

# **‘The Poor Get Poorer Under Labour’:**

**the validity & effects of  
CPAG’s campaign in 1970**

edited by

**Maria Meyer–Kelly and  
Michael D. Kandiah**

**ICBH Witness Seminar Programme**



**‘The Poor Get Poorer Under Labour’:  
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of CPAG’s campaign in 1970**

**ICBH Witness Seminar Programme  
Programme Director: Dr Michael D. Kandiah**

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# **‘The Poor Get Poorer Under Labour’: the validity and effects of CPAG’s campaign in 1970**

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**Chaired by Nicholas Timmins  
Seminar edited by Maria Meyer-Kelly and Michael D. Kandiah  
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# The Rise of Pressure Groups in Britain 1965-1974: Single Issue Causes and Their Effects

Maria Meyer-Kelly  
University of Bristol

In April 1970 the Child Poverty Action Group, an expert pressure group which had been established in 1965 to lobby the government for better family allowances, published its January memorandum to the Secretary of State for Health and Social Security. The memorandum accused Labour of allowing the poor to get relatively poorer during the six years that it was in power. The publication of the memorandum sparked a heated debate between the Labour government and the CPAG. It provided invaluable ammunition for the Conservative opposition.

The purpose of the seminar is to stimulate discussion amongst those involved in the campaign and some representatives from other pressure groups. Accounts of the actual meeting have been published in the Crossman diaries<sup>1</sup> and in an account by Frank Field.<sup>2</sup> An account drawn from available archival and interviews has been written by McCarthy.<sup>3</sup> However, despite the importance of the campaign there has been little discussion of its effectiveness and outcomes (intended and unintended) with hindsight. One of the purposes of the seminar, then, is to gather such testimony, so that misconceptions about the campaign can be corrected and a sound basis can be laid for future analysis. The debate will then be widened, to ask: given the dramatic increase in single issue pressure groups in the 1960s, were such confrontational tactics the most effective ones to use? In the circumstances of the time, what were the alternatives? Did the campaign symbolise an important turning point in the relationship between such groups and the government (in the sense of both the political parties and the civil service)?

This background paper is divided into three sections. Section one is a summary of the main events in the campaign. It demonstrates that the campaign lasted for five bitter months before the 1970 election. It also argues that the CPAG as a body (and in the guise of some of its most prominent supporters) had been attacking the labour government for allowing the living standards of the poor to fall behind from as early as 1966. The second section of this paper summarises the main findings of the CPAG memorandum and the government's defence. A third section then raises a number of points for discussion.

## *The Background to the Poor Get Poorer Under Labour Debate*

The first Director/Secretary of the Child Poverty Action Group – Tony Lynes – left the group in January 1969. He was replaced by a new, young director Frank Field. Lynes had been what might be termed politically low profile. He relied, predominately, on contacts within the Labour Party and the civil service and well-researched, well-argued argument to try and bring about change<sup>4</sup>. Field did not have these contacts, but his style was more politically aggressive.<sup>5</sup> The change in director was followed in July 1969 by a change in Chair. Fred Philp,<sup>6</sup> the out-going chair had worked well with Tony Lynes giving him a loose reign but at the same time offering support.

- 1 R. H. S. Crossman, *The Diaries Of A Cabinet Minister*, Vol. 3 (London: Hamish Hamilton & Jonathan Cape, 1977), p. 791. A far richer account can be found in the original Crossman Diaries at the Modern Record Centre, University of Warwick, Crossman MSS 154/8/165, pp.51-70.
- 2 Frank Field, *Poverty And Politics: The Inside Story Of The Child Poverty Action Group Campaign In The 1970s*. (London: Heinemann, London 1982), p.33.
- 3 Michael McCarthy, *Campaigning For The Poor: CPAG And The Politics Of Welfare* (London: Croom Helm, Beckenham, 1986).

Philp, like Lynes, preferred low profile contact with the government and civil service. His successor, Professor Peter Townsend<sup>7</sup> preferred a much more high profile approach and it was this new team of Field and Townsend that were to mastermind the whole poor get poorer under Labour debate.

The Labour government had raised family allowances in October 1967 by seven shillings<sup>8</sup> and again after devaluation in December 1967 by three shillings. This was clawed back in the April 1968 budget from standard taxpayers. After a long and protracted struggle within the cabinet, family allowances had been doubled.<sup>9</sup> CPAG called the seven shilling rise in October 1967 a sop to Margaret Herbison.<sup>10</sup> As the three shilling rise after devaluation was linked to a number of cuts and rising prices it got an equally unenthusiastic welcome.<sup>11</sup> No further action was then taken by the Labour government in 1969 and the issue only emerged occasionally in parliament as parliamentary questions.<sup>12</sup>

The Child Poverty Action Group was however gaining in strength. After experiencing terrible financial difficulties in 1968<sup>13</sup> and nearly agreeing to being a junior partner in a partnership with Shelter, it was gathering strength. It opened in 1969 a legal department and in early 1970 the Citizen's Rights' Office. The new team of Field and Townsend produced the memorandum *An Incomes Policy for Families* (later re-published as *Poverty and the Labour Government* in April 1970). It argued that 'low income families [had] not been given priority in policy and in some respects they [had] even lost ground'.<sup>14</sup> It was presented to Crossman (accompanied by Ennals and Brian Abel-Smith<sup>15</sup>). The meeting was acrimonious,<sup>16</sup> with Crossman arguing that they would not be believed.<sup>17</sup> However, privately, Crossman was worried about the damage such accusations, especially coupled with similar conclusions by Atkinson, could have on the party.<sup>18</sup>

The debate dragged on. *Tribune* summarised the CPAG's case on 6 February 1970, and for the next month a series of letters from Ennals and the CPAG were printed.<sup>19</sup> In addition a letter written by Field and signed by sixteen academics appeared in the *Times*. This was replied to by

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- 4 Tony Lynes had trained as an accountant but instead of following his profession, became Titmuss's research assistant. He was very much part of the Titmuss group involved in Labour Party policy formation in the 1950s, particularly the superannuation pension scheme. After a year long secondment to the Ministry of pensions and National Insurance where he wrote a paper on family allowances, he became the first full time secretary of the Child Poverty Action Group in August 1966. He resigned from this post in Nov. 1968 to take up a post with Oxfordshire Children's Department.
  - 5 Field was 26 when he became the director of the Child Poverty Action Group. He had been teaching in a polytechnic and has been active in his local Labour Party and a Labour Councillor. At his interview for the post at the Child Poverty Action Group he admitted that he knew very little about the subject but it was decided by the group that his dynamism, organisation and journalistic skills out-weighed his lack of knowledge about the subject.
  - 6 Secretary to the Family Service Units.
  - 7 Townsend was part of the Titmuss group and like Lynes had worked on the superannuation pension scheme in the 1950s. In 1965, he published jointly with his colleague Brian Abel-Smith (who had become Crossman's advisor in April 1968) *The Poor and the Poorest*. The main publication in the Rediscovery of Poverty. Townsend had argued since the 1950s that poverty could only be analysed in a relative way.
  - 8 Actually paid in April 1968.
  - 9 Keith G. Banting, *Poverty, Politics And Policy* (London: Macmillan, 1979), pp. 99-105.
  - 10 The Minister for Pensions and National Insurance until June 1967 when she resigned over her impotence within government (she was not in the cabinet) over family allowances. (*Poverty* 1967 no.4 p.1.
  - 11 *Poverty* 1968, no.6, p. 1.
  - 12 There had been debates on family poverty in Dec. 1965, initiated by David Owen (Labour) (*Hansard*, House of Commons Debates, fifth series, vol. 738, 21 Dec. 1965, pp.1446-60) and one initiated by the opposition in 1967 (*Hansard*, House of Commons Debates, fifth series, vol. 745, 20 April 1967 pp. 823-936).
  - 13 In 1968 CPAG's surplus was £238. By 1969 the group was in surplus by £1747 and 1970 £622 See CPAG accounts, CPAG Executive Committee Minutes Box 65, Townsend Collection, Qualidata, University of Essex.
  - 14 Frank Field and Peter Townsend, *Poverty And The Labour Government*, Poverty Pamphlet 3. (London: CPAG, 1970), p.10.
  - 15 Who according to Crossman insisted on joining the meeting. See original Crossman Diaries, MSS.154/8/165.

Houghton and six Labour MPs. A reply by Townsend and Field was not printed.<sup>20</sup> The debate also was dragged into the *New Statesman*<sup>21</sup> to which Ennals made a reply.<sup>22</sup> Crossman and Ennals appeared on television and radio programmes opposite Townsend to debate whether the poor had got relatively poorer.<sup>23</sup> Less than one month before the election, CPAG issued a press release<sup>24</sup> entitled 'Poor worse off under Labour'.<sup>25</sup> On March 3 1970 CPAG in collaboration with the National Federation of Old Age Pensioners Associations met the Chancellor and presented to him a memorandum detailing their aims of a 35 shilling family allowances paid for with the adjustment of child tax allowance, as well as a number of policies designed to help pensioners, the disabled and one parent families.<sup>26</sup>

Ennals was the keynote speaker at the CPAG AGM in April 1970. He had been anxious about giving the paper which had been reworked by both Crossman and Abel-Smith.<sup>27</sup> Although refuting strongly the CPAG claims, it was conciliatory. Ennals denied that there was 'any real difference between the CPAG and the government about the objectives of social policy.'<sup>28</sup> On several occasions he called for the argument to be put behind them and for them to stop wasting their energy arguing between themselves,<sup>29</sup> even inviting them to meet him in his office.<sup>30</sup> He hinted that the real common foe was the Conservative party which was benefiting enormously from the argument.<sup>31</sup>

The factions met again in the May of 1970 at a debate in the Cambridge Union. For the government there was Crossman, Ennals and Nevitt.<sup>32</sup> Opposing was Des Wilson and Townsend. The same arguments emerged from both sides with Townsend arguing that some groups may have been worse off under Labour.<sup>33</sup> Ennals argued that there was no evidence that the poor had got poorer under Labour and reminded his opponents that the tax threshold was too low for claw-back.<sup>34</sup> Nevitt critiqued CPAG suggestions as impracticable not least because of the gender redistribution involved in abolishing child tax allowances for the father's pay packet and increasing family allowances paid to the mother.<sup>35</sup> Crossman drew attention to the achievements of the government and the difficulties they had faced and concluded that 'this [was] a government which [had] on the problem of poverty tackled it with a strategy which [was] right and with tactics which [were] courageous and successful.'<sup>36</sup>

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16 *Crossman Diaries*, vol. 3, p. 791 and Field, p. 33.

17 Field, p. 33.

18 Original Crossman Diaries, MSS.154/8/165.

19 Field and Townsend, pp. 22-31.

20 *The Times*, 2 and 5 Mar. 1970.

21 *New Statesman*, 6 Feb. 1970.

22 See Crossman Diaries MSS 154/8/165.

23 *Crossman Diaries*, vol. 3, pp.791 and 892.

24 Which did not become a story in the *Guardian*, *Times* or *Sun*.

25 Townsend Archive: box 70. 'Poor Worse Off Under Labour', May 22 1970.

26 Memorandum published on 3 Mar. 3 1970 in *Poverty 1970*, no.14 pp. 10-2.

27 *Crossman Diaries*, vol. 3, p. 888.

28 Townsend Archive: Box 72. Ennal's paper p.6, April 18 1970.

29 Townsend Archive: Box 72. Ennal's paper pp.9 and 25, April 18 1970.

30 Townsend Archive: Box 72. Ennal's paper pp.9 and 26, April 18 1970.

31 Townsend Archive: Box 72. Ennal's paper p. 9, April 18 1970.

32 An advisor to the Treasury.

33 Townsend Archive: Box 70. Townsend debate paper p.5, 1970.

34 Townsend Archive: Box 70. Ennals debate paper p.5, 1970. There were two problems with lowering the tax threshold. Firstly it was unpopular with workers who had to pay tax for the first time. Secondly, it created more work for Inland Revenue.

35 Townsend Archive: Box 70. Nevitt debate paper p.4.

36 Crossman debate paper, 1970 box 70, Townsend Archive p. 7.

The final significant development was the publication by the CPAG just before the election of its poverty manifesto.<sup>37</sup> It examined the Conservative and Labour manifestos and although welcoming the Conservative party's pledge to deal with the problem of family poverty, was critical of the lack of awareness in the manifesto of the problems and the need for 'broad and co-ordinated action.' Similarly it commended some of Labour's policies but criticised the fact that Labour only promised a review of family allowances. It attacked both parties lack of reference to the financial support of older school children, the lack of commitment to a comprehensive scheme of the disabled, both parties' housing policies, the Conservatives' shift to indirect taxation and Labour's lack of commitments to reducing means testing and improving community welfare services.<sup>38</sup> CPAG called for action for the unemployed, the disabled, single parents, rights for the poor and more specifically a 35/- family allowance with adjustments made to child tax allowance. Long term they wanted this extended to the first child and a minimum wage of £16 per week.<sup>39</sup> The manifesto also outlined the recent record of the Labour government and argued that 'the dimensions of poverty [had] not diminished and some groups [had] not kept pace'.<sup>40</sup> The back page gave potential MPs the opportunity to pledge to support the introduction of substantially increased family allowances and have them annually reviewed, a comprehensive disability pension, legal aid to all tribunals and the reduction of unemployment and retraining for the low paid.<sup>41</sup>

It was not the first time that the Labour government had been attacked by the CPAG for allowing the standards of living of those on low incomes to fall. As early as November 1966 Townsend and Abel-Smith, along with Titmuss (who was never a member of the CPAG) attacked the Labour government for 'losing its strategy, sense of direction, belonging and principles and for stimulating poverty'.<sup>42</sup> This was followed by an attack in the first issue of *Poverty* on the government for failing to maintain social security levels with average wages.<sup>43</sup> By the second issue the frustration at the length of the Houghton review was becoming clear.<sup>44</sup> In an exchange of letters with Wilson in spring/summer 1967, CPAG accused the government of being too narrow in its policies. This was refuted by Wilson.<sup>45</sup> At the CPAG conference in 1968 Townsend argued that Crossman as head of the new combined ministry was 'the last chance of the Labour government...' 'for...introducing a social policy before 1971 which [was] significantly socialist in character and daring'.<sup>46</sup> There were also more specific attacks on the Labour government for introducing prescription charges and the four-week rule.<sup>47</sup>

### *The Reaction of the Conservative Party*

The Conservatives made much political capital out of the whole affair. The Conservative party had been formulating a policy for sometime where only those below the tax threshold would get family allowances and those above would get tax allowances.<sup>48</sup> The obvious advantage of this strategy would be selectivity with no means test other than that of income tax. The main disadvan-

37 Funded by the Joseph Rowntree Trust.

38 Townsend Archive: CPAG manifesto 1970, p. 2.

39 Townsend Archive: CPAG manifesto 1970, pp. 3, 4, 5 and 6.

40 Townsend Archive: CPAG manifesto 1970, p. 7.

41 Townsend Archive: CPAG manifesto 1970, p. 8.

42 Crossman Diaries MSS.154/8/98, p. 1132. The Fabian lectures resulted in *Fabian Tracts* by Abel-Smith, Townsend and Crossman in 1967.

43 *Poverty* 1966, no.1, p.5.

44 *Poverty* 1967, no.2 p.2.

45 *Poverty* 1967, no.4 pp. 10-3.

46 Townsend Archive: Box 65/file 2. Townsend 1968.

47 *Poverty* 1968, no.8 and no.9.

48 Conservative Party Archives, Bodleian Library, Oxford [henceforward CPA]: CRD/9/72-5, Conservative Party Manifesto all drafts.



tage as a paper written for Crossman explained as early as May 1969 was that the option between tax allowances and family allowances would be for many people, who would not know their earnings for the next year, a chance decision.<sup>49</sup> They were also thinking along the lines of tax credits, a more simple version of negative income tax, which would give everyone credits to be used to either lighten the individual's tax liability or to be added to the pay packet as a positive payment.<sup>50</sup>

When CPAG challenged Heath on Conservative policy in March 1970, his answer was vague and argued that the Conservatives could not make a commitment as yet.<sup>51</sup> However by 1 June 1970 Heath had written to the CPAG to confirm Macleod's May promise that 'the only way of tackling family poverty in the short term [was] to increase family allowances and operate the claw-back principle.'<sup>52</sup> He went on to add that in the future it might be possible to have a form of negative income tax.<sup>52</sup> In a briefing for all research department officers 'the poor getting poorer' joined a list of eight issues that needed to be kept clear for the electorate.<sup>53</sup> Conservatives asked a number of questions designed to embarrass the Labour government during 1970 in parliament.<sup>54</sup>

### *The Memorandum*

The memorandum was long at 21 pages.<sup>55</sup> It began by criticising the government for failing to match up to expectations. It then launched into a general attack on the government's record. Although there had been positive measures undertaken by the government there had been no co-ordinated programme to meet the needs of the seven or eight millions of the population in poverty or 'greatly reduce inequality'.<sup>56</sup> The Houghton Review had been long and little had materialised.<sup>57</sup> Unemployment was higher, the wage stop still operated, the four week rule had been introduced, there was no scheme for disability pensions and the Houghton review ended in 1969 with the start of the Finer Committee on the issue of fatherless families.

The memorandum then examined the detail on how pensioners had lost ground with pensions failing to keep pace with average earnings if May 1963 was used as a base line.<sup>58</sup> As far as poor families were concerned, it was stressed that the 1967 rise in family allowances only raised half the affected children over the poverty line.<sup>59</sup> These families had been hit by devaluation, as the three shilling increase in family allowances given as compensation was far less than the rise in prices. In addition there were various cuts in benefits in kind for children and NHS charges increased and reintroduced.<sup>60</sup> The actual evidence of family poverty was scant and CPAG built its case on the fact that the lowest wages had not kept pace with the average, that large families had on average no higher incomes than smaller families and that the Central Statistical Office and the DHSS had concluded that low income families had not gained and may have even lost ground through the combined effect on benefits and taxes.<sup>61</sup>

The group then spent much time weighing up the various options which they summarised as a

49 Crossman papers MSS. 154/3/DH/44/20.

50 CPA: CRD 3/9/79.

51 Townsend Archive: Box 69. Heath to Field, 19 Mar. 1970.

52 Townsend Archive: Box 65/file 4. CPAG Exec. Cttee minutes, June 5 1970.

53 CPA: CRD 3/9/83.

54 There were at least 14 questions asked by Conservatives just on family poverty in the four months between *Tribune's* summary of the memorandum and the dissolution of parliament. See *Hansard*, Commons. vol. 795 p.889-90; vol. 797 p.902-3, 285-6; Vol. 798 p.996-7, p.87 p.162; vol. 800 p.182, p.288-9; vol. 801 p.801, p.805, p.15, p.420, p.636, p.638.

55 When published as *Poverty and the Labour Government* in April 1970 and including appendix one.

56 Field and Townsend, p. 4.

57 Field and Townsend, p. 6.

58 Field and Townsend, pp. 6-7.

59 Field and Townsend, p. 7.

60 Field and Townsend, p. 8.

61 Field and Townsend, p. 9.

means test, negative income tax, incomes guarantee, minimum wage and family allowances. The first three they dismissed. It was argued that because of stigma and ignorance means tested benefits never reached those intended to benefit. They also increased disincentives to work.<sup>62</sup> Negative income tax, which would use PAYE to give positive payments to poorer families, was labelled socially divisive as it would only apply to the poor.<sup>63</sup> There were also a number of practical difficulties with this scheme. Firstly tax forms were inadequate as they never enquired about capital assets and housing costs. Secondly, a lot of people who would benefit were not covered by the tax machinery, hence a lot more work for the Inland Revenue. Thirdly, tax forms would have only have information about the previous year, whereas low wage earners' incomes fluctuated continuously.<sup>64</sup> An incomes guarantee would in effect demand high taxes from all, and then pay out high benefits. It would be administratively cumbersome and politically unrealistic.<sup>65</sup>

Despite agreeing that a minimum wage would not help large families, that differentials would be restored and that it could cause inflation, the memorandum recommended a minimum wage based on supplementary benefit for a couple and a child because it would protect the low wage earner from the additional deprivations being imposed by technological and professional developments.<sup>66</sup> A more convincing reason was given in the next section which argued that in order to keep families above supplementary benefit but not make children a financial gain to the family, the wages of the bottom earners would have to be raised.<sup>67</sup> Family allowances were advocated as a way of adjusting income to family size without the disincentive and stigmatising effects of a means test. In order to allow the allowances to be high, child tax allowances should be abolished.<sup>68</sup>

Sir John Walley in a letter to Field attacked the publication of the memorandum (although not the memorandum being presented to Crossman privately) because firstly it was too long and dealt with issues that were not strictly relevant to child poverty. Secondly it expressed grievances that might have been held by Labour party members, however CPAG members would 'not want to see the case being put forward in a way that suggest[ed] that the Labour party[was] the one which they [had] pinned their hopes' He also had doubts about the crispness of the argument and the section on the minimum wage. He suspected that this section was aimed at part of CPAG's own membership and warned against antagonising the TUC.<sup>69</sup>

Much of the Labour party's defence against the report hinged on the details. In discussing family poverty CPAG had discussed the *Circumstances of Families* report and Ennals was able to attack them for using old figures (neither side cited any new concrete figures of numbers of children in poverty).<sup>70</sup> Ennals also argued that it was unfair to use the May 1963 baseline and if October 1964<sup>71</sup> was used then national insurance benefits had risen faster than average earnings.<sup>72</sup> Ennals then went on to list at length the achievements of the Labour government and concluded that, 'The rate of improvement may seem slow but no one except those in academic ivory towers, can really believe that the poor are getting poorer'.<sup>73</sup>

In their reply the CPAG argued that Ennals had avoided challenging their main finding that the 'poverty remained on a considerable and perhaps even greater scale than when the government

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62 Field and Townsend, p. 10.

63 Field and Townsend, p. 11.

64 Field and Townsend, pp. 11-2.

65 Field and Townsend, p.12-13.

66 Field and Townsend, p. 13.

67 Field and Townsend, p. 14.

68 Field and Townsend, p.14-5.

69 Townsend Archive: Box 65/file 4. Walley to Field, 5 Feb. 1970.

70 Reply of 13 Feb. 1970, *Tribune*.

71 Labour won the election in this month.

72 Field and Townsend, pp. 22-3.

73 Field and Townsend, p. 26.

assumed office'.<sup>74</sup> They then argued again for May 1963 as the scale line not October 1964. They also made the point that it had used official statistics and that the government was not supplying regular data.<sup>75</sup> This claim was refuted in Ennals reply.<sup>76</sup> In their final letter, CPAG accused Ennals of coming 'within a hair's breadth of 'cooking' the figures on the respective growth rates of national insurance and supplementary benefits' and argued that their charge that 'the poor [were] relatively worse off under a Labour government' still stood.<sup>77</sup>

### *The Effectiveness and Consequences of the Campaign*

This brief historical summary raises a number of questions.

#### *Internal Repercussions for the CPAG*

What tensions did the campaign cause internally within the CPAG? The minutes of the CPAG meetings and the memories of interviewees suggest that there was not a major rift in the CPAG over this issue. Yet there was a letter of protest from some members of Manchester branch<sup>78</sup> and Sir John Walley warned against the publication of the Crossman memorandum<sup>79</sup> and resigned over the election manifesto.<sup>80</sup> Were these tensions merely the tip of an iceberg that has been lost to the archives, or was the disagreement isolated and limited? If so then why was this?

Had the Lynes approach exhausted itself? Was the way forward as an insider group (with e.g., at the extreme Brian Abel-Smith becoming a policy adviser or as a mass movement with branches (i.e. government was starting to respond more to public pressure than to expert advice)? As an insider groups, could it be successful without a more effective relationship with the traditional power brokers e.g. the TUC? In addition, was CPAG moving away from being a single issue group – i.e. wider than children to all the poor; and away from poverty (as popularly understood) to inequality. What impact did this have on its non-partisan nature and relationship with officials/politicians concerned with practical politics?

#### *The Memorandum*

Field says in his account that the 'Poor get Poorer' campaign was not of Peter Townsend's making. However he doubts whether it would have been taken as seriously if he had not been Chair. There had been attacks before 1970, indeed before 1969, on the Labour government. Was the campaign an inevitable development or the result of the leadership of these two people?

How legitimate was the attack that the poor had got poorer under Labour? Much hinged on the base lines used and indirect indicators. Was it a justified attack?

How realistic was CPAG in calling for such a high family allowance with claw-back considering that claw-back had been unpopular and family allowances were generally unpopular with the public. As Walley said in his letter to Field, it was not the cost of family allowances that was the problem but the fact that they were 'political death'.<sup>81</sup>

#### *Intended and Unintended Consequences*

What were CPAG trying to achieve with this attack? Was such an aggressive tactic ever likely to

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74 Field and Townsend, p. 27. Replies of February 20 and 27 1970 (published in two parts) *Tribune*.

75 Field and Townsend, p. 29.

76 Reply of March 6 1970 *Tribune*. Also see Field and Townsend, p. 30)

77 Reply of March 13 1970 *Tribune*. Also see Field and Townsend, p.31.

78 Townsend Archive: Box 65/file 4. Starkey to Townsend 28 May 1970.

79 Townsend Archive: Box 65/file 4. Walley to field 5 February 1970.

80 Townsend Archive: Box 65/file4. Exec. Cttee. Minutes 5 June 1970.

81 Townsend Archive: Box 65/file 4. Walley to Field February 5 1970.

gain results?

How worrying was this attack for the Labour party? Crossman suggests that the attack from the left was not going to alienate the electorate but was a problem for support from the party faithful and the government's own self esteem.<sup>82</sup>

The attack was obviously received with some glee by the Conservative party. This obviously worsened the situation with the Labour party. However was it a positive move in demonstrating to the Conservative party that CPAG, whatever individual members own political allegiances, was non-partisan?

#### *Other Groups*

Were other groups under similar pressures? How did they respond? Were CPAG confrontational tactics a beacon or a warning? Would other pressure groups have considered such tactics?

The campaign initiated by the CPAG in 1970 which accused the Labour government of allowing the poor to become poorer under its term of office, featured strongly in the election and caused much euphoria in the Conservative camp and much bitterness in the Labour camp. With the benefit of hindsight, how effective a campaign was it? What did it achieve? What can be learnt from it about how pressure groups operated in the late 1960s and early 1970s?

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82 Original Crossman Diaries MSS.154/8/165.

# Chronology

1966	NOV	Shelter launched Fabian Lectures – Titmuss, Townsend and Abel-Smith attack Labour Government. Followed by article in <i>Poverty</i> (no.1 Winter 1966)
1967	Spring/Summer	Exchange of letters with Wilson criticising Labour's narrow social policies ( <i>Poverty</i> no.4 Autumn 1967)
1968	APR	Abel-Smith becomes an advisor to Crossman
1969	14 FEB	Frank Field becomes Director of CPAG
	12 JUL	Peter Townsend becomes chair of CPAG
	NOV	Request to meet the Prime Minister
1970	JAN	Townsend and Field tell Labour back-benchers that poverty has increased under Labour
	27 JAN	Field and Townsend meet Crossman (with Abel-Smith). Discuss CPAG memorandum.
	3 FEB	PM says CPAG can state their case to Roy Jenkins before the budget
	6 FEB	<i>Tribune</i> prints the main points of CPAG's memorandum
	13 FEB	David Ennals says the CPAG figures are very selective.
	MAR	Leaders of some major unions co-sign letter to PM – action on low wages and increase FA
	2 MAR	Field and 16 academics write to the <i>Times</i> , stating the CPAG's arguments. Abel-Smith, Titmuss and Piachaud refuse to sign it.
	3 MAR	Deputation to the Chancellor of the Exchequer with the National Federation of Old Age Pensioners
	5 MAR	Houghton and 6 other Labour MPs write a letter to the <i>Times</i> refuting CPAG's claims. Townsend and Field write a reply but it is not printed.
	Spring	Macloed argues that £30m of the Chancellor's £220m to give away should be for poor families.
	APR	Herbison's call for action gets TU support and on the eve of the budget a joint letter from CPAG and some leading low wage unions representing 3½ million workers
	APR	<i>Poverty and the Labour Government</i> is published
	14 APR	Budget
	19 APR	Townsend and Ennals debate poverty on the radio – <i>The World This Week</i>
	22 MAY	Press release – 'The poor worse off under Labour'.
	MAY	Macloed meets Field and Townsend at his own request and commits the

	Conservatives to raising FA increase. Further letter joint with the TUs to Chancellor
1 JUN	Heath says he favours claw-back as stop gap until NIT.
JUN	CPAG election manifesto: <i>A war on Poverty – Poor Families and the Election</i>
11 JUN	Survey of 70 candidates of all parties
18 JUN	Conservatives win General Election

# **‘The Poor Get Poorer Under Labour’: The Validity and Effects of CPAG’s Campaign in 1970**

**Edited by  
Maria Meyer-Kelly and Michael D. Kandiah**

This witness seminar, organised by Dr Michael D. Kandiah, Institute of Contemporary British History and Maria Meyer-Kelly of the University of Bristol was held in the British Local History Room at the Institute of Historical Research, London on 18 February 2000. It was chaired by Nicholas Timmins\* and the introductory paper was written by Maria Kelly of the University of Bristol. The witnesses were Professor Sir Anthony Atkinson, Geoffrey Beltram, Professor Jonathan Bradshaw, David Bull, Professor David Donnison, The Rt. Hon. Frank Field MP, Tony Lynes, John Stacpoole, Professor Peter Townsend, Professor John Veit Wilson, and Robin Wendt. The seminar was generously and kindly supported by the University of Bristol Alumni Foundation, The Economic History Society and the Institute of Contemporary British History.

**NICHOLAS TIMMINS**

Public policy editor for the *Financial Times* and author of *The Five Giants: A Biography of the Welfare State* (London: Fontana, 1995).

Would the participants introduce themselves?

**JOHN VEIT WILSON**

I was a member of the CPAG National Executive Committee from 1965 to 1980 and therefore involved in these events.

**DAVID DONNISON**

I am David Donnison. I am really a fraud here in that I did not get involved in any of this kind of stuff until 1975 when I was chairman of the Supplementary Benefits Commission. I was simply an ordinary member of the CPAG.

**FRANK FIELD**

Frank Field. I was a CPAG employee.

**SIR ANTHONY  
ATKINSON**

I am Tony Atkinson. I was in a sense pursuing a parallel but separate route, in terms of I was doing research, which led to the book

A. B. Atkinson, *Poverty in Britain and The Reform of Social Security* (Cambridge: Cambridge University Press, 1969).

which has been mentioned.\* It was reviewed in the *Guardian* and as I have managed to keep the clippings from 22 January 1970, it must have been around that time.

### **ROBIN WENDT**

R. H. S. Crossman (1907-74), Labour politician. Secretary of State for the Social Services, 1968-70.

I am Robin Wendt. I am a retired civil servant and local government official. At the time I was Dick Crossman's\* principal private secretary.

### **JONATHAN BRADSHAW**

In the North Riding of Yorkshire.

I am Jonathan Bradshaw. I was on the National Executive Committee of CPAG at the time but I also was fighting the General Election in 1970 as the Labour candidate in Thirsk and Malton.\* I was arguing about tied cottages and other local issues. The poor getting poorer rather got ignored, I think.

### **PETER TOWNSEND**

I'm Peter Townsend. I was Chair of Child Poverty Action Group at the time. I think I should also refer to my long held other hat which is an academic. I was then running the Department of Sociology at the University of Essex.

### **GEOFFREY BELTRAM**

I am Geoffrey Beltram. At the time, in 1970, I was an assistant secretary in the Research, Statistics and Information branch of what had become the DHSS. I was on the Social Security side and I was responsible at that time for research and information. So I had some knowledge of what was going on but not a directly operational role until a bit later on when I became the assistant secretary in the Regional Directorate, which managed operations in the regional and local office network in charge of organisation of the local office network. At that point I began to have some direct contact with CPAG and I was to some extent caught in the fallout from the 1970 campaign.

### **DAVID BULL**

David Bull. I was then a member of the Executive Committee and also chairing the Manchester branch [of CPAG].

### **JOHN STACPOOLE**

Family Incomes Supplement Act 1970.

John Stacpoole. I was the assistant secretary in charge of the FAM branch or Family Allowances branch. I took over just after the claw-back decision had been made and the relevant act was going through Parliament. I came out after the FIS5\* act became law five years later.

### **TONY LYNES**

I am Tony Lynes. I had been secretary of Child Poverty Action Group. An interesting distinction incidentally between Frank and me is that I was the Secretary and he was the Director. According to the background notes, I resigned in November 1968, Therefore at the time, I did not really have very much to do with CPAG.



Instead I was working as a sort of welfare rights officer in Oxfordshire.

**TIMMINS**

Thank you very much. Well I thought we would try and take the questions in three groups, in a slightly different order to the way Maria [Kelly] posed them. I thought we would try and go to the core of the argument, which is how accurate was the memorandum? Was the charge that the Poor got Poorer under Labour valid? Peter [Townsend] could you start, then Tony [Atkinson] and then Frank [Field].

**TOWNSEND**

It is the right start because it raises astute questions about historical research. I have always believed that one cannot get into the position of saying on one hand and on the other hand. One has a responsibility to conclude who is nearer the truth. The question of adversarial politics enters into a lot of our discussion so I would say, speaking in the year 2000 compared with the year 1969/70, there are many similarities which no doubt we are going to touch upon in terms of how closely one can come to general conclusions of this kind. Despite the apparatus of reservations that can be put up, and were put up at the time by a number of different departments, I think the balance of truth is certainly in favour of there having being very little structural change in the position of families with children during the period. There were some pick ups and slight changes from year to year, but no major advance in the living standards of families with children relative to the rise in living standards.

**TIMMINS**

We must not get into a deep statistical argument but that sounds like they clearly had not done better. However to defend the actual statement that the 'Poor had got Poorer under Labour' is pretty tough going?

**TOWNSEND**

No, I would say today that was a very reasonable statement. It depends how far one is looking at poverty as something which is measurable and explicable in relation to the society in which it is measured. That society does change over time and it is no good continually harping back to standards of life of ten years previously. This actually still confuses many minds.

**TIMMINS**

Tony [Atkinson], do you have a view on this?

**ATKINSON**

I certainly agree with Peter [Townsend]. I think it is in part an argument about concept. I think that is the way of relating the first part of your argument to the second part. I was also struck re-reading

*Poverty and the Labour Government.*

the memoranda.\* First of all, I do think one thing that clearly has changed, is that nowadays there is much more information being used to test so many of these propositions. There really has been a transformation. There has also been a transformation in the capacity of different people to take part in this debate. There are many people able to comment on relative poverty. I think we have seen a big change there. Reading [the memorandum], I think, every statement could probably be defended. It is the interpretation placed on some of it and some of the coverage which does not exactly correspond to what is in there. I think I looked quite carefully at it and I could not actually see a statement which corresponds to the headlines that came out of it. I think that is the slippage and that is a slippage of interpretation, shall we say.

**TIMMINS**

He was referring to the memorandum *Poverty and the Labour Government*.

Frank, is that not part of it, because there was the pamphlet\* of the [background] paper and then there was the press release?

**FIELD**

This is crucial. There was no slippage at all. Brian Lapping wrote a piece in *New Society* pointing out under the heading 'The Press Release: The Favourite Punch Line' that what we would now call spin was deliberate.

**TOWNSEND**

The press release said the 'Poor get Poorer under Labour'.

**FIELD**

Absolutely as you would. Probably the first paragraph talks about relative poverty. But I would make a similar point to Tony [Atkinson]. I do not think it is sensible to use the data that we have today and where we are in the debate today to try and interpret what was happening in 1970. I think you have to try and put yourself in the mind-set of 1970 and interpret that. On that basis, given the limited amount of information that was available, CPAG got the best of the argument; both on the details of the pamphlet and much more clearly in the debate which followed.

**TOWNSEND**

I remember, I talked to you about this when I was doing my book. You said that when you looked back you thought, 'Gosh you think the figures were a bit ropy.'

**FIELD**

But that's the distinction I would make. We would write a different pamphlet today. Yet to think that you get a government on the run when there were probably only about three things cited in [the memorandum]. I have not read anything about today, any papers, the papers we then wrote or anything, because I do not think there is anything that people are to be ashamed of whatever comes out. I think CPAG will probably be better understood and the record can

speaking for itself. So I have not recently read [the memorandum], but when I last read it, which was a decade or so ago, it struck me then, how limited our statistical sources were. We could not produce anything like that today, but that was not today. On the basis of the paucity of information available, CPAG had the best of the argument.

**TIMMINS**

I wanted to bring in Geoffrey and John [Stacpoole]. From the civil service point of view, what was their view of this? Clearly Crossman's view was he did not want to believe this, and he did not believe it. What was your point of view?

**BELTRAM**

Well I was not close enough to be able to come to a firm personal view as to the validity or otherwise of the statistics, although obviously, I had a lot of contact with other civil servants. As my memory is not that good, I have taken the trouble to go back 30 years and talk to some people who were there and who are doing other things now. In particular I was able to contact Sir John Walley on the telephone, who is just about to enter his ninety-fifth year. He was still remarkably lucid I am bound to say...

**BRADSHAW**

Does he still support Labour?

**BELTRAM**

I did not ask him what his politics were. What he did say was that he fell out with CPAG because they were adopting what he called a political approach, by which I think he meant party political. He went on to say that in his view the right approach, and this comes out in Maria [Kelly]'s background paper, was to work through other bodies, the TUC in particular, and not to align oneself with one party or the other. In his view, the CPAG were rather tending to do just that by attacking the Labour Party on evidence which he thought was inconclusive. As to the people around me at the time, they were as ever divided in their opinions. You never get a monolithic civil service with one general view. You had civil servants who were sympathetic to what the Labour Party was trying to do in the face of horrendous difficulties. We all know when we look back to the history of the 1960s, the pretty horrific problems the Government faced, not least the financial crises and the exchange rate problems. Just briefly after devaluation, Jenkins\* managed to turn the economy around and ended up in 1970 with a balance of payments surplus and a budget surplus and he was criticised of course for not being generous enough with it. In principle, the attitude of a good many civil servants was broadly sympathetic to family benefit increases. Professionally, the officials, I think particularly the Supplementary Benefits officials, were in favour of increasing family allowances, if only on the technical basis that it was going to help them get rid of the wage stop.\*

Roy Jenkins (Lord Jenkins of Hillhead 1920-2003), Labour politician. Chancellor of the Exchequer, 1967-70.

A term used to describe the statutory reduction in Supplementary Benefits for low paid workers, so that their income on benefits would not be higher than their income when in work. In practice, it hit larger families the hardest.

**TIMMINS**

Whilst there was division between civil servants in their attitudes to Labour, was there a division in the civil service regarding the attitude as to how valid this particular memorandum was?

**BELTRAM**

I think there was a feeling that the jury was out. This was the feeling I had. The statisticians that I knew thought the statistics were not conclusive. The other people, who were sympathetic to the government tended to oppose any black and white approach, which they thought was not justified. After all the Labour Party had done quite a lot, and was proposing to do even more after it won the June election, as it was expected to do. It was a great shock when they lost the election. So that category of civil servants also tended to be critical of CPAG. Then there were, of course, other civil servants who were not at all sorry to see the Labour Party being attacked on any grounds, even some Treasury-minded people who would normally have given priority to the need to restrain public expenditure.

**TIMMINS**

Was there a group which saw the memorandum as being justified on its own terms as opposed to the politics of the memorandum?

**BELTRAM**

I do not think that civil servants in general, certainly the civil servants I knew including statisticians, felt that the case had been proved. They did not feel that the figures conclusively bore out the arguments. That was a fairly general opinion.

**FIELD**

Geoffrey, did they disprove it?

**BELTRAM**

No, I think that they were not saying that the figures could be disproved. They were saying there was so much uncertainty about where you drew the base line. From what the figures showed, it was not justified to use them to attack the government in that way. Now I am generalising widely here, I mean there were various shades of opinion.

**TIMMINS**

John [Stacpoole] is that your impression, and briefly Robin?

**STACPOOLE**

Well not quite. Geoffrey has obviously made more sensitive, progressive friends than I have. There was very considerable suspicion of the whole concept of relative poverty...

**BELTRAM**

I would agree with that.

## STACPOOLE

Iain Macleod (1913-70), Conservative politician. Chancellor of the Exchequer 1970.

I do wonder myself whether the fact that the Supplementary Benefit levels were kept broadly in line with earnings throughout this period is not one that should also be taken into account. Let me talk about families with children. There was an awful lot of families with children that were drawing supplementary benefit, and that is something that the department was very conscious of, and was fighting to increase the benefit rates. One other thing, I think does need to be borne in mind and I am not sure that the [background] paper was right about this. I do not think that one should think Macleod's\* actions were representative of Tory feeling as a whole, or solidly based on Tory convictions. He was a much-admired leader and an enthusiast which among other things marked him out as an exception.

## TIMMINS

Robin you must have seen a summary of what every department thought on this issue.

## WENDT

David Ennals (Lord Ennals), Labour politician. Minister of Social Security, 1969-70. He was the junior minister to Crossman.

My feeling is that certainly Dick Crossman was embarrassed by what was going on. I do not think he was entirely certain in himself that the government had a convincing answer to what Frank and Peter were saying at the time. I think it was a mild but not, so far as he was concerned, major political difficulty. So I think my sense was that Dick was on the defensive and I think that Ennals,\* who my memory suggests took this very personally, was perhaps even more on the defensive than Dick. Therefore it resolved itself, as it so often does, into one side saying my figures prove this and the other side saying my figures prove this. My sense overall, it is difficult to go back to those years, is probably that CPAG had the better of the argument. Deep down ministers probably knew that, but of course could not say so. Therefore we had the kind of slanging match that developed over the months we are talking about.

## TIMMINS

That is grand. If we go back a bit, this was a marked change in tactics for CPAG. I mean from my understanding of the history it started out in a sort of slightly Fabian fashion, attempting to win by persuasion and argument. What happened with the Poor get Poorer was clearly a public assault on government policy. Those who were in the CPAG, was that an inevitable change or a necessary change? Could what CPAG was attempting to do could have been achieved by other methods? If you would like to start with that Tony [Lynes]?

## FIELD

Before Tony comes in, can I just say that I think the framework is wrong. You are suggesting there is a way a pressure group should operate. I think pressure groups have to react to the events they are experiencing. Therefore if you look at this early stage, then you have to judge it on the basis of the temper of the politics of the

time. You have to make a judgement about whether those times have changed. It was not that CPAG's approach was right in one occasion and maybe wrong in another. It was about how CPAG responded to the outside political world.

## WENDT

CPAG actually pre-dates the Disablement Income Group.

I think also, one has to bear in mind that probably until the mid 1960s the whole of social security had been a kind of sleeping giant. No-one was in the remotest bit interested. Then in the 1960s, you had the emergence of the Disablement Income Group shortly followed by the CPAG.\* Therefore, at the time we are talking about, pressure groups with a kind of political bent in the social security field were absolutely new. No one had ever had it before. That is my preface to Tony's contribution.

## LYNES

Fred Philp who was replaced by Townsend in July 1969.

Well could I start by saying that what Robin was saying about Ministers being embarrassed is absolutely crucial. I think this is one of the main weapons that pressure groups have: to embarrass ministers. If you embarrass ministers, then you compel the civil servants to try and do something about it. So to the extent that that was the result of this memorandum, I would say it was extremely successful. I am not sure that I accept the description in the [background paper] where it says the outgoing Chair\* like Lynes preferred low profile contact with government and civil service. Actually we went in for a lot of publicity, perhaps not as successfully as Frank did subsequently. But we certainly were not trying to hide ourselves in our office and just carry on quiet negotiations with officials and ministers. On the other hand, CPAG was very much, in its origins, an academic pressure group. Certainly, in my time we relied very heavily on using whatever research evidence we could find as the basis for our publicity, our arguments for our meetings with ministers, and so on. I would like to think that, certainly up to the time when I resigned, we were actually respected by the civil service as a group which, while they might be wrong, at least did not get their facts wrong. I would be interested to know from Geoffrey and other people whether that was the way that we were regarded and whether that changed?

## TIMMINS

That is a question I very much want to address but can we for the moment talk about the change in the nature of what happened.

## FIELD

Just to support Tony on that, Firstly, I came into the group not knowing anything about this area. If it had been so low profile, how would I have known about it? I knew about CPAG because I read about it. So I do not actually accept that there was this break, that here was an organisation was quiet and all the rest, then all of a sudden it was all change. Secondly, whether it was successful or not, the campaign that happened had credibility for two reasons.

One is that it was actually coming from CPAG that had a track record and it had a Chairman who, in this field, had a pre-eminent position in the academic community. Otherwise you could have written this and nothing else would have happened. That would have been it. That is where its political cutting edge came from. I think it is wrong to say, and it is in the [background] paper, that there was somehow that there was this change of style.

**WENDT**

I agree with Frank, I think I observed CPAG from day one. I did not detect the kind of change that Maria has suggested.

**TOWNSEND**

If change is indicated, it is more in the character of an evolution. If one refers to what happened in 1965. The initial impact, which caused the Prime Minister to receive a delegation...

**TIMMINS**

*The Poor and the Poorest\*...*

**TOWNSEND**

Brian Abel-Smith and Peter Townsend, *The Poor and the Poorest* (London: G. Bell, 1965). The publication of this study coincided with a CPAG press release. For maximum effect the study was released on 22 Dec. 1965. See Rodney Lowe, 'The Rediscovery of Poverty and the Formation of the Child Poverty Action Group', *Contemporary Record*, vol. 9 no. 3 (1993), p. 607

...not long after the group was founded. It would be wrong to say this was quiet pressure. It was highly publicised. I think there is a sense in which, with the changes going on at CPAG and there were internal things we had to talk about there, it had to advance into a more organised, wider, set of activities than it had engaged in during the first few years. So it was almost inevitable. If you look at the internal argument, I think one naturally has to talk about reaching a more sophisticated stage of political activity. I would very much agree with the statement about the response to the political temperature, or temper at the time. I think it is wise, although we cannot discuss this at any length, to make the point that, we are talking about 1968, 1969. This was a very flash period in cultural as well as political change, and transformation across the world, never mind just Britain. Many of us, who were in academic work and were engaged in analysis of the welfare state, were having important engagements with students. This had repercussions inside CPAG as much as on civil servants. So the issue of change was much more in the air than it had been, certainly in the early 1960s and the mid 1960s. What CPAG was doing, was part of the enormous pressure being put on the issue of welfare modernisation at the time, across the board. I do not think this issue can be seen separate from the whole agonising debate about universalism versus selectivity and means testing. I think that that is the central core of any discussion and what was achieved or not achieved with the publication of *The Poor and the Poorest*. It is on that issue, means testing or not, that we were then having Cabinet rifts, CPAG rifts and rifts across the board politically.

**BULL**

Can I make three points all on this confrontational shift. The first, to which Frank has alluded, is that there was a distinction between what I would have thought was the considered style of the pamphlet and the more confrontational style of the press release. I think that has been recurrent. It was something I was talking about to CPAG's current Director only last month. The second point is who would own up for the statistics. There is nothing in the [background] paper but I was talking to Maria [Kelly] earlier about the discussion that took place for six weeks in the columns of *The Listener* Peter will recall, when he was savaged by Michael Stewart, the economist, and came back fighting until the editor had to close the correspondence.

**FIELD**

And *The Listener*.

**BULL**

A government commissioned study which bi-annually analysed the expenditure habits of a small sample of families. The data was used originally for price indices. However *The Poor and the Poorest* had made use of the study to research poverty. This use of FES became popular in the 1960s and afterwards.

D. Bull, (eds.), *Family Poverty* (London: CPAG, 1970).

Hilary Land, then an academic at the University of Bristol and member of the local Bristol branch of the CPAG.

See introductory paper.

Harold Wilson (Lord Wilson of Rievaulx, 1916-95), Labour politician. Prime Minister 1964-70 and 1974-6.

Sir Edward Heath, Conservative politician. Prime Minister, 1970-4.

See introductory paper.

I remember at one point it seemed to come down to an argument over a cell of ten people in the Family Expenditure Survey.\* I think it is important whether [*Poverty and the Labour Government*] is a confrontational pamphlet or whether it is constructed around fine points and statistics that only academics can understand. I remember that I needed to understand it because I was writing the conclusion to *Family Poverty*,\* I think the second edition, and wanted to know where I should stand on this. I remember asking Frank who said Peter did the sums and disassociated himself from that bit of the pamphlet, so I had to go elsewhere. I remember discussing this with Hilary Land\* who came up with a superb line, which I did use in *Family Poverty*. She said that if people have to argue about that much, as to whether the poor got poorer under Labour, then Labour had failed demonstrably. I think that was a very useful way out. I remember Peter was disappointed and thought I should have taken his side more fully, but I thought Hilary [Land]'s statement was ideal. The third point is one that has not been brought out. That is, to what extent CPAG was going to be more clearly bi-partisan on this. The Manchester letter that it referred to is dated 28 May.\* The Manchester branch met on 18 May. The reason I know that because it was the day that Wilson\* declared the election. We had a committee meeting that night and we were discussing this issue. I remember raising this with Frank, who said, 'It is all about Wilson calling this snap election when we were expecting the election to be in the autumn. We would have time to bring out a pamphlet on the Conservative response.' The sort of responses he was then getting out of Heath\* after Macleod's promise.\* That of course did not happen, Frank refers cryptically in his chapter in *Family Poverty* to the fact that Wilson had said he had known since 1966 that he was going to have the election in June. Of course, we were not party to that, we were expecting the election in the autumn. However, the fact that CPAG was intending to be bi-partisan about it, has, I think, not been



brought out. It is somewhat hidden in this notion of a confrontational style, which I did not see then as being there.

**TIMMINS**

Apart from the Manchester branch were you aware of other resistance within CPAG to what had been done. Was there a split in the CPAG at the time?

**BULL**

No, not at all. It was just Barbara Starkey, a keen Labour activist and the Secretary of the Manchester branch who was quoted [in the background paper]. When I spoke to Maria about this letter, I was delighted that she had found it. Barbara Starkey got very excited that CPAG was attacking Labour in April and May and questioned whether it should have been doing that.

**BRADSHAW**

The National Superannuation Pension Scheme was a Bill going through Parliament when the general election was called.

I was Chair of the York branch at the time. We were all Labour members, who were disappointed by the performance of the Labour government. I remember we had a meeting at which Crossman came to talk about his National Superannuation Pension Scheme.\* We filled up the hall, dotting ourselves around, completely dominating the question time with questions about child poverty. He seemed to have taken his eye off family poverty because of National Superannuation, which was the key policy that was going through at that time. It was quite clear that Labour activists were as angry about the performance of the Labour government then as they are now.

**TOWNSEND**

It is important just to add here, since it has been referred to by two people, the calling of the election before the Child Poverty Action Group had any knowledge that it would be called. That affects one's interpretation of the kind of pressures that we were putting upon the Labour government. It is important to add to what David Bull has said. Dick Crossman had a Bill going through Parliament for the new earnings related pension scheme. You can imagine that he was as much caught out as the rest of us by the early election.

**VEIT WILSON**

Fred Philp was the Secretary of the Family Service Units.

Brian Abel-Smith (1926-96), academic. Professor of Social Administration, LSE, 1966-89.

I do not imagine that CPAG should have been told about the election before the rest of the country was. I do want, as a footnote, to comment on a couple of these points. I think there was a genuine, as Peter has referred to, change of mentality about the authority of the state and politicians through the sixties and that is well recorded on the European and international level. What was a reflection of that in the CPAG situation was the change from a Chair who was the chief executive of a social work organisation,\* to a Chair of CPAG who was a campaigning member of the Labour Party policy-making side. Peter and Brian Abel-Smith\* had been very actively involved in pensions policy making for the party. Peter was

seen as being a traitor to his friends. Not that he was being a traitor but people, including some politicians, were responding as if he were. So the group had social policy-wise, a much more activist chair who was working much more in confrontational terms with people with whom he had worked closely on the policy side. That is a sort of deeper explanation of why the campaign should be so frightening to some people.

**TIMMINS**

In your opinion was there much division in CPAG?

**VEIT WILSON**

No, I do not think there was. I confirm entirely what Jonathan has said.

**BRADSHAW**

Mind you, we were not consulted. The memorandum was never discussed at the National Executive. It was published entirely because the Director and Chair got on with it.

**TOWNSEND**

Can I just make clear Nick that we do not want to spend too long on the confrontational bit. I was referring really to the confrontation between those in favour of means testing, i.e. what became Family Income Supplement and so on, versus those who preferred the universalistic minimum rights for the many approach rather than conditional welfare for the few. Now that division is still very debatable and it may be that ran through some of the debates that were going on within the CPAG. I think it is worth saying that apart from the resignation of Sir John Walley, for those who were members of CPAG there was certainly a difference of opinion, that was symbolised by Richard Titmuss\* going for the means tested approach or at least pandering to it in no uncertain terms. In 1968, CPAG people were touring the whole of the UK and we had a meeting of the Child Poverty Action Group in Belfast. The press release which we circulated was answered at enormous length by Richard Titmuss, who was then the vice chairman of the Supplementary Benefit Commission. I was so taken aback I could not bring myself to reply.

Richard Titmuss (1907-73). Professor of Social Administration, LSE, 1950-73. From 1967, he was the Deputy Chair of the SBC. Townsend, Abel-Smith, Donnison and Lynes had all worked closely with Titmuss at the LSE in the 1950s and early 1960s.

**FIELD**

Can I just make two points. One is I want to disagree with the spin, not the emphasis David [Bull] has given. I do not think what we did became right because we were preparing to have a go at the Tories. We believed what we were saying was right, full stop. That there were other events we were planning which were overtaken, I do not think is actually relevant to this. I think the actual event stands by itself. One small point, I disagree with Peter's contribution when he said the group had become more sophisticated. All I would say is that it might have become different. As a politician all that matters is whether are you being effective. You could look at the period

where Tony was working for CPAG and say what is the point of shouting, screaming and behaving like Crossman if you are being successful? The question is whether it was necessary to adopt another style because that approach was no longer as effective as it had been previously. So I do not see a development of sophistication, but merely a focus on what might then in 1970 offer success. The period before had been successful and because it was successful what we were saying was actually taken more seriously than it would otherwise have been.

## TIMMINS

A letter to *The Times* on 2 Mar. 1970. See introductory paper.

To touch on one bit, you say it is peripheral but in a sense it is not. The argument about selectivity versus universalism was going on at the time, as well as Brian Abel-Smith's refusal to sign the letter.\* It is interesting that we said that there was not a split within CPAG but there clearly was a split amongst a group of people who worked very closely together around some of this argument. Is that the split you should look at not a split within the CPAG?

## TOWNSEND

That is what I was in effect saying.

## FIELD

What letter was this?

## TIMMINS

A letter to *The Times* ...

## FIELD

Professor Kathleen Jones, academic specialising in social administration.

Is it the one that Kathleen Jones\* said she would sign if we would cease to split the infinitive?

## BULL

Dennis Marsden, academic. At the time working on single parent families but not a high profile member of CPAG. He had worked with the Titmice (a group of academics including Tony Lynes, Peter Townsend, David Donnison and Brian Abel-Smith who worked closely with Titmuss).

Titmuss was a loyal Labour Party supporter and was perplexed at Townsend's attacks on the Labour government from 1966 onwards. Titmuss also disagreed with Townsend's handling of the student revolt in 1968. Whereas Townsend supported the students at Essex, Titmuss supported the University authorities at LSE.

Some of us were present at an international conference in Manchester in October 1969. Peter [Townsend], who was introducing Richard Titmuss, gave him the most gracious introduction. Sadly, Titmuss found it necessary to stand up and make personal attacks on Peter. I remember Frank saying what would the delegates from Hungary make of that and all the other places the delegates had come from. Dennis Marsden\* then stood up and attacked Titmuss for his behaviour. So I think if there was a split, it was much more around how brutal Richard Titmuss got towards Peter over that sense of betrayal.\* It was more than anything we were witnessing in the committee.

**VEIT WILSON**

That was the personality clash that I was talking about precisely. It was personalised by some people. It was not just in terms of principle.

**LYNES**

Is it true as we are told on page five of the background paper that Titmuss was never a member of CPAG? I do not remember.

**TIMMINS**

David [Donnison]?

**DONNISON**

I do not know. At some point I would like to make some meta-comments on what we are talking about. My memory of these events is of little more than anecdote. I do remember Sir John Walley's resignation. I remember Frank, when I asked him about that at the time, saying 'Well he liked the children and he liked the poverty but he did not like the action.' It seemed to me characteristic. I think this move into great activism was something that would in any case have been forced on CPAG by its own grassroots. When it first began among a handful of academics and folk like me, rather on the periphery at that group, and we came along and said 'This is great! Look do you want us to help raise funds and form local groups?' I was firmly told, 'You were allowed to join as a member. We do not want local groups. We do not want big fund raising. No thanks, go away.' It was people like David and others, and I understand in Bristol...

**BULL**

Manchester.

**DONNISON**

Manchester indeed, where at that time a lot of groups developed

**TIMMINS**

Who was saying do not form them?

**DONNISON**

Tony [Lynes] and Brian Abel-Smith. The groups developed without them asking for it. They in time had to respond to that and begin to develop something more like a national movement. Whoever had been the next Director would have had to respond to that.

**FIELD**

Rosemary Vear, social work academic who established the Merseyside branch.

David [Bull], can I just ask on that very point, is it right that Rose[mary Vear]\* in Liverpool wrote and asked about setting up a group, that she got no reply and the next letter was that she had set one up?

**BULL**

Birmingham was (according to the Minutes) set up first but it had to be run on an ad hoc basis because of very low support.

Well she set one up, then Birmingham set one up\* and then Tony had to succumb because three of us in Manchester were selling more literature than those two branches put together. We were also doing many more speaking events.

**DONNISON**

David [Bull] is perfectly illustrating the process I was talking about. It seems to me that CPAG interpreted its function essentially in social security and tax terms. Peter's saying that the central theme was about universality versus selectivism is another way of putting that. That was, partly because it was right. And partly (and I am using hindsight in great dollops: in as far as it is as critical of me as much as anybody else) because they were part of a policy forum that included various correspondents in the media, academics, other pressure groups, people in the civil service and so on who were essentially metropolitan men. Look around the table at the relics of us, which are pretty characteristic in that respect. By this I mean they were men not women – white men. They lived and worked in and around London (or its political suburbs like Oxford and Cambridge) and came out of a Labour movement tradition, even if they were not members of the Party. They tended to assume and there was a lot going for that view at the time that the main arenas of social change were parliament, the offices of ministers, the policy-orientated civil servants and the key policy people in some of the public services professions with their headquarters in London: the BMA,\* the NUT\* and other similar groups. They were 'top downists'.

British Medical Association.

National Union of Teachers.

**TIMMINS**

That was the way the world was.

**DONNISON**

That was the way the world was and was assumed to be.

**UNIDENTIFIED  
INTERJECTION**

If not still ...

**DONNISON**

The people missing from this cast were the people actually experiencing the problem: the poor themselves, ethnic minorities and women who came in later. Hilary Land was writing books on women's issues and others were writing about civic leaders, local activists and local government. Howard [Glennister]'s great book\* on social policy since 1945 very clearly lays out the two agendas of the Wilson and Callaghan\* governments: one being the traditional welfare state agenda, about social security, housing, education and health on which this policy forum of metropolitan men focussed. However, there was also the libertarian forum, which involved women's rights, ethnic minorities and race. It involved divorce and freeing up opportunities for divorce, making abortion legal in certain circumstances, a whole array of things of that sort in which the academics played very little part indeed. It was civil rights lawyers and other people outside academia and this policy forum who played the key roles as advisers to, in this case, the Home Secretary. Looking back on it, it may be that if we had worried more about things like race and women (we did not talk about gender in

Howard Glennister, *British Social Policy Since 1945* (Oxford: Blackwell, 1995).

James Callaghan (Lord Callaghan of Cardiff), Labour politician. Prime Minister 1976-9.

those days), bearing in mind that the children in poverty were often dependant on women's benefits or women's very low wages; if we worried more about minimum wage legislation; the minimum in ethnic minority standards, at least as much progress might have been made for those children as through the route of taxes and benefits. In the climate of the time, that was not very feasible. The change came a decade or two later and is still coming. The great disasters of recent years like racism in the police force; the Child Support Agency; the poll tax are the sort of disasters of British government that arise from not getting outside London; not talking to the people who were actually experiencing the problem; not talking to women and the grassroots. So we are still involved in this problem.

## TOWNSEND

Two minor reservations to what David's been arguing very powerfully are that CPAG had branches. Although they had a very fitful history, there was a vitality in them and a lot of publicity going on in some of them. Moreover, which is a point related to correct or democratic representation, some of the campaigning groups got involved in welfare rights issues and rubbed noses with people who were experiencing the sharp end of life. I think that led to a kind of authority which has not been mentioned yet. The group, along with some other groups that came into being at the time, actually was both communicating with the public generally and politicians in particular.

## VEIT WILSON

As a matter of fact I really think it's important to correct a slight misapprehension there. The membership of the National Executive of CPAG from the very first group, before it was an Executive was at least half women. It included organisational representation from the National Organisation of Women in the form of a Mrs Bligh. Hilary [Land], I am sure would want to be remembered as one of Peter Townsend's first research officers on the poverty survey and writing a book at the beginning of all this and not later on.\* So CPAG I think is not quite as vulnerable to all the criticisms that David [Donnison] has just levelled.

Hilary Land, *Large Families In London* (London: George Bell and Sons, 1969).

## HILARY LAND

I would just like to respond to the point that was being made about issues around gender and race becoming important ten years later and that's where women come in. Firstly, in so far as I was involved in debates beyond local discussion and activity, 1974 the year of the BSA\* conference was significant because as an academic, for the first time, I felt my work was being taken seriously. Secondly of significance to the Women's Liberation Movement was the financial independence reform of 1974. So those two things happened in 1974 and it was then rather than decades later that issues around supplementary benefits and women came to the fore.

British Sociological Association.

**TIMMINS**

Can I bring us back to 1969/70?

**WENDT**

It is a sideways point to David [Donnison]'s really. It seems to me that one of the very important contextual issues here is that the Labour government of 1964 to 1970 found it very hard to kind of get going in the whole field of social security reform. Douglas Houghton fuffed around for about four years doing absolutely nothing. In a sense, it was not until Dick Crossman, however wrong he may have got some things, came along anything happened. Therefore in a sense you have a paradox of a Labour government, which had done nothing until Dick and David Ennals were on the scene, being confronted by CPAG. CPAG in one sense was becoming much more active, and much more a kind of leader of innovative thought than the government itself, which many of us had assumed was there to do these things.

**TIMMINS**

Because it spent four years locked in a Cabinet committee trying to design...

**WENDT**

Precisely so. Therefore in a sense in late 1969 early 1970 you had a boiling over of these two conflicting forces. A government which had done nothing, and was then kind of realising that it had done very little and maybe ought to try and do something more. It was aware the election was going to be called sometime, and people like Frank and Tony [Lynes] and were in a sense determining the agenda from the outside. I think that this factor explains quite a lot of the kind of concealed politics of the time.

**DONNISON**

C. A. R. Crosland (1918-77), Labour politician. Minister of State for Economic Affairs 1964-5, Secretary of State for Education and Science 1965-7 and for Local Government and Regional Planning 1969-1970. Fellow of Trinity College, Oxford, from 1947-50.

Is it not important to consider that the social security team partly explains the emphasis on social security and tax? Titmuss, Townsend, Abel-Smith, Lynes and Atkinson (on the wing as it were) were the ablest team of intellectuals on social security and tax affairs to be found probably anywhere in the world. They were dealing with Ministers like Wilson, Crossman and Crosland,\* who had themselves been academics. They were familiar with the seminar and they talked the same language. Labour had been out of office in 1964 for thirteen years, so politicians had to develop their links with the academy in place of the civil service they did not have. This partly explains the emphasis on social security and tax, and the links built up in which the CPAG was one of the nodal points as it were of the interchange.

**TIMMINS**

Can I stop us there and move on a bit. Just very very briefly Tony [Lynes], why did you not want groups? I do not want to get back into that argument, but what was the argument against it?

**LYNES**

It was a purely personal thing. My style of work meant I had a bicycle, a type writer and a half time secretary. I think I operated very efficiently. I did not want to have to waste my time looking after branches.

**BULL**

Marples is a suburb of Manchester.

Well you are right you got a request for Marples\* and sent it to Liverpool rather than Manchester.

**BRADSHAW**

Well you were also right. Tony [Lynes] was always right about branches.

**TIMMINS**

We have got another 40 minutes to try and answer the other two big questions behind all this. Firstly, what was CPAG's impact within the civil service, and therefore on Ministers? Secondly, what was the sort of broader political impact, what was achieved? We have talked a lot about how far it was a change of style or was not a change of style. Yet what is not argued about is that it was a great row. What did that do within the civil service both for those who were trying to address these problem from both sides – liberally and illiberally to use a poor phrase? Did it increase civil servants influence with ministers, or decrease it? Did it advance the cause or did it damage the cause? Which of the three of you who know most about this would like to start?

**WENDT**

John [Stacpoole] and Geoff should go first.

**FIELD**

Can I ask, Robin were you at the meeting when Peter and I went to see Dick Crossman?

**WENDT**

No I was not

**STACPOOLE**

There are penalties for attacking the government. One of these penalties is the civil servants will detest you. That is a first reaction.

**TIMMINS**

That is an universal truth is it?

**STACPOOLE**

Pretty well. It makes work and threatens the onflow of the enterprises they are engaged on at the time. I think it is a very broad, very general feeling, which does not affect personal issues. It does not mean that we demonised people like Frank Field. However the civil service does not like the government being attacked and it has a definite pro-government inclination in every administration. The only other point that I would make is on what was the effect. I do



not think there was any great effect on government policy making until the Macleod statement, until it began to be realised that this was a serious electoral issue. Then there was considerable alarm and scuttling round to see what on earth could be done. We were actually looking very very carefully at the possibilities of family allowance increases and arriving at this discouraging conclusion that you could not raise claw-back without raising the personal allowances, i.e. the tax threshold. But clawback reduced them and you cannot both raise and lower an allowance at the same time. We tried to find some alternative. I do not know how that squares with your interpretation?

## **BELTRAM**

I would not go along entirely with the view that civil servants always hate people attacking the government. I think it depends on who the government are and what their particular sympathies are. But the sense that the government is not being properly given credit is a general tendency among civil servants. In the case of the 1964-70 Labour government, there was a considerable feeling among civil servants generally (I think this is a fair generalisation) that here was a government struggling, and making a poor fist of it admittedly, with very difficult economic problems. The balance of payment problems were always with them. They inherited an 800 million GBP balance of payments deficit. We all know the story. They had just managed to turn it round in time for the 1970 election only to be scuppered by the import of one large aircraft in the middle of the election campaign. In the end, there was a feeling that this Labour government had been trying to help the poor although perhaps with too much focus on old people. I think civil servants appreciated more clearly than people outside, how difficult it was to extract resources from the Treasury in a time of recurrent economic crises. The government had done a number of things for which they had not got much credit. It had set up machinery for improving pensions up to a point. It had tried to work out the income guarantee\* and failed, but it did produce what was undoubtedly an improved Supplementary Benefit scheme and set up an unified Ministry of Social Security. There were a number of positive things the government had done, and although arguably it had failed to make much of a dent in relative poverty it looked as if it was shaping up to do rather better in the next Parliament. Civil servants within the administration knew, as John [Stacpoole] has suggested, that there would be some response to the pressure for higher family benefits. Civil servants in the Treasury would add 'when resources permit.' The Treasury attitude runs very wide in the civil service, it is not just confined to the Treasury. So there was a feeling that this confrontation in 1970, was not entirely justified. That was one part of it. Now, if I can just throw forward a bit, to when I was involved, as I said earlier, in the management of the benefit office network in the early 1970s. There we found confrontation of a different sort, particularly at local level. It was having

A form of negative income tax aimed at pensioners and widows and made a priority commitment in the 1964 Labour manifesto.

Ruth Lister, Deputy Director of CPAG from 1975 and Director from 1979.

some considerably negative effects on relationships between the civil servants in the local offices and the pressure groups. Not just CPAG, but with pressure groups generally, there was a considerable feeling of confrontation. There was a lot of antagonism and this was not entirely, from the civil service point of view, justified. Some of the pressure groups, including some of the CPAG activists, were indiscriminately attacking the rank and file staff, for instance calling them the 'SS'. When this kind of stuff was thrown at the staff, they resented it very much. They became defensive, and at times offensive, in response to this. I remember having a conversation with Ruth Lister\* about this and saying, 'Look you know this is counter-productive for all of us. Believe or not, we are all trying to make things work better for the poor. What this is doing is causing unnecessary friction and defeating the object.' We had a perfectly friendly and amicable conversation and I think she took the point. So this was one of the outcomes, if you like, of hostile confrontation and I agree with John [Stacpoole] that it can even tend to apply at the higher levels of the administration as well.

## WENDT

Department of Social Security which was at this time officially called the Department of Health and Social Security.

Just two or three comments if I may, first of all I think nearly all of us in the DSS,\* or whatever it was called at the time, wanted to make the world a better place. That is why we were there. So, we in that sense, we shared exactly the same set of values as our colleagues in CPAG did. However, we were professional civil servants and therefore our prime job was to support our Ministers. We were on our Minister's side, whatever was happening that was what we were there to do. Dick Crossman's office diaries for 1970 show Mr John Stacpoole attending a whole series of meetings with Dick Crossman and others in pursuit of that duty. That is what he was doing. At the same time, I think part of that professional duty is to have as courteous and cordial relationship as you can with the people on the other side of the table. I would like to think that we all did that with Frank, Tony [Lynes] and others. So far as the impact of the CPAG is concerned, I think this perhaps is one context in which you do have to study this over a slightly longer time scale. These were early days for the CPAG, I suspect from its point of view it was working out what was the best way to deal with the government and establish itself on the scene. If you take that forward thirty years to where CPAG is now, I would argue those days were a very early working out of ways in which the CPAG could ensure it became influential on the national scene to the point where they are now. It is not quite part of the social security establishment, but is in a sense not very far away from it in ways that it certainly was not, and probably should not have been, in 1970.

## TIMMINS

Peter?

## TOWNSEND

Could I make three comments on the last three speakers? The first one is about Macleod. He had a meeting with us in the Grosvenor Hotel. My memory is that we were overwhelmed as well as overjoyed at the commitment to increase family allowances, he allowed us to give to the press. *The Times* and the others would have reported it the following morning. We were so gobsmacked, we asked him if he would repeat it. I think in that regard, it is important to establish a bit of context here, as to what John Stacpoole was referring to about the events after the election when Edward Heath took over as Prime Minister. I think one has to emphasise the bi-partisan acceptance of the Poor get Poorer under Labour argument. It is quite clear from the record in the early months and weeks of 1970 that the established press; *The Times*, *The Economist*, etc. as well as the political parties except Labour, committed themselves to going down the family allowance route. In that sense the impact of the Child Poverty Action argument was extremely widely acknowledged.

## TIMMINS

[To Field] As a politician now would you see the campaign now as a clever thing to do politically?

## FIELD

*Poverty and the Labour Government.*

Mike Reddin, academic. For many years Senior Tutor to the General Course, LSE, who was sympathetic to CPAG.

I would not at all dispute that the core of CPAG was more expert than the whole of Christendom put together. What struck me, as a non-expert coming in from the outside, was that when we were putting together that memorandum\* and we were trying to work out claw-back, I had difficulty getting anybody to do the sums for me. Mike Reddin\* at LSE finally did it. So it then taught me that if I had difficulty finding people in CPAG to do the claw-back arrangement, this is probably a move which did not necessarily get people shouting on the street for something that is easily understood. Certainly I think the question is a mistake. and I do not think you can say, although it is a good parlour game to play, whether it was successful or not. If we had not done this would Labour still have won and all the rest of it. I think it is a slight over-estimation to think that it was our efforts that brought the Labour government down. Finally, I do not share this view about Macleod. I think his role in the post war period was more mixed. He was one of those great politicians who carried a mirror in which he was always trying to pick up reflections from different angles and it said to him on this occasion to actually support us. His style for me was in such contrast with the thundering blunderbuss approach.\* It was such an extraordinary experience to see somebody who was clearly weighing up the advantages for every word he was going to utter in the election campaign which was to follow. He was aware that there were consequences within the Tory party, as well as votes to be got from elsewhere, by categorising all this. So my last comment on this is, that I was a little bit shocked by what he said because I had always thought of our work in CPAG as being natural heirs to

A reference here to Crossman's behaviour at the meeting between the Government and CPAG on 27 Jan. 1970. See Frank Field, *Poverty and Politics* (London: Heinemann, 1982), p. 33 and p. 38.

Founder and Leader of the Family Endowment Society between 1917 and 1945. This small metropolitan organisation fought tirelessly for Family Allowances in the inter-war and Second World War years.

Eleanor Rathbone.\* There was and remains, as somebody reminded us, on CPAG a representation of women's organisations and so on. There was a very very important group of women, Tory women, senior Tory women, who had influence with Heath and so on. Women like Diana Ellis, Peggy Shepherd and so on. They were, on this debate about universalism or mean testing, clearly on our side and always went into battle. So that is the group that provided far more stability than Macleod. He was just after catching the wind in his sails.

**BULL**

Can I come in on what Frank is saying about the sums? Because the promise that you had extracted from Heath was that the Conservatives were committed, as Macleod had said, to Family Allowance with claw-back, right?

**FIELD**

Yes.

**BULL**

Sir Keith Joseph (Lord Joseph of Portsoken, 1918-94), Conservative politician. Secretary of State for Social Services, 1970-4.

But nobody had costed this. The Conservatives had clearly not costed it as I found out when, during the 1970 Conservative conference, I was wheeled into the Granada studio, to confront Keith Joseph\* on this. I asked him this question about Family Allowances and claw-back. His answer might as well have been in Oriental Chinese for how little I understood of it and went on to the next question. I came back to CPAG and said, 'What on earth was that about?' I remember being told, 'Well nobody had thought that because Jenkins had lowered the tax threshold in the 1969 and 1970 budgets, all the calculations about Family Allowances and claw-back were out.' Nobody seemed to have noticed in this exchange of policies at all.

**FIELD**

At the meeting with Crossman, one of Brian Abel-Smith's contributions was to sort of spit at us, 'Thresholds, thresholds.' As though this in some way was a miracle word which would make us melt before him. Of course, the relevance of it was that we had not, at least I had not, appreciated just how low the threshold was, Therefore how few would actually gain. Of course it was a good weapon for Labour to use in private. In public what it meant was that they had allowed the point at which they took tax to fall below the Supplementary Benefit level. The sensible thing would be two-fold. One was to raise the threshold, which it was important to do, and second was to do something about the minimum wage level. Yet, that was not the game which they were playing.

**STACPOOLE**

Could I just make a sort of factual correction if I may. It was not only the Conservatives who did not understand about the limited scope of the claw-back. I was in 1970 in charge of the branch con-

Sir Douglas Wass, civil servant. Permanent Secretary, HM Treasury, 1974-83.

Wass was referring to the Child Tax Allowance which would need to be raised in order to compensate further claw-back.

cerned. The problem was revealed to me by the Treasury a matter of months before the election. We were pressing them to make possible a further increase and we could not understand their resistance. Douglas Wass,\* one day just came along and said 'It is quite simple you cannot raise and lower an allowance\* at the same time.' Eventually the penny dropped and I grasped it. The short fact is that the British government, with the Opposition and with the civil service, did this very interesting thing – the introduction of claw-back – without actually understanding what they were doing.

## WENDT

Barbara Castle (Baroness Castle of Blackburn, 1910-2002), Labour politician. Overseas Development Minister, 1964-5; Minister of Transport, 1965-8.

I just want to make the point that in evaluating the post 1970 consequences it may be worth looking at what happened when we next had a Labour government from 1974 to 1979. I cannot remember what happened in any detail. What I do know is that Barbara Castle\* also found CPAG irritating because she said so in her diaries.\*

## TOWNSEND

Barbara Castle, *The Castle Diaries*, vols. I and II (London: Weidenfeld & Nicolson, 1984 and 1980).

The relevant point is the popularity of Family Allowances. While none of us want to go into a long history, it seems to me to be an appropriate conclusion that in the late 1960s surveys showed Family Allowances were not as wholly popular as CPAG would have liked. It was partly because of the work of the CPAG over the 1960s and 1970s that it then got established as a kind of British institution. It is particularly entrenched in the minds of many women today because of their entitlement to at least a small amount of income that they can call their children's and their own. So, I think if you look there has been a marked change in its popularity.

## ATKINSON

Cabinet leaks of 1976. See Frank Field, *Poverty and Politics* London: Heinemann, 1982), p. 108-13.

Was that not just leaks that led to Child Benefit?\*

## FIELD

On the tax side, Peter, I do see now, as I did not see obviously then, that claw-back was part of the role that direct tax, played in politics. Some people grew up in a world where you taxed other people and working class people gained from it. So the idea that the working class people were going to pay for the tax increases and accept what payments that were handed on to them was not as popular as some of us wanted to believe on the Left. I think, in a sense, that claw-back was the first real evidence that people do not like paying more tax at the bottom end of the scale, where every pound is of real importance.

## TOWNSEND

The other point about claw-back is that, in terms of the discussion going on about popularity and to go back to the rift within the Labour Cabinet (which Nick documents in relation to Family Income Supplement in his *Five Giant*' very well) is the confusion

The switch from tax allowances which lowered the husband's tax liability and therefore boosted his pay packet to the cash benefits paid to the wife. There was debate about to what extent this forced intra-household redistribution was justified on social grounds and how dangerous it was to the Prices and Incomes Policy and to Labour voters.

### BULL

Sir Edward Heath, *The Course of My Life* (London: Hodder & Stoughton, 1998).

### WENDT

### BULL

David Butler and Michael Pinto-Duschinsky, *The British General Election of 1970* (London: Macmillan, 1971).

### TIMMINS

Wide-bodied jet aircraft.

### BULL

### TIMMINS

i.e. CPAG.

that arose about the switch from the pocket to the handbag.\* One cannot help but look cynically at this almost deliberate confusion. I ask now whether some of that confusion was deliberate on the part of, not merely politicians in government, but also in the Treasury to make out that the family allowance claw-back route was one which was causing endless administrative confusion in order to dish it for the future. Now, just as one may look, as Frank was doing, closely and properly at the politics of a single Cabinet minister like Macleod, so we had to look carefully at the way in which government responds to some disagreements that are going on within it, both at the political and the administrative levels.

Can I go on with what I was starting to say about Heath? It is interesting that in Heath's autobiography\* there is not a single mention of poverty as an issue in that campaign.

Nor in Wilson's.

If you look in the Nuffield analysis by Butler and Duschinsky,\* there are five hundred pages and not a single mention of poverty as an issue. They conclude, though I think it is in another Nuffield volume, they thought about this as being an unusual election campaign because the campaign mattered as much, if not more than, the records in the analysts' work. As I say, not one mention of poverty. Trident and the World Cup get eleven mentions compared with poverty.

And Jumbos\* ...

Yes, but for those of us who were working for Labour in that election, it was a different story. I remember the next day going to the Labour club in Wythenshawe, one of the few seats that survived around Manchester. Somebody said to me, the Chairman, 'Look buddy, it is you who lost us this election, your lot.' For years after that we were going out on behalf of CPAG, speaking at local Labour parties, and still being told that we lost Labour the election. I have often wondered, frankly, what that cost Frank in personal terms because for a potential Labour candidate to be branded in that way. What I am saying is, that the analysts and the diarists all talk about other issues, but for those of us who were there, that were in CPAG, we know that we were feeling the blame.

There is one counter bit of evidence. Watkin's account of the 1970 election, does have this line that, no speech Heath or Macleod was complete without referencing the four letter word.\*

**FIELD**

The Social Security budget.

A reference to the success of the Labour rebel, Ken Livingstone, in the London Mayoral elections of May 2000.

I think he went on to say, the people in the audience you know would want CPAG as one of the debaters. This man read what CPAG had told him, about what was going on. I think people who analyse elections, as we do in this country, are often not very good at doing it. When you are in an election campaign it is so extraordinary what is going on on the ground, and what the hell people's views are. One of the things we have got to do is explain why the biggest part of the Government's budget,\* always had such a low critical profile? Whereas any sensible person who was looking at it from Mars would think this would be the centre of the political debate, yet, it is always a struggle to get political debate onto this issue.

Up to two years before I went into the House of Commons, I had people who would shout 'Judas!' a public meetings. A strange business because today in the Labour Party camp you would be a hero. You would be Mayor of London on the basis of this.\* It is partly because the Labour Party has changed and the feeling of loyalty has changed – the view was then that you have a right to say things internally but you had no right to say things outside. I do not share the view that somehow there is a natural development of pressure groups because pressure groups, to be effective, are creatures responding to the environment which they are in. However these events did help CPAG move from being a group of academic Labour sympathisers trying to mould a Labour Government programme, into a group which had independence from that role. Events required it do that. It is not a model for anybody else to follow but just the right one for CPAG at that time.

**TIMMINS**

Does anyone disagree with that interpretation? Well it seems to be one of the obvious things that came out of it, was that CPAG came to be seen as independent.

**BRADSHAW**

I think that is quite right, but if Labour had won the 1970 election it might not have been quite as a sensible a strategy.

**TIMMINS**

You mean from the point of view of its influence thereafter?

**BRADSHAW**

Yes. If you look at the 1974 to 1979 period, we had terrible trouble getting child benefits through and it was only really as a result of leaked Cabinet papers that it eventually got into the statute book. I mean there was deep opposition in the Labour Cabinet to the child benefit proposals.

**TIMMINS**

This might not be at all a fair question, but if you look at what happened. The Tories came to you but after looking at the sums on claw-back and Family Allowances, they came up with FIS. FIS had

been worked on and only failed to get through a Labour cabinet on one vote anyway. So it had been sitting there under Labour and was implemented by the Tories. Later in the 1970s we do get child benefit, which is family allowances coming back around by another route. Did this facilitate that? Or is the point that you seemed to be making there, which is that in a sense there was almost increased opposition to family allowances and it was only a leak in Cabinet documents that got Child Benefit through at all?

**FIELD**

I do not think there is a ...

**TIMMINS**

You do not think there was a link?

**FIELD**

Field was a non-Cabinet Minister in the Blair Labour government from May 1997 to Aug. 1998.

A join between these two at all. In case anybody thought from what Jonathan said Cabinet is a group of highly intelligent people sitting round a table all thinking about policy. My experience on a Public Expenditure Committee suggests otherwise.\* My first question was, 'What do you want your budget to look like in five or ten years hence?' Only two ministers could actually answer that question. They became so embarrassed that we said, 'Perhaps you would like to ask your civil servants to draft a comment on what you think the budget should look like.' To think that they have got a view about what they should do is not how the political game works. It would be surprising if all the Cabinet had a view about child benefit. They were there for different reasons, representing different interests, different abilities and so on. The understanding of policy of their own department is an advantage. But few, I guess, understand the policy of the Government, as a whole. Policy is only one of things the Cabinet Ministers are required to attend to. When they sat round the Cabinet table they were easily hoodwinked by the Chancellor and Shirley Williams\* into not going for child benefit.

Shirley Williams (Baroness Williams of Crosby), Labour and SDP politician.

**TIMMINS**

Do the civil servants here have a view on that question?

**STACPOOLE**

Peter Townsend spoke of the possibility that the civil service and ministers were deliberately disseminating the idea that Family Allowances and claw-back was too great a difficulty. I want to say, first of all, that was not the case. There was absolutely no intention of that kind I ever was conscious of. There is some misunderstanding here. I deny that Ministers or civil servants worked against family allowances in an under-handed way. Both probably explained the difficulties of further claw-back.

**BELTRAM**

Child benefit was divisive in all sorts of ways. I know from someone who was closely involved that there were great doubts about



child benefit because once you translate tax allowances into child benefit you are more vulnerable to Treasury economies. For some reason, in the mythology of public finance; tax allowances are OK, public expenditure is bad. Obviously that is a nonsense if one really thinks about it, but that is the way the ideology runs. Therefore somebody who was a great protagonist of child benefit had this big doubt about it. So the division could occur within a single person, purely on an evaluation of what the consequences of bringing in child benefit might be. So that I think is a point worth remembering, that there is very rarely a policy that is going to produce advantages such that we can simply ignore the disadvantages. It is rarely such a clear cut thing. My experience, and I am a typical civil servant here I suppose, is that there is nearly always a problem arising out of a solution. That has always been my experience. The eternal controversy about means testing, amongst other things, illustrates this.

## FIELD

Richard Titmuss, *Essays on 'the Welfare State'* (London: Allen and Unwin (Third Edition), 1976).

Titmuss argued that there were in fact three welfare states. Firstly, there was the traditional welfare state of benefits in kind and cash benefits. Secondly, there was the fiscal welfare state of tax allowances which gave greater benefit to the better off. Thirdly there was the occupational welfare state which delivered fringe benefits to the higher grades of workers which were supported through tax relief to the employers. Titmuss argued that when all three welfare states were taken into account that the better off were benefiting most.

The 1997 general election.

## DONNISON

Well I think an interesting thing about this is that Titmuss, in the *Social Division of Welfare*,\* looked at the different welfare states and how unfair it was.\* We delivered a small reform on that front at a time when it had then become actually irrelevant to deliver that reform. The impetus was that tax allowances were unfair because middle class people got them and working class people did not, because they never paid tax. We were then in the position of gaining this reform, when everybody paid tax. I certainly did not have the wit to think we should change track on this. Certainly, prior to this election,\* I did think that there was a case for reintroducing child tax allowances so that we could weight the tax system in favour of those with children. It would make it a lot easier to make progress on that front and it would be clearer to people that we were trying to build the incentive of moving into work if you actually had that. Even if you wish to argue that people got it for a higher rate, the argument for that is that you allow these allowances at the standard rate for everybody.

May I try another rash generalisation? The trick, if you want to make progress is that you have to wait until it can be demonstrated that the existing system is in crisis. If it is not working for some reason that is convincing to a lot of people. You get a clean air act when the great smog in 1952 kills off a lot of people around London. You can re-organise secondary schools along comprehensive lines when you have got enough educationally ambitious parents finding their kids being consigned to secondary modern schools. There was not a crisis backing concern about Family Allowances or until lately Child Benefits. The existing system might be crazy but for the average voter it went perfectly well. It was better the devil we know than new things. It only, I think, began to look like a crisis when unemployment rose to levels which the state was not pre-

pared to sustain. Benefits for the unemployed and minimum wages had fallen much lower than they were in the 1960s and you had to do something about families with children to make it feasible to ask them to go back to work (leave aside whether the jobs were there). That began to demonstrate the crisis that was convincing to quite a lot of people. So we had to do something about low pay, families and the unemployed. In the early 1960s none of those things were present.

**TIMMINS**

You are saying that what began happening in the mid 1970s, allowed for Child Benefit.

**DONNISON**

Later it began to look more like that.

**FIELD**

Academic thought compared it with the 1930s when the argument began to lift off...

**TIMMINS**

We are very nearly out of time, Robin did you have any thoughts?

**WENDT**

No.

**TIMMINS**

Right, I think we have covered most of what we were meant to cover which is admirable of you. Does anyone want to raise anything that we simply have not discussed at all before we finish this? Is there any area of this tale that we ought to look at?

**WENDT**

I just want to raise the issue, although I have absolutely no answer to it, of the difference between a predominantly left wing based pressure group, campaigning against a Labour government on the one hand and the Tory government on the other hand. I suspect the dynamics, the styles and so on are different. It is not irrelevant to what we have just been talking about.

**FIELD**

It is highly relevant, I mean in the initial stages we had something in the bank because of the use the Tories had made of us and so on. It does actually require trying to locate new centres of pressure to follow that through. In the early stages we located a central power and, in Fabian terms, permeated it. I think most critics of me would say of the time I was there, and maybe subsequently, was that we did find other centres of power which could sustain the group through longer periods of time. I do not think that any pressure group from the Left has managed to be that successful.

**BULL**

The other thing about it is that it was bypassing the trade unions. It would be interesting to note when, at National Executive Committee levels, CPAG first began to agonise over the fact that it really was not getting anywhere with trade unions and that we should have a trade union liaison. I cannot remember when that was, but certainly at branch level we were having huge difficulty trying to talk to the Trades Council about this. I remember the secretary saying, 'We do not need to talk to CPAG about this, we have been tackling this type of problem for a hundred years.'

**FIELD**

Rodney Lowe, academic. Professor of Contemporary History, University of Bristol.

Noel Whiteside, academic. Professor of Comparative Public Policy, University of Warwick.

Except when you went into the TUC and the centre for policy formulation was the social insurance department. It has more recently been upgraded but it did not rank in the great scheme of things then. This lack of the topic's importance was a denial of what is shown in Rodney [Lowe]'s\* and Noel Whiteside's\* work. They argue that welfare originally started in the workplace and trade unions grew in an attempt to control the size and the rhythm of wage packets. Trade unions were, apparently, central to that and then lost the plot as well as everybody else.

**VEIT WILSON**

One thing, I wanted to comment on Robin Wendt's remark about the left wing pressure group. I do not think that CPAG ever was Left-wing in most of the senses in which that term is normally used.

**FIELD**

Well I see it could automatically be used as a term of abuse.

**VEIT WILSON**

Well partly that, but I'm using it as a political analysis. It may be that quite a number of its supporters were on the Left if one looks at it that way. They ranged from the Tory progressives through to the militants. Indeed there was an attempt by some pretty far Left people to take over the branches at one time. Even to the extent of proposals in the early to mid 1970s that CPAG should put up candidates in elections. David [Bull] may remember more about this than I do. I think that its strength was that it was composed largely of people, who whether because of their professional practice, or because of their academic studies, were involved with, and were sophisticated about the mode of making policy in the social field. That tended to be those who had an interest in it, and they were mostly Left-wing. I would rather call it progressive really than anything else. That is what distinguished it from so many other groups. It was not a group of the poor, it was very much a group for the poor but the motivation of being a group for the poor ranged from the philanthropic to, through to the revolution. That was never resolved, although that was being fought certainly for the fifteen years I was on the Committee. The final point was that the 1970 election helped to make CPAG a much more active localised

group. The loss of that election meant a lot of people, who wanted to be politically active, saw this as a vehicle and wanted to drive it in their various ways.

**FIELD**

Operating in the political world and and more generally, everybody brings prejudices which they may not quite understand to the discussion table. However, all this stuff means that CPAG was an organisation where people, whatever their baggage, tried to tell the truth more than most other organisations did at the time.

**VEIT WILSON**

That is a good line for finishing with.

**FIELD**

It is true. Although there was, with all our debates the calculation of what is in it for me, what is in it for somebody else and where is it going to position us. You might expect a naivety but there was more of a concentration on trying to interpret the world as truthfully as we could, which is not totally shared with such enthusiasm elsewhere.

**TOWNSEND**

There is one issue which we have not properly commented on. It has been brought up several times. That is the problem of being a single issue campaigning group at the time. First of all, it is evident that there were a lot of bodies around the country who were into issues which are very broad in themselves. Poverty is obviously pretty wide ranging and it is not easy to distinguish the campaigning activities from political activity generally but certainly has a different focus. I think this is partly revealed or illustrated by that idea of a focus in terms of its activities. Yet, we have also talked this afternoon about the evolution, or moving into the second stage, or different stages. That is true of all organisations, even the Departments of State are amalgamations of previously smaller departments. One of the things that has happened since CPAG got going was what one might call the federalisation or the collaboration of different social single issue groups. CPAG did have a feel for that need to collaborate to obtain authority and that is quite an important feature of the interpretation of what objectives it follows.

**BULL**

Tony Benn, Labour politician. Minister of Technology, 1966-70.

Tony Benn, *The New Politics: A Socialist Renaissance*, Fabian Tract 402 (London: Fabian Society, 1970).

Can I reply to John [Veit Wilson]'s point about putting up candidates. I do not remember that at all. However, another twist on that was Tony Benn's\* 1970 Fabian pamphlet, *A Socialist Renaissance*,\* in which he suggested that all of these pressure groups should have affiliate status within the Labour Party. Maybe, it is a good measure of the way in which some politicians were reacting to the likes of CPAG. It seems to have been a reaction to lost talent.

**FIELD**

Benn as Shadow Industry spokesman wanted to see what the relevance of CPAG was for his brief.

**TIMMINS**

Unless there is anything else anyone is burning to say, I will wind it up a few minutes late. Thank you very very much indeed, I have certainly enjoyed it and I hope the persons taking part have enjoyed it and that the audience have enjoyed it.

