

# **Self-help, Saving and Suburbanisation - the Birkbeck Land and Building Societies, their Bank and the London Mechanics' Institute 1851 – 1911**

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## **Abstract**

The Birkbeck Freehold Land and Building Societies were launched in 1851 in the London Mechanics' Institute, secured its survival, and eventually replaced its premises with the architectural 'phantasmagoria' of the Birkbeck Bank. Prior to its collapse in 1911 'the Birkbeck' was a major element in the English property based financial system and contributed significantly to the suburban growth of London. The Institute, Societies and Bank shared a Utilitarian vision of social progress through self-help that was at times hotly contested by the radical champions of the social classes that they were initially formed to assist. Their parallel histories are attested today by 'Birkbeck' toponyms (including roads, pubs and a railway station) in the London landscape.

## **Keywords**

'Birkbeck Bank', Utilitarianism, 'building societies', self-help, suburbs, capitalism.

## **Introduction**

Prior to their collapse in 1911 the Birkbeck Freehold Land Society and the Birkbeck Building Society, together with their offspring, the Birkbeck Bank, were a noted haven for savings of the provident working class, constituted a significant element in the UK financial sector, and helped transform the landscape of Victorian London. From their formation in 1851 until at least 1885, they were closely associated with the London Mechanics' Institute (founded in 1823 and which from 1866 became widely known as the Birkbeck Institute) sharing more than the name of George Birkbeck. They occupied joint premises, had overlapping governance and the Bank's monies sustained the Institute at critical times of financial crisis.

This paper addresses the (previously undocumented) history of the Birkbeck Land and Building Societies, their Bank and their association with the Birkbeck Institute. It does so within the context of extensive but relatively disparate existing literatures — on the provision of 'affordable' housing and the growth of London's suburbs, on the development of related financial institutions and the architecture of their City headquarters, and on the history of mechanics' institutes in the education of the adult working-class. It explores in particular the

degree to which an ideology of self-help links these otherwise apparently distinct arenas and their manifestation in London's physical and financial landscape.

The London Mechanics' Institute (LMI), founded in 1823, was not the first such institution but by general consent it was the most influential. It was<sup>1</sup> and is<sup>2</sup> recognised as the impetus for a movement which spread rapidly, not only in Britain, but elsewhere, particularly in Australia and North America. Critical accounts of the movement<sup>3</sup> have noted the controversies which surrounded the LMI's early years, in particular those related to the Institute's student constituency, governance, and curriculum. Contending constructions of 'useful' (versus 'really useful') knowledge<sup>4</sup> were associated with individual as opposed to collective models of 'self-help'.

By 1851 the battle had been largely settled, within the LMI at least, in favour of a Utilitarian discourse of self-improvement as the route to personal advancement and social progress. Little can be found in the secondary literature however on the degree to which mechanics' (and like) institutions fostered associated mechanisms (such as friendly societies, savings banks and building societies) designed to deliver to the social groups for whom the Institutes catered, the material benefits their teaching promised. Such entities, if acknowledged at all, are generally mentioned only in passing, even in accounts of individual institutions. Of the benefits, a house and a vote were two of the more important.

In London at least, speculative house building for sale or rent was by far the most important contributor to suburban growth.<sup>5</sup> This speculative activity, as well as the construction of houses for self-occupation, both fed and fed off the activities and growth of financial institutions, most importantly the new 'permanent' building societies of which some 2,000 were in existence by 1871.<sup>6</sup> Many of these were associated with freehold land societies whose significance was due to the retention in the 1832 Reform Act of the old 'forty-shilling' freehold county franchise. Beyond their function of helping members to own property, they also had the important political dimension of providing entitlement to a parliamentary vote.<sup>7</sup> The largest of them (in terms of income at least) was the Birkbeck.<sup>8</sup>

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<sup>1</sup> J.W.Hudson, *The history of adult education*. (Longman, Brown, Green and Longmans, 1851). J.Hole, *An Essay on the History and Management of Literary, Scientific and Mechanics' Institutions*. (1853).

<sup>2</sup> T.Kelly, *A History of Adult Education in Great Britain*. (Liverpool, 1992). See also papers presented in Mechanics' Worldwide. *Self Help: Mechanics' Worldwide Conference 24-29 September 2009*. (Donvale, Aus, 2011).

<sup>3</sup> For example T.Kelly, 'The Origin of Mechanics' Institutes'. *British Journal of Educational Studies* 1, 1 (1952) 17-27; E.Royle. 'Mechanics' Institutes and the Working Classes, 1840-1860'. *Historical Journal* 14, 2 (1971) 305-21; I.Inkster, 'The Social Context of an Educational Movement: A Revisionist Approach to the English Mechanics' Institutes, 1820-1850' *Oxford Review of Education* 2, 3 (1976) 277-307.

<sup>4</sup> R.Johnson, 'Really Useful Knowledge' in *Working class culture: studies in history and theory* eds. J.Clarke, C.Critcher and R.Johnson (1979), 75-102.

<sup>5</sup> H.J.Dyos, 'The Speculative Builders and Developers of Victorian London'. *Victorian Studies* 11, Supplement: Symposium on the Victorian City (2) (1968), 641-90.

<sup>6</sup> Commissioners on Friendly and Benefit Building Societies, *First Report of the Commissioners appointed to inquire into Friendly and Benefit Building Societies*. (1871).

<sup>7</sup> T. Beggs. 'Freehold Land Societies'. *Journal of the Statistical Society of London* 16, 4 (1853): 338-46; Building Societies' Association. *Directory and Handbook of Building and Freehold Land Societies*. (1874); M. Chase, 'Out of Radicalism: the Mid-Victorian Freehold Land Movement'. *English Historical Review* 106, 419 (1991), 319-45.

Compared to published work on estates of quasi-philanthropic bodies such as model dwelling companies (MDCs)<sup>9</sup> and of the larger and better-known builders, little attention has been paid to the contribution to London's mid-to-late nineteenth century suburban development made by freehold land societies and associated permanent building societies. This may perhaps be because the activities of the latter were dispersed, seen principally as an adjunct to incremental development by numerous and often small speculative builders,<sup>10</sup> lacking in architectural distinction, or, perhaps, simply, inherent elements in wider and more interesting processes relating to the changing identity of the metropolis.<sup>11</sup>

Beyond documenting the joint history of the 'two Birkbecks' in the second half of the nineteenth century, this paper assesses the significance of the relationship between one of London's most influential institutions promulgating working-class self-improvement, and the equally significant land and building societies and the bank to which it gave rise. In particular the paper examines the degree to which a common ideology and overlapping governance were responsible for their success, and how that success was manifest in the built environment. The paper opens with an account of the establishment of the Birkbeck Land and Building Societies (henceforth BLBS or 'Birkbeck Societies') within the LMI. It argues that the LMI's Utilitarian version of 'useful knowledge' underpinned the Societies' individualist version of self-help and had its expression, following the failure of the Chartist Land Plan, in the entities which together with their Bank became popularly known simply as 'the Birkbeck'. The Birkbeck's success is related to what is known about other entities – savings banks and life assurance offices – established in mechanics' institutes as vehicles for delivering the proclaimed benefits of Benthamite liberalism.

The paper then examines the physical expression of the Birkbeck's estate developments in London's suburban landscape and the concurrent transformation of the BLBS from a (mutual) land and building society to an (*ultra vires*) Bank. Contemporary criticisms of the Birkbeck – in regard to its declared and implicit objectives – are compared with those of the LMI in its early days. The activities of land and building societies introduced a new domestic property-based element into Britain's growing financial sector. However studies of the new (symbolic) landscapes created by financial institutions in this period have focused on their headquarters architecture within the City of London.<sup>12</sup> A final section

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<sup>8</sup> H.Ashworth, *The building society story*. (1980), 45. As will be clear from what follows this statement needs qualifying. Much of the Birkbeck's income was in the form of deposits and much of its investment, even in 1871, was in securities other than property.

<sup>9</sup> M.J.Daunton, *House and Home in the Victorian City. Working Class Housing, 1850-1914*. (1983). R.Dennis, 'The Geography of Victorian Values: Philanthropic Housing in London, 1840-1900' *Journal of Historical Geography* 15, 1 (1989), 40-54; S.Morris, 'Market Solutions for Social Problems: Working-Class Housing in Nineteenth Century London'. *Economic History Review* 54, 3 (2001), 525-45.

<sup>10</sup> Baer suggests that the role of small-scale speculative building in urban development merits more attention than it has received to date. W.Baer, 'Is speculative building underappreciated in urban history?' *Urban History* 34, 2 (2007), 296-316.

<sup>11</sup> S.E.Rasmussen, *London. The Unique City*. (Massachusetts, 1982 [1934]); D.Arnold. *The Metropolis and its Image. Constructing Identities for London, c 1750-1950*. (Oxford, 1999).

<sup>12</sup> Notably J.Summers, 'The Victorian rebuilding of the City of London'. *London Journal* 3, 2 (1977), 163-85 and I.S.Black, 'Spaces of capital: bank office building in the City of London, 1830-1870'. *Journal of Historical Geography* 26, 3 (2000), 351-75.

explores the significance of the replacement – on the edge of the City - of the LMI's original premises with the 'symbolic capital' of the Bank's extraordinary new headquarters building.

## The LMI after Birkbeck

The principal link between George Birkbeck, Birkbeck College, the BLBS and its Bank and London's Birkbeck landscape was Francis Ravenscroft (1829-1902). His name can be found on several London streets, sometimes in close proximity to the more numerous streets bearing the name of George Birkbeck, as in Beckenham where Ravenscroft and Birkbeck Roads run in parallel towards Birkbeck railway station.

In 1848, aged 19, Ravenscroft enrolled as a student at the LMI. The LMI had been in decline for more than a decade. George Birkbeck, its President and (disputed) founder had died in 1841 and his son William Lloyd Birkbeck who succeeded him had only a titular connection with the Institute. During this period the LMI had no Principal. Direction of policy until 1866 lay with the Chair of the Management Committee who was elected at quarterly and annual meetings of 'members' (persons who were or had been students at the Institution). Educational provision and policy was unsystematic and fragmented and its students were unrepresentative of the Institute's founding purpose.

The foundation of the LMI in 1823 had been characterised by bitter disputes between the champions of workers' self-education (represented by the LMI's radical instigators<sup>13</sup> Thomas Hodgskin and J C Robertson) and Benthamite Liberals (in particular Henry — later, Lord — Brougham, Francis Place and William Ellis); these had long since been resolved in favour of the latter. Brougham's Society for the Diffusion of Useful Knowledge (SDUK), itself formed in part to challenge the influence of Hodgskin and others, had been wound up in 1847. The SDUK's detractors had for some time regarded the mechanics' institutes as a lost cause, not fulfilling even the relatively muted ambitions of George Birkbeck let alone those of Hodgskin and Robertson. Equally important, the LMI's finances were precarious.<sup>14</sup> Ravenscroft appears to have impressed with his business flair and financial acumen, for within a year of enrolling as a student, he was elected to the Institute's Committee of Management. His name first appears on the minutes in March 1849. Minutes of the following week record his appointment to committees dealing with apparatus and correspondence, and the week after, his agreement to chair the Institute's public lectures. Minutes of the week after that (which also record a major debate on the Birkbeck School<sup>15</sup> and the receipt of a requisition signed by 71 members of the Institution to call a public

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<sup>13</sup> The ODNB is technically correct when it describes Robertson and Hodgskin as 'founders' of the LMI which George Birkbeck 'inaugurated'. M.Lee. 'Birkbeck, George 1776-1841' In *Dictionary of National Biography*, eds H.Matthew and B.Harrison (Oxford, 2004) 5:832-837.

<sup>14</sup> W.H.Carpenter, T.Moring and J.Runtz, *Can the London Mechanics' Institution be made Self-Supporting and How?* (1850).

<sup>15</sup> The Birkbeck Schools were an initiative of William Ellis, one of the founders and funders of the LMI (his name appears on the 1824 foundation stone as an auditor), aimed at extending what had by then become the dominant philosophy of the LMI, to its members' children. Their mode of teaching and their Utilitarian approach to ethics were parodied by Charles Dickens in Hard Times.

meeting on the issue) show Ravenscroft as in the Chair.<sup>16</sup> He was to dominate the Institute for more than 50 years until his death in 1902.

## The 'Birkbeck Institution' and 'The Birkbeck'

In 1851 Ravenscroft came to the assistance of the LMI in a more material way. Following the death of his father, he had just inherited the family wig making business. Leaving active management to others, he founded the Birkbeck Freehold Land Society and then the Birkbeck Building Society — two bodies at first sight as unconnected with education as they were to wig making. Initially Ravenscroft proposed just to hold the inaugural public meeting of the BLBS within the LMI (figure i) and to locate his office nearby. However a temporary rental of a cupboard in the LMI's office led to the two bodies sharing the same premises for the next thirty years during which the BLBS' prospectus appeared together with that of the Institute, to which the BLBS provided significant financial support.



**Figure i.** Header of the Birkbeck Freehold Land Society notice of AGM and First Annual Report (1853). © Birkbeck, University of London and reproduced by kind permission of Birkbeck College. Ballots and back payments reference arrangements characteristic of earlier terminating societies which the new 'permanent' societies replaced.

As the BLBS grew it began to accept deposits from non-members and to advertise a third entity, the 'Birkbeck Bank', to accompany the land and building societies. By 1865 the BLBS had taken over the whole of the ground floor of the LMI other than the Lecture Theatre (which was already occupied in the daytime by the Birkbeck School) and the names of the BLBS and Bank were displayed prominently on the LMI's building (figure ii).

<sup>16</sup> London Mechanics' Institution, *Minute Book 1848 - 1851*. (1851), Minutes of 19, 26 March and 9, 16 April 1849.



**Figure ii.** Contemporary engraving of the London Mechanics' Institution in 1865. © Birkbeck, University of London and reproduced by kind permission of Birkbeck College. At the top of the lower two right hand windows (as well as across the façade) can be read '*London Mechanics' Institution*'. However, on the lower left hand window this is replaced by '*Birkbeck School founded 1848*'. Inscribed across the centre of all three windows is '*Birkbeck Building and Freehold Land Society*' and below this, '*Birkbeck Deposit Bank*'.

In 1866 Ravenscroft changed the name of the LMI to the Birkbeck Literary and Scientific Institution (BLSI). George Norris, a senior employee of the BLBS, became the BLSI's Secretary. Other examples of overlapping governance include John Runtz. Appointed by William Ellis in 1848 as the superintendent of the Birkbeck Schools and a long-time member of the LMI's Management Committee, Runtz became a board member of the BLBS and in due course Chair of the Birkbeck Bank and (less auspiciously) one of the seven directors (with Jabez Balfour MP) of The National Model Dwellings Company.<sup>17</sup> The BLSI became popularly known simply as the 'Birkbeck Institute' whilst 'The Birkbeck' generally referred to the BLBS and Bank. Effectively the BLSI took its name as much from the bank as from the LMI's putative founder.

<sup>17</sup> The National Model Dwellings Company was one of the many interlocking subsidiaries of the fraudulently run 'Balfour Group' the centrepiece of which was the Liberator Building Society (and its own banking offshoot, the London and General Bank) whose collapse in 1892 (a year after Runtz's death) precipitated the first 'run' on the Birkbeck.

## Real estate, assurance and workers' capital

1851, the year of the BLBS launch was also that in which the Chartist Land Plan (in its final manifestation as the National Land Company) was wound up by Act of Parliament.

Following the Land Plan's descent into chaos the new land societies were promoted as a means of widening the franchise for those excluded from the vote who were able (and could be persuaded) to save for a home. Political and social emancipation were linked with personal fulfilment and domestic security. The freehold land movement 'came close to dominating popular politics.' Values such as 'thrift, honour and independence, underlined by a mistily-perceived nationalism and a rather more sharply-focused fear of the workhouse'<sup>18</sup> as well as a dread of the paupers' grave<sup>19</sup> were seen to distinguish the provident from the feckless poor.

Participation in mutual land and building societies became a signifier of social status. Mayhew in 1851 cited as evidence of the lack of foresight of even the most 'provident' costermonger that '[h]e can hardly be induced to become a member of a "building" or "freehold land" society, for instance.'<sup>20</sup> Nonconformity and dissent, municipal pride and social progress, temperance and self-improvement were combined in what was at least a partial consensus between middle-class liberalism and working-class radicalism.

Part of the Birkbeck's success was that it combined the promise of a home – and a vote – with the anticipation of profit. Its 1855 Prospectus – published, like other BLBS materials, by the LMI – states its objects as 'to facilitate the acquisition of Freehold Land, and the erection of houses thereon, to enable such of its Members as are eligible to obtain the county franchise, and to afford all of them a secure and profitable investment for money.'<sup>21</sup> That last objective was coupled with a denial of any political intent and a determination in particular to distance itself from any taint of Chartism. The Prospectus opens with a fictional report of a question-and-answer exchange between the BLBS' Manager (Ravenscroft) and 'Stranger' (a prospective customer) extending over twenty pages<sup>22</sup>

'Manager' explains in detail how the Societies work, concluding that by:

belonging to the BIRKBECK LAND SOCIETY you can have a nice piece of land at Highgate or Holloway, which will make you a freeholder of the county of Middlesex; and then, by means of the BIRKBECK BUILDING SOCIETY, you will be able to build on it, and thus have the privilege and pride of living in a house of your own.

'Stranger' is eventually convinced, declaring:

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<sup>18</sup> Chase, 'Out of Radicalism', 319, 325.

<sup>19</sup> R. Richardson, *Death, Dissection and the Destitute*. (Harmondsworth, 1989).

<sup>20</sup> H. Mayhew, *London labour and the London poor*. (Dover, 1851), 2.

<sup>21</sup> London Mechanics' Institution, *The Birkbeck Building and Freehold Land Societies, Simplified and Explained, in a Conversation between The Manager and a Person Desirous of Becoming a Member*. (1855), 2.

<sup>22</sup> The dialogue is similar in form to William Ellis' *Conversations upon knowledge, happiness, and education; between a mechanic and a patron of the London Mechanics' Institution* (1829) published almost twenty years before he established the first of the Birkbeck Schools.

Well, Mr Manager, I think now we have talked the matter over, the best thing I can do is to join your Societies; so I will trouble you to put my name down for a couple of shares in the BIRKBECK BUILDING SOCIETY and a couple in the BIRKBECK FREEHOLD LAND SOCIETY, and there's the money for them; and at your suggestion I will invest 5s in the name of my wife and 1s in the names of each of my six children in the DEPOSIT BRANCH; and see if I cannot bring them up as careful, steady, and sober men and women.

[The Manager takes the money, and enters it in due form in his book; while the visitor, with a smile of satisfaction on his face, goes home to tell his wife that he will soon have a vote, and that she will soon have a house of her own to live in.]<sup>23</sup>

The BLBS and Bank were not the only manifestations of Broughamite Utilitarianism and the wider culture of responsibility to be associated with the name of George Birkbeck. The Birkbeck Schools — for a time hugely influential and like the LMI attacked from both right and left — are one instance. Another initiative was a Birkbeck Life Assurance Company (BLAC), established in 1853 shortly after the BLBS but unlike the BLBS and the Schools, not physically located within the LMI. Part of a boom in life offices launched between 1840 and 1870 particularly for lower middle-class 'lives' of the sort likely to be attracted to both the LMI and BLBS, the BLAC proposed to utilise the growing network of mechanics' and literary and scientific institutes as its local offices.<sup>24</sup>

Nor was the LMI the only Institute to play host to complementary initiatives designed to deliver the benefits of self-denial, thrift and foresight embodied in its educational philosophy. A widely circulated and influential prize-winning essay for the Society for the Encouragement of Arts, Manufactures, and Commerce, advocated in 1852 the establishment of savings banks within every mechanics' institution 'for the purpose of fostering and forming more economical habits among the youths of these Institutes' declaring that this had already been tried in Yorkshire and 'adopted in several Institutes with great success.'<sup>25</sup> The Working Man's Friend (a periodical of the SDUK stable) advocated the establishment of savings banks (to be run by volunteer managers from the institutes' governing bodies) in other mechanics' institutions.<sup>26</sup>

Savings banks spread rapidly,<sup>27</sup> many of them in mechanics' and related institutions.<sup>28</sup> By contrast, land, building and assurance societies appear to have been less widespread or at least less successful within mechanics' institutions.<sup>29</sup> One reason may be

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<sup>23</sup> LMI, *Simplified and Explained*, 20. A similar pamphlet was still in use fifteen years later, with just minor revisions to the dialogue.

<sup>24</sup> B.Jerrold, *The threads of a storm-sail: a little book on the benefits of assurance*. (1853), 87.

<sup>25</sup> Hole, 52, 83.

<sup>26</sup> 'Letters to Working Men No VIII. Savings' Banks'. *The Working Man's Friend and Family Instructor* 3, 73 (19 February 1853), 333-34.

<sup>27</sup> A.Scratchley, *A practical treatise on savings banks*. (1861). A. Fishlow, 'The Trustee Savings Banks, 1817-1861'. *Journal of Economic History* 21, 1 (1961), 26-40.

<sup>28</sup> Smiles enthusiastically commended the establishment of savings banks in mechanics' institutions. *Workmen's earnings, strikes, and savings* (1862).

<sup>29</sup> Land or building societies were established in mechanics' institutes in Coventry, Hexham, Manchester, Peterborough, Stockport and Sheffield.



because by mid-century, embezzlement scandals had shaken depositors trust; moreover the market by 1870 was becoming crowded so failures — not always reflecting fraud or incompetence — were common.

The BLAC did not survive. Unlike the Prudential, established close to the LMI in 1848 and which opened its 'industrial' branch selling assurance (and, cannily, offering burial insurance) to the poorer sections of the working class for premiums of a penny upwards through a network of paid collectors, the mechanics' institutes on which the BLAC depended appealed to a lower middle class and labour aristocracy who were likely already to belong to friendly societies.<sup>30</sup> Moreover the founders of the BLAC appear to have lacked the business acumen of Francis Ravenscroft — and perhaps his support as well. The BLAC's Prospectus pays fulsome tribute to the LMI and the Birkbeck Schools, but does not mention the BLBS which by this time had its own arrangements for its mortgagors' life assurance with the Western Life Assurance Society. In 1858 (along with many others victims of the crash of that year) the BLAC went into liquidation, yielding a final payment to creditors of 7s in the pound.<sup>31</sup>

## **'The Birkbeck' in the suburban landscape**

By contrast, the BLBS flourished. Following the extension of the railways, it played a significant part in the incremental development of London's suburbs. The first areas to be purchased were in Holloway and Lower Norwood – both prime locations for development in the 1850s and 1860s; estates marked 'Birkbeck Land Society' can be found on maps of the period, sometimes adjacent to land earmarked for other freehold land societies.<sup>32</sup> By 1895, some thirty-five estates were being advertised, in Acton, Archway, Crouch End, Dulwich, Ealing, Enfield, Finchley, Highgate, Hornsey, Leyton, Mill Hill, Tottenham, Tooting and Wimbledon, in addition to parts of Essex, Hertfordshire, Kent, Middlesex and Surrey (figure iii). Many locations still bear Birkbeck's name as part of the built landscape, often together with the names of Ravenscroft or other individuals associated with the BLBS and Bank, as in Beckenham, where a number of employees are celebrated.

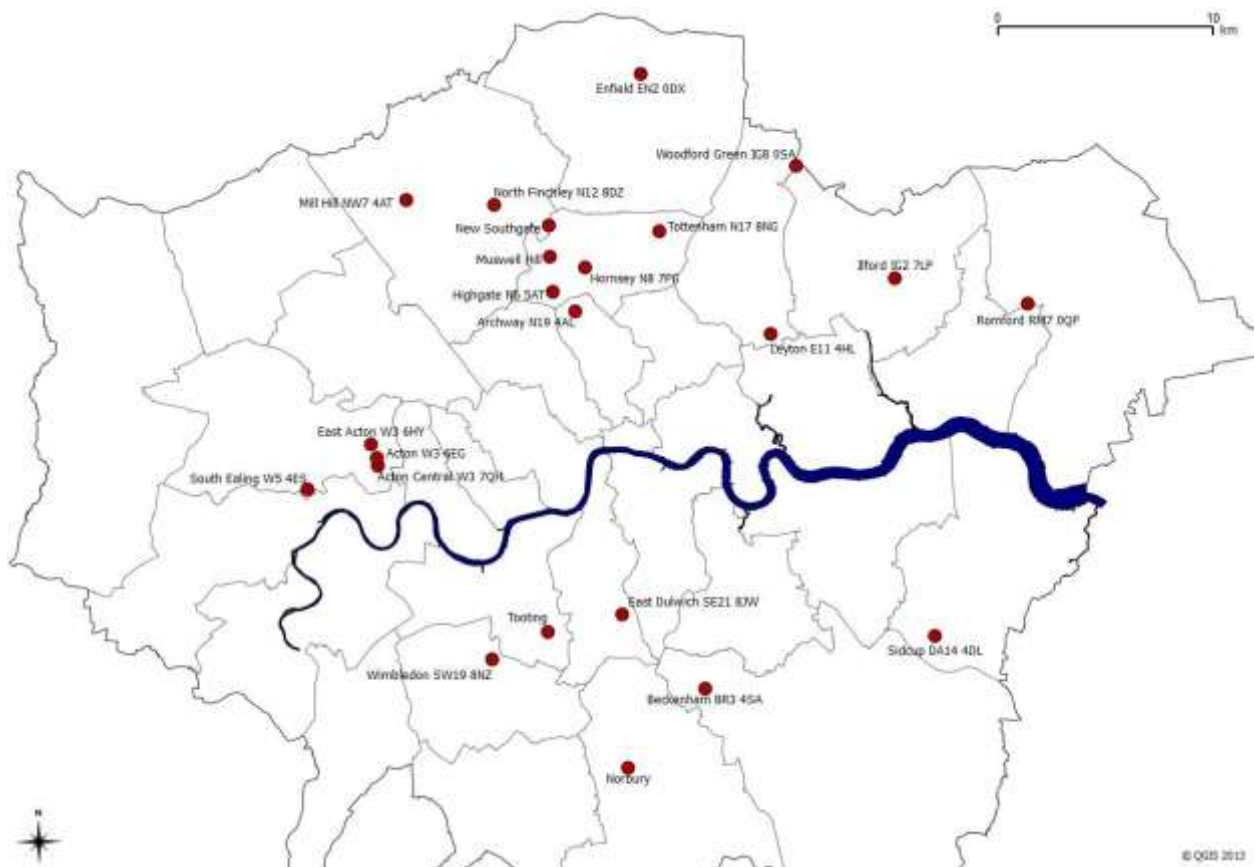
Some estates, particularly those laid out following Ravenscroft's construction of the Birkbeck 'phantasmagoria' (below) mirror its internal symbolism; the Mill Hill estate (shown on contemporary maps as 'Poets Corner') features Byron, Milton, Shakespeare and Tennyson as well as Birkbeck roads. Acton Central celebrates Shakespeare, Chaucer, Milton, Cowper, Goldsmith and Spencer and in East Acton, in addition to Faraday, Lord Brougham, the LMI's ideological mentor, is immortalised in Brougham Road. Other road

<sup>30</sup> P.O'Malley, *Risk, uncertainty and government* (2004), 33.

<sup>31</sup> 'In the Matter of the Joint Stock Companies Winding-up Acts, 1848 and 1849, and of the Birkbeck Life Assurance Company'. *London Gazette* 9 July 1859.

<sup>32</sup> In Archway, the National Freehold Land Society.

names seem whimsical. Most of the roads on the Enfield Birkbeck Estate are named after flowers; Acacia and Lavender Roads, Primrose, Rosemary and Violet Avenues, Hawthorn, Myrtle and Woodbine Groves.



**Figure iii.** Distribution of known BLBS estates in London c. 1895. Postcodes indicate the presence of surviving landscape evidence including ‘Birkbeck’ roads and other toponyms. Map prepared by author with kind assistance of Maurizio Gibin.

After purchase, estates were laid out with roads and sewers and divided into plots. The design of each, including the size of plots, varied greatly with location and access to transport links. Plot prices in 1895 ranged from 20 guineas (in Norbury and Enfield) to over 95 guineas (for plots in the Shalimar Estate in Acton).<sup>33</sup> Early estates appear to have been laid out with the expectation of development as a unit. In practice, building was often piecemeal. Even in the early period when the BLBS focused on owner-occupation, members of the land society who received plots might not have the resources to build on them and a significant number of plots won by ballot were sold on.

Later, allocation by ballot and the requirement for membership were dropped, with land and mortgages sold to any applicant. Multiple plots were bought, and houses built, by speculators. Getting into the business was not technically difficult; by the 1850s complete kits of plans, designs and bills of quantities could be readily obtained by ‘almost any beginner

<sup>33</sup> *Birkbeck Almanack*. (1895).

in suburban estate development.<sup>34</sup> Building was sometimes of poor quality and in at least one instance newly erected houses had to be pulled down. Developers who borrowed to build found that their houses sold more slowly, or that rental values were lower than expected so that they were unable to keep up with repayments leading to repossession by the Birkbeck. In consequence development in most of the Birkbeck estates took place incrementally, in some cases over a significant period, and the houses that were built could be very varied, with small street-fronted terraces adjacent to detached villas with gardens (figure iv).

On the Birkbeck's Acton estates, construction of three-storey middle class houses started near the newly opened railway in 1866, but proved difficult to let; rentals were 'very moderate'<sup>35</sup> and supply constantly outstripped demand. Subsequent building of working-class housing changed the character of the area. Laundries were run in private houses, other businesses included slaughterhouses and bone-crushing plant and several occupiers kept pigs.<sup>36</sup> Infrequent trains to the City reduced its appeal to commuters. Some landholders found there was more profit to be made from brickmaking and delayed building until the minerals were exhausted.

In Beckenham, where a rail link was established in 1858, roads were laid out around the small Birkbeck Halt for 800 houses but building began slowly from 1870, with many houses initially standing vacant. The delay exacerbated difficulties arising from the multi-partite relationship between the BLBS as landowner and mortgagee, the builder, the mortgagor or occupant, and the local authority. In 1873, Ravenscroft was summoned by the Beckenham sewer authority after a resident had emptied his cesspool into a ditch. The Birkbeck's solicitor claimed that it was the duty of the sewer authority to provide drainage, since all residents paid rates, and that the BLBS, as mere owner of the land, was not liable. The court found in favour of the sewer authority, but refrained from making an order, directing the society and the authority to come to an accommodation.<sup>37</sup> Sewers were finally installed and roads made up only in 1888.<sup>38</sup> Clement Road (named after Francis Ravenscroft's son who took over management of the Birkbeck on his father's death in 1902) was not developed until after the First World War<sup>39</sup> some years after the Bank's liquidation.

Birkbeck's Enfield estate (figure iv) was laid out in 1879 following the opening of the GNR branch to Enfield. Construction was predominantly by small local builders, many with such limited capital that the properties soon reverted to the mortgagees.

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<sup>34</sup> H.J.Dyos. *Exploring the urban past: essays in urban history*. eds. D.Cannadine and D.Reeder (Cambridge, 1982), 165.

<sup>35</sup> W.S.Clarke, *The Suburban Homes of London. A residential guide to favourite London localities, their society, celebrities and associations, with notes on their rental, rates and house-accommodation*. (1881), 3.

<sup>36</sup> 'Acton: Growth.' in *A History of the County of Middlesex: Volume 7: Acton, Chiswick, Ealing and Brentford, West Twyford, Willesden*, eds. T.F.Baker and R.Pugh, 7-14. (1976).

<sup>37</sup> 'Legal Intelligence'. *Building News and Engineering Journal* 23 Supplement, 24 January 1873, 15.

<sup>38</sup> 'Public enquiry as to loan of £10,400 for making up roads and sewers on Birkbeck Estate'. *Bromley Journal*, 21 January 1888.

<sup>39</sup> H.R.Copeland, *The Village of Old Beckenham*. (Bromley, 1970).



**Figure iv.** The Birkbeck Enfield estate. (a) 1887 auctioneer's catalogue and (b) accompanying estate map. © Enfield Local Studies Library & Archive, Birkbeck Estate 1887/5/3 and reproduced by kind permission of the London Borough of Enfield. The catalogue is addressed 'To Builders, Speculators and Others' requiring deposits of only 2½ per cent and offering repayment by instalments. The possibility of enrolling as a member in the Freehold Land Society is mentioned in small print at the base. The representation of plots and houses in the map is a rough approximation to what was built (and sewers had yet to be completed). (c) early terrace in Primrose Avenue and (d) later detached houses built 1884 (right) and (left) 1905 in Birkbeck Road, photographs by author.

Changes of ownership were frequent, and some building was so shoddy that houses were condemned as soon as they were completed and had to be rebuilt. Responsibility for the state of the roads, drains and water supply was disputed; in 1883 a well which served as a water supply for newly built houses in Birkbeck Road was declared unfit to drink. The situation continued until at least 1900 when tenders were invited to complete the remaining



roads and sewers.<sup>40</sup> Twenty-seven still unbuilt plots remaining in the Birkbeck's ownership were auctioned by the Official Receiver in 1912 following the Bank's liquidation.<sup>41</sup> Violet Avenue remains unsurfaced today.

In the Mill Hill estate (where plots were advertised from 30 to 40 guineas) the first houses were built immediately after purchase in 1878 but sales were slow because of inadequate public transport. Many of the 500 plots remained vacant in 1897. Some were not developed until 1954.<sup>42</sup> Other, later estates were not developed by the BLBS but merely sold on in part or whole to other developers. Some were never developed at all. Building on most of the Woodford Green estate was frustrated by the Epping Forest Act of 1878 which prevented further inclosure and the land was sold back to the City Corporation; it remains today as open grassland, a protected southern outlier of Epping Forest.



**Figure v.** 'Birkbeck' taverns. a) Archway, N19, now flats, b) Leytonstone E11 saved from conversion by a community 'Birkfest', c) Dulwich SE21, now residential, d) Highgate N6, now a licensed music venue, the Boogaloo, but still with its 'Birkbeck' mosaic (inset) in the threshold. Photos by author. Pubs (planned or proposed) are one of the features that distance the Birkbeck from contemporary competing temperance building societies.

<sup>40</sup> D.Pam, *A Victorian Suburb: a history of Enfield Vol. 2 1837-1914*. (Enfield, 1992), 33, 53.

<sup>41</sup> [Auctioneer's Catalogue] *Particulars and Conditions of Sale of the Remaining Portions of the Estates of Freehold Building Land situated at New Enfield, Wimbledon, Alexandra Park, Muswell Hill, Ilford, Tooting Common and Warlingham* (Alfred Preece, 26 July 1912).

<sup>42</sup> A.P.Baggs, D.K.Bolton, E.P.Scarff and G.C.Tyack, 'Hendon: Growth after 1850.' In *A History of the County of Middlesex: Volume 5: Hendon, Kingsbury, Great Stanmore, Little Stanmore, Edmonton Enfield, Monken Hadley, South Mimms, Tottenham*, eds. T. Baker and R. Pugh (1976), 11-16.

In contrast to the designs of several MDC estates (which included schools, meeting rooms, baths or wash-rooms, though these were frequently never built) the only social facilities that appear to have been planned into the Birkbeck estates were taverns. A plot for a public house was included in the estate design of the Holloway Road (Archway) estate and initially offered by ballot in the 1855 distribution along with the houses.<sup>43</sup> In the event the BLBS itself built the tavern (and obtained the license for it), subsequently advancing money for its purchase.<sup>44</sup>

The presence of (or proposals for) taverns on the Birkbeck estates<sup>45</sup> suggests that abstinence (at least in public) was perhaps not universally associated with respectability<sup>46</sup> and requires comment in the light of Harrison's assertion that by the 1860s 'the respectable classes were drinking at home, or not drinking at all.'<sup>47</sup> He suggests that an absence of pubs was associated with status and, in some developments, with enhanced property values. However it seems likely that attitudes to licensed premises varied from place to place.<sup>48</sup> Either way, the presence of taverns further distances the BLBS from temperance as a movement and suggests a degree of market differentiation with the Birkbeck societies addressing constituencies broader than those targeted by competing temperance building societies.<sup>49</sup>

Of the Birkbeck pubs, only two remain as licensed premises, in Leytonstone E11 and in Highgate N6. The Birkbeck Tavern in Leytonstone E11 was recently saved from a threat of closure by a vigorous community campaign — including a one-day 'Birkfest' of live music, ales and barbeque<sup>50</sup> — and survives largely in its original form with layout and features that include a relatively simple floor plan, with saloon as well as public bars and off-sales, anticipating those designed for white-collar workers that appeared in middle-class areas of London from the 1890s.<sup>51</sup> The Highgate Birkbeck Tavern is now a licensed music venue, the Boogaloo, but its 'Birkbeck' mosaic is still intact on the threshold (figure v). Buildings survive of two other taverns, now converted to residential use, in Archway N19 and Norwood SE21.

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<sup>43</sup> F.Ravenscroft, *Birkbeck Freehold Land Bonus Distribution Society*. (1855).

<sup>44</sup> Commissioners on Friendly and Benefit Building Societies. *Second Report of the Commissioners appointed to inquire into Friendly and Benefit Building Societies*. (1872), 229.

<sup>45</sup> The estates of some other Land societies also included licensed premises. Beggs complains that on an estate of the National Freehold Land Society 'the first building occupied happens to be a beer-shop.' ('Freehold Land Societies', 345). A beer house was also provided in the Chartist Cooperative (subsequently the National) Land Company's settlement at Heronsgate.

<sup>46</sup> Or, according to Kneale and French, with well-being, at least on the part of the medical profession and insurance offices (who sometimes charged higher premiums to teetotallers). They argue that the relationship between temperance and the medical profession was strained until the 1870s in part due to different class and denominational backgrounds. J.Kneale and S.French, 'The Relations of Inebriety to Insurance': Geographies of Medicine, Insurance and Alcohol in Britain 1841 - 1911.' in *Intoxication and Society*, eds J.Herring, C.Regan, D.Weinberg and P.Withington. (Basingstoke, 2012), 91, 96.

<sup>47</sup> B.Harrison, 'Pubs.' in *The Victorian City. Images and Realities. Volume I*, eds. H.J. Dyos and M. Wolff: 161-90. (1973), 166.

<sup>48</sup> In Beckenham, BLBS applications for licenses were refused in 1889 and again in 1896 *Bromley Journal*, 7 September 1889 and 3 November 1896. No public house was ever built on the estate.

<sup>49</sup> The Birkbeck Tavern in Highgate seems likely to have been planned as a commercial venture to capture passing traffic on the Archway Road.

<sup>50</sup> <http://savethebirkbeck.wordpress.com> [Accessed 3 January 2013].

<sup>51</sup> J.Kneale, 'A problem of supervision': moral geographies of the nineteenth-century British public house'. *Journal of Historical Geography* 25, 3 (1999), 333-48.

Many of the characteristics of the development of the Birkbeck estate confirm what is already known with regard to speculative building in general.<sup>52</sup> The lack of co-ordinated planning and the piecemeal and sometimes extended development of the Birkbeck estates resulted in most cases in housing of a variety of quality and style. None of the Birkbeck estates achieve any kind of architectural significance compared to those of some MDCs which were 'designed' whilst those of the BLBS were, except in the most basic sense of a grid of streets with sewerage, the product of individual enterprise.

That variety is reflected also in Census returns and in ownership and tenancy which emphasise the mixed nature of the neighbourhoods that emerged. For example, in 1891 Birkbeck Road Finchley boasts a butcher's shopkeeper, a laundress, an agricultural labourer and an upholsterer, but also a sewer contractor, a provision merchant, a barrister, a (retired) bank inspector, and an 'artist and landscape painter'. The variety is reflected also in the fate of the estates subsequent to completion. Whilst several (for example Beckenham) retain their 'middle-class' character today, the Birkbeck Archway estate became a notorious slum prior to the Second World War — 'one of the worst examples of urban decay in London'<sup>53</sup> — and the subject of a sociological study<sup>54</sup> prior to its clearance and redevelopment in the early 1970s by the Greater London Council.

## **From mutual society to (*ultra vires*) Bank**

The Birkbeck's contribution to London's suburban development was paralleled by a growth in its own institutional significance and influence. Its success, partly due to its solid reputational base within the Birkbeck Institute, was also the result of its ability to adapt pragmatically to market opportunities and a changing financial environment. Initially an agency facilitating the expression of self-help, the Birkbeck became part of a new and overtly commercial phase in the development of the modern building society. At its formation the BLBS incorporated several features of the earlier terminating building societies, not least that land and mortgages were allotted by ballot to members, who were both subscribers and borrowers, for their own occupation.

That identity was quickly broken. As business expanded the BLBS began soliciting deposits from the public. In short it was acting as a bank. Cheque books were issued from 1858.<sup>55</sup> By 1872 the Bank had become the dominant institution, with the Land and Building Societies presented principally as adjuncts to its main business, which it advertised ever more widely in newspapers as well as on bookmarks and theatre programmes. Niche

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<sup>52</sup> Dyos' data for Victorian London suggests that the great majority of builders were small or medium sized, and produced more than half of all houses. (Dyos, 'Speculative Builders')

<sup>53</sup> T.Baker, C.Elrlington, A.Baggs, D.Bolton and P.Croot, Islington; Growth: Holloway and Tollington. In *A History of the County of Middlesex Volume 8: Islington and Stoke Newington Parishes* ed. T.Baker: (1995), 242-60.

<sup>54</sup> J.Rowland, *Community Decay*. (Harmondsworth, 1973)

<sup>55</sup> T.E.Gregory, *The Westminster Bank Through a Century*. (Oxford, 1936).

marketing was accompanied by product diversification, including (from 1874) a property investment trust providing rental income and capital appreciation.

In 1869 the BLBS and other societies formed a trade body, the Building Societies' Association (BSA) to promote common interests and to influence anticipated new legislation. Its Directory articulated the professed social purpose of the movement as '[t]he amelioration of the condition of the working classes of the country' carried out in such a way as

not to lower their self-respect or make them in any way partakers of charity or systematic benevolence. The true and only way to help, in any permanent manner, the working man is, to show him the way to help himself; and self-help is, in our opinion, best aided and encouraged by the Land and Building Societies. [...] In time, saving becomes a habit, and forms the best safeguard against improvidence and intemperance.<sup>56</sup>

This was the same philosophy which drove both the Birkbeck Schools<sup>57</sup> and the Institute itself. However other agendas were also in evidence. In the first issue of the BSA's journal, Ravenscroft was able to declare 'The Birkbeck is the only building society whose annual income exceeds one million'<sup>58</sup> effectively, by this measure, the largest anywhere. Its success produced a surplus of funds for investment. One consequence was that, along with other building societies, it needed to seek new categories of borrower. The underlying rate of owner-occupation was still low and, in London at least, there were enough people in full-time employment who could take advantage of the slump in house prices and building costs to become home owners. Dennis argues that particularly in the economic downturn of the 1890s, building societies became the home for capital that in periods of economic growth was invested in manufacturing.<sup>59</sup>

In 1870 Parliament initiated a Royal Commission on Friendly and Benefit Building Societies. Giving evidence, Ravenscroft was asked how mortgages were allocated. He declared that the Ballot had now become 'an imaginary one. At the commencement of the society we had not such funds as we have now, and therefore we had a ballot every month to determine who should have the money, but now we have sufficient money to advance to all who apply.'<sup>60</sup> The situation was not confined to the Birkbeck. In their second (1872) Report the Commissioners remarked 'So great indeed is the confidence of the public in these societies, that many of them have to resort to various means in order to check the influx of deposits.' The BLBS itself had reduced the rate of interest from 5 to 4 per cent because (Ravenscroft said in his evidence) 'the money was coming in too quickly; but since we have

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<sup>56</sup> Building Societies' Association. *Building Societies' Guide, and Land, Loan, and Investment Directory* (Building Societies' Association, 1869), vii-viii.

<sup>57</sup> Wood's 'Thrift Manual' issued in 1908 bears a striking resemblance to the earlier teaching material produced by William Ellis for use in the Birkbeck Schools. (E.Wood, 'Building Societies', in *Thrift Manual for the use of teachers in primary schools*. 1908, 133-45)

<sup>58</sup> Building Societies' Association. *Building Societies Gazette and Investment Advertiser for Provident, Friendly and Insurance Societies* (1869), rear cover. The journal was renamed the Mortgage Finance Gazette in 1991.

<sup>59</sup> R.Dennis, *Cities in Modernity. Representations and Productions of Metropolitan Space 1840-1930*. (Cambridge, 2008), 202-3.

<sup>60</sup> Commissioners on Friendly and Benefit Building Societies, *Second Report*, 229.



reduced the rate of interest we have not found that the deposits have fallen off in the least.<sup>61</sup> The BSA declared that this flood of deposits would significantly add to the society's profits.<sup>62</sup> Objectively, the BLBS, beyond its declared objectives was, along with other lenders funding suburban developers, contributing to what Harvey terms a 'spatial fix' for the mid-to-late nineteenth century crisis of capital overaccumulation and a declining rate of profit.<sup>63</sup>

The Birkbeck was now speculating on its own behalf. The 1836 Building Societies Act forbade building societies to purchase land, but this restriction was often evaded by funds being advanced to persons not connected with the society or (as in the case of the Birkbeck societies) by land societies and building societies working in tandem. Much of the Birkbeck's development activities took place through the Bank rather than the BLBS. The Leyton Birkbeck estate was originally purchased not by the Land Society but by a developer with an advance from the Bank; the developer was unable to complete the work so the Bank took the estate in hand and developed it as the BLBS would have done. Other estates were developed independently of the BLBS, its Bank merely providing finance, as in Battersea where a landowner created ground rents on his estate, then secured a large loan from the Birkbeck which he then advanced to builders to erect (poor quality) dwellings before going bankrupt himself.<sup>64</sup>

In all of this activity, the Bank had no formal existence in law. This ambivalent status was to the Birkbeck's advantage. Competition between banks and building societies was significant, and many investors preferred to put their money in building societies (where money was secured on property) than in more volatile investments. But building societies - whether friendly societies under the 1836 Act or incorporated under the 1874 Act - did not have the flexibility of a bank. By presenting itself both as a bank and a building society the Birkbeck had the best of both worlds. At the same time its 'commercial' stance enabled it to distance itself from the sometimes suspect typology of a friendly society.<sup>65</sup> In respect of house building and landlordism – both financially precarious activities – the initial risk was borne by the borrower.

The main risk to the Birkbeck was of an unexpected 'run' by depositors. The challenge was not just to avoid 'sub-prime' lending but to ensure sufficient funds were available to meet fluctuations in depositors' withdrawals. The Birkbeck did this initially by speculating directly on short term returns and (for the longer term) by investing in Consols.<sup>66</sup> In 1891, regarded as a building society, the Birkbeck was still by far the largest anywhere.

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<sup>61</sup> Ibid, 15, 226.

<sup>62</sup> *Building Societies' Guide* (1871), 5.

<sup>63</sup> D.Harvey, *The Urbanisation of Capital: Studies in the History and Theory of Capitalist Urbanization*. (Oxford, 1985).

<sup>64</sup> C.Thom (ed), *Battersea. Part 2: Houses and Housing* Survey of London 50 (New Haven, 2013), 81.

<sup>65</sup> S.Cordery, 'Friendly Societies and the Discourse of Respectability in Britain, 1825-1875'. *Journal of British Studies* 34, 1 (1995) 35-58.

<sup>66</sup> In 1892, at the time of its first 'run' the Birkbeck had less than 10% (under £500,000 of its £6million assets) in 'genuine mortgages'. H.Bab, 'The Evolution of the British Building Society'. *Economic History Review* 9, 1 (1938), 62.

Regarded as a bank, it was reckoned by the Economist to be the sixth largest in the country, 'the Bank of England, National Provincial, London and County, London and Westminster, and Lloyds alone having larger funds.'<sup>67</sup>

## Engels, pianos, and the 'housing question'

Contemporary observers saw its activities as a mark of progress; 'The Birkbeck Bank affords another illustration of the general advance. [...] Such Institutions have specially aided the independent class which has "neither poverty nor riches" and which has so largely increased during the present generation.'<sup>68</sup> They were also being claimed as a means of tackling the growing problem of overcrowded and unsanitary living conditions for the urban poor.

Irrespective of their success or failure as business enterprises, the BLBS and its associated ventures were not without critics.

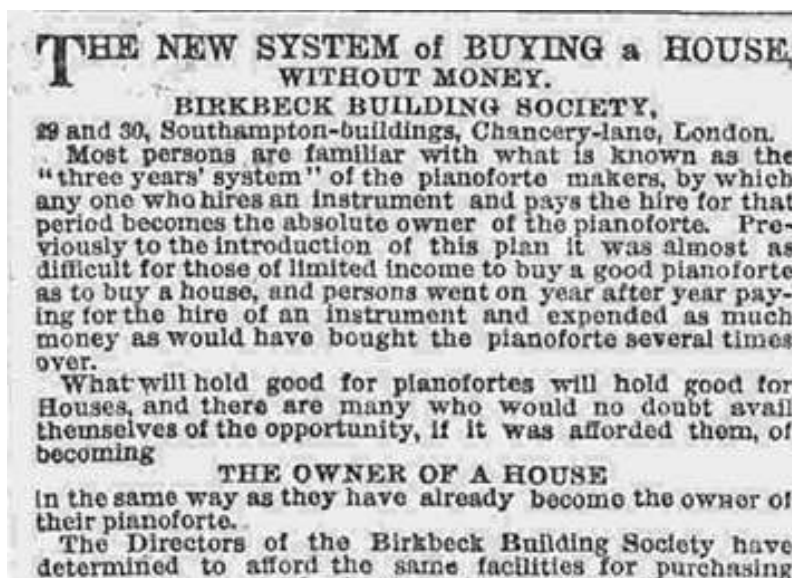


Figure vi. 'The New System of Buying a House Without Money'. Advert placed by the Birkbeck Building Society in The Sporting Gazette 24th October 1874. The text is quoted verbatim by Friedrich Engels in The Housing Question (1877). Much of the Birkbeck's lending would today be considered sub-prime. Whilst the advert is directed at aspiring house owners it also offers the possibility of property speculation. In a wider context building societies offered a 'spatial fix' for capital overaccumulation and a declining rate of profit.

Most internal criticism - once initial opposition to the establishment of the BLBS (and to the Birkbeck Schools) had been overcome - seems to have been focused on overcrowding consequent on their occupancy of the BLSI's premises. Entrance to the lecture theatre and teaching rooms was through the Bank which took up the whole of the ground floor of the original LMI building, compromising its use for teaching. Becker, visiting in 1874 describes it

<sup>67</sup> Ashworth, 45.

<sup>68</sup> R.Hamilton, 'Thrift in Great Britain'. *Economic Journal* 2, 6 (1892), 290-301.

as 'cooped up in a narrow space, crowded nightly from garret to cellar.'<sup>69</sup> The London chronicler W P Ridge enrolled as a student in 1882. Forty years later he recalled how the Bank's occupation impeded movement about the warren of rooms.<sup>70</sup>

Others however, questioned the political role of land and building societies, seeing them as a vehicle for their proprietors' profitable speculation and (as Hodgskin and Robertson had in the mid-1820s seen Birkbeck's Institute) as a route to security and advancement for only a minority of better off workers and a distraction from the need to remove the causes of poverty. Friedrich Engels in 1844 had written off mechanics' institutes as useless 'organs of the middle classes', designed to make students 'subservient to the existing political and social order' (adding hopefully 'Of course the vast majority of the workers will have nothing to do with these institutes').<sup>71</sup> A quarter of a century later, he chose the Birkbeck as the focus of his attack on those who saw building societies as a solution to the problem of inadequate housing, arguing that they were relevant only to those who already enjoyed financial security.

Quoting extensively from a widely placed BLBS advertisement (figure vi) in which buying a house on mortgage is likened to the hire-purchase of a piano 'with which most persons are familiar' Engels declares: 'These building societies are not workers' societies, nor is it their main aim to provide workers with their own houses. On the contrary, we shall see that this happens only very exceptionally.' The bigger societies in particular may be 'sometimes formed under political or philanthropic pretexts, but in the end their chief aim is always to provide a more profitable mortgage investment for the savings of the petty bourgeoisie, at a good rate of interest and the prospect of dividends from speculation in real estate.'<sup>72</sup>

There are clear parallels here with earlier critiques of the LMI for having betrayed the ideals of its founders and these resurfaced. Becker was disappointed to find 'no trace of the artisan or his helpmate [...] I should like to have seen a little more of the genuine mechanic.'<sup>73</sup> The BLSI and the BLBS were in practice catering for a growing middle class rather than the manual working classes for whose benefit the LMI at least had been originally conceived. In some ways, this situation was inevitable; both Institution and the Societies may have been founded with good intentions (though those intentions were contested by those who believed that social change was a higher goal than self-improvement). But most advantage was taken of them by those who had the means to do so. Inkster declares that 'If we define the London Mechanics' Institute in terms of either the functions it propounded or

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<sup>69</sup> B.H.Becker, *Scientific London*. (1874, facsimile 1968), 214.

<sup>70</sup> W.P.Ridge, *A Story Teller: Forty Years in London*. (1923).

<sup>71</sup> F. Engels, *The Condition of the Working Class in England*. 1844 trans. by W.O.Henderson and W.H.Chaloner. (Oxford, 1971), 271.

<sup>72</sup> F.Engels, *The Housing Question*. 1870 (Moscow, 1970), 58-60.

<sup>73</sup> Becker, 209, 14.

the functions it fulfilled, it appears that it was a middle-class social institution from the beginning.<sup>74</sup>

Throughout however, there was resistance from those who retained the broader aspirations and motives of social reform. At the same time as Engels used the Birkbeck Building Society as the focus of his attack on reformist approaches to the improvement of living conditions for the urban poor, radicals and traditionalists associated with the LMI were trying – once again – to secure a reorientation of its mission to what they saw as the ideas and values of its founders. The 1870s saw several attempts to secure greater representation of workers within the Institute's student body and in its governance. Sidney Webb, who joined the Institute as a student in 1868 and who himself condemned the Land Plan as 'an ignoble scramble for the ownership of small plots of land'<sup>75</sup> was one of those who tried to secure reforms to the Institute's governance and curriculum in line with its founding purpose.

## **The Birkbeck 'phantasmagoria'**

In 1877 a further financial crisis hit the Birkbeck Institution and an appeal for funds failed. Ravenscroft arranged for the Birkbeck Bank to purchase the whole of the Institute's Holborn premises. At the same time he launched an appeal for donations towards the cost of new buildings for the Institution (raising nearly £4,000) and guaranteed the remainder himself. In 1883 the foundation stone was laid of new premises on the corner of Breems Buildings and Fetter Lane and in 1885 the Birkbeck Literary and Scientific Institution (an advert for which featured for the last time in the Birkbeck Bank's *Almanack* for that year) moved to its new home, where it remained until moving again in 1951 to its present building in Malet Street.

In 1907 the BLSI's name was changed formally to 'The Birkbeck College'. George Norris was appointed Principal.<sup>76</sup> An employee of the BLBS and an 'advanced liberal' when appointed Secretary of the BLSI in 1866, Norris was now a 'moderate Conservative'.<sup>77</sup> The College began to offer courses for University of London awards (and was eventually admitted as a College of the federal University in 1920).

Throughout this period the BLBS, trading under the name of the 'Birkbeck Bank' which now occupied the whole of what had become known as 'Birkbeck Buildings' continued to prosper. Growth was only briefly interrupted by the first 'run' on the bank (figure vii) which occurred in September 1892. The decade either side of 1900 was a high point in its fortunes.

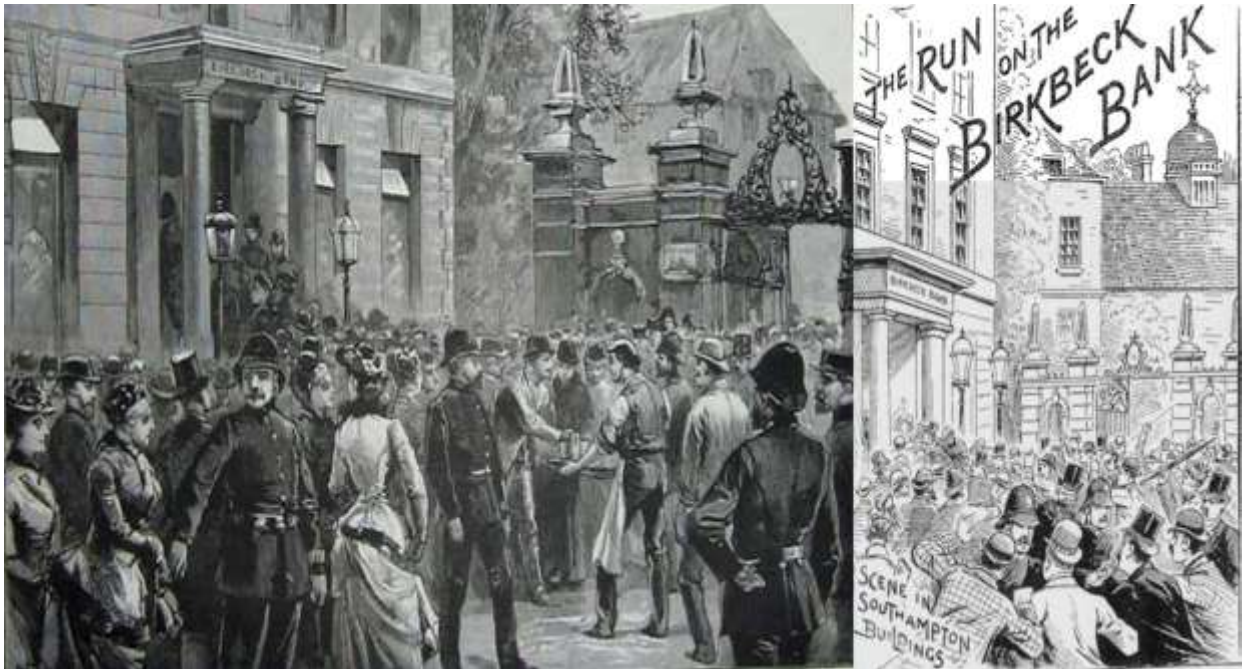
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<sup>74</sup> Inkster, 286.

<sup>75</sup> S.Webb, *The History of Trade Unionism* (1911), 160. In October 1880 Webb led a group of protesting students to try to secure nomination on the Management Committee, but failed.

<sup>76</sup> T.Kelly, *George Birkbeck, Pioneer of Adult Education*. (Liverpool, 1957), 204.

<sup>77</sup> C.D.Burns, *A Short History of Birkbeck College*. (1924), 98.



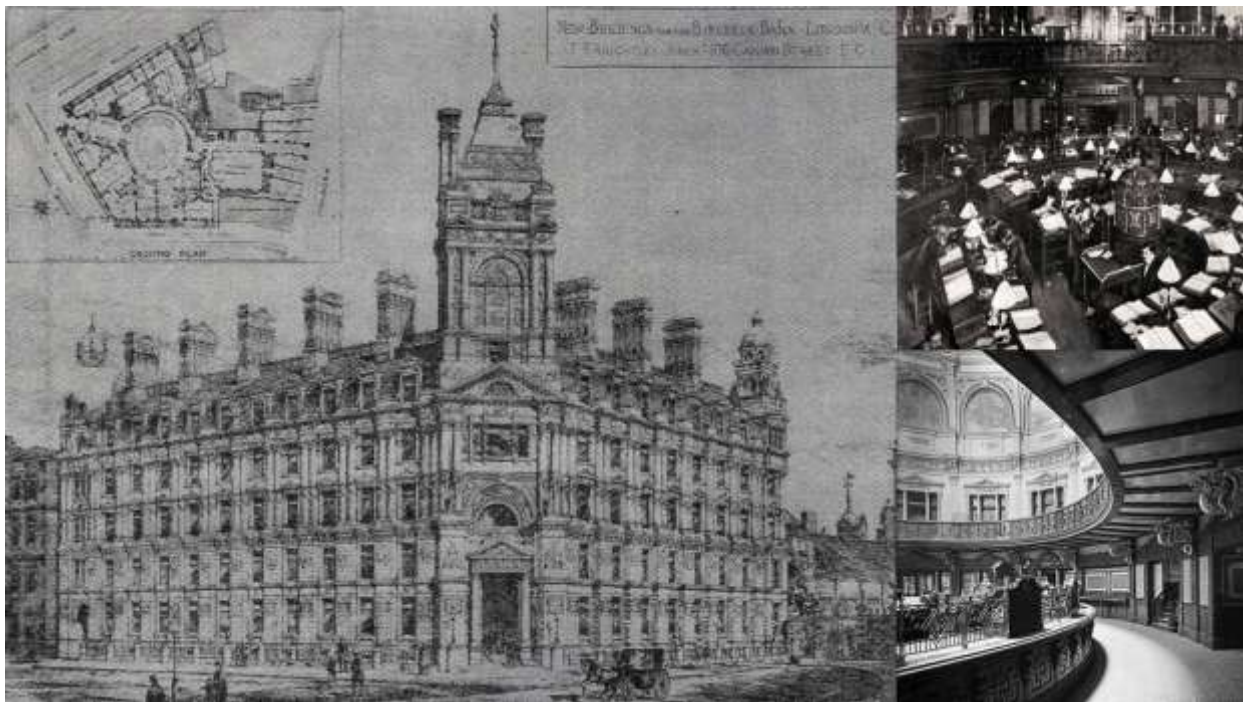
**Figure vii.** The 1892 ‘run’ on the Birkbeck Bank as seen by the *Illustrated London News* (17 September, left) and by the *Police Gazette* (24 September, right). The porch with the Bank’s inscription is a post-1885 addition to the original 1824 LMI façade shown in figure ii.

In 1895-6, Southampton Buildings, the LMI’s original home, was demolished together with most of the adjacent buildings that had been acquired by Ravenscroft since the establishment of the BLBS in 1851. In their place, Ravenscroft commissioned the erection of new premises to the designs of Thomas Knightley who had been engaged in 1851 as the surveyor for the BLBS (and in 1862 had designed the gothic Birkbeck schools in Kingsland, Hackney — still standing as Colvestone Primary School) and who had already achieved prominence for his design for Queen’s Hall.<sup>78</sup>

The new Birkbeck Bank (figure viii), constructed between 1896 and 1902, was an enormous undertaking built to rival Waterhouse’s nearby Prudential building (which had been started six years before in 1879 and which would not be completed until several years after the Birkbeck). By the time of its construction, the dominance of the Bank of England (and of London private bankers) in the London money market had long since been broken. Black characterises the boom in city bank construction from 1833 (when joint stock deposit banks were finally allowed in the city) as ‘not merely a passive reflection of the concentration of money power in a particular space’ but also ‘symbolic capital seeking legitimation and authority for a new form of the money economy.’<sup>79</sup>

<sup>78</sup> Built 1891-3 in Langham Place and acoustically perfect without the Royal Albert Hall’s annoying echo, this was the home of London’s Promenade Concerts until it was destroyed by a bomb in 1941.

<sup>79</sup> I.S.Black, ‘Symbolic capital: the London and Westminster Bank headquarters, 1836–38’. *Landscape Research* 21, 1 (1996), 55-72, 69.



**Figure viii.** The south and west fronts of the Birkbeck Bank (above, left). The tower of the nearby Prudential building can be seen in the background to the right, above Staples Inn. (Right) detail of its central hall or telling room. Illustrations from N.Taylor, 'Ceramic Extravagance' *Architectural Review* 138, 825 (1965): 320 © *Architectural Review* and reproduced by kind permission of *Architectural Review*. 'The Birkbeck' was variously described as 'a phantasmagoria', 'the greatest single extravaganza of central London' and 'a sort of pictorial Samuel Smiles'.

A half-century later, the Birkbeck Bank became the antithesis of the 'private world' of banking 'houses', and can be seen, like the neighbouring Prudential, as constitutive of newer forms of symbolic capital and space<sup>80</sup> not only in its physical prominence and the technical aspects of its construction but in its setting (beyond the boundaries of the City) and in the breadth of its clientele. In the case of the Birkbeck, however, an additional element of explicit symbolism was asserted by the bank's location on the site of the original LMI and by the incorporation of iconography of useful knowledge and self-help into the physical structure of the building.

Occupying the triangle between High Holborn, Staples Inn and Southampton Buildings (parallel with Chancery Lane) the new building took up more than an acre. Technically advanced, it was a very early example of a steel-framed building, with floors of concrete and iron doors to isolate each part of the structure in the event of fire. There were four hydraulic lifts, the building was lit by electricity (generated on the premises) and heated by steam radiators; water was pumped from a well within the building itself. The four grand staircases (where the visitor could look from the ground floor to the highest level without obstruction) included spacious landings, from which corridors led to some 400 office rooms

<sup>80</sup> Black, 'Spaces of capital', 354.



for rental<sup>81</sup> in addition to those used for the Bank itself, most facing external reflectors to admit the maximum natural daylight. The building was designed as a major commercial centre, one of the first such to be constructed for multiple occupancy and was open to the public with several entrances and a thoroughfare leading through its entirety.

The building itself became as well known as the institution of the bank for its architectural extravagance, not least for its central banking chamber — a magnificent circular domed room considerably bigger than the main room in the Bank of England.<sup>82</sup> A feature was its ceramic decoration, inside and out. This latter made use of the Doulton Company's novel Carrara Ware — a hard matt-glazed stoneware impermeable to the London atmosphere (used also in the — still-standing — Savoy Hotel) which provided an even more striking example of the first generation of industrialised building materials than the Ruabon bricks and scarlet terracotta of the Prudential.

'The Birkbeck' was celebrated and condemned in equal degree. Nikolaus Pevsner called it 'a phantasmagoria'.<sup>83</sup> On the eve of its demolition in 1962 it was described in the *Architectural Review* as 'the greatest single extravaganza of central London.' The emblem 'B' — 'literally a bee for Birkbeck'<sup>84</sup> could be found everywhere, inside and out, together with medallion portraits of Bessemer, Brunel, Edison, Flaxman, Hazlitt, Lamb, Leonardo da Vinci, Michelangelo, Pugin, Raphael, Stephenson, Tennyson, Villiers, James Watt, a 'Venetian Banker', and of course of George Birkbeck himself.

In the choice of imagery, the new Bank reproduced the educational themes of the old LMI, which it had replaced. It also echoed the illustrations of the early *Mechanics' Magazine's* first issue (in which Hodgskin and Robertson's call for a London Mechanics' Institution was first made) which featured on its frontispiece an engraving of Hermes (or Mercury) flanked by pillars bearing the names of Watt, Stanhope, Smeaton, Ramsden, Worcester, Newton, Priestley, Fulton and Rennie — all below the motto 'Ours and For Us'.<sup>85</sup>

The location of the Birkbeck's new headquarters — outside the City, and on the premises of the LMI — emphasises the novelty of the Birkbeck's enterprise, its wealth representative not of landed, industrial or commercial capital but of the small savings of ordinary people. The great phase of Victorian bank building in the City was in decline after 1870, switching to branch banks in the suburbs and provinces to capture the new market for

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<sup>81</sup> Plans for the bank are presently lodged in the archives of the Royal Bank of Scotland. BIR/13 shows a Schedule of annual rents of 387 rooms (in addition to the bank's own premises) on 4 floors, of which most are let, most at yearly rentals between £10 to £60 with some as high as £300.

<sup>82</sup> *The British Architect* June 27 1902: 464.

<sup>83</sup> N.Pevsner, *The Buildings of England: London 1 The Cities of London and Westminster*. (Harmondsworth, 2<sup>nd</sup> Edition 1962), 377.

<sup>84</sup> N.Taylor, 'Ceramic Extravagance:'. *Architectural Review* 138, 825 (1965): 320.

<sup>85</sup> *Mechanics' Magazine*, Saturday March 6 1824.

deposit banking amongst the middle classes.<sup>86</sup> Symbolically, the Birkbeck was asserting the importance of this new market (as the Prudential was doing next door in assurance).

Well before the opening of Birkbeck 'phantasmagoria' the Bank had already secured an important position – iconically, as well as materially and financially – within the London area. Dark in *Living London: Its Work and Its Play* uses the 'well-known' Birkbeck Bank as an example of 'London Thrift'.<sup>87</sup> The name of the Birkbeck became associated – more than any other bank – with the small saver; Baroness Orczy used it to give colour to the murder of the 'quiet, respectable Mrs Owen' whose life savings in the Birkbeck totalled 'some £800, the result of twenty-five years' saving and thrift.'<sup>88</sup> Turner's *Money London* pointed out the consequence: 'not one bank is like any other as regards the nature of its business. Some need a large stock of ready money. The Birkbeck Bank, with its hosts of small accounts is one of these.'<sup>89</sup>

This last feature proved to be the Birkbeck's undoing. A run on the Bank in November 1910 was precipitated by rumours fostered by an anonymous circular linking the failure of the Charing Cross Bank to the Birkbeck and a pamphlet written by the son of one of the BLBS's former directors, whose name remains celebrated in Mulkern Road, Archway, accusing Ravenscroft, its late Manager, of misappropriation of funds.<sup>90</sup> The run was stemmed only by the intervention of the Bank of England which guaranteed the Bank's survival by advancing £½ million in gold to save the Birkbeck from collapse.

Six months later a further crisis proved fatal. The bank failed in June 1911 with liabilities of nearly £11 million, a significant proportion of the total national building society assets at the time of some £76m. Land and buildings however formed only about 7% of the Birkbeck's assets. The final stage of Birkbeck Bank's physical presence was concluded in 1962 when its ornate headquarters were demolished (figure ix) and replaced by the modernist National Westminster House.

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<sup>86</sup> Summerson, 'Victorian rebuilding'.

<sup>87</sup> S.Dark, 'London Thrift', in *Living London: Its Work and Its Play. Its Humour and Its Pathos. Its Sights and Its Scenes Vol II*, ed. G.R.Sims (1902), 254-60, 260.

<sup>88</sup> B.E.Orczy, *The Old Man in the Corner*. (1909).

<sup>89</sup> C.C.Turner, 'Money London', in *Living London: Its Work and Its Play. Its Humour and Its Pathos. Its Sights and Its Scenes Vol III*, ed. G.R.Sims (1903), 88-93, 88.

<sup>90</sup> R.Mulkern, *Birkbeck Bank Revelations*, (1912). Mulkern's accusations are vague and almost certainly without foundation.





**Figure ix.** (a) The central banking hall and great dome of the Birkbeck Bank revealed during its demolition in 1962, from N.Taylor, 'Ceramic Extravagance' *Architectural Review* 138, 825 (1965): 320 © Architectural Review and reproduced by kind permission of Architectural Review. (b) its Holborn frontage shortly after completion c. 1903 © Birkbeck, University of London and reproduced by kind permission of Birkbeck College. (c) its replacement, the National Westminster building in 2013. The NatWest building is constructed to the same footprint as its predecessor and the floor plan is remarkably similar.

## Conclusion

Little remains today of the physical or financial fabric of the BLBS (which is now a largely forgotten constituent of the Royal Bank of Scotland) or its Bank. Their activities however are manifest in London's suburbs, often signified by place names whose wide distribution attests to their role (amongst other comparable bodies) in transforming the landscape of Victorian London.

Apart from toponyms, the Birkbeck estates have little to differentiate them from other, essentially speculative, developments of the period, at least in comparison with the estates of MDCs, many of which retain a sense of sometimes distinctive architectural identity (and in some cases their social facilities). They were designed with no social facilities (except for their pubs) and generally lack any clear architectural unity, presenting an assortment of style and construction. The top-down planned estates of the MDCs and the more distributed (and

architecturally uncoordinated) activities of the Birkbeck represent contrasting spatial and visual contributions to the London landscape corresponding to somewhat different ideological faces of quasi-philanthropic endeavour in the provision of working-class housing.

While those physical elements of the Birkbeck's activities which survive – the estates and the houses that were built upon them – are in visual terms at least, so unremarkable, the same could not be said of the Birkbeck's most striking physical expression – its headquarters on the LMI's former site at High Holborn. That the latter, with its extraordinary symbolism, is now replaced by the present quite nondescript commercial building (housing a variety of organisations including offices of British Land) is perhaps itself symbolic of the assimilation of what was an assertively progressive ideology of self-help within a normalised rationale of financial capital.

In contrast to the BLBS and Bank, Birkbeck Institute does survive today, arguably in as good health as at any time in the past, largely through the agency of the Bank and its manager, as London University's specialist provider of part-time education. Curiously, although published histories of the College feature the name of Francis Ravenscroft, the connections with the Birkbeck Bank, Land and Building Societies are rarely mentioned. Burns' centenary history of Birkbeck College and Kelly's biography of George Birkbeck each do so only once, Burns declaring that 'Except in name, the Institution and the Bank were quite unconnected'<sup>91</sup> and Kelly suggesting that Birkbeck's name was adopted 'as a guarantee of integrity'.<sup>92</sup> However it is clear that the use of Birkbeck's name was more than merely promotional and that the Birkbeck Institute and 'the Birkbeck' had a close relationship in more than name. For more than a third of a century, from the latter's formation in 1851 until 1885, the two enterprises shared the same premises, had overlapping governance and provided reciprocal benefits – financial on the one hand and ideological on the other. Their public face, at least until 1885, presented the Institute, the Schools and the Societies as an ensemble of facilities serving a joint social purpose. Ravenscroft's leadership of the LMI and (at least in their initial phases) his promotion of the Land and Building Societies were part of the same world-view as the person whose name they celebrated (and, more importantly, of the Benthamites who had come to dominate the LMI) of social progress through personal advancement.

That the Birkbeck Institute survived is the consequence of a common liberal - Utilitarian orthodoxy, proclaiming collective benefit through self-interest, which was at times hotly contested by the radical representatives of the social classes that both Institute, and later its Societies, were initially formed to assist. Engels' criticism of the BLBS – that it catered only for the more affluent sections of the working class – was paralleled by criticisms of the LMI which had dogged it from the start. In the case of the Institute however the

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<sup>91</sup> Burns, 84.

<sup>92</sup> Kelly, *George Birkbeck*, 201. Kelly states, incorrectly, that the Westminster Bank took over the Birkbeck Bank in 1909.

challenges went well beyond the class composition of its student constituency, to include major disputes over the curriculum (particularly in regard to the teaching of political economy) and control.

The success of both 'Birkbecks' was, following the collapse of Chartism, part of a major reconfiguration of mid-Victorian liberalism. It is perhaps a measure of the degree to which their success was part of a wider social restructuring that criticisms of the building society movement were primarily focused on issues of governance<sup>93</sup> and on their effectiveness in providing mass affordable housing — and, for the BLBS, its occupation of the LMI's building. In 1850 Sikes argued that had savings banks been established in mechanics' institutes earlier, social unrest fomented by 'the discontented, the dangerous classes' would have been avoided.<sup>94</sup> Samuel Smiles, praising Sikes, declared that ownership of property makes men 'steady, sober, and diligent. It weans them from revolutionary notions, and makes them conservative.'<sup>95</sup> Yet whilst many representatives of Sikes' 'discontented classes' might have agreed with Smiles, there was little ideological criticism of the BLBS or indeed of building societies in general of the sort that Webb later levelled against the Birkbeck's Chartist predecessor.

For the Birkbeck (as for the Institute) self-help was a process, not an end-state. Unlike the MDCs it was not overly concerned what affordable housing (as, for the Institute, society more generally) might be *like*. The Birkbeck 'phantasmagoria' represented in symbolic form the values underlying the processes that the Birkbeck and its Institution espoused, but it was the estates (and the wider speculative sprawl beyond them) that embodied their outcomes. If the middle-class suburb was 'an invention for accentuating and even refining class distinctions'<sup>96</sup> (an observation which could also be applied to the Birkbeck Institute and its Schools) then the Birkbeck suburban estates achieved this in complex ways. Their occupational diversity and architectural heterogeneity suggests gradations of respectability within a single estate. In Holborn, on the western edge of the City, the imposing edifice of the Birkbeck Bank marked the culmination of its success. Its functional activities were complemented symbolically, not just by its size, location and imagery but also by its physical *accessibility*. For its clients - investors and borrowers – the Bank represented the material embodiment of the purported values underpinning their achievements and new-found status.

Similarly for the re-housed Birkbeck Institute, which the Bank had displaced and whose new premises it had funded, its move represented a new phase, releasing it from what some at least regarded as the handicap of its mechanics' institute origins and affirming

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<sup>93</sup> Especially after the collapse of the Liberator – see fn 17 above.

<sup>94</sup> C.W.Sikes, 'Mechanics' Institutes and Savings Banks'. *The Economist*, 339 (1850), 205, 341.

<sup>95</sup> S.Smiles, *Thrift*. (1892 [1875]), 171.

<sup>96</sup> Dyos, 'Speculative Builders', 370. Dyos adds: 'and a means of putting off for a generation or two the full realization of what was entailed in living in a slum'.

its own credentials as a significant (and respectable) provider of adult and higher education in the metropolis which led in due course to its admission as a College of London University.

From one perspective the interlinked histories of the Birkbeck Institute and of its Societies represent a narrative of radical ideals corrupted by existing relations of power and wealth. From another, they demonstrate the virtues of pragmatism and compromise. Either way, they illustrate the at least partial eclipse of a radical challenge to inequalities of economic power and social class by a dominant liberal discourse which presents housing as the bedrock of a 'participative' and education of a 'deliberative' democracy.

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