Ian Packer analyses the interwoven careers of two committed Liberals: Joseph Rowntree (1836–1925), founder of the family confectionary firm and the Trusts that still bear his name; and his son, Seebohm Rowntree (1871–1954), the businessman and social investigator, best known as the author of Poverty: a Study of Town Life (Macmillan, 1901). Unique and many-sided individuals, there was nobody else quite like them – though their enthusiasm for the collection and analysis of statistics helped to usher in a time when social investigation would be professionalised and impossible to combine with running a major industrial enterprise.
The name Rowntree was familiar in two contrasting places for much of the twentieth century. The first was as the manufacturer’s name on some of Britain’s best-selling sweets and drinks, such as Elect cocoa, Rowntree’s pastilles and fruit gums and, from the 1930s, well-known chocolates like Kit Kat, Aero and Smarties. The second place was on the covers of serious-minded investigations of social conditions in weighty books and reports. The two were linked together by the remarkable figures of Joseph Rowntree and his son, Seebohm. Joseph was the effective founder of the family firm of cocoa, chocolate and sweet manufacturers and of the Joseph Rowntree Trusts that have become well known for their charitable and political donations and contributions to social policy and research. His son, Seebohm, succeeded him as chairman of the firm and became one of the most famous pioneers of social investigation, particularly in the field of poverty. Lady Megan Lloyd George even called him ‘the Einstein of the Welfare State’ in a broadcast on 3 March 1935. But these are only the best known of the two men’s multi-sided activities, which touched some of the most important areas of twentieth-century life and thought and intersected closely with developments in Liberalism.

**A family firm**

Joseph Rowntree was born at York on 24 May 1836. He was the second son of another Joseph Rowntree, a relatively wealthy and well-respected wholesale grocer in the city, and Sarah Stephenson, whose family came from Manchester. Both of young Joseph’s parents were Quakers and he was brought up in their faith, attending the Quaker institution, Bootham School in York, until he was fifteen, when he became an apprentice in his father’s business. Joseph and his elder brother inherited this concern on their father’s death in 1859, but Joseph left ten years later to go into business with his younger brother Henry, who had bought the cocoa and chocolate manufacturing side of another firm of York Quakers, Tuke & Co., in 1862.

Henry’s business was small-scale and concentrated on making Rowntree’s Prize Medal Rock Cocoa. He employed only a dozen or so workers, plus a temperamental donkey for deliveries and a parrot, whose duties were unspecified. Henry also seems to have been in some financial trouble when Joseph agreed to sink his capital in the firm and become a partner. Joseph was soon the driving force in the business, even before the easy-going Henry’s death in 1883. He gradually built the firm up, relying on his formidable accounting skills to control costs and slowly learning to master and refine the production process.

Joseph was obsessive about the quality of his products, urging his office staff to ‘have a nibble, now and again’ to test them. The turning point for the firm was the decision to manufacture fruit pastilles in 1881 – then a novelty in Britain. By the late 1880s the business was expanding rapidly and a new site on the outskirts of York was purchased in 1890. The 1890s proved to be boom years for Joseph, and his business started to compete in some of the biggest consumer markets, especially through its promotion of Elect cocoa as a quality product for the masses. In 1902 the firm had over two thousand workers and was becoming a well-known brand name throughout Britain.

By this time Joseph was sharing the control of the business with a younger generation of Rowntrees. He had married twice. His first marriage, on 15 August 1862, was to Julia Seebhomm, the daughter of a German Quaker who had settled in England. She died in 1863, leaving a daughter who did not survive childhood. When Joseph married again, on 14 November 1867, it was to Julia’s cousin, Emma Antoinette Seebhomm (1846–1924). In contrast to her cousin, Emma only became a Quaker on her marriage and was entirely German by birth and upbringing. She and Joseph had four sons and two daughters.

**The two men’s multi-sided activities touched some of the most important areas of twentieth-century life and thought and intersected closely with developments in Liberalism.**
All four sons eventually joined their father in the business, as did three of Joseph’s nephews and both his sons-in-law, allowing him to keep its expanding operations strictly under family control. When Joseph turned his firm into a limited company in 1897, Rowntree & Co. had only one non-family director. Joseph’s heir was expected to be his eldest son, John Wilhelm Rowntree (1868–1905), but ill-health forced his retirement in 1899, leaving his second son, Benjamin Seebohm Rowntree, as his father’s deputy and heir-apparent – though Joseph did not finally retire until 1923, at the age of eighty-seven. He died two years later, on 24 February 1925, at his home in York.

Seebohm (as he was always known) was born in York on 7 July 1871. He followed his father to Bootham School between 1882 and 1887, and then spent five terms (though he did not take a degree) studying chemistry at Owen’s College, the forerunner of Manchester University. Joseph tended to assign the younger Rowntrees to particular areas of the business and he intended Seebohm to take charge of research and development. Seebohm started work for his father in this capacity in 1889 and became a director in 1897 when the firm became a limited company. In the latter year he married Lydia Potter (1870–1944), a member of a well-known family of Middlesbrough Quakers. She and Seebohm had four sons and a daughter, though only the eldest son, Peter (1904–85), followed the family tradition and became a director of Rowntree & Co.

Joseph was always known as an employer whose deeply felt Quaker faith motivated him to show a genuine concern for his employees and their welfare. As the firm grew he could no longer maintain a personal interest in all his workers and his beliefs were translated into an early form of corporate welfare. An eight-hour day was introduced in 1896, a works doctor in 1904 and a pension scheme in 1906. Seebohm shared his father’s unobtrusive Quaker commitment and, as the first head of the firm’s labour department, a post he kept until his retirement, he was closely involved in all these developments. In themselves they were not unique. Many confectionary manufacturers in Europe and North America (like the Rowntrees’ rivals and fellow-Quakers, the Cadburys) had reputations as ‘good’ employers because it made economic sense to develop an experienced and committed workforce in a consumer industry that produced for the domestic market and was not subject to violent fluctuations of demand.

Joseph and Seebohm continued to develop their welfare policies to adapt to changing times. Works councils were introduced in 1916, a form of unemployment insurance in 1921 and profit-sharing in 1923. These policies were maintained despite increasing financial difficulties for Rowntree & Co. in the depression of the 1920s. The company did not turn the corner until the development...
of new lines of chocolate bars in the next decade.

Seehorn did not keep developments in the firm’s welfare policies to himself. During the inter-war period, as well as running Rowntree & Co. from 1923 until his retirement as managing director in 1936, he became one of the first and foremost exponents of theories of management and labour relations. His most important publication in this field was *The Human Factor in Business* (Longmans, 1921), which urged the importance not just of good wages and conditions, but attention to the aspirations and status of a firm’s workers in promoting efficiency and industrial conciliation. Seehorn tirelessly propagandised against wage cuts as the response to depression and in favour of a more ‘scientific’ approach to management which concentrated on lowering other costs of production, through cost accounting, business research and forward planning. This work effectively updated and generalised his father’s approach to business and proved one of the first major contributions to management studies in Britain. His emphasis on labour-management co-operation gained Seehorn a widely respected reputation as a conciliator in industrial relations, and he played a part behind the scenes in trying to end such major disputes as the 1919 railway strike and the 1926 coal strike.

### Drink and poverty

Joseph Rowntree, like his son, was a man whose interests ranged far beyond his firm. His Quakerism led him into various forms of social service and contact with York’s poor, especially through teaching in the Society’s adult schools, but his flair for accountancy was part of a passion for statistics and he also began to collect figures about the wider context of social conditions. In 1864–65 he wrote two lengthy unpublished papers which gathered together and analysed existing statistics on pauperism, illiteracy and crime. At this time Joseph got no further than blaming the Established Church for social ills, but he returned to the questions he had raised when he had more time on his hands in the 1890s.

Joseph, like many late Victorian Nonconformists, had gradually become a total abstainer from alcohol (probably in the 1870s) and a passionate believer that drink was an important cause of poverty and misery. This opinion was widely shared in the late nineteenth century Liberal Party, which became closely associated with the attempt to impose legislative restrictions on drinking. To propagate his views, Joseph embarked on a programme of research with a well-known social investigator called Arthur Sherwell (later Liberal MP for Huddersfield) and together they produced *The Temperance Problem and Social Reform* (Hodder & Stoughton, 1890), the first of five books they co-wrote in seven years on the drink issue. Joseph argued against prohibition and in favour of restricting alcohol sales to a state-run monopoly (the ‘Gothenburg system’), together with the creation of alcohol-free ‘people’s palaces’ as alternatives to pubs. These plans contradicted the more common views in temperance and Liberal circles that local authorities should be able to ban alcohol sales in their area, or that magistrates should concentrate on reducing the number of public houses.

This strain of puritanism was reflected in policies at Rowntree & Co., which severely discouraged drinking, gambling and illicit sex among employees. This was not entirely successful, though, and Joseph discontinued the firm’s outing to Whitby for some years, after an incident when many of his workers became incapable with drink and had to be escorted to the train by the police at the end of the day.

Seehorn, too, was a campaigner against alcohol, though he was better known as an opponent of gambling – he edited a book on the subject in 1905 and was a leading light of the National Anti-Gambling League. In one of his later publications he inveighed against the cinema and the dance hall as part of ‘a new social problem which urgently calls for solution’.

Both Joseph and Seehorn believed, in a way typical of Nonconformists of their era, that leisure should be used for moral and practical improvement, not wasted on harmful self-indulgence. Joseph’s home contained a great many books, but very few pictures, and he had no interest in music. His only known recreation was to take a walk along the coast at Scarborough on Saturday afternoons, with some apples and ginger biscuits for his lunch. Seehorn only relaxed his father’s austere standards to the extent of taking an active interest in the theatre in later life.

But Joseph’s temperance views also contained the seeds of Seehorn’s work on poverty, first and most famously demonstrated in his book, *Poverty: a Study of Town Life* (Macmillan, 1902). This struck out in a new direction by analysing the extent and some of the causes of poverty in York. Seehorn often said that he was inspired by Charles Booth’s survey of poverty in London, but the research for the book overlapped with the writing of Joseph’s work on temperance, and Seehorn and Joseph probably influenced each other’s work profoundly. One of Joseph’s arguments in *The Temperance Problem* was that drinking was the result of the narrowness and deprivations of urban living and that policies were needed to ‘dry up the springs from which intemperance flows’, as well as to control the drink trade.

The public needed to be impressed with a ‘vivid realisation of these conditions’, and this is just what Seehorn’s book did, demonstrating that he was quite as obsessed with the meticulous presentation of statistics as his father. *Poverty* estimated how many people in York were in want on the basis of a visit to every working-class household...
in the city by one of Seebohm’s researchers. Seebohm then calculated wage levels throughout York for every working-class occupation and compared these with his own tabulation of the cost of food, rent and clothing needed to keep a family in what he described as ‘physical efficiency’. His conclusions were startling – 10 per cent of York’s population were in ‘primary poverty’, receiving inadequate incomes to maintain themselves, and a further 17.84 per cent were in ‘secondary poverty’, theoretically able to avoid want on the basis of their income, but unable to do so (possibly, Seebohm suggested, through drink and gambling).

Joseph’s work foreshadowed these conclusions. He had used Charles Booth’s figures on London, together with his own work on expenditure on alcohol and calculations of the minimum necessary weekly budget, to conclude that ‘a large proportion of the working class do not receive sufficient nourishment for efficient subsistence; and secondly, that a much larger proportion have absolutely no margin in their weekly incomes for expenditure upon alcoholic drinks’.

Both Joseph’s and Seebohm’s books sold very well and associated the Rowntree name with major controversies. When Seebohm’s older brother, John Wilhelm, was asked ‘Which Rowntree are you?’ he was able to reply unhesitatingly, ‘Oh, the brother of Poverty and the son of Drink.’ But while any need for a state monopoly of alcohol sales was bypassed by the restrictions on licensing laws that were introduced during the First World War, Seebohm’s work was an important contribution to the growing climate of opinion that a good deal of poverty was as much structural as the fault of individuals and required state action to remedy – a conclusion that Seebohm argued extensively in pamphlets, speeches and letters to the press in the 1900s.

Not all of the ideas in Poverty were new, but their presentation in the form of a ‘scientific’ large-scale survey that was accessible to the non-specialist made an impact on public debate and on rising young politicians like Winston Churchill and David Lloyd George. Above all, the book made Seebohm’s reputation as a social investigator and analyst. But while he continued to publish extensively in this field he never repeated the impact of Poverty. Further surveys of poverty in York which he published in 1941 and 1951 only confirmed social changes that were already being widely reported and discussed. But Seebohm remained fascinated by all aspects of society and had interesting things to say in many of his later reports, especially Old People (Oxford University Press, 1947) and English Life and Leisure (Longmans, 1951). However, while Seebohm lost his uniqueness, he retained his reputation as a pioneer and his name is still commonly linked with Charles Booth’s as the men who ‘proved’ the extent of poverty in Edwardian England and so laid the foundations of the welfare state.

Both were committed Liberals, with an intense loyalty to the party as the representative of Nonconformity, temperance and social reform, and they were important background figures in Liberalism.

Politics and the Rowntree Trusts

Neither Joseph nor Seebohm ever considered entering politics – after all, they had enough to do running Rowntree & Co. and pursuing their many other interests. But both were committed Liberals, with an intense loyalty to the party as the representative of Nonconformity, temperance and social reform, and they were important background figures in Liberalism. They were especially influential in their home city, where Joseph was a sometime president of, and major donor to, the York Liberal Association and his nephew, Arnold Rowntree, was Liberal MP for York 1910–18. Various members of the extended Rowntree clan and their friends and associates effectively controlled the local association and the Liberal group on York council in the Edwardian era, as well as being influential in the nearby Thirsk & Malton, Scarborough and Darlington Liberal associations. Several Edwardian Liberal MPs, including James Hogge and Hamar Greenwood, owed their start in politics to Joseph and Seebohm’s patronage. It was not unusual for constituency Liberal parties to be dominated by important local businessmen at this time, but Rowntree influence was more widespread than most before 1914.

However, unlike many other wealthy Liberal businessmen, Joseph did not give large sums to the party’s central organisation – probably because he was not interested in securing any honours for himself or his family. Joseph’s most substantial political donations were at one remove, through the three trusts he set up in 1904 to administer his wealth, in the firm belief that this should be spent on projects of social use, rather than for one man’s benefit. And, initially, the trustees were Joseph’s family and friends, who could be relied on to follow his lead.

The Joseph Rowntree Charitable Trust was the most traditional of the three, and mainly concerned itself with grants to various Quaker activities. But the Joseph Rowntree Social Service Trust was explicitly designed to buy up and support ailing Liberal newspapers – it was deliberately not made into a charity so it could pursue this goal. Joseph was especially grieved by the way popular Tory papers, especially the Daily Mail, had whipped up jingoistic fervour during the Boer War of 1899–1902 – a conflict he, as a Quaker, had heartily disliked. He was determined that the high-minded Liberal press should not be squeezed out by its Tory rivals. This attitude was shared by Joseph’s fellow Liberal, Quaker and chocolate manufacturer, George Cadbury, who bought the Daily News in 1901. It was also welcome news to the Liberal Whips’ Office, which still attached great importance to trying to persuade wealthy Liberals to support the Liberal press.
Joseph’s trust made an important contribution to promoting not just Liberalism in the press, but the New Liberal re-orientation towards social reform in the Edwardian period that Joseph and Seebohm supported. Its most famous acquisition was the weekly, the Nation, which it owned from 1907 to 1923. Under H. W. Massingham, the editor the Trust recruited, it became the house journal of New Liberal intellectuals such as L. T. Hobhouse and J. A. Hobson something that was only possible because of the substantial subsidies which the Trust poured into the paper to cover its losses. The Trust also bought and supported regional Liberal newspapers, such as the Northern Echo and Yorkshire Gazette, though a foray into Fleet Street was less happy.

In 1909 Joseph reluctantly acquired joint ownership with the Cadbury family of the Morning Leader and evening Star papers to save them from the Tories, only to find himself horrified by the costs and by the controversy caused by the racing tips in papers owned by staunch opponents of gambling. He turned the papers over to the Cadburys in 1912 with some relief. This episode was a harbinger of trouble ahead in World War One. The Nation became a bone of contention when Massingham fell out with Seebohm over the editor’s continual criticism of the Lloyd George coalition and the regional press empire started to rack up heavy losses. Joseph agreed to merge the Trust’s newspapers into the Westminster group, headed by Lord Cowdray, in 1921 and disposed of the Nation in 1923 after further rows with Massingham. The Social Service Trust remained a major shareholder in the Westminster group, but after Seebohm became chairman of the Trust in 1938, he scaled down its subsidies to the papers and initiated direct grants to the ailing Liberal Party, starting a tradition that...
continues to this day and making the Trust the Party’s largest long-term benefactor in the post-Second World War era.

The final trust, the Joseph Rowntree Village Trust, took over a plot of land at New Earswick that Joseph had bought near his factory and had been developing since 1901. He intended it to be an ideal community of all classes and proof that high-standard housing could be built cheaply and let at a rent that would allow a return on the capital invested, but also which the poor could afford. In this Joseph was following the example already set by Liberal entrepreneurs such as William Lever at Port Sunlight and George Cadbury at Bournville in providing ‘model’ housing, but New Earswick was never meant to be just for Joseph’s employees. By the 1930s it had grown into an attractive estate of over six hundred houses, but the idea of providing houses the poorest could afford to rent was abandoned in the 1920s as being impossible without a subsidy.

Joseph’s New Earswick experiment was also a reflection of his anti-landowner views and his belief that their refusal to provide enough reasonably priced land for development was behind housing shortages and slum conditions. Seebohm shared this animus and was more productive than that of his anti-landowner views and his belief in the importance of low wages in producing poverty led him to support Lloyd George’s initial idea for a minimum wage for agricultural labourers, but also to persuade him to extend it to the towns. Seebohm also drew on his experience of New Earswick to produce a massive scheme of town planning and high-quality suburban development that was meant to transform Britain’s housing stock. These plans were being accepted by the cabinet when they were abandoned with the onset of World War One. This destroyed Seebohm’s one chance to make a major direct impact on national politics. Though he remained one of Lloyd George’s favourite advisers, his later roles in the Welshman’s schemes were much less central.

As Quakers both Joseph and Seebohm were profoundly depressed by the outbreak of war in 1914, but Lloyd George was still keen to make use of Seebohm’s skills. He first appointed Seebohm director of a new welfare department in the Ministry of Munitions in 1916–17. His main task was to set standards for the employment conditions of women and boys in government-owned factories and to try to persuade the owners of firms undertaking war contracts to adopt these measures voluntarily. The job involved considerable frustrations and bureaucratic conflicts and Seebohm was glad to move, in March 1917, to a new appointment on the government’s Reconstruction Committee, which was producing ideas for the post-war world. Here Seebohm returned to land and housing issues and produced a draft report which identified the scale of the post-war housing shortage and the need for emergency subsidies to local authorities to undertake a programme of building. In effect, Seebohm recognised that the New Earswick model would no longer be sufficient in the new post-war world and his draft pointed the way to the 1919 Housing Act and the beginnings of large-scale council housing. However, when the reconstruction committee was wound up in July 1917, Seebohm was not given another major job and he drifted out of central government.

Seebohm was invited to speak to some of the Liberal Summer Schools in the 1920s and the Lloyd George–Rowntree partnership was renewed in 1926–28 when Seebohm sat on the executive committee of the Welshman’s Liberal Industrial Inquiry. This body produced the ‘Yellow Book’, Britain’s Industrial Future (Ernest Benn, 1928), a bold plan to solve unemployment with the aid of a national loan to finance a programme of economic development. These ideas fitted in well with Seebohm’s preference for industrial efficiency rather than wage cuts, but the plan was not his initiative. It was very much the brainchild of economists like Keynes, though Seebohm’s handiwork can possibly be seen in some of the report’s sections, such as those on ‘Business Efficiency’ and ‘The Status of the Worker’. It was probably Seebohm, though, who suggested that the main ideas in the plan should be published as a sixpenny pamphlet, entitled We Can Conquer Unemployment, in time for the 1929 election. Lloyd George selected Seebohm as one of his team of advisers to meet representatives of...
Ramsay MacDonald’s minority Labour government in 1930–31 to try, without success, to press the report’s ideas on them. But the collapse of MacDonald’s government in August 1931 ended this brief taste of high politics for Seebohm – though he emerged from 1931 as a Companion of Honour, the only state honour he ever accepted.

His partnership with Lloyd George finally foundered in 1934 when Seebohm collaborated with Viscount Astor on a new report on British agriculture which concluded it could not play any significant role in reducing unemployment. This was not what Lloyd George wanted to hear and the two men were never close again. Seebohm’s only important reappearance in central government was when he was consulted by Beveridge in 1942 over his report on the post-war welfare state, but, once again, he was not a major influence on the final conclusions of the famous report. Seebohm remained a Liberal, though, and continued to contribute to Liberal policy discussions down to his death on 7 October 1934, ironically in a wing of Israeili’s old house at Hughenden near High Wycombe, to which he had retired.

**Liberals and reformers**

The obvious thing that impresses about the careers of Joseph and Seebohm Rowntree is their unique many-sidedness. There was nobody else quite like them. But their lives are also an interesting example of how progressive Liberal thought evolved without any sharp breaks in the first half of the twentieth century. Rather than Joseph’s enthusiasm for temperance being at odds with Seebohm’s interest in tackling poverty, the latter grew out of the former. Joseph’s hostility to landownership proved the foundation of Seebohm’s contribution to the great scheme of social reform embodied in Lloyd George’s abortive land campaign of 1913–14. Joseph’s paternal interest in his employees gradually became transformed into Seebohm’s theorising about labour relations and industrial efficiency. The Rowntrees exhibited the same evolution of moral reform into social reform, and then an attempt to resuscitate the economy, that characterised Liberalism’s changing priorities from the 1890s through to the 1920s. But they also represented a time when it was not unusual for a businessman to be interested in far more than his business. Ironically, their enthusiasm for the collection and analysis of statistics helped to usher in a time when social investigation would be professionalised and impossible to combine with running a major industrial enterprise. But Joseph’s foresight in investing his wealth in the trusts that bear his name has meant that the word Rowntree has continued to be closely associated with both Liberalism and research into social policy.

**Their lives are an interesting example of how progressive Liberal thought evolved without any sharp breaks in the first half of the twentieth century.**

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5. Vernon, Quaker Business Man, pp. 89–6, 130–42.


13. The Joseph Rowntree Social Service Trust was renamed the Joseph Rowntree Reform Trust in 1999.


15. The Village Trust was transformed into the Joseph Rowntree Memorial Trust in 1959 and became the Joseph Rowntree Foundation for research into housing, employment and social policy in 1990. Vernon, Quaker Business Man, pp. 145–50 for a summary of New Earswick’s first fifty years.


