

Abstract

This paper assesses various issues concerning the operation of the English Old Poor from 1600 to 1834 that are presented as facilitating economic growth. It identifies those factors contributing to the efficacy of welfare provisioning by reference to problems that are frequently identified in the operation of such systems: the free-rider problem, risk covariance, adverse selection and information elicitation. The entitlement to relief through an individual's possession of a legal settlement in a parish thereby guaranteeing poor relief is seen as a key factor enabling risk-reduced labour migration and especially migration from the rural to urban sector, as well as minimisation of the free-rider problem as far as taxpayer willingness to furnish welfare funds were concerned. The extent to which welfare was generated in the agrarian sector and provided in the households of rural communities, and the minimal use of town-based 'indoor institutions' for welfare delivery, are seen as key factors supporting rural household economies. These factors limited refugee flows from country to town, with positive epidemiological advantages, and enabled, by pre-industrial standards, modest levels of infant and child mortality, which also made it possible for fertility change to be the major force driving demographic change.

Keywords:

Adverse selection, Citizenship, Collective action theory, Economic growth, Entitlements, Free-rider, Infant mortality, Infectious disease, Information elicitation, Malthus, Path dependency, Poor relief, Refugee, Risk covariance, Rural, Social security, Urban migration

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