

## ***The Foundation and Early Years of the Economic History Society 1926 to 1965.***

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### ***The Interwar Years***

Politics shaped the foundations of the rise of economic history in ways we have now forgotten. Today we celebrate its centenary of our Economic History Society, and I discuss two political frameworks for the subject – the first in the interwar years, and the second in the postwar and Cold War era.

I focus my first case in the history of the subject in the remarkable ferment of the 1920s and 1930s LSE where R.H. Tawney and Eileen Power shaped the field within the dynamic of the formative social sciences. The teaching and research culture there were interdisciplinary. Of course economic history as a discipline had emerged long before this, especially in the historical school of economics, in classics and in legal history. But as a subject that was taught and gained rapid momentum among students and wider public popularity, the interwar years mark its formation and the LSE was the place.<sup>1</sup>

The institutional and political background of this was clear. The subject was taught at Oxford and Cambridge, but was on the margins of the History curricula. The Chichele chair in Economics was established in Oxford in 1931, and G.N. Clark its first professor; J.H. Clapham was the first incumbent of the Cambridge chair from 1928. LSE's chair started in 1921 with Lilian Knowles, and Manchester's long before this in 1910 with George Unwin.<sup>2</sup>

Alfred Marshall, professor of Economics in Cambridge, kept economic history and its key exponent William Cunningham out; Cunningham cultivated a path for his subject between the women at Girton College, Cambridge and the LSE; women, who were excluded from the Cambridge economics faculty by Marshall, were prominent in economic history from its early period.<sup>3</sup> Keynes later ran a vendetta against *The Economic History Review*.<sup>4</sup> The LSE from its foundation was what we would now call interdisciplinary – there were no formal departments, and the economic historians developed their field in close interaction with the new social sciences, sociology, anthropology and political economy.

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<sup>1</sup> On historical economics and economic history see Alon Kadish, *Historians, Economists and Economic Historians* (London, 1989); Keith Tribe, *Constructing Economic Science: the Invention of a Discipline 1850-1950* (Oxford, 2021); on LSE and Economic History see Ralph Dahrendorf, *A History of the London School of Economics and Political Science 1895-1995* (Oxford, 1995), pp. 232-242.

<sup>2</sup> N.B. Harte (ed.), *The Study of Economic History* (London, 1971).

<sup>3</sup> See Maxine Berg, 'The First Women Economic Historians', *Economic History Review*, xlv, 2 (1992), pp. 308-329, esp. 315-316.

<sup>4</sup> T.C. Barker, The Beginnings of the Economic History Society. *Economic History Review, New Series*, 30, (1977), pp. 1-19.

Politics also shaped the field. Cunningham and his students, among them Lilian Knowles, first professor of Economic History at the LSE from 1921 were tariff reformers with a focus on the role of the state, on comparative economic history and the history of trade and empire. Even more significant political inspiration arose from major social issues of the day – from labour conditions and poor relief as expressed in the settlement movement, from workers' education in the university extension and the Workers Education Authority initiatives, and from the moral philosophy behind the popular work of the Hammonds.<sup>5</sup> But for the LSE it was tariff reform, the Fabian socialism of Sidney and Beatrice Webb, the women's suffrage campaigns, and the peace movement, and debate among these groups that brought economic history to the fore.

The real impetus for the field came with the remarkable partnership of R.H.Tawney and Eileen Power at the LSE. Tawney was a Christian and a socialist prophet focussed on the ethical foundations of economic history, and his books widely read. Power was a feminist and peace campaigner, already prominent in literary London, interested in a materialist, internationalist and comparative economic history.<sup>6</sup> They came to the LSE at close to the same time, with no more than ten years difference in their ages and they built the subject. They made the courses, they wrote the books and articles for wide audiences, they attracted students from all manner of backgrounds who went on after to publish major works. And they started the Economic History Society and the Economic History Review, the latter together with Ephraim Lipson, a relatively isolated figure in Oxford.<sup>7</sup> Lipson was a historian and with Tawney and Power also historians, the Review was established as a historical not an economics journal. Likewise, the Economic History Society was launched at the Anglo-American Historical Conference in London – on the 14<sup>th</sup> of July, 1926 and Eileen Power was elected to the key position as Secretary. The movers and shakers of the early Society were mainly London based. There was little interest from Oxford (apart from Lipson) or Cambridge. J.H. Clapham the professor of economic history in Cambridge kept his distance and was little involved until after he retired in the late 1930s. Keynes led a vendetta against the *Review*

A number of the leading members of the Society were medievalists and early modernists giving priority to regional and transnational connections over histories of the nation state. Many rooted their interests in political responses to the First World War and the interwar peace movement. Power herself lectured around cosmopolitan and internationalist themes, and went on to develop with her former research assistant and later husband, M.M. Postan, work in comparative economic history. The Society

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<sup>5</sup> See David Cannadine, 'The Past and the Present in the English Industrial Revolution, 1880-1980', *Past & Present* 103 (1984), pp. 149-58; Fabian Women's Group, 'summary of Eight Papers and Discussion upon the Disabilities of Mothers as Workers' (private circulation, 1910), *Fabian Tracts*; Sally Alexander, 'Introduction', *Women's Fabian Tracts* (London, 2002), pp. 1-16.

<sup>6</sup> Maxine Berg, *A Woman in History: Eileen Power 1889-1940* (Cambridge, 1996), pp. 140-170; Lawrence Goldman, *The Life of R.H. Tawney: Socialism and History* (London, 2014).

<sup>7</sup> T.C. Barker, 'The Beginnings of the Economic History Society', *Economic History Review*, 2<sup>nd</sup>. Series, xxx (1977), pp. 1-19.

from the start was also deeply engaged with schools and the university extension movement.

Within a year the Society had 500 members, one fifth of whom were women; and the women were its key practical organisers and committee members during the interwar and war years.<sup>8</sup> Power recruited Julia de Lacy Mann from St. Hilda's College Oxford to be assistant editor of the *Review*, with Lipson and Tawney as editors, and Gwladys Jones from Girton, Cambridge to be the Society's Treasurer. Ada Levett, first at St. Hilda's then as Reader in Economic History at Kings College, London was deeply involved as contributor and member of the editorial group. Power's Aunt, Ivy Clegg did the Society's secretarial business, and Power used her own home as the office. The Society's funding was provided by whip rounds at Eileen Power's dinner parties and dances, and by her going cap in hand to wealthy friends, the publishers, Jonathan Cape and Donald Brace (of Harcourt Brace) and Laurence Cadbury.<sup>9</sup> Power and Tawney made the subject politically and socially relevant and indeed glamorous. The suffragist and Bloomsbury figure, Ray Strachey, went off to hear a public lecture by Power on what she had misheard to be on 'Many Evil Women', only to be a little disappointed to find she was learning about 'Medieval Women'.<sup>10</sup>

### ***Cold War and Detente***

These glory days in the making of a subject in a political and interdisciplinary context were followed by war and the postwar making of the Cold War.

I concluded an article I published in the *Economic History Review* in 1992 on 'The First Women Economic Historians' with a statement on the dramatic changes the War brought to the field – 'a narrowing of the discipline, a loss of political and social commitment, and a sharp decline in the involvement of women historians'.<sup>11</sup>

I drew this divide perhaps too sharply, for the *Review* through the later 1940s and 1950s continued to publish articles from major figures across the political and methodological spectrum, and from those perhaps better known as historians than as economic historians. Issue 3 of 1951 contained articles by Simon Kuznets on "Statistical Trends and Historical Changes", Trevor-Roper on "The Elizabethan Aristocracy," and Hobsbawm on "The Tramping Artisan". Trevor-Roper and Hobsbawm were young men in their thirties, already well-known, and Trevor-Roper, especially for *The Last Days of Hitler*; Hobsbawm as the leading Communist historian. Both went on shortly to publish their best-known work in *Past and Present*, started by a group of Marxist and non-Marxist historians in 1952, and rapidly rising to challenge *The Economic History Review* as the major journal for social and economic history. The *Review* continued up to c. 1980 to publish over a wide range of subjects, and its

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<sup>8</sup> Berg, *A Woman in History*, pp. 166-170.

<sup>9</sup> Berg, *A Woman in History*, p. 169; Barker, 'The Beginnings of the Economic History Society.'

<sup>10</sup> Berg, *A Woman in History*, p. 125.

<sup>11</sup> Berg, 'The First Women Economic Historians', p. 327.

contributors included many historians, but there was only a thin scattering of articles by women historians.<sup>12</sup>

Politics did, however, continue to shape the field in other ways— now it was Cold War politics, and it shaped another economic history association – the International Economic History Association, now the World Economic History Association. Leading figures were M.M. Postan, Professor of Economic History in Cambridge and former research assistant to Eileen Power, Fernand Braudel of the EHESS, and the Americans, Frederic Lane, David Landes and Rondo Cameron. Economic history developed a new prominent public face in the politics of postwar reconstruction. The politics of the state, and social policy and inequality which had shaped the economic history of the interwar years gave way to a politics of economic growth, but the role of the state was also prominent in this new cold war setting.<sup>13</sup>

The politics of the state, social policy, and inequality, which had shaped the economic history of the interwar years, gave way to a politics of economic growth, but the role of the state was also prominent in this new Cold War setting.<sup>14</sup> (Robin, 2001, 24-32; Ashworth, 2008, 249-74; Edgerton, 2019). In Britain the immediate postwar Labour governments led by Clement Attlee between 1945 and 1951 were marked by the austerity of continued rationing, by nationalisation of key economic sectors, the railways, coal, iron and steel, electricity and gas, road transport and the Bank of England, and by the creation of the welfare state in the National Health Service and National Insurance, both brought into law in 1946; the period from 1945 to the 1970s has been characterised as one of a mixed economy and “postwar consensus.” But Conservative Party success in 1951 and for the next thirteen years carried forward international agendas in supporting the U.S. growth of the Cold War and building NATO.<sup>15</sup> (Henessey, 2006; Edgerton, 2019).

New financial support for the field emerged in the U.S. Economic history in the U.S. did not rely on whip rounds, but on major state funding via the Rockefeller Foundation for a new priority field in the U.S. from the early 1940s, and in Europe from the end of the war. Simon Kuznets led an initiative on long term quantitative economic change funded by the Rockefeller in 1940 at \$250,000, (its “measuring worth” value, measured against the consumer price index today would be nearly \$6million), but with a relative value of

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<sup>12</sup> *Economic History Review*, Website, Archive of issues.

<sup>13</sup> Ron Robin, *The Making of the Cold War Enemy: Culture and Politics in the Military Industrial Complex* (Princeton, N.J. 2001), pp. 24-32; William J. Ashworth, ‘The Ghost of Rostow: Science, Culture and the British Industrial Revolution’, *History of Science* 46 (2008), pp. 249-74.

<sup>14</sup> Robin, Ron, *The Making of the Cold War Enemy*; William Ashworth, ‘The Ghost of Rostow: Science, Culture and the British Industrial Revolution’, *History of Science*, 46, 3 (2008), pp. 249-274; David Edgerton, *The Rise and Fall of the British Nation: A Twentieth-Century History* (Harmondsworth, 2019).

<sup>15</sup> Peter Hennessy, *Never Again: Britain, 1945–1951* (1996) Second edition. (Harmondsworth, 2006). Edgerton, *The Rise and Fall of the British Nation*.

nearly \$12 mil measured against the value of a consumer bundle.<sup>16</sup> U.S. funding also went to substantial subvention in the social sciences in Europe, then in Latin America as a bulwark for economic liberalism and social democracy. This included economic history at the LSE, the University of Stockholm and the University of Paris, including the Sixieme Section and the Maison de Sciences de l'Homme and economic history in Italy. The new economic history, cliometrics emerged in this framework, and came to Europe through major funding of large projects in the history of comparative economic growth.<sup>17</sup>

The International Economic History Association, founded in 1960 in Stockholm was the initiative of M.M. Postan, Fernand Braudel and Ernst Söderlund of Stockholm. Their priority was political – to bring historians in Germany back into fold of liberal democracy, and to keep open connection and communication with economic historians across the iron curtain. The Association played a not insignificant part in the processes of détente through the 1960s and 70s.<sup>18</sup>

The Congresses presented the Marxist subject areas and methodologies of the Soviet and East European world and the economic growth preoccupations led by the Americans. The Munich Congress of 1965 held a session addressed by Simon Kuznets titled 'Capital Formation in Modern economic Growth', and another called 'The Formation of the Industrial Working Classes' addressed by Eric Hobsbawm and three Soviet historians.<sup>19</sup> The new divide between materialist and Marxist approaches on the one hand and approaches arising from neoclassical economics, especially the theory of economic growth, general equilibrium theory and later game theory also signalled a division between economic history and social history, and an increasing division between historical and economics approaches.

There were many debates over the methodologies of economic history extending from this time into the 2000s as economists came into the field applying models from the theory of economic growth, general equilibrium theory to game theory and other rational choice approaches.<sup>20</sup> (North, 1973; McCloskey, 1970; Bates et al, 1998;

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<sup>16</sup> Social Science Research Council (SSRC) Committee on Economic History: Annual Reports and Minutes, 1940-67, folder 802, box 146, ser. 1.019, accession 1, SSRC records, Rockefeller Archive Center, Sleepy Hollow, N.Y.; "Measuring Worth" website of the Economic History Association: <https://eh.net/howmuchisthat/>

<sup>17</sup> Brigitte Mazon, 'La Fondation Rockefeller et les Sciences Sociales en France, 1925-1940', *Revue française de sociologie* 26 (1985); Brigitte Mazon, *Aux origines de l'Ecole des Hautes Etudes: Le role du mécénat américain (1920-1960)* (Paris, 1988). See my discussion of these developments in my 'East-West Dialogues: Economic Historians, the Cold War and Détente', *Journal of Modern History*, 87 (2015), pp. 36-71, esp. pp. 47-9.

<sup>18</sup> See Berg, 'East-West Dialogues', pp. 41-5 and 55-59.

<sup>19</sup> Berg, 'East-West Dialogues', pp. 43-45 and 61.

<sup>20</sup> Douglas North, *The Rise of the Western World. A New Economic History* (New York, 1973). Donald McCloskey, 'Did Victorian Britain Fail?', *Economic History Review*. 23 (no. 3), 1970, pp. 446-459; Robert Bates, Avner Greif, Margaret Levi, Jean-Laurent Rosenthal, Barry Weingast, 'Analytic Narratives Revisited.' *Social Science History*. 24 4 (2000), pp. 685-88; Avner Offer, 'Review of *Analytic Narratives* by Robert H. Bates, Avner Greif, Margaret Levi, Jean-Laurent Rosenthal, and Barry R. Weingast. Princeton, NJ: Princeton University Press, 1998. *Journal of Economic History*. 60. 1 (2000), pp. 312-14.

Carpenter, 2000; Offer, 2000; Bates et al, 2000). These debates also manifested in a division between economic history and social history, emerging as early as the 1960s and an increasing division between historical and economics approaches.

The new social history took off from this time, and historians increasingly found their place there, and not in economic history.<sup>21</sup> By the mid 1960s the exciting places to be for historians were the labour and social history seminars of Eric Hobsbawm at Birkbeck College, London, the and E.P. Thompson at Warwick. These best-known social historians were not teaching in the cloisters of Oxford and Cambridge nor in LSE's social science corridors, but the one in Birkbeck a London college founded for working men's and extra-mural education and the other at the University of Warwick, a new 1960s campus university. Thompson's *The Making of the English Working Class* enthralled a whole new generation of social historians in Britain and the U.S., while in France the Annales School embedded economic history in regional studies of social structure and cultural anthropology.<sup>22</sup> Thompson's social history inspired another whole new movement for 'history from below', and best expressed in the History Workshop movement led by Raphael Samuel from the early 1970s.<sup>23</sup>

Those identifying as economic historians increasingly found their home in the framework of economics. The American 'new economic historians', a series of young men challenging the orthodoxies of the field, came to Britain on visiting fellowships to All Souls and Nuffield College, Oxford and to Cambridge. They spread a new methodology focussed on quantitative methods and studies of productivity change.<sup>24</sup>

The field divided, though in Britain many economic and social historians lived in disputatious proximity in the rapidly expanding small economic and social history departments of the 1970s – the four chairs in 1950 expanded to thirty, but these and the departments mostly disappeared in the later 1980s as the subject declined, their

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<sup>21</sup> Tony Judt, 'A Clown in Regal Purple: Social History and the Historians', *History Workshop Journal* 7 (1979), pp. 66-94.

<sup>22</sup> E.P. Thompson, *The Making of the English Working Class* (Harmondsworth, 1968); Marilyn Butler, 'Thompson's Second Front', Plenary Address to History Workshop Conference on E.P. Thompson and the Uses of History, *History Workshop Journal*, 39, 1995, pp. 71-78.

<sup>23</sup> Editorial Collective, 'History Workshop Journal', *History Workshop Journal*, 1 (1), 1976, pp. 1-3; Raphael Samuel and Gareth Stedman Jones, 'Sociology and History', *History Workshop Journal*, 1(1), 1976), pp. 6-8.

<sup>24</sup> Jan de Vries, "'Changing the Narrative: The New History That Was and Is to Come,'" *Journal of Interdisciplinary History*, 48, no. 3 (2018), 313-334; Peter Mathias, 'The Immediate Pre-history', Paper delivered to Session F7, International Congress of Economic History, Utrecht, 2009.

members going off in different directions into Economics or Business departments or to History departments, or just losing their jobs.<sup>25</sup>

This postwar and Cold War setting of the field was an old boys network.<sup>26</sup> Female professors weren't even remembered. There was Eleanor Carus Wilson, the medievalist at LSE who had only achieved her first full-time job at the age of 48, and she retired in 1965; Charlotte Erickson eventually followed her at the LSE, but that was all. Those running the International Economic History Association bonded through wartime service and networks formed in Braudel's Paris seminar, and Postan's Cambridge seminar, and later H.J. Habakkuk's, then Peter Mathias's Oxford seminar. David Landes, later Professor at Harvard and Charles Wilson, later Professor at Cambridge met as young men as the Second World War in Europe ended, teaching American and British troops great books and European history as these soldiers waited for deployment.<sup>27</sup>

No women served on the IEHA Committees, and Alice Teichova, leading business and economic historian of Central Europe, was virtually alone as a female presenter in the 1962 Congress in Bloomington, the point when the Soviet Union invaded her country, Czechoslovakia. Likewise, in Britain a few prominent male professors ran the Economic History Society, chose the professors of all the small economic and social history departments round the country, and set the agendas for the field.

## **Conclusion**

Economic history is in a very different place today. I leave you with a few questions. Where are the jobs? In History departments, there is some new interest in the history of capitalism and in the history of material culture. Will this be enough to bring the economic historians back in? In Economics departments, how many are doing their principal teaching in the field? Who among those working in the subject area are writing the great classics in the way their predecessors did, and which students and researchers of the future will look back to for the great issues and the passions that animate economic history?

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<sup>25</sup> See Economic History Society Council Minutes, 1987-90, Papers of the Economic History Society, LSE Archives.

<sup>26</sup> See my discussion of the old boys network in 'East-West Dialogues', pp. 66-68.

<sup>27</sup> Interview and conversation with David Landes, May, 1991, November, 1999; Photograph seen by Pat Hudson in the Museum of Biarritz.