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LORD BEVERIDGE, K.C.B.

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1879-1963

WILLIAM BEVERIDGE, outstanding architect of twentieth-century social security, was born at Rangpur, Bengal, on 5 March 1879. He was the son of Henry Beveridge of the Indian Civil Service and of Annette, daughter of William Ackroyd, a radical reformer interested in the Poor Law. Both his parents were remarkable personalities. His father had, to an exceptional degree, a sympathy not only with the physical hardships of the great mass of the Indian people among whom he worked but also with the political aspirations for self-government of the literate minority. His sensitive conscience and strong will led him to press his opinions, which were far in advance of those of his superior officers in the Service, with an unselfish persistence which certainly handicapped his chances of promotion and restricted the range of his official authority. William's mother had a no less definite personality. She was a distinguished student of oriental languages and, as an historian, an authority on the early Mogul emperors. Her interests extended over a wide range and were individual and definite. After some disillusioning personal experiences she had a less favourable view than her husband of Indian qualities and of the capacity of the country for self-government. Such differences of opinion and outlook were willingly accepted on both sides; and the discussion of them enriched, without in any way impairing, the harmony of a singularly successful marriage.

Those who wish not only to appreciate William Beveridge's public achievements but also to understand his personality will do well first to read his filial biography *India Called Them*, which he wrote in 1947 when he was himself 68 years of age. This book reveals a capacity for affectionate reverence and for a sympathy with a society as different from England's as India's; and it also shows his inheritance from his parents of ability, of character, and a strong tradition of public service. As a further preparation for a detailed study of his career it is useful also to read his autobiographical *Power and Influence* written eight years later, in 1955, which shows the perspective and proportion in which he regarded his own work at different stages of his life. These two books, written after the peak of his fame and of his practical

work in public administration, though many years before the end of his active life and influence, are needed to fill the gaps in what evidence is otherwise available of his personal qualities. For few of his contemporaries who knew him well in his youth now survive; and those who have written about him have naturally been chiefly interested in his public achievement and in the abilities and qualities most directly related to it. It is mainly from what he himself reveals in these two books that we learn, for example, of his keen zest for both indoor and outdoor games, of his discriminating appreciation of the English poetry he had read in his youth, and of a certain gaiety of spirit which helped him to bear the strain of his arduous work and long survived.

In his boyhood he was one of what was, during the period of the British Empire's greatest extension, a very familiar, and very considerable, section of the younger generation in England—those who were for many years necessarily separated from their parents by distance, climate, and slow communications. Beveridge himself was fortunate in the school, Charterhouse, which educated him under these conditions and prepared him for his even more fortunate entry, in 1897, to Balliol. At Oxford he took Firsts in both Classical and Mathematical Moderations and then a First in Greats. These distinctions were followed by a B.C.L. and by a legal ('Stowell') Prize Fellowship at the University College of which he was many years later to be the Master. This fellowship did not require him either to teach or practise law and left him completely free to choose his own work and career. His father would apparently have liked him, after the proof of his capacity at Oxford, to proceed through a barrister's career to the prizes, in high office and in financial reward, which that career has to offer to the ablest of those who enter it. But more influential than any words of advice was his father's own example of a career of devoted public service. This was confirmed by the development of his own mind and character under the influence of Oxford, and especially of Balliol, whose Master at the time, Edward Caird, gave him the fateful advice: 'When you have learnt all that Oxford can teach you, go and discover why, with so much wealth in Britain, there continues to be so much poverty, and how poverty can be cured.' Beveridge and the somewhat younger Maynard Keynes did exactly this; and, following up their respective inquiries and research with practical administrative work and influential writing, they did more than any two men in their lifetime to

change policy, and to increase prosperity, not only in their own country but in others based like it on a free-enterprise system.

The combined influence of Oxford, and in particular Balliol, and of his study in the three great schools, of the classics, mathematics, and the law, proved an ideal preparation for what was to be Beveridge's life work. Six years after his entry into Balliol, in the autumn of 1903 and at the age of twenty-four, he accepted the position of Sub-Warden of Toynbee Hall in Whitechapel. He at once took the opportunity of observing and studying casual employment and under-employment of labour in the docks of the lower Thames. Soon afterwards, from 1906 to 1908, he became a leader writer on the *Morning Post*, the influential daily paper of the Right, whose policy on domestic affairs was for several years surprisingly formed and expounded by four radical social reformers, its editor Fabian Ware and, successively or in rotation, by Beveridge, R. H. Tawney, and J. Reeve Brooke as leader writers. Beveridge took occasion too to study on the spot, in Germany, the most relevant practical experiment at the time in dealing with unemployment. His work soon attracted the attention of Sidney and Beatrice Webb (though their own views on policy differed substantially from his), of Hubert Llewellyn Smith, of the Board of Trade, and of the young Winston Churchill, then President of the same Department in the great Liberal Administration which had recently succeeded a long period of Conservative rule. He was, in 1908, appointed to a position in the Board of Trade which (while of course ending his association with the *Morning Post*) enabled him both to create and to direct a new system of Labour Exchanges, hitherto unknown to the country, that was to be a central feature of his remedy for unemployment. A year later, in 1909, he produced his book *Unemployment, a Problem of Industry*, which was immediately recognized as a classic and has so remained ever since. It is indeed a model of what a great sociological work should be. It advocated a new policy and a new administrative institution which were destined to have lasting and beneficial consequences to the economy and social conditions of the country. It was based on wide study, personal observation, profound analysis, and direct experience in practical administration. It was written without sociological or other jargon and with a clarity and precision of language which made it attractive and persuasive to a wide range of readers.

In the six years since going to Toynbee Hall, and now still only thirty years of age, he had already to his credit a fourfold

achievement, perhaps never equalled before or since by a social reformer. He had personally studied the evil he was trying to cure, in the London docks and in Germany. He had created an inner circle of supporting opinion by his leading articles in an influential daily paper. He had himself both established and directed the system he had advocated. He had then crowned his work by a classic book which was for many years to be a guide and teacher to all those interested, whether as practitioners or students, in the social innovation he had introduced.

In the next few years Beveridge was able to develop and perfect his new Labour Exchanges system; and then to establish a legally compulsory unemployment insurance scheme operated through that system. He showed that he was not only a creative pioneer but, in the conditions under which he was then working, an exceptionally able practical administrator. It should be noted that in this period he had an unusual combination of advantages to help him; an indisputable pre-eminence in personal knowledge; an appreciative and sympathetic principal colleague in the department through which he had to establish his new system; and an imaginative and constructive political chief ready to give him all the support he might need to secure his immunity from any jealous or obstructive critics among those nearest to his work. This was a happy combination not always available or obtainable, as he was to find later in his career.

When the first war broke out his reputation was naturally very high and he was, in 1915, appointed, again with Llewellyn Smith as his immediate chief, to the newly created Ministry of Munitions; and he at once plunged into the crucial, and eminently appropriate, work of organizing man-power. In the following year he was transferred to the other newly established Department in which creative ability was urgently required, the Ministry of Food. He there soon became the principal architect of its policy and, in particular (with the aid of another remarkable official previously in the Board of Trade, Stephen Tallents), he invented and administered the new food-rationing scheme. This scheme, in other respects both drastic and effective, wisely left the basic food, bread, unrationed as a safety valve for any serious hardships that might result from defects in the rationing of other foods.

Throughout the first war, as in the six years before it, Beveridge had shown his distinctive qualities at their best—inventive ingenuity; extraordinary industry; a passionate desire for justice and reason in governmental policy affecting all classes and many

millions of the nation; a genius in exposition and public persuasion; and an exceptional administrative flair in translating a general policy into action. He was at the same time shielded, during all this decade, by the combination of favourable circumstances just mentioned, from the possible dangers of another personal characteristic, an occasional insensitivity to what those most closely associated with his work, whether Ministers or official colleagues, were thinking and feeling. The counterpart of this was an exceptional longsightedness; he had an intuitive perception of not only the needs, but of the inarticulate desires, of the millions whom his policy might affect, as he was to show most notably in the second war, in his famous report on social policy. It followed as a result of this kind of longsightedness that he was at his best when he could lead without challenge or compromise, with willingly compliant colleagues. It was only, however, in later years that the hitherto latent dangers implicit in these contrasting qualities, increased by a certain authoritarian streak in his temperament, became visible.

It was during the first war that a remarkable partnership in work began that was to last for forty years and to be ended only by death. The wife of his friend and cousin, David Mair, 'Jessy' (in later years usually called 'Janet') Mair, had similar interests to his own; she had a strong and capable mind; a liking and an aptitude for administration, especially if it offered her personal authority in a central position; a capacity for sustained work; a willingness to sacrifice the frivolities, and subordinate even the normal pleasures, of a civilized life to the particular public task of the time. Though she was not of course the equal of Beveridge (as who was?) in the creative genius which made him one of the outstanding men of his age, she was interested in the same objectives and able to give him valuable help. It is perhaps true that she rather added further strength to his own personal qualities than complemented them with interests outside his personal range or supplied what he lacked. Her qualifications and ability justified both her entry into the public service early in the war, to help Beveridge in his special work, and also explain her later elevation to a position of responsibility that had rarely, if ever, been attained before by any other woman in Whitehall.

When the war was over Sidney Webb persuaded Beveridge, in 1919, to leave his official work and become Director of the London School of Economics, which at that time was only a small institution with comparatively few students, minute accommodation, part-time teachers, and extremely modest

resources. Beveridge quickly achieved a triumphant success in this new task. He proved to be one of the few who are not only themselves great teachers but have also the qualities required both to build up a great institution and to attract the requisite finances from foundations and personal benefactors. He planned on an ambitious scale, recruited the teachers and students, enlarged the accommodation, and in general was the builder, though not the original founder, of the great institution the school has become. Mrs. Mair became Secretary of the school, handled a great and increasing part of its detailed administration, and remained in this position so long as Beveridge was Director. While so successful in planning and building up the institution in its new form, Beveridge was not always equally successful (nor perhaps, in this respect, helped by the Secretary of the school) in establishing and maintaining the best personal relations with the stronger personalities among either the staff or the students (a Harold Laski or a Kingsley Martin, for example). But his achievement in the eighteen years he was Director of the school was a very remarkable one.

In 1937 Beveridge accepted an invitation to become Master of University College at Oxford. His first years as Head of a college brought a temporary respite from exacting practical work. No drastic changes in the college were wanted or attempted; and for the first time since he had left Oxford thirty-four years before it seemed that he would be able to indulge in research not related to immediate action. It was, however, a brief respite, for within a little more than two years the second war brought its new demands on him and before it ended he had vacated his position as Master of University College and returned to public life, this time as a Member of Parliament.

The second war was to bring Beveridge, first painful frustration, then triumphant success with world fame, and then some further disappointments. In its early months four veterans of the first war's administration, Maynard Keynes, Walter Layton, William Beveridge, and myself met regularly and frequently to discuss the problems of civil administration presented by the new war and our own probable roles in dealing with them. The period of 'appeasement' had had, we all thought, a very regrettable effect on the psychology and competence of the permanent public service. It had become dilatory, over-complacent in outlook, and disinclined to take quick and drastic action, as was disastrously proved by the complete failure to use the first six months of inactive war to

prepare for what was bound to come when both Hitler's submarines and his armies began to move. Three of the four of us were indeed to be quickly absorbed in war jobs not unlike those we had had in the first war. With Beveridge there was more difficulty. For many years now he had become accustomed to willingly compliant colleagues and subordinates, and the Ministers to whom he had for a time been responsible had been in cordial sympathy with him and what he wanted to do. He had been shielded from the give and take which is usually necessary in administration, and the authoritarian streak in his temperament had hardened. He was invited into the Ministry of Labour to handle the man-power problem for which his abilities and his experience seemed to make him uniquely qualified. But he was now working with another Minister with a strong personality, Ernest Bevin, who was not, as Churchill had been thirty years before, personally sympathetic; and difficulties, both with Bevin and with others he had gathered round him, soon led to his leaving the Department. It seemed unthinkable that a man with his ability, reputation, and experience should not be entrusted with a responsibility of adequate importance in the war effort. No such post, however, seemed to those in authority to be available. It was in these circumstances, and mainly perhaps as a way of escape from this awkward situation, that Beveridge was, in June 1941, less than half-way through the war, invited to undertake a job not directly related to the current war effort. He was asked to be chairman of a group of officials to make a survey of the existing arrangements for social insurance and similar services. With some reluctance, but doubtless with more foresight into the opportunity such an appointment might afford than those who offered it, he accepted the invitation. At the moment it seemed a humiliating frustration. Within a little more than a year he was to rise from this unpromising stepping-stone to a level of fame and achievement which surpassed even his astonishing record in the years before and during the first war. Within a few weeks he produced to the committee a policy of his own of wide scope and far-reaching political and social importance. The members of the committee helped him with information and advice when consulted on specific questions. But the policy and plan were purely his own. In the following January the Government formally recognized this position and decided that members of the committee should act simply as advisers and assessors while he would himself bear the sole responsibility

for any policy proposed. In November of the same year, 1942, he produced his famous report on *Social Insurance and Allied Services*. For a report on peace-time domestic policy, produced in the midst of a great war, it was a unique achievement. It reflected all his distinctive and, indeed, in their kind and degree, unique qualities; his intuitive perception of the needs and inarticulate desires of many millions in the kind of society he knew; his profound knowledge, based upon both research and direct personal observation, of existing conditions and current social institutions; his capacity for expounding his theme with a luminous clarity, which was at once exact and precise enough for the most scholarly, and yet appealing and intelligible to the less expert of his readers.

His scheme included both insurance against unemployment and pensions for all in old age. Together with the sickness insurance, introduced by Lloyd George thirty years before, in which Beveridge, then concentrated on unemployment, had had no part, it included in outline (though on a very limited scale) the whole range of social insurance against misfortunes threatening destitution. Its basic principle was to ensure, when the policy had become fully operative after a period of gradual application, a bare minimum for all, with the expectation and encouragement of supplementary voluntary insurance by the individual. Such a scheme was essentially that of a Liberal, with the outlook and philosophy of those who had formed the great Liberal Administration early in the century, soon after he first came to London from Oxford as a young man. In his policy the bare minimum of provision was independent of any means test; this would, it was hoped, be widely supplemented by voluntary insurance; further help from the state would be conditional upon proof of need to a national assistance authority. Such a balanced policy of course needed and assumed stability in the purchasing value of money in terms of which the benefits were defined. It would be fatally undermined by serious and continual inflation; and it was in order to prevent his scheme itself adding to the danger of such inflation that he provided for only a gradual implementation. It was of course in the end Beveridge's fate to watch his policy being transformed into something very different, partly through inflation and partly because of the different outlook of the post-war Socialist Government from his own essentially Liberal attitude.

That was only to come, however, in a future not easily foreseeable in 1942. Immediately upon publication of the

Report there was a great wave of enthusiastic approval, which made it certain that after the war there would be an irresistible demand for drastic social legislation; which in Britain brought the name of its author to a height only surpassed by that of Churchill himself; and which rapidly spread his fame throughout the world.

The effect of the Report on the Coalition Government, especially the Conservative Ministers, was very different. It was at first received with some reserve and then, after a debate in the House of Commons early in 1943, with increasing apprehension as to its political and financial effects. Beveridge began to find access to Ministers more difficult and was soon cut off, by instructions to officials in Whitehall, from the previously close relations that he had had with them.

This faced him with a personal problem. If he waited for an official position of adequate authority after the war he would have an indefinite period of impotent frustration with no assurance as to the ultimate result. In these circumstances he decided to enter the political arena himself. This still left him, however, with several alternatives between which it was not easy to choose. He could probably succeed an Independent Member of London University; but it would be some time before this could be known certainly. If he stood as an Independent at any by-election that might occur in an ordinary constituency he would (whether elected or not) have come out as a definite antagonist of the existing Government; he would thus prejudice his policy, which still had a reasonable chance of being adopted by that Government. He might join the Labour Party. But this too presented serious difficulties because he was essentially a Liberal in outlook, not a Socialist.

Then, at the crucial moment, a by-election was caused by the death of the incumbent Liberal Member at Berwick-on-Tweed. Beveridge took the plunge. He expected that this constituency would at least give him a safe seat for as long as he might want it. It did indeed return him at the by-election but failed to do so in the General Election of the following year.

Many Liberals may well have expected more than Beveridge himself. A great Liberal revival led by him did not seem a fantastic dream—not indeed as unlikely as the overwhelming defeat of Winston Churchill on the morrow of victory. For some years there had been a suspension of normal party conflict and of the kind of by-elections which reflect electoral opinions and the relative strength of the party organizations. Before

that, Neville Chamberlain's policy of appeasement had ended in discredit both to him and his party. Some years earlier there had been a deep division in the Labour Party when Ramsay Macdonald had formed the National Government and lost most of his party supporters. The split between Asquith and Lloyd George which had destroyed the Liberal Party was now itself a distant memory. The great 1906 Liberal recovery and administration which preceded it might well seem a more relevant portent. Was it impossible that a great Liberal, acclaimed as Beveridge was after the publication of his Report, should bring back the Liberal Party to its former greatness?

He now found himself in 1944, in the House of Commons, in a novel world involving relations with Ministers, Members, and the party machines of a kind of which he had no previous experience, and for which indeed his temperament and distinctive qualities did not equip him so well as for his previous role in the public service.

The Ministers in office at the time when his Report was published were not only alarmed by its reception but also apprehensive about further Reports it foreshadowed, especially on unemployment. They made hasty, and rather undignified, efforts to anticipate this by an immediate series of statements of governmental policy, in what Beveridge afterwards called a White Paper chase. They did indeed get in first, but Beveridge's own report on *Unemployment in a Free Society* soon followed. It was of the same high level as his earlier report on social insurance and received a similar popular welcome.

There were more lasting consequences of his entry into political life. It permanently changed the character of his relationship to politicians, not only to those in Ministerial office but to the party organizations. It deprived him of the chance he might have had of an official position of authority with the post-war Labour Government. It cost him his place as Master of University College at Oxford, with the residence, the income, and the academic relations that went with it. He was at the same time in no position to have any influence on policies threatening inflation, which it would doubtless have been one of his primary objectives to arrest if he had indeed himself become a Prime Minister leading a strong Government. It was his fate in his later years to watch the erosion by inflation both of his personal resources and of the foundations of the social insurance scheme which had been the climax of his life work. His fall from the pinnacle of fame and power was sudden

and precipitous and to himself obviously unexpected. To close observers who had known him before and now saw him again, especially if it was in a political environment, there was something in his manner which suggested a man who had been stunned for a time by a sudden blow, without quite understanding why or how it had happened.

Nevertheless his resilience was astonishing, his personal recovery of poise and purpose practically complete. It was in the next few years that he wrote his biography of his parents (1947) and his own autobiography (1955) which reveal not only poise but even a gaiety of spirit which the exacting work of previous years had tended to obscure. Nor was there any interruption to his work outside Westminster and Whitehall. He became deeply interested in the problems of town planning and of the New Towns. He accepted the post of Chairman of the Development Corporation of Aycliff in Durham, lived there for a time, and later became also Chairman of the Peterlee Development Corporation. This appointment was terminated, obviously to his regret, in 1953.

He then returned to Oxford, to live with his wife in the northern part of the city and there continue his work of economic research. In addition to this and to the objectives to which he had devoted most of his life, he became deeply convinced of the necessity of a form of World Government if under the conditions of our time a devastating war is to be arrested, and spent some of his time in preaching this. He made lecturing tours in Australia, New Zealand, the U.S.A., and elsewhere, and culled some of the fruit of the fame his Report of 1942 had brought him. He had, during this period, also resumed a part in the life of Westminster, after accepting a peerage in 1946, and he made frequent interventions which were listened to with real and increasing respect. In 1949 he accepted an invitation from the Labour Government to preside over a committee to advise on future broadcasting policy, including television. The committee recommended the extension of the B.B.C. monopoly to television, with the exclusion of all commercial advertising. There was a minority Report, however, by Selwyn Lloyd, whose advice on this point was accepted by the succeeding Conservative Government.

Most of Beveridge's time, however, in the last period of his life was devoted to economic research. Appropriately enough this consisted mainly of a study, more factual and profound than any previously attempted, of the changes in prices (that is, the

fluctuations and fall in the purchasing power of money) and their causes, from the sixteenth century to the twentieth. Had he lived longer in full activity this would have been continued into his own time and covered the inflation after the second war, which had eroded both his personal resources and the social policy he had advocated.

During his period of frustration and disappointment, Beveridge was helped and supported, as he had been in his days of triumph, by his partnership in work with Janet Mair, which had culminated in marriage after the death of her first husband in 1942. It was a partnership destined henceforth to be complete and unimpaired till it was ended only by her death in 1959, four years before his own.

The physical frame which bore this great mind and spirit was worthy of its charge. Spare, wiry, and well equipped both for walking and the outdoor games, especially tennis and golf, which Beveridge continued to enjoy for most of his life, his unremitting and exacting work suffered only rare and brief interruptions from any frailty or illness. In his later years his physical activity diminished only slowly till the death of his wife, soon after which he was afflicted by a crippling form of arthritis which made movement difficult; his intellectual activity remained unimpaired till the very eve of his death.

Though his profile was neither aquiline (like Edward Grey's), nor corvine (like Neville Chamberlain's) there was something bird-like in his appearance—an impression strengthened by a parrot-like tuft of white hair and sometimes a slight pecking movement of the head. He spoke as one whose thought was a little too rapid for his articulation; and though the substance of what he said, with his personal fame, always secured an attentive and appreciative audience, his written word was on the whole more rewarding than the spoken.

It is easier to appreciate the quality and impact of Beveridge's work in his own time than to forecast its enduring influence upon public opinion and policy. Unemployment, with which his first remarkable achievement was concerned, is now different in character and makes a somewhat different claim on the resources of Government. It is no longer general in its incidence, but localized and specialized. There are now in total more jobs seeking men than men seeking jobs. Government policies as they may cause inflation (or, as in the inter-war period, even more disastrously and dangerously, severe deflation) are a more important factor than when his pioneering work was done.

The greater strength of unionized labour; electoral pressures on a country with closely balanced political parties; the revolution in financial doctrine initiated by Maynard Keynes—all combine to set Beveridge's Labour Exchanges and Unemployment Insurance (though they will doubtless remain essential) in a different perspective. His social policy, with its careful balance between different forms of provision against distress and destitution, has been undermined by inflation and was given a different form by the Socialist outlook of the post-war Government, differing so much from his own Liberal attitude. This brought a Welfare State rather than a Welfare Society.

Nevertheless he crystallized the previously inarticulate public desire for a great extension of social security, and evoked from it a dynamic force which made it irresistible at the end of the war. He influenced the initial pattern of post-war social policy, though less, and less lastingly, than he had hoped. Institutions created by him, such as the Labour Exchanges, still remain and are likely to be a permanent part of our administrative system. These and his other extraordinary achievements, extending from the early years of the century till the middle of the second war; the memory and records of his personality and of his unremitting work in the service of the public; the classical quality of his principal books and Reports—will surely combine to give him a high and permanent place in the select list of the greatest architects of social security of his time.

SALTER

A full bibliography, including also the articles and Reports Beveridge himself selected as best meriting survival, can be found at the end of his *Power and Influence*.