the town council itself, and the first two volumes of which were written by Chamberlain's ardent supporter J. T. Bunce.<sup>9</sup> Local governance moved, Bunce wrote, "steadily and silently on . . . equal ever to new duties imposed, never refusing new services required; complex in its constituent parts, yet nobly simple in the unity, the directness, and the force of its movement" (Bunce 1885: xlv–xlv). Reveling in the perfect freedom of the institutions such as the public library and the public museum founded in Birmingham, John Macdonald (1886: 239) reinforced Bunce's views the following year: "That the city cares as much for the culture of her people as for the sweeping of her streets is the boast of every Birmingham man, from the chief magistrate to the humblest master craftsman bending over his 'factored' work in his own garret."

In his travels in both the United States and Britain Albert Shaw, a former editor of the *Minneapolis Tribune*, laid the groundwork for what would be a career spent studying the importance of local institutions. Though he focused most of his attention on Glasgow and found it

difficult to give credence to the preeminence of the reforming zeal in Birmingham, he noted that “[t]he outblossoming of the municipal spirit in Birmingham has been magnificent, and the array of tangible results is indeed brilliant” (Shaw 1895: 169).<sup>10</sup> Perhaps most importantly, he offered a clear and cogent defense of municipal socialism by arguing that the increasing complexity of its institutions did not necessarily mean a diminution of individual freedom. In fact, they were best seen as supportive of the role of the individual. This was indeed a reiteration of the new tradition of liberal reformism then making an impact in British politics. “Thus, the doctrine of individualism itself, extended to meet existing conditions, may be invoked to justify and sustain that ever-broadening basis of collective municipal activity upon which the individual stands to play his private role,” Shaw wrote (1895: 8). Moreover, he argued:

In the theory and art of modern city-making, we must frankly acknowledge, collectivism has a large and growing place . . . I do not for a moment believe that modern cities are hastening on to bankruptcy, that they are becoming dangerously socialistic in the range of their municipal activities, or that the high and ever higher rates of local taxation thus far indicate anything detrimental to the general welfare. . . . Cannot the same energy that has won great achievements in the field of production solve the social problems that have sprung up in the wake of those achievements, when once it fairly grapples with them? Modern society, having learned how to produce abundantly, can also find a way to distribute the product equitably, and to overcome the ills or irresponsible private wealth and undeserved poverty. (Shaw 1895: 8–9)

### **Chamberlain Champions Active Government in the National Arena**

As a national political figure in the early 1880s, Chamberlain seemed destined to do just that. He brought radicalism from the corridors of Birmingham’s Town Hall to the streets of Westminster where his speeches calling for reform shook the nerves of Conservatives. He was not only committed to exercising the power of government to protect the basic health of urban citizens, but was also convinced of the essential connection between democracy and public action. In exercising its power for the public good, Chamberlain believed

government both fulfilled the promise of democracy and allowed the masses the benefits of Britain's constitution.

To many Conservatives, however, the municipal action that Chamberlain advocated early in his career was but the harbinger of state interference that would threaten local and national interests in land and free enterprise. Upon election to Parliament in 1876, Chamberlain promoted the role of government in effecting social reform and prepared the Liberal Party for the age of democracy by forming the National Liberal Federation. In 1879, he added his skills at political organization to those of William Ewart Gladstone's at public speaking, and together they exploited discontent over foreign affairs and economic depression to achieve an overwhelming Liberal victory in 1880. Chamberlain was rewarded with the office of President of the Board of Trade. Central to his political rhetoric was the understanding that the age of political control by the landed elites was coming to an end. He had established himself as a champion of the working classes while in Birmingham, and now called for decisive steps to be taken in favor of land reform and protective legislation that would aid housing and health.

#### **Chamberlain and the "Doctrine of Ransom"**

Chamberlain's political rhetoric reached its height in 1885 as he leveled a direct warning against propertied interests in Britain and later set out on an "unauthorized campaign" during the election efforts of that year. In January 1885, he made a speech in Birmingham that, for the threat it seemed to deliver to the propertied classes, became known as the "doctrine of ransom." He said that private property had emerged in a variety of ways—both through legitimate transfer and through outright aggression. Regardless of their origin, however, these rights were now fundamentally suspect:

Private ownership has taken the place of these communal rights, and this system has become so interwoven with our habits and usages, it has been so sanctioned by law and protected by custom, that it might be very difficult and perhaps impossible to reverse it. But then I ask, what ransom will property pay for the security which it enjoys! What substitute will it find for the natural rights which have ceased to be recognised? Society is banded together in order to protect itself against the instincts

of those of its members who would make very short work of private ownership if they were left alone. That is all very well, but I maintain that society owes to these men something more than mere toleration in return for the restrictions which it places upon their liberty of action. (Chamberlain [1885a] 1914: 137)

He was almost immediately forced into a minor retreat from the “doctrine of ransom.” On January 14 in Ipswich, he told a crowd:

That speech has been the subject of a good deal of comment, not all of it of the most friendly character . . . I hope that I may be able to show that the interests of rich and poor are not hostile interests, but that, in pressing as I do for a more practical acknowledgment of the duties of property, I am putting the rights of property on the only firm and defensible basis. I believe that the danger to property lies in its abuse, and that the interest of the rich will be found to consist in a generous interpretation of their obligations and in the full and free acknowledgment of the rights of the poor. (Chamberlain [1885b] 1914: 141–142)

The “doctrine of ransom” Chamberlain had apparently laid out would not be forgotten, particularly as later in the year his “unauthorized programme” focused upon mobilizing the thousands of agricultural laborers who had been enfranchised in 1884. Chamberlain believed that by winning them over to the Liberals, his own ability to reshape the party on a progressive platform would be enhanced. The main elements of the movement’s guiding publication, *The Radical Programme*, made Gladstone uncomfortable and no doubt sent shivers down the spines of anti-socialist Conservatives. Listed here were calls for land reform, free elementary education, higher local rates on the largest landed estates, and a progressive income tax. *The Radical Programme* acknowledged that many of these efforts could be considered “socialistic,” a formulation that it did not deny. Yet, it focused upon expanding the powers of the state in order to provide a more just distribution of wealth that would then offer security for rights in property. The program contended that “if the State is to guarantee them [possessors of wealth] security of tenure, they must be ready to discharge certain definite obligations” (Chamberlain, 1885: 59). *The Radical Programme* stated that the burden of urban improvement should be placed squarely

upon the shoulders of landlords, some of whom had benefited handsomely from the provisions of the 1875 Cross Act.

**Chamberlain and the Liberal Unionists: Overshadowing  
Domestic Reform**

Chamberlain's position *vis à vis* Radicalism and the rights of property was forever changed in the mid-1880s when Gladstone attempted to turn the Liberal Party in favor of Home Rule for Ireland. Chamberlain, who had been an advocate of reform in Ireland, was in the midst of an intraparty struggle with Gladstone and after a complex set of political maneuvers, chose to support an agenda that argued the political integrity of both Britain and her empire rested on the maintenance of the Union. He and several of his colleagues bolted and formed the breakaway "Liberal Unionists." The basics of a political alliance with the Conservatives, under the "Unionist" banner, were hammered out during 1887, though no amalgamation between the parties was to take place until the early 20<sup>th</sup> century. The programmatic radicalism that Chamberlain espoused in 1885 began to be overshadowed by a new dedication to preserving the Union, reinforcing Britain's imperial interests, and securing social reform through appeals that emphasized the protection of rights in property and the maintenance of the House of Lords.

Many of Chamberlain's Liberal contemporaries, soon after he joined the Unionist alliance with the Conservatives, questioned the degree to which he had been sincere in promoting ideals of social reform. Though Chamberlain would have argued that he remained fully committed to social reform, both his contemporaries and later historians have struggled to interpret his intentions and actions. Mackintosh ([1906] 1914: ix) noted that while he had personally tried in the first edition of his biography of Chamberlain to submit the "case to the jury" or readers, for many reviewers, "there was no riddle in Mr. Chamberlain's life . . .; he was either saint or devil."<sup>11</sup> Mackintosh ([1906] (1914):x) stated that he did not wish to offer a verdict of his own, but that changes in Chamberlain's positions "were unusually numerous and violent, . . . they affected nearly every great secular subject discussed in his time, and they occurred not

only in the judgments of his youth, but in those of his mature and ripe manhood.” One of Chamberlain’s most recent biographers, Travis Crosby (2011: 190), has written: “Mistrust of Chamberlain’s motives was rife on all sides of the political spectrum. Too often he changed his opinions, switched party allegiances, and alienated political colleagues.” Nonetheless, “[h]is lifelong interest in the improvement of both urban and rural workingmen . . . was his most consistent political undertaking. His staunch advocacy on their behalf in parliament was a pioneering effort to expand the powers of the state to improve their working conditions and quality of life (Crosby 2011: 191).<sup>12</sup>

#### **Chamberlain’s Years with the Conservatives**

In the late 1880s, Chamberlain spent some time in the political wilderness as a Conservative government was left unsure of just where he would fit in a new political context. He led a delegation to the United States in 1887 that attempted to settle disputes over fisheries and became more convinced of the need to strengthen the empire. This was the beginning of his quest to find a place for both social reform and the maintenance of empire within British politics. By the early 1890s, ready to take an active role in the shaping of Conservative social policy, he even went so far as to say that the Conservative government since 1886 had moved to embrace many of the principles of his *Radical Programme*. “I have in the last five years seen more progress made with the practical application of my political programme than in all my previous life. I owe this result entirely to my former opponents, . . .” he wrote in a letter to R. W. Dale (Judd 1977: 173). Among the Conservative efforts Chamberlain witnessed would have been the Local Government Act of 1888 (which established county councils), the Housing of the Working Classes Act of 1890, and the Elementary Education Act of 1891.

And yet, Chamberlain wished to see further progress. He made an effort to influence the third Marquess of Salisbury over the next five years with a program of reform—a program that the Conservative leader only partly endorsed (Nelson 2000). Chamberlain laid out his support for an old-age pensions scheme and supported making



loans available among the working classes for the purchase of homes. Increasingly well-organized labor organizations were to be satiated by establishing arbitration courts to settle industrial disputes and by the provision of compensation for industrial injuries and accidents. Labor exchanges, cheap train fares, and an Aliens' Immigration Bill were to offer the Conservatives the ability to head off more radical demands from the working classes. As Denis Judd (1977: 179) has concluded:

Presented to Lord Salisbury in October 1894 in the form of a "Memorandum of a Programme for Social Reform," these proposals were not merely proof that the old "Radical Joe" was still alive and kicking (and fundamentally unaltered), but also showed the means by which the Conservative and Unionist alliance could cut the ground from under the feet of socialists and the Liberal supporters of the radical "Newcastle programme" alike. (1977: 179)

However, it is clear there had been a fundamental break between Chamberlain and the rising tide of socialism—particularly as it affected municipal activity—in the late 1880s. In an article entitled "Municipal Institutions in America and England" published in the American journal *The Forum* in 1892, Chamberlain (1892: 270, 278, 279, 280) discussed the limits of municipal endeavor as taxes went up:

If it should appear that, as compared with private enterprise and individual exertions, a municipality works always at a disadvantage in expenditure, it will be undesirable that its operations should be enlarged, and the community will do well to confine itself strictly to the absolute minimum of necessary work which cannot be accomplished at all without its intervention. . . .

It must be admitted that there is a growing tendency in England under pressure from the Trades Unions and other labour organizations, to establish in connection with corporate work a minimum of wages and a maximum of hours. This principle may easily be carried too far. It is right that a wealthy municipality should act towards all its employees with a liberality as great as that practiced by the most generous private employers; but if it goes one iota beyond this, it is in fact taxing all the rate-payers, and especially the great mass of the working class, in order to establish a privileged class of workmen obtaining special advantages at the expense of their less fortunate fellows; and it is at the same time lessening its power of carrying out

works beneficial to the whole community, since every additional penny of cost is so much taken from the general fund applicable to this purpose. At present, however, there is no reason to believe that the workpeople employed by our Corporations receive more than the full average market value for their services. (270, 278, 279)

[Moreover, the municipal endeavor should be treated like a business]: The leading idea of the English system may be said to be that of a joint-stock or co-operative enterprise in which every citizen is a share-holder, and of which the dividends are receivable in the improved health and the increase in the comfort and happiness of the community. The members of the Council are the directors of this great business, and their fees consist in the confidence, the consideration, and the gratitude of those amongst whom they live. In no other undertaking, whether philanthropic or commercial, are the returns more speedy, more manifest, or more beneficial. To give a single illustration, the reforms in Birmingham, carried out in a few years, reduced the death-rate from 26.8 per 1,000 in 1874 to 19 in 1888, although it has risen a little since owing to the influenza epidemic. In other words, the initiative of the unpaid members of the Council, and their supervision of the loyal and assiduous labours of the paid officials, have been the means of saving the lives of more than 3,000 persons in a single year; and, inasmuch as for a single death many cases of illness not actually fatal may be reckoned, it is easy to see what a mass of human suffering has been lightened and how much misery has been prevented. Under these circumstances, the primary object of all concerned is not so much to lessen expenditure as to spend most wisely and to invest the money of the community in such a way as to secure continuously equally satisfactory results in the condition of the people. (1892: 280)

Addressing Chamberlain's positions of the early 1890s, a recent biographer, Peter T. Marsh, writes:

The unionist domestic record over the past five years essentially satisfied him. He declared his intention of proceeding along the lines of free education, allotments, land purchase and the Factory Acts, "to extend ... the beneficial operations of State control & regulation."

Defining socialism or collectivism as state ownership of the means of production and state distribution of the fruits of labour in proportion to the work provided, he rejected it with the familiar criticism: "There would be no reward for originality, no stimulus to exertion or initiative... Production would be diminished, and would soon be insufficient even for the base necessities of subsistence." (1994: 345–346)

Pressured to draw the line between appropriate and inappropriate municipal endeavor, Chamberlain (1894: 657, 658–659) declared that the progress of the last 50 years had been great and the efforts of municipal reform could not simply be derided as “socialist.” Municipal enterprises could justly be characterized as socialist in that the majority of the costs were borne by the well-to-do and the majority of the benefits were garnered by the poor, he said. Yet, the rich man could pay for most of his wants, while the poor man would go without aids for the fuller enjoyment of life if they were not supplied by the community.

As it is, he receives them according to his wants, and he pays for them according to his means . . . The body politic is a whole, and every part suffers with the rest . . . But there are limits to this application of the theory—limits in the nature, and limits in the cost of the work that may be safely undertaken . . .

The true sphere of municipal activity is limited to those things which the community can do better than the private individual. To take a single illustration: it is evident that the main drainage and sewerage of a town can only be undertaken by the representatives of the town as a whole, . . .

The supply of gas and of water, electric lighting, and the establishment of tramways, must be confined to very few contractors. They involve interference with the streets, and with the rights and privileges of individuals. They cannot, therefore, be thrown open to free competition, but must be committed, under stringent conditions and regulations, to the fewest hands. . . . it is most desirable that, in all these cases, the municipality should control the supply, in order that the general interests of the whole population may be the only object pursued.

When, however, the local authority goes beyond this—enters into direct competition with private industry, and undertakes work which individuals are equally able to perform; when it becomes its own builder, its own engineer, its own manufacturer, and possibly its own shopkeeper, it raises a new class of considerations, and incurs risks which cannot lightly be put aside.

Chamberlain was not just speaking theoretically. Municipal activity, under the banner of municipal socialism, was expanding in the 1890s and some of its proponents argued for just those activities that Chamberlain eschewed. The newly formed London County Council (LCC) undertook a host of endeavors, including the creation of a

public works department. It later drew the ire of the Conservative-backed London Municipal Society (LMS), which attempted to challenge the predominance of “Progressives” on the LCC. Increasingly, attitudes of anti-municipal socialism became current among business and Conservative interests. “The line was that municipalization was costly, running up high debts, was inefficient, and probably corrupt,” writes Hamish Fraser (1963: 74).

Evidence suggests that in the 1890s Chamberlain remained wedded to many of the principles of mid-19<sup>th</sup>-century Victorian liberalism that had fashioned his good business sense. In remaining thus rooted, he attacked what he believed to be the unfair privileges bestowed upon the land-holding elite, but did not attack the institution of property itself. Moreover, he argued in favor of the efficiencies and social justice that would come with municipal control of certain essential services, but rejected the idea that municipal socialism should alter the principles of political economy that underlay Britain’s system of *laissez-faire* economics and minimal government. In the 1880s, a renewed interest in socialism accompanied the growth of Chamberlain’s Radical Liberal politics and, indeed, drew strength from it. Yet, Chamberlain continued to seek reform that, founded in the first place upon good business principles, would act to strengthen rather than undermine the capitalist system. He continued to search for a formula that might reconcile the need for social reform with sound finance and economy.

In 1903, he felt he found such a system in the “tariff reform,” the proposed creation of a tariff wall surrounding Britain within which all imports (including food) would be taxed, but that would also allow for imports from Britain’s colonies at lower rates. This, he believed, would lead to an economically and politically united empire—a dream that had taken root in his time as Colonial Secretary between 1895 and 1903. Moreover, the proceeds of tariff reform could be harnessed to continue a campaign of domestic social reform and help to secure steady employment for the working class. The campaign for tariff reform, however, proved a loser as Chamberlain’s press for it split his political allies and helped usher in a Liberal electoral victory in 1906. Liberals, reclaiming their crown as the protectors of free trade, argued that Chamberlain’s program would drive up the prices of basic foodstuffs for the working class. Chamberlain’s effective political career

barely outlasted the Liberal victory as he suffered a stroke later in 1906 and, with speaking skills impaired, could only call for continued efforts on behalf of tariff reform from the sidelines. He died in July 1914, with news of his death overtaken by the news of Archduke Franz Ferdinand's assassination.

### **Conclusion**

Chamberlain's fundamental notions of the correct balance between social reform and sound business practice were demonstrated most clearly during his years as mayor of Birmingham. At the time he was selected to lead the city, the dueling gasworks had failed to provide adequate supplies of an increasingly necessary fuel source to the city's residents. Furthermore, the gas companies were imposing unnecessary costs on consumers by inefficiently operating leaking and overlapping systems of delivery. As a shrewd businessman and zealous reformer, Chamberlain envisioned the benefits of municipal control of the gasworks: it would provide less disruption to the community, offer gas at a much reduced rate, and return the profits to the ratepayers in the form of lower prices. Chamberlain found it more difficult to justify municipal ownership and operation of the city's water supply on purely financial grounds, but that did not prevent him from favoring such a venture. Like the town council, he was guided by social and moral concerns in embarking upon a scheme to improve the water supply. Yet, both the gas and water projects were about the provision of public goods that could not be efficiently provided by the private sector. Chamberlain believed whole-heartedly in the moral imperative of municipal provision of gas and water, but he also held a businesslike attitude toward both reforms. He recognized that social programs must be implemented upon sound principles of efficiency and finance, since ultimately they should be self-financing.

The urban renewal program of demolishing and rebuilding parts of Birmingham's poorest neighborhoods represented Chamberlain's most audacious program. But even in this case, he did not envision the program as a charity. He was committed to ensuring that eventually the scheme would pay for itself. During the planning of the project, Chamberlain argued that the municipality itself would be responsible for providing a large share of the new housing in the

redeveloped area. Yet, he anticipated that the poor themselves would eventually be able to pay the additional costs of this housing, which is why he emphasized the need to educate the poor on the necessity of higher rents. Chamberlain ultimately backed away from municipal responsibility in providing new housing, to the consternation of a number of his observers. Yet, his final position, that the municipality ought not to intrude where private initiative could already handle the provision of a social good, clearly defined his enduring position on the limits of intrusion by municipal authorities—and indeed the state.

Chamberlain's commitment to both moral and fiscal responsibility was representative of much of late-Victorian middle-class opinion. In its early stages, the process of social reform began in the early 19<sup>th</sup> century with efforts to reform working conditions, health, and the administration of towns. By the middle of the 19<sup>th</sup> century, however, it was clear that inefficient and corrupt social practices were incompatible with the idea of "improvement." Victorians were thus ready to receive the "civic gospel." Chamberlain and many other reformers adopted the belief that municipal institutions could be put to work in the public's best interests. Doing so required fighting against prevailing notions of individual self-sufficiency. Reformers did not reject the century's prevailing liberal ideal nor endorse centralization. Instead, they found ways to replace private local monopolies with municipally owned supply systems. Though some reformers came to embrace more overarching forms of national social policy that might rid society of its inequalities altogether, others such as Chamberlain proclaimed the democratic and morally responsible virtues of municipal government, while remaining distrustful and fundamentally opposed to reform that threatened the place of individual initiative in the modern economy.

#### Notes

1. Significant portions of this article have been adapted from Jules Gehrke (2004), "The Business of Improvement: Joseph Chamberlain and the Emergence of Municipal Socialism," Plan B Paper, Hubert H. Humphrey Institute of Public Affairs, University of Minnesota, and Gehrke (2006), *Municipal Anti-Socialism and the Growth of the Anti-Socialist Critique in Britain, 1873–1914*, Ph.D.

diss., University of Minnesota. The author would like to thank the University of Minnesota, the Robert Schalkenbach Foundation, and Saginaw Valley State University for their support of his research.

2. Briggs (1965: 204) emphasizes the important connections between liberalism, municipal reform, and Unitarianism, “the religion of only a small minority of the population, [it] had a far bigger impact on Victorian politics, not only in Birmingham but in Manchester, in Liverpool, and in smaller communities like Leicester where there were so many Unitarian mayors that the Unitarian chapel was known as ‘the mares’ nest’.”

3. For the legal parameters, see, Laws, Statutes, etc., *The Birmingham (Corporation) Gas Act, 1875*, 38 & 39 Vict., Ch. CLXXVIII.

4. After peaking at 26.9 per 1,000 in 1871, the death rate among the 20 largest towns in England began to decline. By the middle of the 1880s, Birmingham’s death rate generally fell below the average of the 20 largest towns. Death rates could also vary significantly within a borough, as well. In the affluent parish of Edgbaston in Birmingham the death rate peaked at 14 per 1,000 in 1875 (Bunce 1885: 117). Hennock (1973: 113) writes that some of the early satisfaction with Birmingham’s health may well have been misplaced. “Unfortunately, the satisfaction with the health of Birmingham was not even based on realities. It was largely due to naïve reliance on statistics which lumped together the wealthier suburbs with the overcrowded quarters in the centre of the town. But the inhabitants of the courts and alleys in the Lower Priory, where the annual death-rate in 1873–5 averaged 62.5 per thousand, could draw scant comfort from the fact that in the borough as a whole it did not exceed 25.97.”

5. Bunce (1885: 141–142) gives the following description of the “pan” system: “Beneath each closet seat is placed a metal pan, capable of affording closet accommodation for a week. In the yard is placed a wooden or iron tub for the reception of dry ashes and vegetable and other refuse from the houses. Once a week these receptacles are cleared of their contents. The closet pans are carried away in closed vans, each containing about eighteen of the pans, and holding also about one ton of ashes taken from the ash tubs. The pans in process of removal are covered with close-fitting metal lids, fresh pans being left in their places. The pans are then taken to the Corporation wharf in Montague Street, are emptied, thoroughly cleansed and disinfected, and are then again ready for use . . . ; the removal vans have been improved in construction, so as to prevent the emission of unpleasant effluvia during their passage through the streets.”

6. For the legal parameters, see, Laws, Statutes, etc., *The Birmingham (Corporation) Water Act, 1875*, 38 & 39 Vict., Ch. CLXXXVIII.

7. Loeb was implicitly comparing Birmingham to general corruptness that characterized the governments of many American cities of the time.

8. Hennock (1973: 129) contends that Chamberlain “was allowing his imagination to run away with him,” Reigeluth (1981: 278) writes that Chamberlain was likely just trying to garner support for his plan.

9. This series, commissioned by the city's General Purposes Committee in the mid-1870s, consists of three volumes published in 1878, 1885, and 1902. The first two volumes were prepared by Bunce and the third written by Charles Anthony Vince. The first volume covers events through the early 19<sup>th</sup> century, the second brings the story to the 1880s, and the third ends in 1900. In the mid-20<sup>th</sup> century, the Birmingham City Council commissioned a new series, the first volume of which, written by Conrad Gill (1952), covers the city's development to 1865 and the second of which, by Briggs (1952), covers the city's history until 1938.

10. By the time *Municipal Government in Great Britain* was published in 1895, Shaw had moved on with a career that would eventually include editing the American edition of the reform-minded *Review of Reviews*. For more on Shaw, and the webs of exchange in municipal affairs established between Europe and the United States, see Rodgers (1998).

11. See also Mackintosh (1914), *The Story of Mr. Chamberlain's Life*. London.

12. Appraisals since Mackintosh's first biographies have been prepared with the benefits of wider access to Chamberlain's papers and removal from the controversies of free trade and social reform that engulfed Britain in the early 20<sup>th</sup> century. J. L. Garvin, the first "official" biographer of Chamberlain, writes that much of the criticism brought upon Chamberlain may well have been the result of the politician's own antagonistic rhetoric—particularly against the "New Radicals" later in his career (Garvin Vols. I–III: 1932, 1933, 1934). The series was completed by Julian Amery (Vols. IV–VI: 1951, 1969, 1969). Yet, according to Garvin, Chamberlain's commitment to social reform was unceasing: "there would be no halting on the Unionist side while he was there" (Garvin, Vol. II: 423–442). An adept chronicle of Chamberlain's life, Garvin's work is nonetheless a laudatory one.

Peter Fraser (1966: xiii) assesses the politician's shifting platform in the context of the evolving political and social worlds in which he moved. Chamberlain could consider himself a socialist in the spirit of John Stuart Mill early in his career and continue to support "self-reliance, competition, free enterprise, and private capitalism." However, when "varieties of Marxist socialism appeared to gain ground in the last decades of the century, Chamberlain was bound to oppose them." Fraser's conclusions regarding Chamberlain are reinforced by Richard Jay (1976: 332), who writes that rather than being rooted specifically in collectivism, Chamberlain's positions were geared toward a "more flexible and amorphous concept of social and political modernization applied over a wide range of contemporary problems." Nonetheless, Chamberlain remains a complex figure whose vitriol against socialists and organized labor in the 1890s had not seemed likely in the early 1880s. In his succinct, though not definitive, biography of Chamberlain, Denis Judd (1977: 174) states that it is arguable that Chamberlain underwent



a “personal and social metamorphosis” as he developed closer relations with Conservatives.

In his more recent biography, Peter T. Marsh (1994:671) circumvents the traditional debate over Chamberlain and contends that the politician’s life may be best viewed through the lens of his business principles. He writes, “his business provided work and wages, fairly good wages, for its employees and profits, excellent profits, for its owners. He entered public life to ensure those benefits.” Ultimately, Marsh states, the principle of “self-financing” that became the basis of Chamberlain’s later support for workmen’s compensation for industrial accidents represented the limits of a social vision rooted in business. By focusing upon the impact that Chamberlain’s business experience had upon the rest of his career, Marsh highlights the importance of the Radical politician’s early years to interpreting the rest of his career. Marsh neglects, however, to emphasize the importance of Chamberlain’s mayoralty as an indicator of his position regarding the proper extent of—and limitations of—municipal and state power. Peter Fraser’s astute biography suffers from the same weakness. Once these connections are explored, it seems apparent that Chamberlain, early on, identified limitations in municipal and state power that were to characterize his entire political career. These limits became explicit for both supporters and opponents in the 1890s.

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