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978-1-107-03845-5 - The Cambridge Economic History of Modern Britain: Volume I: 1700–1870

Edited by Roderick Floud, Jane Humphries and Paul Johnson

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THE CAMBRIDGE ECONOMIC HISTORY OF MODERN BRITAIN
VOLUME I: 1700–1870

A new edition of the leading textbook on the economic history of Britain since industrialisation. Combining the expertise of more than 30 leading historians and economists, Volume I tracks Britain's economic history in the period ranging from 1700 to 1870, from industrialisation to global trade and empire. Each chapter provides a clear guide to the major controversies in the field and students are shown how to connect historical evidence with economic theory and apply quantitative methods. New approaches are proposed to classic issues such as the causes and consequences of industrialisation, the role of institutions and the state, and the transition from an organic to an inorganic economy, as well as introducing new issues such as globalisation, convergence and divergence, the role of science, technology and invention, and the growth of consumerism. Throughout the volume, British experience is set within an international context and its performance benchmarked against its global competitors.

RODERICK FLOUD is Provost of Gresham College, London.

JANE HUMPHRIES is Professor of Economic History at the University of Oxford and a fellow of All Souls College.

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Volume I: 1700–1870

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Frontmatter

[More information](#)

CONTENTS

<i>List of figures</i>	ix
<i>List of tables</i>	xi
<i>List of contributors</i>	xiv
<i>Preface</i>	xv
1 The British industrial revolution in a European mirror	1
BRIAN A'HEARN	
2 Occupational structure and population change	53
LEIGH SHAW-TAYLOR AND E. A. WRIGLEY	
3 Agriculture, 1700–1870	89
JOYCE BURNETTE	
4 Nutrition and health, 1700–1870	118
DAVID MEREDITH AND DEBORAH OXLEY	
5 Regions, 1700–1870	149
NIGEL GOOSE	
6 Labour markets and training	178
PATRICK WALLIS	
7 Inequality and social mobility in the era of the industrial revolution	211
GREGORY CLARK AND NEIL CUMMINS	
8 Consumption, 1700–1870	237
SARA HORRELL	

Cambridge University Press

978-1-107-03845-5 - The Cambridge Economic History of Modern Britain: Volume I: 1700–1870

Edited by Roderick Floud, Jane Humphries and Paul Johnson

Frontmatter

[More information](#)

viii Contents

9	An age of progress	264
	JOEL MOKYR	
10	Technology	292
	ROBERT ALLEN	
11	The financial revolution and its consequences	321
	ANNE L. MURPHY	
12	Political power and British economic life, 1650–1870	344
	JULIAN HOPPIT	
13	The transport revolution in industrialising Britain	368
	DAN BOGART	
14	Overseas trade and empire	392
	NUALA ZAHEDIEH	
15	Economic ideas and the emergence of political economy	421
	ROGER E. BACKHOUSE AND KEITH TRIBE	
	<i>Bibliography</i>	443
	<i>Index</i>	473

FIGURES

1.1	Real GDP per capita in Britain	2
1.2	Real earnings of British workers	4
1.3	Real GDP per capita in several countries (1990 international dollars)	12
1.4	Relative GDP per capita in European countries, 1870	13
1.5	Earnings of building labourers in European cities	16
1.6	GDP per capita and agricultural employment, c.1870	18
1.7	Agriculture's employment share, urbanisation, and agricultural productivity in 1870	23
3.1	British farm size: male farm workers per farmer in 1851	94
3.2	Trends in labour productivity in Europe, 1500–1800: top-down estimates (England in 1500 = 100)	105
3.3	Trends in labour productivity: bottom-up and dual estimates (1700 = 100)	106
3.4	Trends in total factor productivity	110
4.1	Regional height differentials in Britain and Ireland around 1815	123
4.2	Scottish stature, men born late nineteenth century	127
4.3	Heights of Irish convict women by county of birth (darker = taller)	130
4.4	Sources of calories for human consumption from domestic production	131
4.5	Components in the diets of farm labourers, 1863	135
4.6	Regional patterns in English dietary micronutrient values, 1795	139
4.7	Nutrition plus real wages of London labourers	144
5.1	James Caird's map of the farming regions of England, 1851	154
5.2	The share of the adult male workforce in the secondary sector in 1851	157
5.3	The share of the adult female workforce in the secondary sector in 1851	158
6.1	Silver wages of labourers in provincial England and Europe relative to London	191
6.2	Migration fields of London, Manchester and Birmingham, c.1851	196
6.3	Share of teenage males entering apprenticeships with premiums, 1711–1804	202
6.4	Literacy rates in Europe, c.1700–c.1870	204
6.5	Skill premium, English estimates	205
7.1	The extremes of mobility illustrated	215
7.2	Inter-generational occupational mobility compared	215
7.3	Change in relative representation and <i>b</i>	218

Cambridge University Press

978-1-107-03845-5 - The Cambridge Economic History of Modern Britain: Volume I: 1700–1870

Edited by Roderick Floud, Jane Humphries and Paul Johnson

Frontmatter

[More information](#)

x List of figures

7.4	Relative representation of cohorts of elite surnames in the PCC, England, 1710–1858	220
7.5	Relative representation of rare elite surnames in earlier generations, England, 1680–1829	221
7.6	Relative representation and implied <i>bs</i> at Oxbridge, 1530–2012	224
7.7	Net national wealth per person relative to wage rates	230
7.8	Allen's estimate of factor shares, 1770–1870	230
7.9	Allen's estimated gross profit rates on capital	231
7.10	Shares of capital, land and labour in income, 1700–1870	234
10.1	Total factor productivity in candlemaking, 1560–1850	295
10.2	The British market for Asian imports	298
10.3	Subsistence cost for labourers (income/cost of subsistence basket)	299
10.4	Price of energy, early 1700s	300
10.5	Factor prices and the cost advantage of a more capital-intensive technique	301
10.6	Improvement in a technique through local learning	301
10.7	Coal consumption in pumping engines (lbs per HP-hour)	315
10.8	Total factor productivity in hat production, 1712–1840	317
11.1	Levels of public debt, 1691–1815 (in millions of £s)	327
13.1	The turnpike road network in 1770	371
13.2	The waterway network in 1851	374

Cambridge University Press

978-1-107-03845-5 - The Cambridge Economic History of Modern Britain: Volume I: 1700–1870

Edited by Roderick Floud, Jane Humphries and Paul Johnson

Frontmatter

[More information](#)

TABLES

1.1	Composition of aggregate expenditure	3
1.2	Growth accounting for Britain, 1700–1860	6
1.3	Occupational structure of adult employment	7
1.4	Urban shares in the British population	9
1.5	Population growth rates in European countries (per thousand)	14
1.6	Population shares in cities of more than 10,000	17
1.7	Life expectancy at birth	19
1.8	Labour productivity in agriculture	22
1.9	Characteristics of European countries	24
1.10	Openness (ratio exports plus imports to GDP)	30
1.11	Central government tax revenues per capita	34
1.12	Constraint on the executive	38
1.13	Literacy (signature) rates	41
1.14	Book consumption per capita	42
2.1	Crafts' estimates for Britain's labour force shares, 1688–1841	56
2.2	Male occupational structure of England and Wales, c.1700–1871	59
2.3	Male occupational structure: selected north-western counties	65
2.4	Male occupational structure: selected southern counties	65
2.5	Male and female occupational structure, 1851 and 1871	67
2.6	Speculative estimates of overall occupational structure, c.1710–1871	69
2.7	The occupational structure of England and Wales, Scotland and Britain in 1851	71
2.8	Population growth, 1600–1871	73
2.9	England and her neighbours	75
2.10	Urban growth in England (populations in '000s)	76
2.11	Regional growth patterns	79
2.12	Rates of natural increase and implied net migration per annum	82
3.1	The British agricultural labour force in 1851	93
3.2	Labour force: regional comparisons	93
3.3	Contracts recorded in Cresswell, Northumberland, 1841	96
3.4	Agricultural capital in England and Wales	101
3.5	European land productivity	103
3.6	Labour productivity in Europe	104

Cambridge University Press

978-1-107-03845-5 - The Cambridge Economic History of Modern Britain: Volume I: 1700–1870

Edited by Roderick Floud, Jane Humphries and Paul Johnson

Frontmatter

[More information](#)

xii List of tables

3.7	Livestock densities in the 1860s	108
4.1	Domestic agricultural output for human consumption: daily calories per capita (daily calories per adult male consuming unit in parentheses)	120
4.2	The good Scots diet: a hypothetical Scottish male agricultural worker's diet, per day	125
4.3	Diets and daily nutrient intake from family budget evidence	132
5.1	Employment in the straw plait and hat trades in five English counties, 1841–1901	166
5.2	Per capita expenditure on endowed charities (£) by region and economic character in England, 1861–1876: calculated on base population sizes in 1761	174
6.1	Parish apprentices in early factories	185
6.2	Population and age distribution (England)	192
6.3	Migrants in selected towns	195
6.4	Male and female literacy in Europe, c.1860	203
6.5	Estimates of the skill premium	205
7.1	Inter-generational mobility in England, 1854–1874, from marriage registers	213
7.2	Inter-generational mobility in Britain, 1851–1881, from Long	214
7.3	Inter-generational mobility in Britain in 1972	216
7.4	Relative representation of rare surnames by period and cohort	219
7.5	Implied <i>bs</i> , England, 1710–1858, downward mobility	221
7.6	Wealth <i>b</i> inferred from the proportion probated, 1888–2011	222
7.7	Implied <i>bs</i> , England, 1710–1858, upward wealth mobility	223
7.8	Wealth distribution in England, 1700–1875, from Lindert	228
7.9	Distribution of wages and wealth, UK, 2003–4	229
8.1	Analysis of consumption from probate inventories, England, 1550–1800	240
8.2	Working-class expenditure patterns, Great Britain, 1787–1854	256
8.3	Inventories of labouring households' possessions, 1850–1854	259
8.4	Household expenditure, England and Wales, 1688	260
10.1	Sectoral contributions to productivity growth, 1780–1860	294
10.2	Adult literacy, 1500–1800 (proportion of the adult population able to sign their name)	303
11.1	Government long-term borrowing, 1693–1698	324
11.2	Agencies handling the national debt, c.1764	333
12.1	Numbers employed in central government	349
12.2	Some logistics of war, 1689–1815	354
12.3	War expenditure and public borrowing	354
12.4	Numbers of acts of the Westminster parliament, 1660–1800	356
12.5	Economic and estate acts, 1660–1800, as % of all acts	356
12.6	Main categories of economic acts, 1660–1800	357
13.1	The evolution of transport costs and travel speeds	379
13.2	The evolution of freight rates in overland transport	380
13.3	Changes in freight rates for coastal and North American shipping	381
13.4	Output growth in selected transport sectors	383
13.5	A new estimate of TFP growth in all overland transport, 1700–1870	385

Cambridge University Press

978-1-107-03845-5 - The Cambridge Economic History of Modern Britain: Volume I: 1700–1870

Edited by Roderick Floud, Jane Humphries and Paul Johnson

Frontmatter

[More information](#)

List of tables xiii

14.1	The geographical distribution of the commodity trade of England and Wales, 1700–1701; Britain 1797–1798; UK 1854–1856 (% of the categories of trade)	394
14.2	Land and population, 1760 and 1830	398
14.3	Slave deliveries in the Americas (thousands)	403
14.4	Top ten recorded commodity imports, rank order	405
14.5	Geographic origin of recorded imports into England/Britain (%)	409
14.6	Imports of raw cotton	410
14.7	Geographical distribution of British exports (%)	413
14.8	Exports of British produce (%)	414

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PREFACE

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

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

We also trust that recent economic events will raise the profile of historical analysis. The Queen is reputed to have asked a group of economists at the London School of Economics: ‘Why did no one see this coming?’ As she implied, economic theorists failed to predict, forestall or even – after the event – very clearly explain the factors that contributed to the global economic meltdown and subsequent recession. Indeed, many economists believed between 2000 and 2008 that we had entered a new economic age incorporating, as the then Chancellor of the Exchequer, Gordon Brown, unwisely suggested: ‘the end of boom and bust’. No economic historian, conscious of the history of capitalist economies over the past two or three centuries, would have made such a statement. Even if it is too much to expect politicians or economists to learn the lessons of the past they

should at least seek to ground their theories in the accounts provided by economic historians.

It is certainly true that the analysis of the economy, and of economic history, never stands still and the last decade has, once again, demonstrated that the subject of economic history is itself resilient. Scholarly interests change, as they should, to reflect contemporary events as well as developments in techniques of analysis and the availability of new sources of data. But scholarly activity, in any discipline, builds on what has been done before and we have therefore felt free, in commissioning chapters for this edition, to leave out some topics which have received relatively little attention in the past decade so as to give space for areas where new research has been particularly productive. Thus, in the first volume, there is a chapter reporting exciting new research on population geography and occupational structure. Health and nutrition, again the topics of much new research, are given more prominence. Perhaps as a result of economic depression, there has been a revival of interest in economic thought and ideology and chapters on this theme appear in both volumes.

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

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

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Frontmatter

[More information](#)

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

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

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